

Alm. Brand Bank A/S – Annual Report 2012

Highlights

- The bank reported a loss of DKK 39 million before losses and write-downs, which was not satisfactory, although DKK 11 million better than the most recent guidance.
- Total impairment writedowns on loans, including credit-related value adjustments, amounted to DKK 480 million, weighed down in particular by mortgage deeds and agricultural exposures.
- The performance was a loss of DKK 519 million before tax.
- At 31 December 2012, the bank had excess liquidity of DKK 4.1 billion, corresponding to an excess cover of 256% relative to the statutory requirement.
- Alm. Brand A/S today injected DKK 700 million into Alm. Brand Bank A/S as equity. The capital injection was made to ensure that the bank has adequate capital excess coverage and will be used to repay DKK 430 million or about half of the state-funded hybrid core capital. The partial repayment will entail a substantial reduction of the bank's future funding costs.

Other highlights

- The bank's net interest income fell to DKK 268 million in 2012 from DKK 361 million in 2011. The decline was attributable to a combination of lower interest income from lending and a general increase in funding costs.
- Impairment writedowns on loans totalled DKK 309 million, and credit-related value adjustments amounted to DKK 171 million. Accordingly, total losses and writedowns amounted to DKK 480 million in 2012.
- Value adjustments, excluding credit-related value adjustments, amounted to a gain of DKK 37 million.
- The bank's staff costs and administrative expenses totalled DKK 441 million in 2012, against DKK 458 million in 2011.
- At 31 December 2012, the bank's total capital base stood at DKK 1.9 billion, and the solvency ratio was 19.4.
- The bank's individual solvency need was calculated at 15.7%.

Contact

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