

THIRD QUARTER

Alm Brand

2014

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Company information

BOARD OF DIRECTORS

Jørgen H. Mikkelsen, Chairman
 Boris N. Kjeldsen, Deputy Chairman
 Ebbe Castella
 Henrik Christensen
 Per V. H. Frandsen
 Karen Sofie Hansen-Hoeck
 Arne Nielsen
 Jan Skytte Pedersen
 Lars Christiansen
 Brian Egested
 Helle L. Frederiksen
 Susanne Larsen

EXECUTIVE BOARD

Søren Boe Mortensen, Chief Executive Officer

AUDITORS

Deloitte, Statsautoriseret Revisionspartnerselskab

INTERNAL AUDITOR

Poul-Erik Winther, Chief Auditor

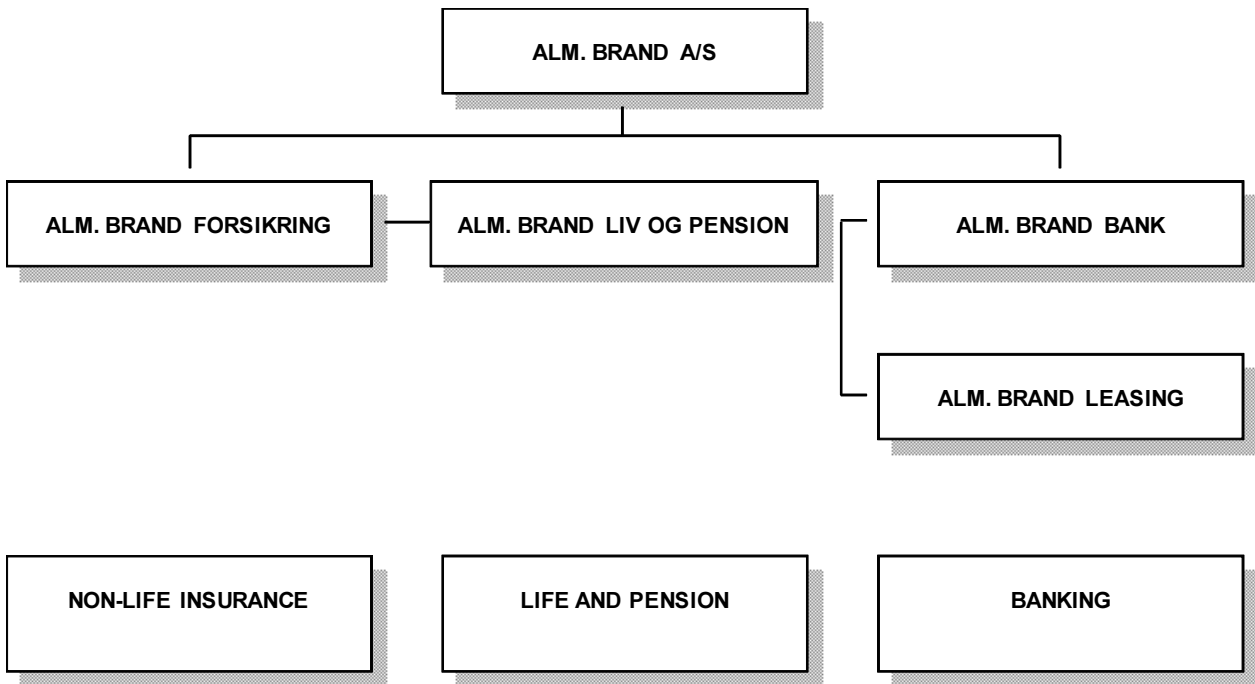
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GROUP STRUCTURE



Companies with negligible or discontinued activities are not included

Alm. Brand is a listed Danish financial services group focusing on the Danish market. The group carries on non-life insurance, life insurance and pension activities as well as banking activities and generates annual consolidated revenue of DKK 7 billion yearly.

Alm. Brand's vision "We take care of our customers" is the guiding principle for the experience customers should have when they interact with Alm. Brand.

The group's insurance and pension products cover private lines, agriculture as well as small and medium-sized businesses. The bank focuses primarily on the private customer market as well as on asset management and markets activities.

Alm. Brand is Denmark's fourth largest provider of non-life insurance products. The group's life insurance, pension and banking activities complement the services we provide to our non-life insurance customers.

This is a translation of the Danish third quarter report 2014. In case of any discrepancies the Danish version prevails.

Financial highlights and key ratios

DKKmn	Q3 2014	Q3 2013	Q1-Q3 2014	Q1-Q3 2013	Year 2013
Income					
Non-life Insurance	1,277	1,281	3,782	3,764	5,031
Life and Pension	211	190	879	655	928
Banking	141	173	454	533	708
Investments	149	158	534	505	653
Total income	1,778	1,802	5,649	5,457	7,320
Profit excluding minorities					
Non-life Insurance	105	266	449	638	763
Life and Pension	20	22	70	71	86
Banking	-46	-103	-162	-365	-469
Other activities	-10	-11	-39	-34	-25
Profit before tax	69	174	318	310	355
Tax	-14	-45	-75	-137	-159
Profit after tax	55	129	243	173	196
Profit, Group					
Profit before tax, Group	70	186	326	321	375
Tax	-15	-45	-75	-137	-159
Profit after tax, Group	55	141	251	184	216
Provisions for insurance contracts	19,718	18,609	19,718	18,609	18,627
Shareholders' equity	4,756	4,658	4,756	4,658	4,685
Of which minority interests	0	145	0	145	153
Total assets	38,818	39,291	38,818	39,291	39,580
Return on equity before tax excluding minorities p.a.	6%	16%	9%	9%	8%
Return on equity after tax excluding minorities p.a.	5%	12%	7%	5%	4%
Earnings per Share	0.3	0.8	1.4	1.0	1.1
Diluted Earnings per Share	0.3	0.8	1.4	1.0	1.1
Net assets value per Share	28	26	28	26	27
Share price end of period	33.8	19.6	33.8	19.6	24.1
Share price/Net asset value	1.21	0.74	1.21	0.74	0.91
Number of shares end of period ('000)	169,873	171,224	169,873	171,224	170,655
Average number of shares ('000)	169,979	171,270	170,322	171,797	171,587

The Alm. Brand Group

Q3 performance

The Alm. Brand Group achieved a pre-tax profit excluding minority interests of DKK 69 million in Q3, compared with a profit of DKK 174 million in 2013.

The performance equalled a return on equity of 6% p.a. before tax, which was not satisfactory.

Although the performance of Non-life Insurance was affected by expenses for cloudburst claims, the technical result was better than expected due to low expenses for major claims. On the other hand, the lower level of interest rates drove the investment result below the expected level. As a result, the overall performance of Non-life Insurance in the third quarter was not entirely satisfactory.

Life and pension activities continued to deliver a satisfactory performance.

The bank's forward-looking activities produced a satisfactory profit before losses and writedowns. The performance was better than expected, being lifted by one-off effects related primarily to the liquidation of Alm. Brand Formue A/S.

The performance of the bank's discontinued activities was on a par with the second quarter and slightly better than expected.

Non-life Insurance

The performance of the group's non-life insurance activities was supported by a strong claims performance in spite of high weather-related expenses. The performance was adversely impacted by falling interest rates which produced a loss on investment activities. The combined ratio for the third quarter was 89.9.

The claims experience was affected by high weather-related claims related to a large cloudburst in Copenhagen in August and a number of small cloudbursts in the rest of Denmark. Conversely, low expenses for major claims, run-off gains on prior-year claims and lower costs had a positive effect on the performance.

The intensifying competition is feeding through to premium growth, and premium income on motor insurances in particular has declined. Premiums were down 0.3% year on year.

Life and Pension

The group's life insurance activities performed in line with expectations in the third quarter.

Premium income was lifted by the continuing trend of customers pooling their pension savings with Alm. Brand. Single payments rose by almost 35% year on year. Regular premium payments, on the other hand, continued to be affected by the tax reform, declining by almost 3%.

The return on policyholders' funds was satisfactory, and the collective bonus potential remains at a high and very satisfactory level. As a result, the rate on policyholders' savings offered in 2015 will continue to be one of the absolute highest rates in Denmark.

Banking

The bank's forward-looking activities reported a profit of DKK 31 million before tax. Impairment writedowns are showing a favourable trend, ending the third quarter at a slightly lower level than the two first quarters of the year. The performance was further lifted by a DKK 17 million adjustment for accounting purposes in connection with the liquidation of Alm. Brand Formue. The bank continues to see an inflow of new customers, and the bank's lending to private customers rose in the third quarter.

The bank's winding-up activities produced a loss of DKK 77 million, of which losses and writedowns accounted for DKK 56 million. The performance was better than expected, among other things due to the lower level of impairment writedowns.

Other business activities

Other business activities, consisting primarily of corporate expenses, performed in line with expectations at a pre-tax expense of DKK 10 million, which was unchanged from the year-earlier period.

Q1-Q3 performance

The group reported a consolidated pre-tax profit excluding minority interests of DKK 318 million in the first nine months of 2014, against DKK 310 million in 2013. The performance equalled a return on equity of 9% p.a. before tax.

The forward-looking activities generated a profit of DKK 555 million, against a profit of DKK 605 million last year, while the result of the winding-

up activities improved by DKK 58 million to a loss of DKK 237 million.

Non-life Insurance, Life and Pension and the bank's forward-looking activities all produced satisfactory results for the year to date. Non-life Insurance reported a profit of DKK 449 million and a combined ratio of 87.2. Life and Pension generated a profit of DKK 70 million, and the bank's forward-looking activities reported a profit of DKK 75 million.

The bank's winding-up activities reported a loss of DKK 237 million for the year to date, against DKK 295 million in 2013, which was not satisfactory.

Group

The group had an average of 1,582 employees in the first nine months of 2014, compared with 1,578 in the same period of 2013.

The group's consolidated revenue was DKK 5.7 billion in the first nine months of 2014.

Earnings per share amounted to DKK 1.4, and the net asset value per share was DKK 28 at 30 September 2014 for a price/NAV ratio of 1.21.

