ALM. BRAND A/S

Roadshow H1 2011
October 2011
Alm. Brand in Brief

- Alm. Brand is a financial group offering
  - Non-life insurance
  - Banking
  - Life insurance

- Customer focus
  - Private customers age +30 with multiple insurance and banking needs
  - Agriculture customers and small to medium-sized commercial customers

- Distribution of products through
  - 6 call centres
  - 15 sales centres offering advice on life and non-life insurance products
  - 11 bank branches
  - 270 insurance agents
# The Alm. Brand Group

## Non-life insurance
- Denmark's 4th largest non-life insurer
- Market share of some 10%
- 450,000 customers*
  - incl. 200,000 plusKUNDER
  - Incl. 25,000 dobbeltKUNDER
- 100,000 commercial and agricultural customers

## Banking
- Denmark's 10th largest bank
- 60,000 retail customers
- 11 bank branches all over Denmark

## Life insurance
- Denmark's 7th largest commercial life and pension insurance company
- 80,000 customers

## Focus on improved profitability followed by profitable growth
- Reduction of expense ratio
- Reduction of risk and amendment of terms
- Premium increases

## Focus on low risk and profitability
- Focus on private customer segment
- Asset Management
- Markets
- Winding-up of non-strategic business areas

## Business as usual
- Low-risk investment policy
- Focus on costs and risk
- Supporting non-life insurance business

* Based on no. of households
Highlights for H1 2011

- Profit of DKK 44 million after losses and writedowns in Q2
- Loss of DKK 65 million in H1
  - **Non-life insurance**: Sustained positive trends in the underlying business and expense ratio with a combined ratio of 85.8 for Q2 and 91.6 for H1
  - **Banking**: Losses and writedowns declined, although not at the rate anticipated. H1 results were impacted by substantial negative value adjustments and by expenses paid to the Danish Guarantee Fund for Depositors and Investors of DKK 41 million
  - **Life insurance**: Good expense and risk results and growth of 11.7% in total payments into pension schemes

- **Outlook for 2011**
  - Profit of around DKK 275 million before losses and writedowns, against the previous guidance of a profit of DKK 375 million
  - The revised guidance comprises an upgrade of the forecast for the group's insurance and pension activities but a downgrade of the forecast for its banking activities
Non-life insurance

- Financial highlights and key ratios

**Results**
- Q2 profit of DKK 207 million
- H1 profit of DKK 244 million, against a loss of DKK 64 million in H1 2010

**Combined ratio**
- Combined ratio of 85.8 in Q2 and 91.6 in H1, against 104.9 in H1 2010
- Improvement of the underlying business
  - Premium adjustments
  - Amended terms and higher deductibles
  - Tighter acceptance rules in connection with new business written
- Expense ratio
  - Expense ratio of 16.3 in H1, against 18.9 in the year-earlier period
  - Cost-savings from organisational adjustments
  - Lower marketing expenses
- Major claims and weather-related claims
  - Fewer major claims
  - Weather-related claims affected by storm in Q1
## Strategic assessments

<table>
<thead>
<tr>
<th>Strategic levers</th>
<th>Attraction</th>
<th>Risks</th>
</tr>
</thead>
</table>
| Increase in top line | ▪ Increase premiums  
▪ Gain market shares | ▪ Higher income | ▪ Price competition  
▪ Loss of existing customers |
| Reduce claim sizes and number of claims | ▪ Amend terms and conditions  
▪ Increase deductibles  
▪ Preventative measures  
▪ Procurement | ▪ Aligned conditions and risks  
▪ Less claims | ▪ Loss of customers  
▪ Must be market conform |
| Decreasing costs | ▪ Optimise workflows and IT systems  
▪ Staff reduction | ▪ Higher profits  
▪ Increased competitive edge | ▪ Deteriorating customer services |
| Increase customer loyalty | ▪ Customer loyalty programmes to increase longevity | ▪ Increased profitability  
▪ Less sensitive to changes in conditions | ▪ Can be costly |
| Investment strategy | ▪ Take higher investment risks | ▪ Higher profit | ▪ Risk of loosing the asset/liabilities balance  
▪ Investment risk |
Development in premium income

- Premium income declined by 0.8% compared with the same period of 2010 due to a slowdown in economic activity.

