

THIRD QUARTER

Alm Brand BANK

2014

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COMPANY INFORMATION

MANAGEMENT BOARD

Kim Bai Wadstrøm, Chief Executive

INTERNAL AUDITOR

Poul-Erik Winther, Group Chief Auditor

BOARD OF DIRECTORS

Jørgen H. Mikkelsen, Chairman

Boris N. Kjeldsen, Deputy Chairman

Arne Nielsen

Jan Skytte Pedersen

Ebbe Castella

Søren Boe Mortensen

Christian Bundgaard, elected by the employees

Torben Jensen, elected by the employees

Pia Støjfer, elected by the employees

REGISTRATION

Alm. Brand Bank A/S

Company registration (CVR) no. 81 75 35 12

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AUDITORS

Deloitte

Statsautoriseret Revisionspartnerselskab

GROUP STRUCTURE

The banking group consists of Alm. Brand Bank A/S and Alm. Brand Leasing A/S. The banking group also comprises two property companies, which have been established or acquired in connection with properties taken over temporarily.

In addition, the bank acts as depositary bank for Investeringsforeningen Alm. Brand Invest.

OWNERSHIP

The bank is wholly-owned by the listed company Alm. Brand A/S.

The consolidated financial statements of Alm. Brand Bank A/S are a component of the consolidated financial statements of Alm. Brand A/S and Alm. Brand af 1792 fmba.

FINANCIAL HIGHLIGHTS AND KEY RATIOS

		CONSOLIDATED FIGURES							
DKKkm		Q3	Q2	Q1	Q4	Q3	Q1-Q3	Q1-Q3	Year
		2014	2014	2014	2013	2013	2014	2013	2013
INCOME STATEMENT	FORWARD-LOOKING ACTIVITIES:								
	Net interest and fee income, Private	45	48	43	44	44	136	135	179
	Trading income (excl. value adjustments)	47	59	54	78	59	160	162	240
	Other income	35	31	29	28	25	95	61	89
	Total income	127	138	126	150	128	391	358	508
	Expenses	-86	-86	-86	-103	-83	-258	-265	-368
	Depreciation and amortisation	-24	-20	-17	-17	-14	-61	-35	-52
	Core earnings	17	32	23	30	31	72	58	88
	Value adjustments	0	-2	10	-2	-9	7	-30	-33
	Profit/loss from investments	17	0	0	1	-1	17	-3	-2
	Alm. Brand Formue (the bank's ownership interest)	0	-1	-4	-5	-7	-4	-21	-25
	Profit/loss before impairment writedowns	34	29	29	24	14	92	4	28
	Impairment writedowns	-3	-7	-7	-44	-18	-17	-74	-118
	Profit/loss before tax, forward-looking activities	31	22	22	-20	-4	75	-70	-90
	<i>Off which discontinued activities (see note 6)</i>	<i>18</i>	<i>-1</i>	<i>0</i>	<i>-1</i>	<i>-3</i>	<i>17</i>	<i>-6</i>	<i>-6</i>
	WINDING-UP ACTIVITIES:								
	Profit/loss before impairment writedowns	-21	-15	-22	-30	-24	-58	-93	-123
	Impairment writedowns	-56	-60	-63	-54	-75	-179	-202	-256
	Profit/loss before tax, winding-up activities	-77	-75	-85	-84	-99	-237	-295	-379
	Total profit/loss before tax and minority interests	-46	-53	-63	-104	-103	-162	-365	-469
	Tax	15	13	17	27	25	45	50	77
	Profit/loss for the year before minority interests	-31	-40	-46	-77	-78	-117	-315	-392
	Minority interests	0	0	11	12	15	11	14	26
	Consolidated profit/loss for the year	-31	-40	-35	-65	-63	-106	-301	-366
BALANCE SHEET	Loans and advances, continuing activities	2,496	2,436	2,510	2,568	2,465	2,496	2,465	2,568
	Loans and advances, winding-up activities	4,264	4,414	4,573	4,772	5,067	4,264	5,067	4,772
	Deposits	10,594	10,387	10,341	10,936	10,825	10,594	10,825	10,936
	Shareholders' equity	1,786	2,021	2,061	1,696	1,761	1,786	1,761	1,696
	Share attributable to minority interests	0	204	205	193	182	0	182	193
	Total assets	14,355	14,462	15,303	16,296	16,418	14,355	16,418	16,296
KEY RATIOS ETC.	Average no. of employees (full-time equivalents)	255	252	251	266	262	255	262	263
	Interest margin (%)	1.7	1.6	1.6	1.6	1.7	1.6	1.6	1.6
	Income/cost ratio	0.61	0.66	0.62	0.38	0.50	0.63	0.33	0.38
	Impairment ratio	0.3	0.3	0.5	2.1	0.6	1.1	1.4	2.1
	Solvency ratio	18.6	21.5	21.6	18.4	19.1	18.6	19.1	18.4

In the management's review, the income statement has been broken down by forward-looking activities and winding-up activities. In Q1 2014, a resolution was made to liquidate Alm. Brand Formue. In accordance with IFRS 5, Alm. Brand Formue and the related income statement items consequently have to be recognised in a separate line item on pages 10-11, whereas in the above highlights and in the forward-looking activities they are included in "Of which discontinued activities". See the accounting policies and note 6 for additional information.

Financial ratios are based on the definitions and guidelines of the Danish FSA and on "Recommendations & Financial Ratios 2010" issued by the Danish Society of Financial Analysts and comprise continuing, discontinued and winding-up activities.

REPORT

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.

REPORT

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 DKKm	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 DKKm	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 DKKm	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.

REPORT

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 write-downs, 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.

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.

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.