Consolidated equity was DKK 4.8 billion at 30 September 2014, which was DKK 0.1 billion more than at 31 December 2013.

Capitalisation

The group's total capital was DKK 4,752 million at 30 September 2014, corresponding to an excess cover of DKK 1,808 million relative to the statutory capital requirement for the group.

The group's internal capital target was DKK 4,672 million, and the excess relative to the target was DKK 80 million.

DKKm	
Capital base of the group	4,752
Statutory capital requirement for the group	2,944
Excess relative to statutory capital requirement	1,808
Internal capital target of the group	4,672
Excess relative to internal capital target	80

Major events

Events in the third quarter

Inspection by the Danish FSA

In the period from May to June 2014, the Danish FSA carried out an inspection of Alm. Brand Bank. The bank has noted that the Danish FSA agrees with the bank's impairment writedowns and with

the bank's calculation of its individual solvency need. The bank received a few risk comments and orders. All of the latter have been complied with. The report is available at <http://www.almbrand.dk/Finanstilsynet>

Events after the balance sheet date

Sale of mortgage deeds from Alm. Brand Bank A/S to Alm. Brand Forsikring A/S

On 20 November 2014, Alm. Brand Forsikring A/S entered into an agreement to purchase non-delinquent mortgage deeds from the bank for an amount of DKK 1.9 billion. This transaction will optimise the overall liquidity and asset composition of the group without increasing the risk involved. It will also substantially reduce the group's funding requirements. At the current interest rate level, the transaction is expected to lift the group's results by DKK 30 million in 2015 and to have a gradually declining positive effect in the following years.

The transaction contains an option agreement to protect Alm. Brand Forsikring against future credit losses. The agreement implies that Alm. Brand Forsikring can return mortgage deeds to the bank if a debtor defaults on his payment obligations. This means that the bank retains the credit risk, whereas Non-life Insurance only assumes the market risk associated with investing in the mortgage deeds.

The parties have concluded a management agreement to the effect that the bank will be responsible for handling the mortgage deeds.

For Non-life Insurance, the transaction means that the investment portfolio is optimised through the sale of low-yielding bonds for an amount of DKK 1.9 billion and the purchase of mortgage deeds with a higher expected return for a similar amount. The greater market risk on the mortgage deeds is offset by the higher return. As a result of the transaction and the current level of interest rates, the investment result of Non-life Insurance is expected to improve by DKK 20 million in 2015.

The agreement will reduce the bank's requirement for funding through fixed-rate deposit agreements by DKK 2.3 billion, which will cause the bank's funding costs to decline. These positive elements are partly offset by the loss of return on the mortgage deeds sold by the bank. At current prices of fixed-rate deposits, the bank's profit will improve by DKK 10 million in 2015, whereas its solvency need related to mortgage deeds will remain unchanged.

The transaction is expected to be completed in December, subject to approval by the Danish FSA.

Outlook

Outlook for 2014

The guidance for profit before tax of the bank's forward-looking activities is lifted by DKK 20 million to DKK 70 million. The guidance for consolidated profit before tax is unchanged at DKK 250-350 million.

The guidance for profit before tax of the group's forward-looking activities is unchanged at DKK 625-675 million.

The guidance for the winding-up activities is unchanged at a loss of DKK 325-375 million.

DDKm	2014
Total expected Profit 2014	250-350
Forward-looking activities	625-675
<i>Non-life</i>	575
<i>Life and Pension</i>	80
<i>Banking</i>	70
<i>Other</i>	-50
Winding-up activities	-325 - -375

The guidance is subject to substantial uncertainty, and the actual performance will depend on economic developments, market conditions in general and other factors.

Outlook for 2015

The consolidated profit for 2015 is expected to be in the range of DKK 200-300 million before tax. The group's forward-looking activities are expected to generate profit of DKK 500-550 million before tax at a combined ratio of 91-92. The winding-up activities are expected to report a loss of DKK 250-300 million before tax.

Disclaimer

The forecast is based on the interest rate and price levels prevailing in mid-November 2014. All other forward-looking statements are based exclusively on the information available when this report was released. This announcement contains forward-looking statements regarding the company's expectations for future financial developments and results and other statements which are not historical facts. Such forward-looking statements are based on various assumptions and expectations which reflect the company's current views and assumptions, but which are inherently subject to significant risks and uncertainties, including matters beyond the company's control. Actual and future results and developments may differ materially from those contained or assumed in such statements. Matters which may affect the future development and results of the group as well as of the individual business areas include changes in economic conditions in the financial markets, legislative changes, changes in the competitive environment, in the reinsurance market and in the property market, unforeseen events, such as extreme weather conditions or terrorist attacks, bad debts, major changes in the claims experience, unexpected outcomes of legal proceedings, etc.

The above-mentioned risk factors are not exhaustive. Investors and others who base their decisions on the information contained in this report should independently consider any uncertainties of significance to their decision.

This interim report has been translated from Danish into English. In the event of any discrepancy between the Danish-language version and the English-language version, the Danish-language version shall prevail.

Report – Non-life Insurance

DKKm	Q3	Q3	Q1-Q3	Q1-Q3	Year
	2014	2013	2014	2013	2013
Gross premiums	1,277	1,281	3,782	3,764	5,031
Investment income on insurance business	1	3	4	8	9
Claims incurred	-956	-780	-2,824	-2,400	-3,769
Underwriting management expenses	-185	-199	-595	-612	-803
Profit from business ceded	-7	-68	120	-192	174
Underwriting profit	130	237	487	568	642
Interest and dividends etc.	49	61	153	183	233
Capital gains/losses	-57	-10	-132	-48	-24
Management expenses relating to investment business	-5	-5	-16	-16	-22
Interest on technical provisions	-12	-17	-43	-49	-66
Profit on investments business after allocation of technical interest	-25	29	-38	70	121
Profit before tax	105	266	449	638	763
Tax	-26	-67	-111	-177	-221
Profit for the year	79	199	338	461	542
Run-off gains/losses	16	6	102	143	207
Technical provisions	7,979	7,351	7,979	7,351	7,553
Insurance assets	404	139	404	139	608
Shareholders' equity	2,272	2,102	2,272	2,102	2,184
Total assets	11,060	10,314	11,060	10,314	10,660
Gross claims ratio	74.9%	60.9%	74.7%	63.8%	74.9%
Net reinsurance ratio	0.6%	5.3%	-3.2%	5.1%	-3.5%
Claims trend	75.5%	66.2%	71.5%	68.9%	71.4%
Gross expense ratio	14.4%	15.5%	15.7%	16.2%	16.0%
Combined ratio	89.9%	81.7%	87.2%	85.1%	87.4%
Operating ratio	89.8%	81.5%	87.1%	84.9%	87.3%
Return on equity before tax p.a.	19%	47%	28%	36%	35%
Return on equity after tax p.a.	14%	35%	21%	26%	25%

Q3 performance

The group's non-life insurance activities generated a pre-tax profit of DKK 105 million in Q3 2014, which was slightly less than expected. The technical result was DKK 130 million, which was slightly better than expected in spite of higher expenses for cloudburst claims, while the investment result after interest on technical provisions was a loss of DKK 24 million, being adversely affected by falling interest rates.

The performance equalled a return on equity of 19% p.a. before tax, which was not entirely satisfactory.

The profit was DKK 160 million lower compared with the same period of last year. The higher number of weather-related claims and a negative investment result were the main performance detractors, while costs, expenses for major claims and run-offs lifted the performance.

The combined ratio was 89.9, against 81.7 in Q3 2013. Copenhagen was hit by a severe cloudburst on 31 August 2014, and the reporting period also saw a number of small cloudbursts in the rest of Denmark. These weather-related claims impacted the combined ratio by 6.9 percentage points.

The combined ratio of the underlying business was 77.2 in Q3 2014, against 74.1 in Q3 2013.

	Q3 2014	Q3 2013	Year 2013	Year 2012
Combined Ratio, underlying business	77.2	74.1	78.8	79.7
Major claims	6.7	7.4	7.2	6.2
Weather-related claims	6.9	0.7	3.7	2.1
Run-off result	-1.2	-0.5	-4.1	-4.9
Reinstatement premiums	0.3	0.0	1.8	0.2
Combined Ratio	89.9	81.7	87.4	83.3

Premiums

Gross premium income amounted to DKK 1,277 million in Q3 2014, down 0.3% on Q3 2013.

The decline was mainly attributable to motor insurance, which reported a 1.5% decline in average premiums due to the sustained high number of small cars sold as well as to intensifying competition on motor insurance.

Growth in the commercial segment was negative at 0.7% relative to Q3 2013. In the private segment, premium income was in line with the year-earlier period. Excluding motor insurance, the private segment grew by 1.5%.

Claims experience

The Q3 claims ratio was 74.9, against 60.9 in Q3 2013. The claims experience (gross claims ratio less net reinsurance ratio) was 75.5, against 66.2 in Q3 2013. Relative to 2013, the claims experience was impacted mainly by weather-related claims and slightly higher average expenses for building claims.

In spite of the unusually severe cloudburst in Copenhagen on 31 August 2014, the claims experience was in line with expectations. Claims expenses attributable to the cloudburst are expected to total DKK 115 million before reinsurance recoveries.

Underlying business

The number of small claims reported has declined by 4% from Q3 2013 to Q3 2014. The largest declines were seen in theft/burglary claims (down 17%) and traffic accident claims (down 4%). However, the average amount per claim has increased, and the overall claims experience thus deteriorated slightly compared with the same period of 2013.

The number of building claims continues to decline, but the average amount per claim increased in the third quarter, driving the claims ratio on building insurances somewhat higher than last year. As described in previous financial reports,

Alm. Brand has implemented premium increases for a number of building insurance customers, but the full effect on the claims ratio will not materialise until in the first half of 2015.

The performance of the private segment improved relative to the same period of last year, and in spite of intensifying competition, the performance of the motor segment remains highly satisfactory.

Major claims and weather-related claims

Expenses for major claims amounted to DKK 86 million in Q3, which was DKK 10 million less than in Q3 2013 and less than expected. The major claims ratio was 6.7.

