

Alm. Brand Bank A/S – Interim report Q1 2015

Highlights

- **The bank incurred a pre-tax loss of DKK 68 million in Q1 2015, against a loss of DKK 113 million in Q4 2014. The performance was not satisfactory.**
- **The forward-looking activities reported a profit of DKK 6 million. The profit was less than expected and affected by the historically low level of interest rates. The profit was also adversely affected by the fact that the bank had substantial excess liquidity in the first quarter of 2015.**
- **Writedowns on private customers amounted to DKK 6 million in Q1 2015 and were at a normal level.**
- **The bank's forward-looking activities generally experienced an increase in the level of activity in the first quarter of the year. The number of full-service customers increased by 4% in Q1, and lending to the bank's private customers grew. Financial Markets and Leasing also saw an increase in customer numbers.**
- **The bank lost DKK 74 million on its winding-up activities, against a loss of DKK 99 million in Q4 2014. The performance was supported by a stronger operating profit and fewer impairment writedowns.**
- **The bank maintains its full-year guidance for the forward-looking activities of a pre-tax profit to the tune of DKK 40 million after impairment writedowns, which are expected to represent approximately DKK 20 million. The bank maintains its guidance for a pre-tax loss of DKK 300-350 million from its winding-up activities.**

Other highlights

- Income from the forward-looking activities increased by 10% to DKK 138 million in Q1 2015, against DKK 126 million in the same period of 2014. The increase was driven by a higher level of activity in retail banking and leasing activities.
- Costs amounted to DKK 92 million in Q1 2015, compared with DKK 86 million in Q4 2014.
- Value adjustments produced a loss of DKK 6 million in Q1 2015, against a loss of DKK 39 million in Q4 2014.
- In Q1 2015, the bank reduced the winding-up portfolio by DKK 129 million adjusted for losses and writedowns. The Q1 reduction of the winding-up portfolio outperformed expectations.
- At 31 March 2015, the bank had excess liquidity of DKK 4.0 billion, corresponding to an excess cover of 307% relative to the statutory requirement. The excess cover was reduced by approximately DKK 0.9 billion in Q1 2015 and will be reduced further in 2015.
- At 31 March 2015, the bank's total capital stood at DKK 1.6 billion, and the total capital ratio was 19.9. The bank's individual solvency need was calculated at 13.9%, and the bank thus had an excess coverage of 6.0 percentage points. The banking group had a total capital ratio of 18.3, and

the individual solvency need was calculated at 13.6%. The banking group thus had an excess coverage of 4.7 percentage points.

Contact

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