REPORT

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 DKKmn	Gross lending/ outstanding debt	30.09.2014					31.12.2013	
		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%

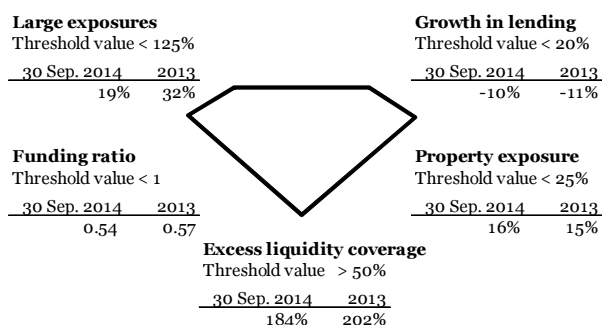
a) Accumulated writedowns and value adjustments of mortgage deeds

REPORT

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 BOARD OF DIRECTORS AND THE MANAGEMENT BOARD

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

The consolidated interim 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 consolidated and parent company interim financial statements have been presented in accordance with additional Danish disclosure requirements for the interim financial statements of listed financial companies.

In our opinion, the consolidated and parent company interim financial statements give a true and fair view of the group's and the parent company's assets and liabilities and financial position at 30 September 2014 and of the results of the group's and the parent company's operations and the cash flows of the group for the nine months ended 30 September 2014.

Moreover, in our opinion, the management's review includes a fair review of developments in the activities and financial position of the group and the parent company and fairly describes significant risk and uncertainty factors that may affect the group and the bank.

MANAGEMENT BOARD

Copenhagen, 20 November 2014

Kim Bai Wadstrøm

Chief Executive

BOARD OF DIRECTORS

Copenhagen, 20 November 2014

Jørgen H. Mikkelsen

Chairman

Boris N. Kjeldsen

Deputy Chairman

Arne Nielsen

Jan Skytte Pedersen

Ebbe Castella

Søren Boe Mortensen

Christian Bundgaard

Torben Jensen

Pia Støjfer

INCOME STATEMENT AND COMPREHENSIVE INCOME

DKK '000	Note	Parent company				
		Q3 2014	Q3 2013	Q1-Q3 2014	Q1-Q3 2013	Year 2013
Interest receivable	1	110,902	133,670	343,951	414,943	534,487
Interest payable	2	51,347	71,545	165,344	247,474	312,994
Net interest income		59,555	62,125	178,607	167,469	221,493
Dividend on participating interests		-	104	1,116	887	886
Fees and commissions receivable		38,619	39,992	126,170	122,114	187,315
Fees and commissions payable		6,616	5,846	19,082	20,924	27,317
Net interest and fee income		91,558	96,375	286,811	269,546	382,377
Value adjustments	3	-33,196	-46,451	-93,970	-173,076	-225,022
Other operating income		1,534	993	5,102	3,479	5,097
Profit before expenses		59,896	50,917	197,943	99,949	162,452
Staff costs and administrative expenses	4	84,384	87,061	265,888	279,025	387,904
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		12	23	36	109	132
Other ordinary expenses		6,996	10,112	26,159	38,089	43,281
Impairment of loans, advances and receivables, etc.	5	30,570	55,671	97,068	141,300	196,419
Profit from participating interests in associated and group undertakings		-510	1,463	10,329	-9,559	-16,778
Profit/loss before tax, continuing activities		-62,576	-100,487	-180,879	-368,133	-482,062
Tax on continuing activities		-14,697	-25,107	-47,414	-59,020	-96,794
Profit/loss for the period, continuing activities		-47,879	-75,380	-133,465	-309,113	-385,268
Profit/loss for the period, discontinued activities	6	17,496	-3,251	16,917	-5,855	-6,439
Total profit/loss for the period		-30,383	-78,631	-116,548	-314,968	-391,707
Items that may be recycled to profit or loss		-	-	-	-	-
Items that not may be recycled to profit or loss		-	-	-	-	-
Total comprehensive income for the period		-30,383	-78,631	-116,548	-314,968	-391,707
PROFIT/LOSS ALLOCATION						
Share attributable to Alm. Brand Bank		-30,383	-78,631	-116,548	-314,968	-391,707
Transferred to Total shareholders' equity		-30,383	-78,631	-116,548	-314,968	-391,707

INCOME STATEMENT AND COMPREHENSIVE INCOME

DKK '000	Note	Group				
		Q3 2014	Q3 2013	Q1-Q3 2014	Q1-Q3 2013	Year 2013
Interest receivable	1	107,993	134,853	340,308	419,217	539,332
Interest payable	2	49,773	71,544	163,771	247,473	312,991
Net interest income		58,220	63,309	176,537	171,744	226,341
Dividend on participating interests		0	104	1,116	880	885
Fees and commissions receivable		38,642	42,769	129,773	127,840	195,337
Fees and commissions payable		4,590	5,847	17,057	20,926	27,321
Net interest and fee income		92,272	100,335	290,369	279,538	395,242
Value adjustments	3	-33,196	-46,452	-93,970	-173,075	-225,022
Other operating income		37,653	21,653	103,316	52,503	78,070
Profit before expenses		96,729	75,536	299,715	158,966	248,290
Staff costs and administrative expenses	4	98,814	95,453	297,211	303,517	419,894
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		23,387	13,995	60,620	35,406	52,356
Other ordinary expenses		7,304	10,216	27,056	38,425	43,815
Impairment of loans, advances and receivables, etc.	5	30,071	55,751	96,720	140,894	196,316
Profit from participating interests in associated and group undertakings		444	-81	3,452	-609	315
Profit/loss before tax, continuing activities		-62,403	-99,960	-178,440	-359,885	-463,776
Tax on continuing activities		-14,524	-24,579	-44,975	-50,772	-78,507
Profit/loss for the period, continuing activities		-47,879	-75,381	-133,465	-309,113	-385,269
Profit/loss for the period, discontinued activities	6	17,692	12,428	28,028	8,343	19,203
Total profit/loss for the period		-30,187	-62,953	-105,437	-300,770	-366,066
Items that may be recycled to profit or loss		-	-	-	-	-
Items that not may be recycled to profit or loss		-	-	-	-	-
Total comprehensive income for the period		-30,187	-62,953	-105,437	-300,770	-366,066
PROFIT/LOSS ALLOCATION						
Share attributable to Alm. Brand Bank		-30,383	-78,631	-116,548	-314,968	-391,707
Share attributable to minority interests		196	15,678	11,111	14,198	25,641
Transferred to Total shareholders' equity		-30,187	-62,953	-105,437	-300,770	-366,066