- Commercial customer segment
  - Decline in premiums on workers' compensation, liability and motor insurance
  - Market share retained as a result of general market decline

- Private customer segment
  - Steady performance throughout H1 compared with 2010
  - New personal accident product introduced in Q4 2010 expected to improve profitability
Effect on financial results

- Improved underlying business

- Claims ratio of 68.9, against 82.1 in H1 2010

- Commercial initiatives improved the business
  - Lower expense ratio – down to 16.3
  - Premium increases
  - Lower average claims

- Major claims developed positively and expenses were lower than anticipated

- Weather-related expenses in Q2 were in line with expectations, but H1 expenses were impacted by the storm in Q1
Underlying Combined ratio
- Trend from H1 2010 to H1 2011

- Costs declined due to a number of initiatives taken in recent years
- Claims prevention measures, such as electricity checks, separation of machinery and combustible materials, cheaper procurement, advice through consultants
- Premium increases on property/building, contents/house contents and personal accident
- Preventive work and amended insurance terms affected the claims frequency positively
- Health and personal accident affected positively
- Higher reinsurance due to extended coverage
Expenses for major claims and weather-related claims

- Reasonable development in major claims
- Weather-related claims comprise e.g.
  - Winter-related claims
  - Storm

Note: Major claims are defined as claims in excess of DKK 1 million
Trend in combined ratio
- major Danish non-life insurers

Note: Combined ratio is stated at group level. Combined ratio for Codan is for Codan Forsikring.
Note: Expense ratio is stated at group level. Expense ratio for Codan is for Codan Forsikring.
Outlook for 2011

- Forecast for non-life insurance activities upgraded from a profit of DKK 300 million to a profit of DKK 380 million

- Reasons for the upgrade
  - Improvement of the underlying business
  - Lower costs
  - Run-off gains

- Growth downgraded to minus 1%

- Forecast for combined ratio improved to 94 from 95 as previously guided

- The outlook takes into account expected expenses for the July and August cloudbursts in Denmark
Alm. Brand Bank
- Financial highlights and key ratios for H1 and Q2 2011

Results:
- The bank posted a pre-tax loss of DKK 122 million before losses and writedowns in H1. After losses and writedowns the result was a loss of DKK 348 million
- Expenses to be paid to the Danish Guarantee Fund for Depositors and Investors (Amagerbanken and Fjordbank Mors) of DKK 41 million

Value adjustments (excl. credit losses on mortgage deeds)
- The H1 results were adversely affected by value adjustments, resulting in an overall loss of DKK 126 million, primarily related to:
  - Developments in fixed-income markets
  - Capital loss on illiquid shares acquired in connection with the winding-up of exposures

Losses and writedowns (incl. credit losses on mortgage deeds)
- Writedowns traced a declining trend, although remaining at a high level
- Writedowns declined at a slower rate than expected, which have an adverse effect on the expectations
- Overall writedowns amounted to DKK 226 million in H1, of which DKK 97 million was related to Q2
BANKING

New bank & run-off bank
- Controlled winding-up of discontinued lending segments

Winding-up portfolio DKK 8.0bn

- Mortgage deeds; DKK 2,904 m
- Commercial lending; DKK 1,988 m
- Property development projects; DKK 408 m
- Car finance; DKK 543 m
- Agriculture; DKK 1,231 m

Continuing loan portfolio DKK 3.2bn

- Lending to private customers; DKK 3,085 m
- Other lending; DKK 159 m

Going forward, the bank aims to focus on lending segments that to a greater extent support the group’s other business areas. Focal areas:

- Private customer market
- Leasing
- Markets
- Asset Management
Deposits and lending

- Efforts to reduce the portfolio of loans and advances in non-strategic business areas progressed faster than expected.
- Total loans and advances were reduced by DKK 1,138 million in H1 and by DKK 520 million in Q2.
- Total loans and advances are expected to be reduced by DKK 1.5 billion in 2011.
- Deposits declined due to a lack of active interest rate campaigns as a result of ample liquidity.
Net interest and fee income amounted to DKK 276 million in H1 2011, against DKK 350 million in H1 2010.

Reasons for the decline in net interest income:
- Reduction in the portfolio of loans and advances and resulting lower interest income
- Higher funding costs, which had an adverse impact on the interest margin
## Lending portfolio and credit losses