Expenses for major claims may vary considerably from one quarter to the next. The long-term expectation is for a major claims ratio of about 8%.

Weather-related claims amounted to DKK 153 million in Q3, which was more than expected. In 2013, weather-related claims amounted to DKK 9 million, which was unusually low. After reinsurance recoveries of DKK 65 million, claims net of reinsurance amounted to DKK 88 million, equivalent to a weather-related claims ratio of 6.9.

In terms of intensity, the cloudburst on 31 August resembled the largest cloudburst recorded in Denmark to date, which hit Copenhagen in July 2011, but the claims reported this time were fewer in number and not as expensive. This year's cloudburst is expected to result in a total of about 1,700 claims, compared with 9,000 claims in July 2011. The claims level was lower because the cloudburst did not have as severe an impact on central Copenhagen and also because since 2011 the City of Copenhagen has implemented a number of mitigation initiatives, including grates and outlets in pavements, allowing the water to drain off. Alm. Brand has worked intensively to guide customers on how to prevent damage from cloudbursts. This is done through claims assessors in connection with claims reviews and through information e-mails and a text message warning system. In addition, higher deductibles have been introduced for many customers.

Discounting effect

The level of interest rates was lower in the third quarter of 2014 than in the same period of 2013. As a result, the discounting effect increased the claims ratio by 0.2 of a percentage point relative to Q3 2013.

Run-off result

The net run-off result was a gain of DKK 16 million in Q3 2014, compared with DKK 6 million in Q3 2013. In the third quarter, run-off gains were reported on workers' compensation, personal ac-

cident and building insurance, whereas run-off losses were reported on motor insurance.

Costs

The expense ratio was 14.4 in the third quarter, against 15.5 in the same period of 2013. The expense ratio was affected by timing differences, the normal level being close to 16%.

Net reinsurance ratio

The net reinsurance ratio was 0.6 in Q3 2014, against 5.3 in the year-earlier period. The cloud-burst impacted the net reinsurance ratio by a total of 4.8 percentage points.

Investment return

The return after interest on technical provisions was a loss of DKK 25 million in Q3 2014, against a gain of DKK 29 million in Q3 2013. The investment return before transfer to insurance activities was a loss of DKK 13 million, against a gain of DKK 46 million in the same period of last year.

Throughout the reporting period, the interest-bearing assets had a weighted duration of between two and three years.

Most of the interest rate exposure on assets is aligned with the interest rate exposure on provisions by means of interest rate swaps. However, the risk profile was exposed to rising interest rates during the reporting period, because the assets generally had lower interest rate sensitivity than the liabilities. As a result, the falling level of interest rates in the third quarter of 2014 had an adverse impact on the Q3 results.

At 30 September 2014, the net interest rate risk in the event of a 1 percentage point decline in interest rates equalled a loss of DKK 107 million and a gain of DKK 28 million in the event of a similar interest rate increase.

Non-life Insurance holds a limited number of strategic equities serving to support the business. In addition to these equities, Non-life Insurance increased its equity portfolio by placing approximately 1.5% of its assets in global equities to further diversify the asset composition. The equity exposure remained constant throughout the quarter and did not contribute significantly to the period's investment return. This initiative is expected to strengthen the company's investment result longer term.

Q1-Q3 performance

The group's non-life insurance activities generated profit before tax of DKK 449 million in the first nine months of 2014, as compared with a DKK

638 million profit in the same period of 2013. The lower profit was primarily due to a negative investment return, a higher number of weather-related claims and payments to reestablish reinsurance programmes. However, the underlying business improved, and expenses for major claims were lower.

The performance equalled a return on equity of 28% p.a. before tax, against a return of 36% p.a. in the year-earlier period, which was highly satisfactory.

The technical result was a profit of DKK 487 million, against DKK 568 million in 2013.

Premium income rose by 0.5% on the year-earlier period to DKK 3,782 million.

The combined ratio was 87.2, against 85.1 in 2013. The combined ratio of the underlying business was 78.3, against 79.9 in the same period of 2013.

	Q1-Q3 2014	Q1-Q3 2013	Year 2013	Year 2012
Combined Ratio, underlying business	78.3	79.9	78.8	79.7
Major claims	5.4	7.8	7.2	6.2
Weather-related claims	4.9	1.2	3.7	2.1
Run-off result	-2.7	-3.8	-4.1	-4.9
Reinstatement premiums	1.3	0.0	1.8	0.2
Combined Ratio	87.2	85.1	87.4	83.3

The combined ratio of the underlying business was 1.6 percentage points lower than in the same period of 2013 and was favourably affected by a lower claims frequency and lower costs and adversely affected by higher average claims expenses.

Major claims amounted to DKK 203 million in the first nine months of 2014, against DKK 296 million in the year-earlier period. Compared with last year, major claims improved the combined ratio by 2.4 percentage points.

Weather-related claims came to DKK 250 million before reinsurance recoveries. After reinsurance recoveries, weather-related claims totalled DKK 185 million, against DKK 45 million in 2013. Compared with last year, weather-related claims impaired the combined ratio by 3.7 percentage points.

The run-off result net of reinsurance was DKK 102 million, against DKK 143 million in 2013. Compared with last year, the run-off portfolio impaired the combined ratio by 1.1 percentage points.

The expense ratio was 15.7, against 16.2 in 2013. The investment result after interest on technical provisions was a loss of DKK 38 million in the first nine months of 2014, against a gain of DKK 70 million in the first nine months of 2013. The investment return before transfer to insurance activities was DKK 5 million, against DKK 119 million in the first nine months of 2013.

Capitalisation

With effect from 1 January 2014, Alm. Brand Forsikring stopped using a company-aligned QIS calculation approach and began using an internal model in combination with a standard formula for solvency calculation, as specified in the Danish FSA's executive order on solvency and operating plans of 3 December 2013.

The individual solvency need of Alm. Brand Forsikring was DKK 1,246 million at 30 September 2014, against DKK 1,225 million at 31 December 2013. Calculated according to the Solvency II standardised approach, the solvency need was DKK 1,687 million, against DKK 1,628 million at 31 December 2013.

The total capital calculated in accordance with the executive order on solvency and operating plans for insurance companies was DKK 2,591 million, which means that the company had excess cover relative to the individual solvency need of DKK 1,345 million.

The Solvency I requirement was DKK 807 million, which makes for a solvency ratio of 3.1 relative to the total capital calculated in accordance with the executive order on financial reports presented by insurance companies.

At 30 September 2014, shareholders' equity allocated to Non-life Insurance was DKK 2.3 billion.

Major events

Major events in the third quarter

New agency agreement for commercial insurance

In September, Alm. Brand entered into a comprehensive agreement with a well-reputed Danish insurance agency on the sale of Alm. Brand's products within workers' compensation and transport insurance for small Danish businesses. The agreement is expected to increase Alm. Brand's

premium income by a double-digit million amount over the next two years. The agreement will support the company's strong position in the market for insurance to Danish SMEs.

New home contents insurance

In the third quarter, Alm. Brand revised its household comprehensive insurance and also changed the name of the product to home contents insurance. The name was changed to avoid uncertainty about what the insurance covers, and not least that it covers home contents and not personal injury to members of a household, as well as the fact that it covers both families and small households. At the same time, the product was expanded to include a number of new coverages.

Events after the balance sheet date

Purchase of mortgage deeds from Alm. Brand Bank A/S

On 20 November 2014, Alm. Brand Forsikring A/S entered into an agreement to purchase non-delinquent mortgage deeds from the bank for an amount of DKK 1.9 billion.

The transaction contains an option agreement to protect Alm. Brand Forsikring against future credit losses. The agreement implies that Alm. Brand Forsikring can return mortgage deeds to the bank if a debtor defaults on his payment obligations. This means that the bank retains the credit risk, whereas Non-life Insurance only assumes the market risk associated with investing in the mortgage deeds.

The parties have concluded a management agreement to the effect that the bank will be responsible for handling the mortgage deeds.

For Non-life Insurance, the transaction means that the investment portfolio is optimised through the sale of low-yielding bonds for an amount of DKK 1.9 billion and the purchase of mortgage deeds with a higher expected return for a similar amount. The greater market risk on the mortgage deeds is offset by the higher return. As a result of the transaction and the current level of interest rates, the investment result of Non-life Insurance is expected to improve by DKK 20 million in 2015.

The transaction is expected to be completed in December, subject to approval by the Danish FSA.

Outlook

The guidance for Non-life Insurance is maintained at a profit of DKK 575 million before tax.

The combined ratio is expected to be about 89 and the expense ratio is maintained at the level of 16.

Premium income growth is expected to remain at less than 1%. Premium growth is affected by customer defections resulting from premium increases on building insurances, cancellation by a couple of large commercial customers in the fourth quarter of 2013, lower average premiums on motor insurances and a more competitive market.

Report – Life and Pension

	Q3	Q3	Q1-Q3	Q1-Q3	Year
DKKm	2014	2013	2014	2013	2013
Premiums	211	190	879	655	928
Claims incurred	-249	-354	-863	-1,702	-2,239
Investment return after allocation of interest	187	151	799	120	253
Total underwriting management expenses	-17	-20	-60	-59	-81
Profit on business ceded	2	2	-3	-1	-3
Change in life insurance provisions	-136	172	-510	1,336	1,650
Change in collective bonus potential	25	-102	-157	-131	-240
Government Tax on unallocated funds	-5	-17	-19	-148	-185
Underwriting profit/loss	18	22	66	70	83
Return on investments allocated to equity	2	0	4	1	3
Profit before tax	20	22	70	71	86
Tax	-5	-5	-18	-16	-21
Profit after tax	15	17	52	55	65
Return requirement for shareholders' equity					
Return on investments allocated to equity	2	0	4	1	3
Result of portfolios without bonus entitlement	0	-1	-1	0	0
Interest result	5	2	13	8	11
Expense result	0	1	0	3	3
Risk result	12	20	53	61	70
Transferred to/from the shadow account	0	0	0	-2	-1
Profit before tax *)	19	22	69	71	86
Tax	-4	-5	-17	-16	-21
Profit after tax	15	17	52	55	65
Total technical provisions	11,739	11,258	11,739	11,258	11,074
Shareholders' equity	838	1,000	838	1,000	1,011
Total assets	13,656	13,042	13,656	13,042	12,993
Return on equity before tax p.a.	10%	9%	11%	10%	9%
Return on equity after tax p.a.	7%	7%	8%	8%	7%
Bonus rate	10.7%	7.8%	10.7%	7.8%	9.2%

*) Profit before tax of the parent company Alm. Brand Liv og Pension A/S, which includes post-tax return on investment in the EMD Local Currency investment fund.