BALANCE SHEET

DKK '000	Note	Parent company			Group		
		30 September 2014	30 September 2013	31 December 2013	30 September 2014	30 September 2013	31 December 2013
ASSETS							
Cash in hand and receivables at call from central banks		53,830	297,703	323,267	53,830	297,703	323,267
Receivables from credit institutions and central banks		707,387	591,416	610,854	707,387	591,416	610,854
Loans, advances and other receivables at fair value		2,296,216	2,606,516	2,497,207	2,296,216	2,606,516	2,497,207
Loans, advances and other receivables at amortised cost	7	4,963,099	5,619,101	5,603,333	4,463,519	4,925,443	4,842,335
Bonds at fair value		5,171,681	4,973,177	5,232,616	5,171,681	5,688,618	5,955,401
Shares etc.		228,672	279,664	273,064	228,672	597,513	606,167
Participating interests in associated undertakings		43,650	42,467	42,467	43,650	42,468	42,467
Participating interests in group undertakings		71,570	211,591	214,573	-	-	-
Intangible assets		33,275	-	36,960	167,975	-	36,960
Other property, plant and equipment		183	466	442	432,332	247,252	301,088
Current tax assets		287,722	402,261	183,768	251,951	418,669	166,114
Deferred tax assets		146,344	242,809	202,884	294,903	338,362	335,765
Assets held temporarily		23,582	95,555	52,366	27,895	249,758	204,971
Other assets		167,308	353,711	334,730	202,022	401,481	367,043
Prepayments		13,060	12,701	6,335	13,060	12,711	6,346
Total assets		14,207,579	15,729,138	15,614,866	14,355,093	16,417,910	16,295,985

BALANCE SHEET

DKK '000	Note	Parent company			Group		
		30 September 2014	30 September 2013	31 December 2013	30 September 2014	30 September 2013	31 December 2013
LIABILITIES AND EQUITY							
Payables							
Payables to credit institutions and central banks		1,197,440	1,985,824	1,880,440	1,290,446	2,302,449	2,197,066
Deposits and other payables		10,593,515	10,825,681	10,937,376	10,593,515	10,824,681	10,936,444
Liabilities temporarily acquired		2,293	16,141	16,116	2,293	166,080	165,878
Other liabilities		440,548	612,769	566,901	495,056	654,404	589,530
Deferred income		154	760	610	154	760	610
Total payables		12,233,950	13,441,175	13,401,443	12,381,464	13,948,374	13,889,528
Provisions							
Provisions for pensions and similar liabilities		1,699	1,361	1,412	1,699	1,361	1,412
Provisions for losses on guarantees		10,566	6,344	8,150	10,566	6,344	8,150
Total provisions		12,265	7,705	9,562	12,265	7,705	9,562
Subordinated debt							
Tier 2 capital	8	-	300,000	300,000	-	300,000	300,000
Additional tier 1 capital	8	175,000	400,855	400,949	175,000	400,855	400,949
Total subordinated debt		175,000	700,855	700,949	175,000	700,855	700,949
Shareholders' equity							
Share capital	9	1,021,000	1,021,000	1,021,000	1,021,000	1,021,000	1,021,000
Other reserves		61,139	79,398	61,641	-	-	-
Retained earnings		704,225	479,005	420,271	765,364	558,403	481,912
Minority interests		-	-	-	-	181,573	193,034
Total shareholders' equity		1,786,364	1,579,403	1,502,912	1,786,364	1,760,976	1,695,946
Total liabilities and equity		14,207,579	15,729,138	15,614,866	14,355,093	16,417,910	16,295,985

See note 11 for a specification of off-balance sheet items.

STATEMENT OF CHANGES IN EQUITY

DKK '000	Parent company				Group	
	Share capital	Other reserves	Retained earnings	Total	Minority interests	Total
Shareholders' equity at 1 January 2013	1,021,000	78,734	-104,294	995,440	173,196	1,168,636
Equity movements in Q1-Q3 2013						
Other change in respect of subsidiaries				-	-5,821	-5,821
Profit/loss for the period			-314,968	-314,968	14,198	-300,770
Comprehensive income in Q1-Q3 2013	-	-	-314,968	-314,968	8,377	-306,591
Capital increases			900,000	900,000		900,000
Other change in respect of subsidiaries		664	-1,733	-1,069		-1,069
Total equity movements in Q1-Q3 2013	-	664	583,299	583,963	8,377	592,340
Shareholders' equity at 30 September 2013	1,021,000	79,398	479,005	1,579,403	181,573	1,760,976
Shareholders' equity at 1 January 2013	1,021,000	78,734	-104,294	995,440	173,196	1,168,636
Equity movements in 2013						
Profit/loss for the year		-17,093	-374,614	-391,707	25,641	-366,066
Comprehensive income 2013	-	-17,093	-374,614	-391,707	25,641	-366,066
Capital increases			900,000	900,000		900,000
Other change in respect of subsidiaries		-	-821	-821	-5,803	-6,624
Total changes in equity in 2013	-	-17,093	524,565	507,472	19,838	527,310
Shareholders' equity at 31 December 2013	1,021,000	61,641	420,271	1,502,912	193,034	1,695,946
Shareholders' equity at 1 January 2014	1,021,000	61,641	420,271	1,502,912	193,034	1,695,946
Equity movements in Q1-Q3 2014						
Profit for the period		-502	-116,046	-116,548	11,111	-105,437
Comprehensive income in Q1-Q3 2014	-	-502	-116,046	-116,548	11,111	-105,437
Capital increases			400,000	400,000		400,000
Other change in respect of subsidiaries		-	-	-	-204,145	-204,145
Total equity movements in Q1-Q3 2014	-	-502	283,954	283,452	-193,034	90,418
Shareholders' equity at 30 September 2014	1,021,000	61,139	704,225	1,786,364	-	1,786,364

