

Announcement no. 6/2015

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Alm. Brand Bank A/S – Interim report H1 2015

Highlights

- **The bank incurred a pre-tax loss of DKK 86 million in Q2 2015, against a loss of DKK 68 million in Q1 2015. The performance was not satisfactory.**
- **The forward-looking activities reported a loss of DKK 8 million. The performance was below expectations and reflected the turbulence in the fixed income markets, which drove down trading activity and resulted in significant capital losses on the bank's bond portfolio.**
- **Impairment writedowns on private customers amounted to DKK 0 million in Q2, compared with DKK 6 million in Q1 2015.**
- **The bank's private customer segment experienced an increase in the level of activity in the second quarter supported by an increase in the number of full-service customers and in loans and advances. Activities in Financial Markets reflected the financial market turmoil.**
- **The bank incurred a loss on its winding-up activities of DKK 78 million, against a loss of DKK 74 million in Q1 2015, which was in line with expectations.**
- **The bank lowers its full-year guidance for profit before tax of its forward-looking activities to about DKK 20 million after impairment writedowns, which are expected to represent 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 fell by 2% to DKK 135 million in Q2, against DKK 138 million in Q1 2015 due to a lower level of investment activity among institutional clients.**
- **Costs amounted to DKK 92 million in Q2, which was on a par with Q1 2015.**
- **Value adjustments produced a loss of DKK 22 million in Q2, against a loss of DKK 6 million in Q1 2015, and were severely impacted by the interest rate volatility.**
- **In Q2 2015, the bank reduced the winding-up portfolio by DKK 75 million adjusted for losses and writedowns. The Q2 reduction of the winding-up portfolio outperformed expectations.**

- At 30 June 2015, the bank had excess liquidity of DKK 3.7 billion, corresponding to an excess cover of 296% relative to the statutory requirement. The excess cover was reduced by DKK 0.2 billion in Q2 2015 and will be reduced further in 2015.
- At 30 June 2015, the bank's total capital stood at DKK 1.5 billion, and the total capital ratio was 19.8. The bank's individual solvency need was calculated at 13.3%, and the bank thus had an excess cover of 6.5 percentage points. The banking group had a total capital ratio of 18.4, and the individual solvency need was calculated at 13.2%. The banking group thus had an excess cover of 5.2 percentage points.

Contact

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