Investment return on policyholders funds in Life and Pension Q1-Q3 2014

	Return ratio
Interest-bearing assets	10.1%
Shares	4.4%
Property	2.7%
Total	8.5%

Q3 performance

The group's life insurance activities generated profit before tax of DKK 20 million in Q3 2014, compared with a profit of DKK 22 million in Q3 2013. The slightly lower profit was mainly due to a lower risk result.

The performance was satisfactory and equalled a return on equity of 10% p.a. before tax.

In the third quarter, there were no movements in relation to shadow accounts, which had a total balance of close to DKK 12 million.

Premiums

Payments into guaranteed schemes

Premium income amounted to DKK 211 million in Q3 2014, an increase of 11.5% on Q3 2013 that was driven by growth in single payments of 34.7% to DKK 97 million and a decline in regular premiums of 2.6% to DKK 114 million.

The significant increase in single payments was driven by the fact that Life and Pension is currently offering Denmark's highest rate on policyholders' savings to private customers.

Regular premiums remained adversely affected by the recent tax reform, which abolished the tax deductibility of payments into capital pension schemes.

Payments into market schemes

In addition to payments in Life and Pension, customers have the option of paying into market-based investment schemes, which is a product offered by the bank.

Payments into these investment schemes amounted to DKK 89 million in Q3 2014, marking an increase of 15.9% relative to the year-earlier period.

Total pension payments

Total payments into pension schemes, including investment schemes in the bank, amounted to DKK 301 million in Q3 2014, up 12.8% on Q3 2013.

Benefits paid

The total amount of benefits paid was DKK 249 million in Q3 2014, against DKK 354 million in Q3 2013.

In connection with the tax reform introduced in 2012, capital pension customers were given the option of settling the tax due on their schemes at a rate of 37.3% instead of the standard rate of 40%. This option was subsequently extended to apply in 2014 as well, and the option is expected to be extended even further.

In the third quarter, a total tax amount of DKK 26 million was paid on behalf of customers, against DKK 102 million in the same period of 2013. The taxes paid are recognised as benefits paid.

In addition, a DKK 5 million provision was made in the reporting period for taxes on unallocated provisions. Since this tax will be paid out of customers' unallocated provisions, the amount was expensed under changes in collective bonus potential.

In addition to a decline in extraordinary taxes, the third quarter saw a decline in benefits paid in connection with retirement.

As the portfolio ages, a growing number of policyholders will reach the date of retirement, triggering either lump sum payments or payments for a number of years. As a result, payments triggered by policyholders retiring will generally increase gradually. The decline in the third quarter was due to periodic fluctuations as well as to the fact that a number of customers have chosen to postpone the date of their retirement.

Risk result

Net of reinsurance, the risk result, which expresses the difference between risk premiums and actual claims expenses, was an income of DKK 12 million in Q3 2014, against DKK 20 million in Q3 2013.

Costs

Acquisition and administrative expenses totalled DKK 17 million in Q3 2014, against DKK 20 million in Q3 2013.

Expense result

Net of reinsurance, the expense result, which expresses the difference between expense loading and expenses incurred, was DKK 0 million in Q3 2014, against DKK 1 million in the year-earlier period.

The expense result was satisfactory, given the fact that it was achieved concurrently with the company offering some of the market's lowest rates on private and corporate schemes.

Investment return on policyholders' funds

The return on investment assets belonging to policyholders was DKK 231 million in Q3 2014, against DKK 170 million in the same period of 2013. The Q3 return was favourably affected by declining interest rates, which led to capital gains on bonds and interest hedging arrangements.

The return was calculated before tax on pension returns but after investment costs.

Relative to the benchmark performance, the return on policyholders' investment assets was satisfactory for bonds etc., while the return on equities was less than satisfactory.

Investment assets, which amounted to a total of DKK 12.3 billion at 30 September, are placed in bonds, equities and property.

Bonds etc.

Bonds, including index-linked, credit and EM bonds and fixed-income financial instruments, represent in aggregate 72% of the overall portfolio of policyholders' funds. The return on the portfolio was 2.9% in Q3 2014 (11.6% p.a.).

Equities

Equities make up a total of 15% of the overall portfolio of policyholders' funds. The return was -1.9% in Q3 2014 (-7.6% p.a.).

Property

Property represents in aggregate 13% of the portfolio of policyholders' funds. The return on the portfolio of properties was 0.7% in Q3 2014 (2.8% p.a.). The return on the property portfolio was in line with the budget. The return is related to property operations. Accordingly, no significant value adjustments have been made to the property portfolio in 2014 to date.

Financial instruments

Financial instruments used for the partial hedging of insurance liabilities made a positive contribution to the return due to the lower level of interest rates.

Life insurance provisions

Total life insurance provisions grew by DKK 136

	U74*	Interest rate group				Total
		0	1	2	3	
Technical rate of interest (% p.a.)		0.5-1.5	1.5-2.5	2.5-3.5	3.5-4.5	
Investment assets (DKKbn)	0.1	4.7	1.9	1.2	4.4	12.3
Rate on policyholders' savings (% p.a.)		4.00	4.50	5.00	6.00	
Bonus rate (%)		12.8	19.4	8.7	4.2	10.7
Return (% ytd)		4.7	10.7	6.9	9.1	8.5
Bonds	100%	58%	54%	76%	79%	67%
Equities	0%	25%	21%	8%	3%	15%
Properties	0%	17%	15%	12%	9%	13%
Interest rate derivatives	0%	0%	11%	4%	8%	5%

*Portfolios without bonus entitlement

Q1-Q3 performance

The group's life insurance activities generated profit before tax of DKK 70 million in the first

million to DKK 10.7 billion in the third quarter. The increase was mainly due to the lower discount rate.

Collective bonus potential

In the third quarter, the collective bonus potential fell by DKK 25 million excluding tax provisions to stand at DKK 984 million, corresponding to an average bonus rate of 10.7%. The average bonus rate was down by 0.3 of a percentage point in the third quarter.

New policyholders are placed in interest rate group 0, which had a bonus rate of 12.8% at 30 September 2014. The bonus rate was highly satisfactory, ensuring that Alm. Brand Liv og Pension may continue to offer a very attractive rate on policyholders' savings.

In interest rate group 3, which comprises customers with a high guarantee rate, the bonus rate increased from 2.4% to 4.2% in the first nine months of the year. In the third quarter, the bonus rate was up by 0.3 of a percentage point. The favourable bonus rate trend was highly satisfactory. This group continues to pursue a prudent investment policy with a substantial share of bonds and financial instruments in order to strike a healthy balance between the group's investments and obligations.

The table below shows the current rate on policyholders' savings, bonus rate, return and breakdown of policyholders' investment assets on the four interest rate groups into which the portfolio of policies with bonus entitlement is divided.

nine months of 2014, as compared with a DKK 71 million profit in the same period of 2013.

The performance was satisfactory and equalled a return on equity of 11% p.a. before tax.

In the first nine months, there were no movements in the shadow accounts, which had a total balance of close to DKK 12 million. Total pension contributions increased by 29% to DKK 1,160 million in the first nine months of the year. Growth was driven by an increase in contributions to market-based schemes, which were up 16%, and single payments into guaranteed schemes, which were up 106%. Due to the tax reform, regular premiums on the other hand declined by approximately 1.6% in the year to date to DKK 431 million.

The expense and risk result for the first nine months was satisfactory at DKK 54 million.

Capitalisation

The total capital of Alm. Brand Liv og Pension A/S amounted to DKK 973 million at 30 September 2014, of which DKK 115 million was tier 2 capital.

The company's Solvency I requirement was DKK 462 million. Accordingly, the company had excess liquidity of DKK 512 million, corresponding to an excess of 211% over the solvency requirement. The individual solvency need was calculated at DKK 208 million, against DKK 192 million at 31 December 2013.

Equity allocated to life insurance was DKK 838 million at 30 September 2014.

Major events

Interest rate level

Interest rates dropped to an all-time low in the first nine months of 2014. However, because Life and Pension has maintained its overall investment strategy throughout the financial crisis, the company has been able to improve the bonus rate for all interest rate groups. As a result, the individual solvency requirement remained unchanged throughout the reporting period.

Offering Denmark's highest rate on policyholders' savings in 2015 as well

Alm. Brand Liv og Pension is currently offering the highest rate on policyholders' savings available to private customers in Denmark. In spite of the high rate on policyholders' savings, Alm. Brand remains one of Denmark's financially strongest pension companies. For new pension customers of Alm. Brand Liv og Pension, reserves are as high as 12.8%. This is much higher than what comparable pension companies and the industry in general can offer. The position as one of Denmark's financially strongest pension companies makes it possible for Alm. Brand to announce its rate on policyholders' savings for 2015 already now. Offering new customers an attractive rate on policyholders' savings of 4% is a means to ensuring significant growth in premium payments.

Outlook

The guidance for a full-year profit of DKK 80 million before tax is maintained.

The company expects to be able to book risk allowance for all contribution groups in 2014. However, the results of the interest rate groups will depend entirely on developments in the financial markets.