CASH FLOW STATEMENT

Group

DKK '000	Q1-Q3 2014	Q1-Q3 2013	Year 2013
Operating activities			
Profit for the period before tax	-150,412	-350,765	-443,709
Tax paid during the period	-	-777	282,023
Adjustment for amounts with no cash flow impact:			
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	53,846	35,406	52,356
Impairment of loans, advances and receivables, etc.	74,804	123,851	181,053
Other adjustments to cash flows from operating activities	-29,433	78,722	53,116
Total, operating activities	-51,195	-113,563	124,839
Working capital			
Loans and advances	539,489	640,922	766,216
Deposits	-342,928	-500,251	-388,488
Bonds	528,479	1,066,799	798,206
Shares	382,868	-15,296	-1,795
Total, working capital	1,107,908	1,192,174	1,174,139
Investing activities			
Investments in associates	-	-	-
Investments in group enterprises	-	3	9
Property, plant and equipment	-185,837	-123,897	-194,729
Total, investing activities	-185,837	-123,894	-194,720
Financing activities			
Net proceeds from capital increase	400,000	900,000	900,000
Distribution of dividends	-526,447	-730,000	-729,159
Payables to credit institutions	-906,222	905,693	800,313
Bonds issued	-	-2,000,000	-2,000,000
Total, financing activities	-1,032,669	-924,307	-1,028,846
Change in cash and cash equivalents	-161,793	30,410	75,412
Cash and cash equivalents, beginning of year	934,121	858,709	858,709
Change in cash and cash equivalents	-161,793	30,410	75,412
Cash and cash equivalents, end of period	772,328	889,119	934,121
Cash and cash equivalents, end of period			
Cash in hand and balances at call with central banks	53,830	297,703	323,267
Balances due from credit institutions less than 3 months	707,387	591,416	610,854
Cash and cash equivalents, end of period	761,217	889,119	934,121

See note 6 for influence on discontinued activities.

SEGMENT INFORMATION

Group

DKK '000

Q1-Q3 2014

	Private	Leasing	Financial Markets	Other	Total continuing activities before winding up	Winding-up activities	Total continuing activities	Discontinued activities	Total
Net interest and fee income	135,831	-	-	-	135,831	-5,731	130,100	-	130,100
Trading income (excl. value adjustments)	-	-	106,362	50,350	156,712	-	156,712	3,593	160,305
Other income	62	94,392	737	2	95,193	4,250	99,443	-	99,443
Total income	135,893	94,392	107,099	50,352	387,736	-1,481	386,255	3,593	389,848
Expenses	151,560	32,219	70,341	3,798	257,918	66,349	324,267	-	324,267
Depreciation	36	60,584	-	-	60,620	-	60,620	-	60,620
Core earnings	-15,703	1,589	36,758	46,554	69,198	-67,830	1,368	3,593	4,961
Value adjustments	469	-	2,823	4,046	7,338	-1,339	5,999	2,747	8,746
Profit/loss from investments	-	-	525	-452	73	10,810	10,883	21,687	32,570
Profit/loss before impairment writedowns	-15,234	1,589	40,106	50,148	76,609	-58,359	18,250	28,027	46,277
Writedowns and credit-related value adjustments	18,336	-348	-603	-	17,385	179,304	196,689	-	196,689
Profit/loss before tax	-33,570	1,937	40,709	50,148	59,224	-237,663	-178,439	28,027	-150,412
Tax							-44,975	-	-44,975
Profit/loss for the period							-133,464	28,027	-105,437
Of which share attributable to minority interests									11,111
Loans and advances	2,377,245	-	94,295	24,640	2,496,180	4,263,555	6,759,735	-	6,759,735
Bonds	-	-	1,997,032	3,174,649	5,171,681	-	5,171,681	-	5,171,681
Lease assets	-	432,148	-	-	432,148	-	432,148	-	432,148
Other assets	4,416	187,776	79,372	1,531,569	1,803,133	188,396	1,991,529	-	1,991,529
Total assets	2,381,661	619,924	2,170,699	4,730,858	9,903,142	4,451,951	14,355,093	-	14,355,093

GENERAL

The segment financial statements are segmented according to the group's primary business areas. All activities are located in Denmark. Assets are placed in the business areas to which they are related in terms of operations. All funding is channelled to the bank's treasury function, which is included in the segment other, and which is responsible for the bank's funding and liquidity. Transactions between the segments are settled on market terms. The segment financial statements are in accordance with the bank's internal reporting.

The recognition and measurement criteria are consistent with the group's accounting policies. The line items used are consistent with the financial highlights presented at the beginning of the interim report.

BUSINESS AREAS

The segment financial statements are segmented according to the group's business areas and have generally been divided into continuing activities

and winding-up activities. Continuing activities comprise areas in which the bank wishes to expand its business volume. Winding-up activities and discontinued activities comprise exposures which the bank wishes to reduce in a responsible and financially appropriate manner.

The individual business areas are described below.