<table>
<thead>
<tr>
<th>Loans</th>
<th>Total loss and writedowns</th>
</tr>
</thead>
<tbody>
<tr>
<td>DKK million</td>
<td>FY 2010</td>
</tr>
<tr>
<td>Continuing portfolio</td>
<td>3,494</td>
</tr>
<tr>
<td>Lending to private customers</td>
<td>3,318</td>
</tr>
<tr>
<td>Other lending **)</td>
<td>176</td>
</tr>
<tr>
<td>Winding-up portfolio</td>
<td>8,784</td>
</tr>
<tr>
<td>Agriculture</td>
<td>1,199</td>
</tr>
<tr>
<td>Car finance</td>
<td>736</td>
</tr>
<tr>
<td>Commercial lending</td>
<td>2,230</td>
</tr>
<tr>
<td>Property development projects</td>
<td>492</td>
</tr>
<tr>
<td>Mortgage deed financing</td>
<td>1,936</td>
</tr>
<tr>
<td>Mortgage deeds</td>
<td>2,190</td>
</tr>
<tr>
<td>Bank packages etc.</td>
<td>-</td>
</tr>
<tr>
<td>Total - excl. Reverse Transactions</td>
<td>12,277</td>
</tr>
</tbody>
</table>

| Reverse transactions including | 207 | 79 | 0.7% |

| Total group lending            | 12,484 | 11,358 | 97.9% |
| Minority interests             | 254    | 242    | 2.1%  |
| Total prorata                  | 12,738 | 11,600 | 100.0% |

*) Losses and writedowns as a percentage of the average portfolio in Q1 2011. The percentage is not comparable with the impairment ratio in the bank's financial highlights and key ratios.

**) Fleet management (operating leases) is not included, as it is recognised as other property, plant and equipment and not as loans and advances.

- Sustained decline in writedowns, although at a slightly slower rate than anticipated due to
  - Turmoil in the financial markets
  - Slowdown in the Danish economy
- Adverse developments affected agriculture and mortgage deeds in particular
Value adjustments

- Excess liquidity of DKK 7 billion placed in short term mortgage bonds
- Expected increased interest rates in the second quarter
- DKK 30 million related to illiquid shares acquired in connection with the winding-up of exposures
Funding

- Liquidity strategy towards 2013
  - Continued reduction of the winding-up portfolio
  - Increase deposits

- Plan B:
  - Utilise possibility of getting funding through the Danish National Bank by collateralising parts of the loan portfolio

- Banking Funding

  Interbank funding; DKK 5,258m
  Issued bonds; DKK 6,000m
  Subordinated debt; DKK 1,429m
  Other debt; DKK 487m
  Deposits; DKK 7,934m

<table>
<thead>
<tr>
<th>Year</th>
<th>Interbank funding</th>
<th>Issued bonds</th>
<th>Subordinated debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>1,692</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>4,167</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>6,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>856</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td>175</td>
</tr>
</tbody>
</table>

DKK million

WWW.almbrand.dk
Outlook for 2011

- **Outlook for the year**
  - The guidance for the bank's full-year results is lowered from a profit of DKK 45 million to a loss of around DKK 155 million

- **Reasons for the downgrade:**
  - Unsatisfactory financial results in H1 2011
  - Sustained turmoil in the financial markets, adversely affecting the outlook for the bank

- **Losses and writedowns:**
  - Sustained turmoil in the financial markets
  - Adverse developments in the Danish economy and, by extension, the bank's portfolio of loans and advances
  - In the upcoming quarters, losses and writedowns are expected to be in line with the last two quarters
Life insurance
- Financial highlights and key ratios

- Profit before tax of DKK 62 million in H1 2011, against DKK 129 million last year, which was better than expected

- Collective bonus potential: DKK 469 million
  - Bonus rate: 4.6%

- Positive risk and expense results

- The Danish FSA’s new benchmark for life expectancy has a positive impact on provisions
**Premium income**

Total premium income increased by 11.7% to DKK 493 million in H1.
- Decline of 5.5% in premium payments made to Alm. Brand Liv og Pension.
- Increase of 76% in payments into investment schemes.

<table>
<thead>
<tr>
<th>Year</th>
<th>Q1</th>
<th>Q2</th>
<th>H1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>229</td>
<td>213</td>
<td>442</td>
</tr>
<tr>
<td>2011</td>
<td>244</td>
<td>249</td>
<td>493</td>
</tr>
</tbody>
</table>