Report – Banking

DKKmn	GROUP				
	Q3 2014	Q3 2013	Q1-Q3 2014	Q1-Q3 2013	Year 2013
FORWARD-LOOKING ACTIVITIES:					
Net interest and fee income, Private	45	44	136	135	179
Trading income (excl. value adjustments)	47	59	160	162	240
Other income	35	25	95	61	89
Total income	127	128	391	358	508
Expenses	-86	-83	-258	-265	-368
Amortisation	-24	-14	-61	-35	-52
Core earnings	17	31	72	58	88
Value adjustments	0	-9	7	-30	-33
Profit/loss from investments	17	-1	17	-3	-2
Alm. Brand Formue (the bank's ownership interest)	0	-7	-4	-21	-25
Profit/loss before impairment writedowns	34	14	92	4	28
Writedowns	-3	-18	-17	-74	-118
Profit/loss before tax, forward-looking activities	31	-4	75	-70	-90
<i>Of which discontinued activities</i>	<i>18</i>	<i>-3</i>	<i>17</i>	<i>-6</i>	<i>-6</i>
WINDING-UP ACTIVITIES:					
Loss before impairment writedowns	-21	-24	-58	-93	-123
Writedowns	-56	-75	-179	-202	-256
Loss before tax, winding-up activities	-77	-99	-237	-295	-379
Total loss before tax and minority interests	-46	-103	-162	-365	-469
Tax	15	25	45	50	77
Loss for the period before minority interests	-31	-78	-117	-315	-392
Share attributable to minority interests	0	15	11	14	26
Consolidated loss for the period	-31	-63	-106	-301	-366
Loans and advances, forward-looking activities	2,496	2,465	2,496	2,465	2,568
Loans and advances, winding-up activities	4,264	5,067	4,264	5,067	4,772
Deposits	10,594	10,825	10,594	10,825	10,936
Shareholders' equity	1,786	1,761	1,786	1,761	1,696
Share attributable to minority interests	0	182	0	182	193
Balance	14,355	16,418	14,355	16,418	16,296
Average no. of employees (full-time equivalents)	255	262	255	262	263
Interest margin	1.7%	1.7%	1.6%	1.6%	1.6%
Income/cost ratio	0.61	0.50	0.63	0.33	0.38
Impairment ratio	0.3	0.6	1.1	1.4	2.1
Solvency ratio	18.6	19.1	18.6	19.1	18.4
Return on equity before tax	-10%	-29%	-13%	-43%	-34%
Return on equity after tax	-7%	-22%	-9%	-37%	-28%

Q3 performance

The bank incurred a loss before tax and excluding minority interests of DKK 46 million in Q3, against a loss of DKK 53 million in Q2. The performance was better than expected, but not satisfactory.

The loss was composed of a profit of DKK 31 million on forward-looking activities and a loss of DKK 77 million on winding-up activities.

The bank's total impairment writedowns fell to DKK 59 million in Q3, against DKK 67 million in Q2. Of the Q3 impairment writedowns, DKK 56 million was attributable to winding-up activities.

The interest margin for the banking group was 1.7% in Q3, which was 0.1 of a percentage point higher than in Q2.

Forward-looking activities

The bank's forward-looking activities produced a pre-tax profit of DKK 31 million in Q3, up DKK 9 million on Q2.

The performance was satisfactory and better than expected. The performance was lifted by a DKK 17 million adjustment for accounting purposes in connection with the liquidation of Alm. Brand Formue.

Core earnings were a profit of DKK 17 million in Q3, which was DKK 15 million less than in Q2. The level of core earnings was in line with expectations, and reasons for the decline were favourable effects of activities of a non-recurring nature in the second quarter and the low trading activity in Financial Markets in July and August.

Income

The bank's income from forward-looking activities amounted to DKK 127 million in Q3, against DKK 138 million in Q2.

Net interest and fee income from the bank's private customers was DKK 45 million in Q3, down DKK 3 million from Q2. The decline was in line with expectations and driven by lower fee income.

Trading income excluding value adjustments was DKK 47 million in Q3, against DKK 59 million in Q2. The decline in trading income was mainly due to lower trading activity in July and August.

Other income relates primarily to leasing activities, which have seen an increase in business volume. Other income amounted to DKK 35 million in Q3, up DKK 4 million on Q2.

Costs

Costs amounted to DKK 86 million in Q3, which was unchanged from both Q1 and Q2.

Value adjustments

Total value adjustments amounted to DKK 0 million in Q3, against a loss of DKK 2 million in Q2.

Interest-related value adjustments amounted to a loss of DKK 7 million in Q3, against a loss of DKK 8 million in Q2. The bank's bond portfolio produced a return of 1.8% p.a. in Q3, compared with 1.9% p.a. in Q2. The bond return was highly satisfactory in light of the general market performance.

Equity-related value adjustments produced a gain of DKK 3 million in Q3, against a gain of DKK 2 million in Q2.

Currency-related value adjustments produced a gain of DKK 4 million in Q3, which was unchanged from Q2.

Impairment writedowns

Impairment writedowns on the bank's forward-looking activities amounted to an expense of DKK 3 million in Q3, which was DKK 4 million less than in Q2.

Business activities

Private

The bank incurred a pre-tax loss of DKK 8 million in Q3, marking a DKK 2 million improvement relative to Q2. The improvement was driven by lower impairment writedowns.

PRIVATE DKKm	Q3 2014	Q2 2014
Income	44	48
Expenses	-48	-51
Profit/loss before impairment writedowns	-4	-3
Impairment writedowns	-4	-7
Profit/loss before tax	-8	-10

The inflow of new full-service customers continues, and more existing customers are pooling their business with the bank.

In the third quarter, the bank saw an increase in demand for lending from private customers. Total loans and advances to private customers increased by DKK 77 million in the third quarter to a total of DKK 2.4 billion at 30 September 2014. The increase was composed of a gross increase in lending and a decline in existing customers' loan repayments.

The portfolio of Totalkredit loans for which the bank acted as intermediary continues to see significant growth. In the third quarter, the portfolio

increased by almost DKK 300 million, or more than 6%. At 30 September 2014, the portfolio totalled DKK 4.8 billion.

Earnings per household continue to grow, consolidating the trend from recent quarters. For the year to date, earnings per household have increased by more than 7%.

Impairment writedowns amounted to an expense of DKK 4 million in the third quarter, equivalent to less than 0.2% of the average portfolio.

Leasing

The bank incurred a pre-tax loss of DKK 2 million in Q3, down from a profit of DKK 2 million in Q2. The Q3 performance was favourably affected by non-recurring service income but adversely affected by the cost of a new IT system expensed in the third quarter. Adjusted for these extraordinary items, the Q3 performance was a break-even result.

LEASING DKK€m	Q3 2014	Q2 2014
Income	36	31
Expenses	-14	-9
Depreciation and amortisation	-24	-20
Profit/loss before tax	-2	2

The leasing portfolio continued to develop favourably, with total assets amounting to DKK 432 million, against DKK 247 million in the same period of 2013.

Financial Markets

The Financial Markets division generated pre-tax profit of DKK 8 million in Q3, against DKK 18 million in Q2. As anticipated, the division was impacted by lower trading activity in July and August, which explains the drop in income to DKK 30 million from DKK 41 million in Q2.

FINANCIAL MARKETS DKK€m	Q3 2014	Q2 2014
Income	30	41
Expenses	-23	-24
Core earnings	7	17
Value adjustments	0	1
Profit/loss before impairment writedowns	7	18
Impairment writedowns	1	0
Profit/loss before tax	8	18

Other

Other activities generated a pre-tax profit of DKK 33 million in Q3, against a profit of DKK 12 million in Q2.

Core earnings amounted to DKK 16 million in Q3, which was on a par with Q2.

OTHER DKK€m	Q3 2014	Q2 2014
Income	17	18
Expenses	-1	-2
Core earnings	16	16
Value adjustments	0	-3
Profit/loss from investments	17	0
Alm. Brand Formue (the bank's ownership interest)	0	-1
Profit/loss before tax	33	12

Winding-up activities

The bank's winding-up activities are primarily composed of agricultural, commercial and mortgage deed exposures.

The winding-up activities reported a loss of DKK 77 million in Q3, against a loss of DKK 75 million in Q2. The performance was better than expected, among other things due to the lower level of impairment writedowns.

Impairment writedowns were DKK 56 million in Q3, against DKK 60 million in Q2.

Total loans and advances in the winding-up portfolio declined by DKK 150 million to DKK 4,264 million in Q3 2014, representing 63% of the bank's overall lending portfolio. Adjusted for losses and writedowns, loans and advances were reduced by DKK 94 million, which was in line with the expected level.

Agriculture

The agricultural portfolio amounted to DKK 768 million at 30 September 2014, corresponding to 11% of the bank's total loans and advances. Excluding impairment writedowns, the portfolio contracted by DKK 3 million in the third quarter.

Impairment writedowns amounted to DKK 15 million in Q3, which was on a par with Q1 and Q2. Falling milk and pork prices had an adverse effect on impairment writedowns.

Commercial

The portfolio consists mainly of lending to finance investment properties, lending to businesses and property development projects.

The portfolio amounted to DKK 1,200 million at 30 September 2014, corresponding to 18% of the bank's total lending. Excluding impairment writedowns, the portfolio declined by DKK 52 million in the third quarter. Impairment writedowns amounted to DKK 10 million in Q3 2014.

Mortgage deeds

This segment comprises the bank's portfolio of private and commercial mortgage deeds. The mortgage deed portfolio amounted to DKK 2,296 million at 30 September 2014, a decline of DKK 70 million in the third quarter. Adjusted for credit-related writedowns, the portfolio declined by DKK 39 million.

Mortgage deeds run off naturally as a result of regular payments and redemptions. In Q3 2014, the natural run-off on the mortgage deed portfolio was approximately 9% p.a.

Credit-related writedowns amounted to DKK 31 million in Q3, down by just over DKK 10 million on Q2.

Private mortgage deeds

Private mortgage deeds amounted to DKK 1,721 million, comprising the bank's portfolio of mortgage deeds secured primarily against single-family

homes, commonhold flats and holiday homes. The properties are located throughout Denmark.

Credit-related writedowns of private mortgage deeds amounted to DKK 10 million in Q3 2014.

Commercial mortgage deeds

Commercial mortgage deeds amounted to DKK 575 million and comprise mortgage deeds secured against residential rental property, commercial property for office, trade and industrial use as well as land and mixed residential/commercial property.