Private: Provides advisory services and sells financial products to the bank's private customers, both through branch offices in 11 major Danish towns and cities and online. Drawing on the full range of the group's capabilities, Private offers optimum solutions, including in connection with wealth management and investment.

Leasing: Offers operating leases of passenger and commercial vehicles with related car fleet management for businesses. The segment also offers operating leases of passenger cars to private individuals. The business area is anchored in Alm. Brand Leasing A/S, which is a subsidiary of the bank.

SEGMENT INFORMATION

Group

DKK '000

Q1-Q3 2013

	Private	Leasing	Financial Markets	Other	Total continuing activities before winding up	Winding-up activities	Total continuing activities	Discontinued activities	Total
Net interest and fee income	135,385	-	-	-	135,385	-12,294	123,091	-	123,091
Trading income (excl. value adjustments)	-	-	132,237	14,218	146,455	-	146,455	25,007	171,462
Other income	715	59,022	707	427	60,871	1,630	62,501	-	62,501
Total income	136,100	59,022	132,944	14,645	342,711	-10,664	332,047	25,007	357,054
Expenses	154,763	24,827	76,831	8,358	264,779	77,163	341,942	2,599	344,541
Depreciation	96	35,297	-	13	35,406	-	35,406	-	35,406
Core earnings	-18,759	-1,102	56,113	6,274	42,526	-87,827	-45,301	22,408	-22,893
Value adjustments	414	-	-9,301	-21,503	-30,390	-7,779	-38,169	-13,295	-51,464
Profit/loss from investments	-	-	433	-3,257	-2,824	2,216	-608	-	-608
Profit/loss before impairment writedowns	-18,345	-1,102	47,245	-18,486	9,312	-93,390	-84,078	9,113	-74,965
Writedowns and credit-related value adjustments	75,768	-406	-1,692	-	73,670	202,131	275,801	-	275,801
Profit/loss before tax	-94,113	-696	48,937	-18,486	-64,358	-295,521	-359,879	9,113	-350,766
Tax							-50,772	777	-49,995
Profit/loss for the period							-309,107	8,336	-300,771
Of which share attributable to minority interests									14,198
Loans and advances	2,315,253	-	106,326	43,619	2,465,198	5,066,762	7,531,960	-	7,531,960
Bonds	-	-	2,122,086	2,851,091	4,973,177	-	4,973,177	715,441	5,688,618
Lease assets	-	246,786	-	-	246,786	-	246,786	-	246,786
Other assets	4,524	171,807	89,461	1,966,261	2,232,053	393,104	2,625,157	325,389	2,950,546
Total assets	2,319,777	418,593	2,317,873	4,860,971	9,917,214	5,459,866	15,377,080	1,040,830	16,417,910

Financial Markets: Comprises Markets and Asset Management. The Markets department handles all of the bank's financial market activities, providing advisory services on and performs securities and currency transactions. In addition, Markets prepares research reports on developments in fixed income, equity and foreign exchange markets. Asset Management has assets under management for both institutional and private investors.

Other: Comprises the bank's treasury function, which is responsible for the bank's composition of funding and liquidity management, including the bank's own portfolio. All funding procured by the bank's other business areas is channelled to Treasury, which is responsible for allocation and settlement to the individual business areas. Funding is allocated at a price equivalent to the actual cost of procuring the funding plus a spread to cover administrative expenses and any risks.

Winding-up: This is the only business area included under winding-up activities and comprises exposures to small and medium-sized commercial customers, agricultural customers, property development projects, mortgage deeds and a portfolio of car finance contracts. Efforts are made to gradually reduce these exposures, a process which is expected to extend over a number of years.

Alm. Brand Formue (discontinued activities): Comprises the listed company Alm. Brand Formue A/S, which entered into liquidation in March 2014. The company had investments in shares and bonds, all of which have now been sold. At 31 March, Alm. Brand Formue's assets consisted exclusively of cash funds and accruals. The bank's hedging of the indirect equity risk has also been closed down. The realised result from the equity hedging is recognised under the business area. See note 6 for additional information.

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	Q1-Q3 2014	Q1-Q3 2013	Year 2013	Q1-Q3 2014	Q1-Q3 2013	Year 2013
NOTE 1 Interest receivable						
Balances due from credit institutions and central banks	613	472	719	609	472	719
Loans, advances and other receivables	292,203	334,803	435,999	288,564	339,076	440,844
Bonds	74,678	108,854	135,488	74,678	108,854	135,488
Total derivatives	-23,830	-29,191	-37,727	-23,830	-29,191	-37,727
Of which:						
Foreign exchange contracts	-24,241	-1,001	-1,603	-24,241	-1,001	-1,603
Interest rate contracts	411	-28,190	-36,124	411	-28,190	-36,124
Other interest income	287	5	8	287	6	8
Total interest receivable	343,951	414,943	534,487	340,308	419,217	539,332
Interest receivable from genuine purchase and resale transactions:						
Balances due from credit institutions and central banks	-	-49	-117	-	-49	-117
Loans, advances and other receivables	-	-14	-20	-	-14	-20
NOTE 2 Interest payable						
Credit institutions and central banks	2,081	2,526	3,228	511	2,526	3,229
Deposits and other payables	146,251	173,938	227,484	146,248	173,935	227,480
Bonds issued	-	10,662	10,662	-	10,663	10,662
Total subordinated debt	16,491	59,793	70,897	16,491	59,793	70,897
Other interest expenses	521	555	723	521	556	723
Total interest payable	165,344	247,474	312,994	163,771	247,473	312,991
Interest payable on genuine sale and repurchase transactions:						
Payables to credit institutions and central banks	-	147	226	-	147	226
Deposits and other payables	-	3	5	-	3	5
NOTE 3 Value adjustments						
Loans, advances and other receivables at fair value	-43,378	-201,943	-245,828	-43,378	-201,943	-245,828
Bonds	-898	-42,746	-45,388	-897	-42,746	-45,388
Shares, etc.	14,718	18,120	20,043	14,718	18,122	20,043
Intangible assets	-2,342	-	-3,958	-2,342	-	-3,957
Foreign currency	10,586	-9,890	-7,590	10,586	-9,891	-7,591
Total derivatives	-72,369	63,383	57,750	-72,370	63,383	57,750
Other liabilities	-287	-	-51	-287	-	-51
Total value adjustments	-93,970	-173,076	-225,022	-93,970	-173,075	-225,022

