

## **Announcement no. 5/2016**

25 August 2016

# **Alm. Brand Bank – Interim report Q2 2016**

## **Highlights**

- **The bank posted a pre-tax profit of DKK 15 million in Q2 2016, against a loss of DKK 86 million in Q2 2015. The performance was better than expected and satisfactory.**
- **Core earnings in the forward-looking activities amounted to DKK 13 million (Q2 2015: DKK 14 million). The forward-looking activities reported a pre-tax profit of DKK 15 million, which was in line with expectations. This marked a DKK 23 million improvement on Q2 2015, which was driven primarily by greater business volume, fewer costs and a better return on the investment portfolio.**
- **Impairment writedowns on private customers amounted to a reversal of DKK 3 million in Q2 2016, compared with DKK 0 million in Q2 2015.**
- **The bank's underlying activities continue to develop favourably with an increase in the level of activity. Year on year, the number of full-service customers increased by 13%, and the portfolio of Totalkredit loans for which the bank acted as intermediary grew by 19%.**
- **The winding-up activities produced a break-even result in Q2 2016, marking a significant improvement of DKK 78 million on Q2 2015. The performance was better than expected.**
- **Impairment writedowns in the winding-up portfolio amounted to DKK 13 million in Q2 2016, compared with DKK 62 million in the year-earlier period.**
- **The bank expects to generate a pre-tax profit of about DKK 50 million in the forward-looking activities, marking a downward adjustment of DKK 20 million. The guidance for the bank's winding-up activities is lifted by DKK 25 million to a pre-tax loss of DKK 25-50 million.**

## **Other highlights**

- **Income from the forward-looking activities increased by 4% to DKK 140 million in Q2 2016, against DKK 135 million in Q2 2015. The improvement was attributable to higher income from the bank's leasing portfolio.**
- **Costs related to the forward-looking activities amounted to DKK 91 million in Q2 2016, which was 1% or DKK 1 million lower than the DKK 92 million reported in Q2 2015.**

- Value adjustments produced a loss of DKK 1 million in Q2 2016, against a loss of DKK 22 million in Q2 2015.
- In Q2 2016, the bank reduced the winding-up portfolio by DKK 36 million adjusted for losses and writedowns. The reduction of the winding-up portfolio is generally progressing better than expected.
- At 30 June 2016, the bank had excess liquidity of DKK 3.0 billion, corresponding to an excess cover of 288% relative to the statutory requirement. The excess cover increased by DKK 0.3 billion in Q2.
- At 30 June 2016, the bank's total capital stood at DKK 1.4 billion, and the total capital ratio was 20.1. The bank's individual solvency need was calculated at 13.8%, and the bank thus had an excess cover of 6.3 percentage points. The banking group had a total capital ratio of 18.7, and the individual solvency need was calculated at 13.5%. The banking group thus had an excess cover of 5.2 percentage points.

## **Contact**

Please direct any questions regarding this announcement to:  
Kim Bai Wadstrøm, Managing Director, tel. +45 35 47 70 14, or Susanne Bilotft, Head of  
Information and Investor Relations, tel. +45 35 47 76 61.