Note: Investment schemes are reported in the Banking segments.
## Results

<table>
<thead>
<tr>
<th>DKK million</th>
<th>2009</th>
<th>2010</th>
<th>Q2 2010</th>
<th>Q2 2011</th>
<th>H1 2010</th>
<th>H1 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Return on investment allocated to equity</td>
<td>58</td>
<td>30</td>
<td>11</td>
<td>7</td>
<td>24</td>
<td>4</td>
</tr>
<tr>
<td>Result of portfolios without bonus entitlement</td>
<td>-24</td>
<td>13</td>
<td>6</td>
<td>17</td>
<td>10</td>
<td>19</td>
</tr>
<tr>
<td>Risk premium</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Incl. interest rate group 0</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>Incl. interest rate group 1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Incl. interest rate group 2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Incl. interest rate group 3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Share of expense and risk results</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>22</td>
<td>27</td>
<td>11</td>
<td>18</td>
<td>12</td>
<td>37</td>
</tr>
<tr>
<td>Calculated return on equity</td>
<td>120</td>
<td>124</td>
<td>41</td>
<td>45</td>
<td>73</td>
<td>65</td>
</tr>
<tr>
<td>Reversed from/transferred to shadow account</td>
<td>29</td>
<td>57</td>
<td>20</td>
<td>-1</td>
<td>56</td>
<td>-3</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>139</td>
<td>181</td>
<td>61</td>
<td>44</td>
<td>129</td>
<td>62</td>
</tr>
<tr>
<td>Shadow account balance</td>
<td>56</td>
<td>0</td>
<td>-20</td>
<td>2</td>
<td>0</td>
<td>3</td>
</tr>
</tbody>
</table>
## Investment return

<table>
<thead>
<tr>
<th>Life insurance company</th>
<th>Rate on policyholders' funds (p.a.)</th>
<th>Investment composition</th>
<th>Return for the period</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest rate group</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.5% to 1.5% (new customers)</td>
<td>3.65%</td>
<td>20.8%</td>
<td>65.5%</td>
</tr>
<tr>
<td>1.5% to 2.5%</td>
<td>3.65%</td>
<td>20.6%</td>
<td>65.7%</td>
</tr>
<tr>
<td>2.5% to 3.5%</td>
<td>4.20%</td>
<td>6.5%</td>
<td>78.9%</td>
</tr>
<tr>
<td>3.5% to 4.5%</td>
<td>5.30%</td>
<td>6.6%</td>
<td>78.4%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investment scheme</th>
<th>Diversification (size)</th>
<th>Investment composition</th>
<th>Return for the period</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Risk group:</strong> Term / Risk</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>+ 7 years / Medium</td>
<td>Low</td>
<td>59.0%</td>
<td>41.0%</td>
</tr>
<tr>
<td></td>
<td>High</td>
<td>59.0%</td>
<td>41.0%</td>
</tr>
<tr>
<td>+ 7 years / High</td>
<td>Low</td>
<td>71.0%</td>
<td>29.0%</td>
</tr>
<tr>
<td></td>
<td>High</td>
<td>71.0%</td>
<td>29.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Life insurance company: Equity</th>
<th>Investment composition</th>
<th>Return for the period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td></td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Note: Investment schemes are reported in the Banking segments
# Distribution of guarantees

<table>
<thead>
<tr>
<th></th>
<th>Average guarantee</th>
<th>Term Years</th>
<th>Share of portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low guarantees</td>
<td>1.77%</td>
<td>25.28</td>
<td>39.2%</td>
</tr>
<tr>
<td>Medium guarantees</td>
<td>3.03%</td>
<td>7.86</td>
<td>15.6%</td>
</tr>
<tr>
<td>High guarantees</td>
<td>4.02%</td>
<td>10.15</td>
<td>45.2%</td>
</tr>
</tbody>
</table>

**Short term on high guarantees**
Outlook for 2011

- Guidance upgraded by DKK 20 million to a profit of DKK 90 million for the full year 2011
- The upgrade is based on
  - the good risk and expense results
  - positive impact on provisions following the changed life expectancy benchmark prepared by the Danish FSA
## Capital model and capital target

<table>
<thead>
<tr>
<th>DKKm</th>
<th>Capital base 31 March 2011</th>
<th>Capital base 30 June 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated equity</td>
<td>4,672</td>
<td>4,683</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>-74</td>
<td>-65</td>
</tr>
<tr>
<td>Tax assets</td>
<td>-688</td>
<td>-678</td>
</tr>
<tr>
<td>Supplementary capital</td>
<td>1,803</td>
<td>1,753</td>
</tr>
<tr>
<td><strong>Total capital base for the group</strong></td>
<td><strong>5,713</strong></td>
<td><strong>5,693</strong></td>
</tr>
<tr>
<td>Statutory capital requirement for the group, end of period</td>
<td>3,696</td>
<td>3,572</td>
</tr>
<tr>
<td><strong>Excess relative to statutory capital requirement</strong></td>
<td><strong>2,017</strong></td>
<td><strong>2,121</strong></td>
</tr>
<tr>
<td>Internal capital target</td>
<td>5,618</td>
<td>5,592</td>
</tr>
</tbody>
</table>