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	Q1-Q3 2014	Q1-Q3 2013	Year 2013	Q1-Q3 2014	Q1-Q3 2013	Year 2013
NOTE 4 Staff costs and administrative expenses						
Remuneration to the Management Board and Board of Directors:						
Remuneration to the Management Board:						
Salaries and wages	2,245	2,117	2,799	2,245	2,117	2,799
Pensions	232	249	333	232	249	333
Total remuneration to the Management Board	2,477	2,366	3,132	2,477	2,366	3,132
Remuneration to the Board of Directors:						
Fees	960	812	1,112	960	812	1,112
Total remuneration to the Management Board and Board of Directors	3,437	3,178	4,244	3,437	3,178	4,244
Staff costs:						
Salaries and wages	118,419	120,581	161,610	118,419	120,582	161,610
Pensions	12,817	13,006	17,508	12,817	13,005	17,508
Social security costs	13,619	13,111	17,107	13,619	13,112	17,108
Total staff costs	144,855	146,698	196,225	144,855	146,699	196,226
Other administrative expenses	117,596	129,149	187,435	148,919	153,640	219,424
Total staff costs and administrative expenses	265,888	279,025	387,904	297,211	303,517	419,894
Number of employees						
Average number of employees during the financial year, full-time equivalents						
	255	262	263	255	262	263
NOTE 5 Impairment of loans, advances and receivables, etc.						
Individual assessment:						
Impairment and value adjustments, respectively, during the year	177,552	249,742	331,977	178,182	250,709	333,074
Reversal of impairment in previous years	102,247	105,973	120,265	102,731	106,898	121,293
Total individual assessment	75,305	143,769	211,712	75,451	143,811	211,781
Group assessment:						
Impairment and value adjustments, respectively, during the year	81,091	48,623	50,824	81,216	48,773	50,986
Reversal of impairment in previous years	45,812	45,649	61,406	46,291	46,932	62,896
Total group assessment	35,279	2,974	-10,582	34,925	1,841	-11,910
Losses not previously provided for	20,052	22,127	34,952	20,910	23,744	37,239
Bad debts recovered	33,567	27,570	39,663	34,565	28,502	40,794
Total impairment of loans, advances and receivables, etc., end of period	97,068	141,300	196,419	96,720	140,894	196,316

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	Q1-Q3 2014	Q1-Q3 2013	Year 2013	Q1-Q3 2014	Q1-Q3 2013	Year 2013

NOTE 6 Discontinued activities

Discontinued activities comprise the subsidiary Alm. Brand Formue A/S, which entered into liquidation in March 2014. The liquidation was finalised in September 2014. 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 A/S and interest on loans provided to Alm. Brand Formue A/S. No funding costs have been allocated to the discontinued activities. Alm. Brand Formue A/S is end of September no longer included in the balance sheet of the bank.

Income statement

Net interest and fee income	3,594	15,621	19,770	3,594	15,621	19,770
Value adjustment	2,747	-32,058	-47,660	2,747	-32,058	-47,660
Profit/loss of Alm. Brand Formue A/S	10,576	10,582	21,451	21,687	24,780	47,093
Profit/loss on discontinued activities	16,917	-5,855	-6,439	28,028	8,343	19,203

Cash flows

Cash flows from operating activities				27,554	-14,199	-2,211
Cash flows from investing activities				1,054,636	151,082	139,046
Cash flows from financing activities				-507,627	-32,750	17,578
Total cash flows				574,563	104,133	154,413

NOTE 7 Loans, advances and other receivables at amortised cost

Loans and advances	6,447,207	7,044,274	7,046,173	5,882,401	6,299,172	6,235,881
Leases	-	-	-	67,139	54,516	52,185
Total before impairment, etc.	6,447,207	7,044,274	7,046,173	5,949,540	6,353,688	6,288,066
Impairment, etc.	1,484,108	1,425,173	1,442,840	1,486,021	1,428,245	1,445,731
Loans, advances and other receivables at amortised cost, end of period	4,963,099	5,619,101	5,603,333	4,463,519	4,925,443	4,842,335

NOTE 8 Subordinated debts

Tier 2 capital:

Floating rate bullet loans in DKK maturing 9 May 2014	-	100,000	100,000	-	100,000	100,000
Floating rate bullet loans in DKK maturing 3 December 2015	-	200,000	200,000	-	200,000	200,000
Tier 2 capital, end of period	-	300,000	300,000	-	300,000	300,000