Credit-related writedowns of commercial mortgage deeds amounted to DKK 21 million in Q3 2014. The quarter was adversely affected by a few large exposures for which updated property values resulted in higher impairment writedowns.

DKKm	Loans			Total losses and writedowns					Loss ratio % ^{a)}
	31.12.2013	30.09.2014	Share of portfolio (%)	Year 2013	Q1 2014	Q2 2014	Q3 2014	Q1-Q3 2014	
Agriculture	820	768	11.4%	101	11	18	15	44	5.5%
Commercial	1,455	1,200	17.8%	-23	25	0	10	35	2.6%
Mortgage deeds	2,497	2,296	34.0%	177	27	42	31	100	4.2%
Shares ^{b)}	-	-	-	1	-	-	-	-	-
Winding-up activities	4,772	4,264	63.2%	256	63	60	56	179	4.0%

a) Losses and writedowns as a percentage of the average portfolio in Q1-Q3 2014. The percentage is not comparable with the impairment in the bank's financial highlights and key ratios.

b) Shareholding taken over in connection with the winding up of a former credit exposure. Value adjustment of the shareholding is recognised under value adjustments.

Q1-Q3 performance

The bank incurred a loss before tax and excluding minority interests of DKK 162 million in the first nine months of 2014, against a loss of DKK 365 million in the year-earlier period. The performance was better than expected, but not satisfactory.

The loss was composed of a profit of DKK 75 million on forward-looking activities and a loss of DKK 237 million on winding-up activities. Compared with the same period of last year, the forward-looking activities improved by DKK 145 million and winding-up activities improved by DKK 58 million.

The bank's total impairment writedowns amounted to DKK 196 million, against DKK 276 million in the same period of 2013. Of the impairment writedowns taken in 2014, DKK 17 million was related to forward-looking activities and DKK 179 million to winding-up activities.

The interest margin for the banking group was 1.6% in the first nine months of 2014, which was unchanged relative to the same period of 2013.

Balance sheet

Loans and advances

The bank's loans and advances totalled DKK 6,760 million at 30 September 2014, against DKK 7,340 million at 31 December 2013, corresponding to a decline of DKK 580 million.

Excluding intra-group lending and writedowns, loans and advances in the first nine months of the year increased by DKK 58 million for the forward-looking activities and declined by DKK 329 million for the winding-up activities.

Deposits

The bank had deposits of DKK 10.6 billion at 30 September 2014, against DKK 10.9 billion at 31 December 2013. Deposits increased slightly in the third quarter due to an inflow of floating-rate deposits.

There is still a shift in deposits from high-interest fixed-rate deposits to lower-interest floating-rate deposits. A further reduction of the volume of fixed-rate deposits is part of the bank's strategy.

Liquidity

At 30 September 2014, the bank had cash funds of DKK 4.1 billion and excess liquidity of DKK 2.7 billion, equivalent to an excess cover of 184% relative to the statutory requirement.

The liquidity excess in Q3 2014 was unchanged from Q2 2014. It is the bank's objective to reduce the excess cover.

Capitalisation

The bank's equity stood at DKK 1.8 billion at 30 September 2014. The total capital amounted to DKK 1.8 billion, and the total risk exposure was DKK 8.5 billion at 30 September 2014.

This made for a solvency ratio of 20.7 and a tier 1 capital ratio also of 20.7. The bank's adequate total capital was calculated at 14.5%, which means that the solvency ratio exceeded the adequate total capital by 6.2 percentage points.

The banking group's equity stood at DKK 1.8 billion at 30 September 2014. The total capital amounted to DKK 1.6 billion, and the total risk exposure was DKK 8.6 billion at 30 September 2014.

Accordingly, the banking group had a solvency ratio of 18.6, and a tier 1 capital ratio of 18.6. The

banking group's adequate total capital was calculated at 14.3%, which means that the solvency ratio exceeded the adequate total capital by 4.3 percentage points.

Capital reservation for credit risk

The banking group's total capital reservation for credit risk amounted to DKK 3,093 million at 30 September 2014, against DKK 3,149 million at 31 December 2013.

The capital reservation equalled 35% of gross loans and advances and residual debt on mortgage deeds at 30 September 2014, which was an increase of 2 percentage points relative to 31 December 2013.

The capital reservation on the forward-looking portfolio accounted for 19% of gross loans and advances, and the capital reservation on the winding-up portfolio represented 42% of gross loans and advances and residual debt on mortgage deeds.

Of the banking group's total capital reservation at 30 September 2014, accumulated writedowns amounted to DKK 1,497 million, compared with DKK 1,454 million at 31 December 2013. Accumulated writedowns broke down as follows at 30 September 2014: DKK 264 million on the forward-looking portfolio and DKK 1,233 million on the winding-up portfolio. To this should be added value adjustments of mortgage deeds of DKK 610 million.

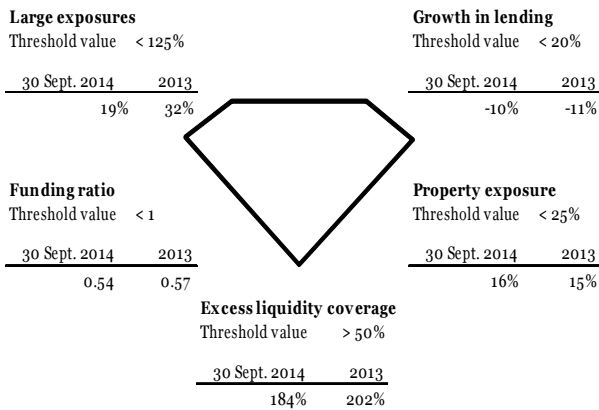
CAPITAL RESERVATION FOR CREDIT RISK DKKm	30.09.2014						31.12.2013	
	Gross lending/ outstanding debt	Balance	Difference ^{a)}	Required capital	Total Reservation	Reservation/ gross lending	Total Reservation	Reservation/ gross lending
Forward-looking portfolio	2,735	2,471	264	263	527	19%	500	18%
Winding-up portfolio	6,107	4,264	1,843	715	2,558	42%	2,625	39%
Total - excl. reverse transactions	8,842	6,735	2,107	978	3,085	35%	3,125	33%
Reverse transactions including intercompany transactions	25	25	-	8	8	32%	24	18%
Total group	8,867	6,760	2,107	986	3,093	35%	3,149	33%

a) Accumulated writedowns and value adjustments of mortgage deeds

Supervisory diamond

At 30 September 2014, the bank was in compliance with all five threshold values of the Danish FSA's supervisory diamond as shown in the figure below.

The changes to the bank's supervisory diamond values are in line with expectations.



Major events

Major events in the third quarter

Alm. Brand Formue

The liquidation of the subsidiary Alm. Brand Formue has been completed, and liquidation proceeds were distributed to the company's shareholders on 12 September 2014.

Inspection by the Danish FSA

In the period from May to June 2014, the Danish FSA carried out an inspection of Alm. Brand Bank. The bank has noted that the Danish FSA agrees with the bank's impairment writedowns and with the bank's calculation of its individual solvency need. The bank received a few risk comments and orders. All of the latter have been complied with. The report is available at <http://www.almbrand.dk/Finanstilsynet>

Events after the balance sheet date

Sale of mortgage deeds to Alm. Brand Forsikring A/S

On 20 November 2014, Alm. Brand Bank A/S entered into an agreement to sell non-delinquent mortgage deeds to Alm. Brand Forsikring A/S for an amount of DKK 1.9 billion. The transaction will significantly reduce the bank's funding requirements.

The transaction contains an option agreement to protect Alm. Brand Forsikring against future credit losses. The agreement implies that Alm. Brand

Forsikring can return mortgage deeds to the bank if a debtor defaults on his payment obligations. This means that the bank retains the credit risk, whereas Non-life Insurance only assumes the market risk associated with investing in the mortgage deeds.

The parties have concluded a management agreement to the effect that the bank will be responsible for handling the mortgage deeds.

The agreement will reduce the bank's requirement for funding through fixed-rate deposit agreements by DKK 2.3 billion, which will cause the bank's funding costs to decline. These positive elements are partly offset by the loss of return on the mortgage deeds sold by the bank. At current prices of fixed-rate deposits, the bank's profit will improve by DKK 10 million in 2015, and the positive effect will gradually decline in the following years. The bank's solvency need in relation to the mortgage deeds will be unchanged.

The transaction is expected to be completed in December, subject to approval by the Danish FSA.

Outlook

The full-year guidance for the forward-looking activities is upgraded by DKK 20 million to a pre-tax profit of about DKK 70 million after impairment writedowns, which are still expected to be at the level of DKK 35 million.

The winding-up activities are expected to report a loss of DKK 325-375 million. The guidance for the reduction of the bank's winding-up portfolio excluding the sale of mortgage deeds and excluding losses and writedowns is unchanged at DKK 0.5 billion.

The guidance is subject to substantial uncertainty, and the actual performance will depend on economic developments, market conditions in general and other factors.

Statement by the Management Board and the Board of Directors

The Board of Directors and the Management Board have today considered and adopted the interim report of Alm. Brand A/S for the nine months ended 30 September 2014.

The consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU, and the interim financial statements of the parent company have been prepared in accordance with the Danish Financial Business Act. In addition, the interim report has been presented in accordance with additional Danish disclosure requirements for listed financial enterprises.

In our opinion, the accounting policies applied are appropriate, and the interim report gives a true and fair view of the group's and the parent company's assets, liabilities and financial position at 30 September 2014 and of the results of the group's and the parent company's operations and the group's cash flows for the nine months ended 30 September 2014.

The Management's review also gives a true and fair view of developments in the activities and financial position of the group and a true and fair description of significant risk and uncertainty factors that may affect the group.