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	Q1-Q3 2014	Q1-Q3 2013	Year 2013	Q1-Q3 2014	Q1-Q3 2013	Year 2013
NOTE 8 Subordinated debts - continued						
Additional tier 1 capital:						
Fixed rate bullet loans in DKK with indefinite terms	175,000	175,000	175,000	175,000	175,000	175,000
State-funded capital injection, bullet loan in DKK with an indefinite term	-	225,855	225,949	-	225,855	225,949
Additional tier 1 capital, end of period	175,000	400,855	400,949	175,000	400,855	400,949
Subordinated debt, end of period	175,000	700,855	700,949	175,000	700,855	700,949
Interest on subordinated debt	16,491	59,793	70,897	16,491	59,793	70,897
Of this, amortisation of costs incurred on raising the debt	51	747	841	51	747	841
Extraordinary instalments	526,000	630,000	630,000	526,000	630,000	630,000
NOTE 9 Share capital						
Unlisted share capital:						
Nominal value at 1 January 2008	351,000	351,000	351,000	351,000	351,000	351,000
Capital increase April 2009	300,000	300,000	300,000	300,000	300,000	300,000
Capital increase September 2009	90,000	90,000	90,000	90,000	90,000	90,000
Capital increase November 2009	280,000	280,000	280,000	280,000	280,000	280,000
Nominal value, end of period	1,021,000	1,021,000	1,021,000	1,021,000	1,021,000	1,021,000
The share capital consists of 1,021,000 shares of DKK 1,000 nominal value and is paid up in full.						
NOTE 10 Total capital						
Shareholders' equity	1,786,365	1,579,403	1,502,912	1,786,365	1,760,976	1,695,946
Deferred tax assets	-146,344	-242,809	-202,884	-294,903	-338,362	-335,765
Deduction of ownership interest in financial institution	-115	-	-	-2,996	-	-
Common tier 1 capital	1,639,906	1,336,594	1,300,028	1,488,466	1,422,614	1,360,181
Additional tier 1 capital	175,000	400,855	400,949	175,000	400,855	400,949
Reduction additional tier 1 capital	-48,125	-	-	-48,125	-	-
Deduction of ownership interest in financial institution	-478	-28,747	-26,840	-12,452	-33,874	-64,492
Tier 1 capital	1,766,303	1,708,702	1,674,137	1,602,889	1,789,596	1,696,638
Tier 2 capital	-	300,000	300,000	-	300,000	300,000
Deduction of ownership interest in financial institution	-	-28,747	-26,840	-	-33,874	-64,492
Reduction of 25% per year in the three final years of the term to maturity	-	-125,000	-175,000	-	-125,000	-175,000
Capital base	1,766,303	1,854,955	1,772,297	1,602,889	1,930,722	1,757,146

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	Q1-Q3 2014	Q1-Q3 2013	Year 2013	Q1-Q3 2014	Q1-Q3 2013	Year 2013
NOTE 10 Total capital - continued						
Risk-weighted items:						
Weighted items involving credit risk	6,864,621	7,864,294	7,104,338	6,796,286	7,708,815	6,959,494
Weighted items involving market risk	1,370,695	1,119,388	1,352,504	1,370,695	1,879,713	2,153,735
Weighted items involving operational risk	283,088	424,893	283,088	451,291	520,436	451,291
Risk-weighted items, end of period	8,518,404	9,408,575	8,739,930	8,618,272	10,108,964	9,564,520
The solvency requirement represents 8% of the risk-weighted items						
	681,472	752,686	699,194	689,462	808,717	765,162
Tier 1 capital and Total capital is calculated in accordance with CRD IV / CRR.						
NOTE 11 Off-balance sheet items						
Contingent liabilities:						
Financial guarantees	73,283	359,128	143,863	73,283	359,128	143,863
Loss guarantees for mortgage loans	221,920	331,236	181,258	221,920	331,236	181,258
Registration and conversion guarantees	29,808	12,802	11,685	29,808	12,802	11,685
Other contingent liabilities	378,372	329,741	316,590	378,372	329,741	316,590
Contingent liabilities, end of period	703,383	1,032,907	653,396	703,383	1,032,907	653,396
Other commitments:						
Irrevocable loan commitments	8,000	-	-	8,000	-	-
Other miscellaneous commitments	-	-	-	-	-	-
Other commitments, end of period	8,000	-	-	8,000	-	-
Off-balance sheet items, end of period	711,383	1,032,907	653,396	711,383	1,032,907	653,396

Other contingent liabilities

Alm. Brand Bank A/S is taxed jointly with Alm. Brand A/S as administration company. As from 1 July 2012, the bank is therefore jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends on behalf of the jointly taxed companies.

Alm. Brand Bank has entered into operating leases with Alm. Brand Leasing A/S. The residual value of future lease payments under these operating leases totalled DKK 6 million at 30 September 2014 (30 September 2013: DKK 6 million).

Alm. Brand Bank is a member of Bankdata, which operates the bank's key IT-systems. Termination of this membership would cause the bank to incur a significant liability which would have to be calculated in accordance with Bankdata's by-laws.

Being an active financial services group, the group is a party to a number of lawsuits. The cases are reviewed on an ongoing basis, and the necessary provisions are made. Management believes that these cases will not inflict further losses on the group.

Collateral security

Monetary-policy counterparties with Danmarks Nationalbank can obtain credit only against security through the pledging of approved securities.

As part of its current operations, the bank provided collateral security to Danmarks Nationalbank at 30 September 2014 in the form of bonds representing a nominal value of DKK 1,943 million (Q3 2013: DKK 1,364 million).

As collateral for positive and negative fair values of derivative financial instruments, respectively, cash in the amount of DKK 4 million was received and cash in the amount of DKK 204 million was paid at Q3 2014 (Q3 2013: DKK 3 million and DKK 321 million).

NOTES TO THE FINANCIAL STATEMENTS

Group

DKK '000	Q1-Q3 2014	Q1-Q3 2013	Q1-Q3 2012	Q1-Q3 2011	Q1-Q3 2010
NOTE 12 Financial highlights and key ratios					
Net interest and fee income	290,369	279,538	287,766	376,687	520,872
Value adjustments	-93,970	-173,075	-66,912	-211,372	-242,894
Staff costs and administrative expenses	-297,211	-303,517	-346,850	-349,811	-392,754
Impairment of loans, advances and receivables, etc.	-96,720	-140,894	-237,885	-287,889	-548,891
Profit/loss from investments in associates group enterprises	3,452	-609	-1,089	-472	18,862
Profit for the year	-133,465	-309,113	-288,811	-374,491	-516,505
Profit/loss for the period, discontinued activities	28,028	8,343	41,585	-46,017	42,273
Total profit/loss for the period	-105,437	-300,770	-247,226	-420,508	-474,232
Loans and advances	6,759,735	7,531,959	8,959,516	11,060,734	14,010,159
Shareholders' equity	1,786,364	1,760,976	1,277,237	1,766,434	1,076,287
Total assets	14,355,093	16,417,910	19,510,291	23,420,065	27,339,149
Solvency ratio	18.6	19.1	18.2	20.6	12.6
Tier 1 ratio	18.6	17.7	13.6	18.0	7.3
Return on equity before tax (%)	-9.5	-26.9	-28.5	-37.9	-49.4
Return on equity after tax (%)	-6.9	-23.0	-20.8	-29.2	-35.6
Income/cost ratio	0.63	0.33	0.47	0.21	0.35
Interest rate risk (%)	6.6	2.7	0.5	-2.2	9.1
Foreign exchange position (%)	5.1	8.5	8.0	5.0	11.6
Foreign exchange risk (%)	0.1	0.1	0.1	0.1	0.2
Loans and advances as a percentage of deposits (%)	77.8	82.8	99.5	159.5	162.2
Gearing of loans and advances	3.8	4.3	7.0	6.3	13.0
Annual growth in lending (%)	-7.9	-10.3	-12.3	-11.4	-5.5
Excess cover relative to statutory liquidity requirement (%)	182.8	180.8	201.5	336.8	225.0
Total amount of large exposures (%)	29.0	62.3	57.9	44.2	69.1
Impairment ratio for the year	1.1	1.4	2.1	2.2	3.2

Financial ratios are calculated on the basis of the total profit/loss, which includes both continuing and discontinued activities.

Financial highlights and key ratios are based on the definitions and guidelines of the Danish FSA and on "Recommendations & Financial Ratios 2010" issued by the Danish Society of Financial Analysts.

NOTES TO THE FINANCIAL STATEMENTS

Parent company

DKK '000	Q1-Q3 2014	Q1-Q3 2013	Q1-Q3 2012	Q1-Q3 2011	Q1-Q3 2010
NOTE 12 Financial highlights and key ratios - continued					
Net interest and fee income	286,811	269,546	275,066	359,642	480,855
Value adjustments	-93,970	-173,076	-66,912	-211,372	-158,160
Staff costs and administrative expenses	-265,888	-279,025	-325,688	-328,406	-364,058
Impairment of loans, advances and receivables, etc.	-97,068	-141,300	-238,328	-284,256	-538,472
Profit/loss from investments in associates group enterprises	10,329	-9,559	-80	-491	-33,923
Profit for the year	-133,465	-309,113	-288,812	-374,448	-486,439
Profit/loss for the period, discontinued activities	16,917	-5,855	7,781	-3,839	10,513
Total profit/loss for the period	-116,548	-314,968	-281,031	-378,287	-475,926
Loans and advances	7,259,315	8,225,617	9,339,351	11,329,794	14,391,235
Shareholders' equity	1,786,364	1,579,403	1,107,018	1,633,281	886,277
Total assets	14,207,579	15,729,138	19,009,262	22,861,686	26,920,698
Solvency ratio	20.7	19.7	18.9	20.3	11.9
Tier 1 ratio	20.7	18.2	13.6	17.8	6.1
Return on equity before tax (%)	-10.2	-33.1	-36.1	-39.6	-58.7
Return on equity after tax (%)	-7.3	-27.9	-27.1	-29.7	-42.3
Income/cost ratio	0.54	0.18	0.37	0.23	0.32
Interest rate risk (%)	6.3	1.1	-2.0	-3.0	3.8
Foreign exchange position (%)	4.6	1.7	2.4	1.9	5.5
Foreign exchange risk (%)	0.1	0.0	0.1	0.1	0.2
Loans and advances as a percentage of deposits (%)	82.5	89.1	103.0	162.5	165.8
Gearing of loans and advances	4.1	5.2	8.4	6.9	16.2
Annual growth in lending (%)	-10.4	-10.0	-11.2	-11.8	-4.5
Excess cover relative to statutory liquidity requirement (%)	184.1	187.6	207.2	345.6	227.8
Total amount of large exposures (%)	36.3	96.8	59.1	48.1	160.0
Impairment ratio for the year	1.0	1.3	2.0	2.1	3.1

Financial ratios are calculated on the basis of the total profit/loss, which includes both continuing and discontinued activities.

Financial highlights and key ratios are based on the definitions and guidelines of the Danish FSA and on "Recommendations & Financial Ratios 2010" issued by the Danish Society of Financial Analysts.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 13 Accounting policies group

The consolidated interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU. The parent company interim 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 credit institutions and investment companies.

In addition, the consolidated interim financial statements have been prepared in accordance with additional Danish disclosure requirements for interim financial statements of listed financial companies.

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 and the balance 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. The majority of the assets before the liquidation are cash funds, which are recognised in the consolidated financial statements under discontinued activities with respect to the part which is to be attributable to minority shareholders. The bank's ownership interest in Alm. Brand Formue is before the liquidation included in the parent company balance sheet. 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 are otherwise consistent with the policies applied in the financial statements for 2013.

The interim financial statements are unaudited.

Disclaimer

The forecast is based on the interest rate and price levels that prevailed at mid-November 2014. All other forward-looking statements are based exclusively on the information available when this interim report was released.

The actual performance may be affected by major changes in a number of factors. Such impacts include changes in conditions in the financial market, legislative changes, changes in the competitive environment, loans and advances, etc. and guarantees, 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 text and the English-language translation, the Danish text shall prevail.