MANAGEMENT BOARD

Copenhagen, 20 November 2014

Søren Boe Mortensen
Chief Executive Officer

BOARD OF DIRECTORS

Copenhagen, 20 November 2014

Jørgen H. Mikkelsen
Chairman

Boris N. Kjeldsen
Deputy Chairman

Ebbe Castella

Henrik Christensen

Per V. H. Frandsen

Karin Sofie Hansen-Hoeck

Arne Nielsen

Jan Skytte Pedersen

Lars Christiansen

Brian Egested

Helle L. Frederiksen

Susanne Larsen

Balance sheet

DKK m	Group		
	30 September 2014	30 September 2013	31 December 2013
Assets			
Owner-occupied properties	1,061	1,057	1,058
Deferred tax assets	522	553	556
Participating interests in joint ventures	44	42	42
Reinsurers' share of insurance contracts	429	162	631
Other assets	1,449	1,440	1,397
Loans	6,760	7,532	7,340
Investment properties	554	394	428
Investment assets	27,077	27,150	27,094
Amounts due from credit institutions and central banks	817	661	671
Cash in hand and demand deposits	105	300	363
Total assets	38,818	39,291	39,580
Liabilities and equity			
Share capital	1,735	1,735	1,735
Reserves, retained profit etc.	3,021	2,778	2,797
Minority interests	0	145	153
Consolidated shareholders' equity	4,756	4,658	4,685
Subordinated debt	573	1,100	1,100
Provisions for insurance contracts	19,718	18,609	18,627
Other provisions	36	29	32
Deferred tax liabilities	40	46	40
Current tax liabilities	81	0	40
Issued bonds	21	31	31
Other liabilities	1,213	1,364	1,463
Deposits	10,416	10,670	10,853
Payables to credit institutions and central banks	1,964	2,784	2,709
Total liabilities and equity	38,818	39,291	39,580

- Note 1 Own shares
 Note 2 Contingent liabilities, guaranties and leasing
 Note 3 Accounting policies - Group
 Note 4 Financial highlights and key ratios

Income statement

DKKm	Group				
	Q3 2014	Q3 2013	Q1-Q3 2014	Q1-Q3 2013	Year 2013
Income					
Premium income	1,488	1,471	4,661	4,419	5,959
Interest income etc.	244	289	805	906	1,172
Fee income etc.	26	29	86	84	114
Other income from investment activities	-17	-9	-9	-7	-4
Income associates	0	0	3	2	2
Other income	37	22	103	53	77
Total income	1,778	1,802	5,649	5,457	7,320
Costs					
Claims incurred	-1,205	-1,134	-3,687	-4,102	-6,008
Interest expenses	-66	-90	-216	-301	-387
Other cost from investment activities	-13	-12	-45	-37	-29
Impairment of loans, advances and receivables, etc.	-30	-56	-97	-141	-196
Acquisition and administrative costs	-300	-319	-989	-992	-1,336
Total costs	-1,614	-1,611	-5,034	-5,573	-7,956
Profit from business ceded	-5	-66	117	-193	171
Change in life insurance provisions	-136	172	-510	1,336	1,650
Change in collective bonus potential	20	-119	-176	-279	-429
Exchange rate adjustments	42	16	399	-410	-352
Tax on pension investment returns	-35	-19	-147	-25	-49
Profit before tax, continuing activities	50	175	298	313	355
Tax, continuing activities	-13	-45	-75	-136	-158
Profit after tax, continuing activities	37	130	223	177	197
Profit on discontinued activities	18	11	28	7	19
Profit after tax	55	141	251	184	216
The profit before tax is allocated as follows:					
Share attributable to Alm. Brand	69	174	318	310	355
Share attributable to minority shareholders	1	12	8	11	20
Profit before tax	70	186	326	321	375
The profit after tax is allocated as follows:					
Share attributable to Alm. Brand	55	129	243	173	196
Share attributable to minority shareholders	0	12	8	11	20
Profit after tax	55	141	251	184	216
Earnings per share, DKK	0.3	0.8	1.4	1.0	1.1
Diluted earnings per share, DKK	0.3	0.8	1.4	1.0	1.1
Comprehensive income					
Profit for the period	55	141	251	184	216
<i>Items that may be recycled to profit or loss</i>	0	0	0	0	0
<i>Items that may not be recycled to profit or loss:</i>					
Revaluation of owner-occupied properties	0	0	0	0	-4
Transferred to collective bonus potential	0	0	0	0	4
Tax on other comprehensive income	0	0	0	0	0
Total other comprehensive income	0	0	0	0	0
Comprehensive income	55	141	251	184	216
Proposed allocation of profit/loss:					
Share attributable to Alm. Brand	55	129	243	173	196
Share attributable to minority shareholders	0	12	8	11	20
Comprehensive income	55	141	251	184	216

Statement of changes in equity

DKKkm	Share capital	Contingency funds	Other provisions	Retained profit	Shareholders' equity	Minority interests	Consolidated equity
Shareholders equity, 1 January 2013	1,735	182	1,215	1,237	4,369	137	4,506
Changes in equity Q1-Q3 2013:							
Profit/loss for the period				173	173	11	184
Total income	0	0	0	173	173	11	184
Repurchased shares				-30	-30		-30
Purchase and sale of treasury shares in subsidiaries				-2	-2		-2
Tax on changes recognised in equity				3	3		3
Change in share attributable to minority interest				0	0	-3	-3
Changes in equity	0	0	0	144	144	8	152
Shareholders equity, 30 September 2013	1,735	182	1,215	1,381	4,513	145	4,658
Shareholders equity, 1 January 2013	1,735	182	1,215	1,237	4,369	137	4,506
Changes in equity 2013:							
Profit/loss for the year				196	196	20	216
Revaluation of owner-occupied properties				-4	-4		-4
Transferred to collective bonus potential				4	4		4
Tax on changes recognised in equity				0	0		0
Total income	0	0	0	196	196	20	216
Share option scheme				4	4		4
Purchase and sale of treasury shares				-42	-42		-42
Purchase and sale of treasury shares in subsidiaries				-1	-1	-4	-5
Adjustment of tax relating to contingency funds (25% - 22%)				6	6		6
Tax on changes recognised in equity				0	0		0
Change in share attributable to minority interest				0	0	0	0
Changes in equity	0	0	0	163	163	16	179
Shareholders equity, 31 December 2013	1,735	182	1,215	1,400	4,532	153	4,685
Shareholders equity, 1 January 2014	1,735	182	1,215	1,400	4,532	153	4,685
Changes in equity Q1-Q3 2014:							
Profit/loss for the period				243	243	8	251
Total income	0	0	0	243	243	8	251
Purchase and sale of treasury shares				-22	-22		-22
Share option scheme				3	3		3
Change in share attributable to minority interest				0	0	-161	-161
Changes in equity	0	0	0	224	224	-153	71
Shareholders equity, 30 September 2014	1,735	182	1,215	1,624	4,756	0	4,756
						30 September 2014	31 December 2013
Shareholders' equity exclusive minority interests						4,756	4,532
Consolidation of Pensionskassen under Alm. Brand A/S						-7	-9
Shareholders' equity under the rules of the Danish Financial Supervisory Authority exclusive minority interests						4,749	4,523
Share of profit attributable to Alm. Brand A/S						243	196
Consolidation of Pensionskassen under Alm. Brand A/S						2	-3
Share of profit attributable to Alm. Brand A/S under the rules of the Danish Financial Supervisory Authority						245	193

Capital target

DKKm	Capital base at 30 September 2014
Equity	4,749
Tax asset	-522
Supplementary capital	525
Consolidated capital base	4,752

DKKm	Capital target 30 September 2014
Non-life insurance (40% of gross premium income)	2,020
Life and Pension (8.50% of life insurance provisions)	910
Alm. Brand Bank (17.5% of risk weighted assets) *	1,488
Alm. Brand A/S buffer, winding-up portfolio	554
Diversification effects	-300
Consolidated capital target	4,672

* Calculated as the individual solvency need at 30 September 2014 plus 3 percentage points

Statutory capital requirement for the group at 30 September 2014	2,944
Excess relative to statutory capital requirement	1,808
Excess relative to internal capital target	80

Cash flow statement

DKKm	Group		
	Q1-Q3 2014	Q1-Q3 2013	Year 2013
Cash flows from operating activities			
Premiums received	4,681	4,731	5,901
Claims paid	-3,846	-4,285	-5,671
Interest receivable, dividends, etc.	1,121	823	1,207
Interest payable	-164	-253	-321
Payments concerning reinsurance	264	-186	-204
Fee income received	99	102	138
Fee income paid	-17	-21	-27
Expences paid	-1,500	-920	-1,339
Tax on pension investment returns paid	-47	-152	-153
Acquisition of intangible assets, furniture, equipments etc.	-131	-92	-135
Other ordinary income received	103	53	77
Taxes paid/received	-1	-1	-10
Cash flows from operating activities	562	-201	-537
Change in investment placement (net)			
Properties acquired or converted	-128	-1	-35
Sale/aquisition of equity investments	365	99	233
Sale/repayment of mortgage deeds and loans	578	862	1,175
Sale/aquisition of bonds	401	1,742	1,637
Change in investment placement (net)	1,216	2,702	3,010
Change in financing (net)			
Other provisions	3	2	4
Sale/purchase of treasury shares	-22	-30	-42
Sale/acquisition of subsidiaries (change in minority interests)	-161	-2	-1
Subordinated debt	-530	-731	-730
Share issue	4	3	4
Change in issued bonds	-10	-2,000	-2,000
Change in deposits	-437	-570	-387
Change in payables to credit institutions	-737	603	528
Change in financing (net)	-1,890	-2,725	-2,624
Net change in cash and cash equivalents	-112	-224	-151
Cash and cash equivalents, beginning of period	1,034	1,185	1,185
Cash and cash equivalents, end of period	922	961	1,034

Segment reporting

DKKm	Q1-Q3 2014					
	Non-life	Life	Bank	Other	Elimi-nation	Group
Premium income	3,782	879	0	0		4,661
Interest income etc.	156	310	340	0	-1	805
Fee income etc.	0	0	114	0	-28	86
Other investment income	0	41	0	0	-50	-9
Income associates	0	3	3	0	-3	3
Other income	0	0	103	0		103
Total income	3,938	1,233	560	0	-82	5,649
Claims incurred	-2,824	-863	0	0		-3,687
Interest expenses	-42	-2	-164	-9	1	-216
Other investment expenses	-16	-27	0	-30	28	-45
Provisions for bad and doubtful debts	0	0	-97	0		-97
Acquisition and administrative expenses	-595	-60	-384	0	50	-989
Total expenses	-3,477	-952	-645	-39	79	-5,034
Result of business ceded	120	-3	0	0		117
Change in life insurance provisions	0	-510	0	0		-510
Change in collective bonus potential	0	-176	0	0		-176
Exchange rate adjustments	-132	625	-94	0		399
Tax on pension investment returns	0	-147	0	0		-147
Profit before tax, continuing activities	449	70	-179	-39	-3	298
Tax, continuing activities	-111	-18	45	9		-75
Profit after tax, continuing activities	338	52	-134	-30	-3	223
Profit on discontinued activities			28			28
Profit after tax	338	52	-106	-30	-3	251

DKKm	Q1-Q3 2013					
	Non-life	Life	Bank	Other	Elimi-nation	Group
Premium income	3,764	655	0	0		4,419
Interest income etc.	185	303	420	0	-2	906
Fee income etc.	0	0	113	0	-29	84
Other investment income	1	53	-5	0	-56	-7
Income associates	0	3	2	0	-3	2
Other income	0	0	53	0		53
Total income	3,950	1,014	583	0	-90	5,457
Claims incurred	-2,400	-1,702	0	0		-4,102
Interest expenses	-44	-3	-247	-9	2	-301
Other investment expenses	-16	-25	0	-25	29	-37
Provisions for bad and doubtful debts	0	0	-141	0		-141
Acquisition and administrative expenses	-612	-59	-377	0	56	-992
Total expenses	-3,072	-1,789	-765	-34	87	-5,573
Result of business ceded	-192	-1	0	0		-193
Change in life insurance provisions	0	1,336	0	0		1,336
Change in collective bonus potential	0	-279	0	0		-279
Exchange rate adjustments	-48	-185	-177	0		-410
Tax on pension investment returns	0	-25	0	0		-25
Profit before tax, continuing activities	638	71	-359	-34	-3	313
Tax, continuing activities	-177	-16	51	6		-136
Profit after tax, continuing activities	461	55	-308	-28	-3	177
Profit on discontinued activities			7			7
Profit after tax	461	55	-301	-28	-3	184

Notes

DKKm	Group		
	Q1-Q3 2014	Q1-Q3 2013	Year 2013
Note 1 Own Shares			
Carrying amount, beginning of year	0	0	0
Value adjustments	-22	-30	-42
Acquired during the period	22	30	42
Sold during the period	0	0	0
Carrying amount, end of period	0	0	0
Nominal value, beginning of year	28	7	7
Acquired during the period	8	16	21
Sold during the period	0	0	0
Nominal value, end of period	36	23	28
Holding number of shares (1,000), beginning of year	2,845	710	710
Additions, number of shares	782	1,566	2,135
Disposals, number of shares	0	0	0
Holding number of shares (1,000), end of period	3,627	2,276	2,845
Percentage of share capital, end of period	2.1%	1.3%	1.6%

Note 2 Contingent liabilities, guaranties and leasing

Guarantee commitments	1,136	1,532	1,150
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Note 3 Accounting policies - Group

The consolidated interim report has been prepared in compliance with IAS 34 "Interim Financial Reporting" and the requirements of the Danish Financial Business Act and NASDAQ OMX Copenhagen A/S applying to interim financial reporting of Danish listed financial enterprises. The application of IAS 34 means that the report is limited relative to the presentation of a full annual report.

The parent company financial statements have been prepared in accordance with the provisions of the Danish Financial Business Act, including the Executive Order on financial reports presented by insurance companies and profession-specific pension funds.

The subsidiary Alm. Brand Formue A/S entered into liquidation in March 2014 and is closed in September 2014. The IFRS 5 rules on the presentation of discontinued operations are satisfied. The income statement sheet include a separate line item called discontinued activities. The item discontinued activities in the income statement comprises the results of Alm. Brand Formue, the results of equity risk hedging in the company, the bank's trading income relating to Alm. Brand

Formue and interest on loans provided to Alm. Brand Formue.

Comparative figures in the income statement have been restated to reflect the above. Comparative figures in the balance sheet have not been restated. The accounting policies applied for the consolidated financial statements are other wise unchanged from the policies applied for the Annual Report 2013.

The accounting policies of the parent company are described in connection with the parent company's interim report, as detailed in a separate section of this report.

The interim report for the nine months ended 30 September 2014 is unaudited.

Note 4 Financial highlights and key ratios

Referring to management's report.

Balance sheet

DKKm	Note	Parent company		
		30 September 2014	30 September 2013	31 December 2013
Assets				
Investment in group enterprises	1	4,872	4,681	4,698
Total investments in group enterprises and associates		4,872	4,681	4,698
Equity investments		0	1	1
Other loans and advances		2	2	2
Deposits with credit institutions		110	70	60
Cash in hand and balances at call		17	13	11
Total other financial investment assets		129	86	74
Total investment assets		5,001	4,767	4,772
Receivables from group enterprises		4	9	14
Other receivables		43	38	57
Total receivables		47	47	71
Current tax assets		17	26	9
Deferred tax assets		14	13	13
Total other assets		31	39	22
Total assets		5,079	4,853	4,865
Liabilities and equity				
Share capital		1,735	1,735	1,735
Other provisions		1,215	1,217	1,215
Retained earnings		1,799	1,556	1,573
Total shareholders' equity		4,749	4,508	4,523
Subordinated loan capital		250	250	250
Total subordinated loan capital		250	250	250
Deferred tax liabilities		40	46	40
Total provisions		40	46	40
Payables to subsidiaries		2	4	3
Issued bonds		21	31	31
Other payables		17	14	18
Total payables		40	49	52
Deferred income		0	0	0
Total liabilities and equity		5,079	4,853	4,865

Income statement

DKKm	Note	Parent company				
		Q3 2014	Q3 2013	Q1-Q3 2014	Q1-Q3 2013	Year 2013
Income from group enterprises	2	63	137	273	200	216
Interest income and dividends, etc.		0	0	0	0	0
Interest expenses		-4	-3	-10	-9	-12
Administrative expenses related to investment activities		-7	-7	-27	-23	-16
Profit before tax		52	127	236	168	188
Tax		3	2	9	6	5
Profit after tax		55	129	245	174	193

Comprehensive income

Profit for the period		55	129	245	174	193
Comprehensive income		55	129	245	174	193
Proposed allocation of profit/loss:						
Retained earnings		55	129	245	174	193

Note 3 Accounting policies parent company

Statement of changes in equity

DKK m	Parent company			
	Share-Capital	Other provisions	Retained earnings	Shareholders' equity
Shareholders equity, 1 January 2013	1,735	1,215	1,413	4,363
Changes in equity Q1-Q3 2013:				
Profit/loss for the period			174	174
Total income			174	174
Purchase and sale of treasury shares			-30	-30
Repurchased shares			-2	-2
Tax on changes recognised in equity			3	3
Changes in equity	0	0	145	145
Shareholders equity, 30 September 2013	1,735	1,215	1,558	4,508
Shareholders equity, 1 January 2013	1,735	1,215	1,413	4,363
Changes in equity 2013:				
Profit/loss for the year			193	193
Total income			193	193
Purchase and sale of treasury shares			-42	-42
Purchase and sale of treasury shares in subsidiaries			-1	-1
Share option scheme			4	4
Adjustment of tax relating to contingency funds (25% - 22%)			6	6
Tax on changes recognised in equity			0	0
Changes in equity	0	0	160	160
Shareholders equity, 31 December 2013	1,735	1,215	1,573	4,523
Shareholders equity, 1 January 2014	1,735	1,215	1,573	4,523
Changes in equity Q1-Q3 2014:				
Profit/loss for the period			245	245
Total income			245	245
Purchase and sale of treasury shares			-22	-22
Purchase and sale of treasury shares in subsidiaries			0	0
Share option scheme			3	3
Changes in equity	0	0	226	226
Shareholders equity, 30 September 2014	1,735	1,215	1,799	4,749

Notes

Note 1 Investment in group enterprises

DKKm	Parent company		
	30 September 2014	30 September 2013	31 December 2013
Cost, beginning of year	8,491	7,591	7,591
Additions during the period	400	900	900
Cost, end of period	8,891	8,491	8,491
Revaluation and impairment, beginning of year	-3,792	-3,201	-3,208
Dividend received	-500	-800	-800
Profit for the period	273	200	216
Revaluation and impairment of treasury shares in subsidiaries	0	-9	-1
Revaluation and impairment, end of period	-4,019	-3,810	-3,793
Carrying amount, end of period	4,872	4,681	4,698
Specification of carrying amount:			
Alm. Brand Bank A/S	1,786	1,579	1,502
Alm. Brand Forsikring A/S	3,085	3,101	3,195
Asgaard Finans A/S	1	1	1
Carrying amount, end of period	4,872	4,681	4,698

Note 2 Income from group enterprises

DKKm	Parent company		
	Q1-Q3 2014	Q1-Q3 2013	Year 2013
Alm. Brand Bank A/S	-117	-315	-392
Alm. Brand Forsikring A/S	390	515	608
Asgaard Finans A/S	0	0	0
Total income from group enterprises	273	200	216

Note 3 Accounting policies parent company

The interim report is presented in compliance with the Danish Financial Business Act, including the Executive Order on financial reports presented by insurance companies and profession-specific pension funds.

In addition, the interim report has been presented in accordance with additional Danish disclosure requirements for the interim reports of listed financial enterprises.

The accounting policies of the parent company on the recognition and measurement are in accordance with the accounting policies of the group, except for the following point:

Investments in subsidiaries are recognised and measured at the parent company's share of the subsidiaries' net asset value at the balance sheet date. The value of Pensionskassen under Alm. Brand A/S is not recognised in the balance sheet but is exclusively disclosed as a contingent liability.

The accounting policies are unchanged from the policies applied in the Annual Report 2013.

The interim report for the nine months ended 30 September 2014 is unaudited.