- Substantial excess relative to statutory capital requirement
- Capital base also in excess of internal capital target determined on the basis of expected tighter requirements in connection with Basel III and Solvency II plus an additional buffer
Outlook for the group for 2011

- The group's full-year profit forecast is lowered to DKK 275 million from previously DKK 375 million before losses and writedowns
  - **Non-life insurance:** Guidance upgraded from a profit of DKK 300 million to a profit of DKK 380 million. Combined ratio improved to 94 from 95
  - **Banking:** Guidance lowered from a profit of DKK 45 million to a loss of around DKK 155 million
  - **Life insurance:** Guidance upgraded from a profit of DKK 70 million to a profit of DKK 90 million
  - **Other business activities/corporate expenses:** Unchanged at an estimated loss of DKK 40 million

- **Losses and writedowns**
  - Sustained turmoil in the financial markets
  - Adverse developments in the Danish economy and in the bank's portfolio of loans and advances
  - In the upcoming quarters, losses and writedowns are expected to be in line with the last two quarters
Alm. Brand
Highlights

- Very favourable trend in non-life insurance
- Continued decline in expenses
- Favourable performance of life insurance activities supported by good expense and risk results
- Writedowns in the bank declining slower than anticipated
- Negative value adjustments of investment assets in the bank
- Financial market turmoil and deteriorating Danish economy adversely affecting outlook
“The statements made in this presentation are based on current expectations, estimates and projections made by management. All statements about future financial performance are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by the statements. All statements about future financial performance made in this presentation are solely based on information known at the time of the preparation of the last published financial report, and the company assumes no obligation to update these statements, whether as a result of new information, future events, or otherwise.”
## Vision and group strategy

### We take care of our customers

<table>
<thead>
<tr>
<th>Profitable customer relations</th>
<th>Enhancing efficiency</th>
<th>Enhancing customer loyalty</th>
<th>Improving employee commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retain market share on non-life insurance</td>
<td>Annual efficiency enhancement of 5% since year-end 2008…</td>
<td>Increase customer loyalty and thereby customer longevity with the Group</td>
<td>The group wants employees to</td>
</tr>
<tr>
<td>Increase quality of underlying portfolio</td>
<td>…through new IT-systems and processes and staff reductions</td>
<td>Customer loyalty programmes</td>
<td>- be committed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Service concept</td>
<td>- seek influence</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- assume responsibility</td>
</tr>
</tbody>
</table>

We take care of our customers

Profitable customer relations
- Retain market share on non-life insurance
- Increase quality of underlying portfolio

Enhancing efficiency
- Annual efficiency enhancement of 5% since year-end 2008…
- …through new IT-systems and processes and staff reductions

Enhancing customer loyalty
- Increase customer loyalty and thereby customer longevity with the Group
  - Customer loyalty programmes
  - Service concept

Improving employee commitment
- The group wants employees to
  - be committed
  - seek influence
  - assume responsibility
Business segment targets
- We take care of our customers

<table>
<thead>
<tr>
<th>Non-life insurance</th>
<th>Banking</th>
<th>Life insurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Combined ratio of approx.: 93%</td>
<td>▪ Increase profit per customer on continuing portfolio</td>
<td>▪ Positive expense results</td>
</tr>
<tr>
<td>▪ Average weather related claims: 4%</td>
<td>▪ Adjust cost base to match future bank without the winding-up portfolio</td>
<td>▪ Competitive risk results</td>
</tr>
<tr>
<td></td>
<td>▪ Average large claims: 8%</td>
<td>▪ Controlled winding up of the discontinuing portfolio over the coming years</td>
</tr>
<tr>
<td></td>
<td>▪ Underlying combined ratio: approx. 81%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Cost ratio: 16-17%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Avg. run-off result on: +0%</td>
<td></td>
</tr>
</tbody>
</table>

Pre-tax Return on Equity
3M CIBOR + 10%
## Financial highlights

<table>
<thead>
<tr>
<th>DKK million</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>H1 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-life insurance</td>
<td>4,578</td>
<td>4,769</td>
<td>4,714</td>
<td>4,762</td>
<td>2,338</td>
</tr>
<tr>
<td>Banking</td>
<td>1,444</td>
<td>1,718</td>
<td>1,254</td>
<td>1,132</td>
<td>527</td>
</tr>
<tr>
<td>Life insurance</td>
<td>750</td>
<td>747</td>
<td>710</td>
<td>719</td>
<td>329</td>
</tr>
<tr>
<td>Investments etc.</td>
<td>932</td>
<td>928</td>
<td>883</td>
<td>728</td>
<td>359</td>
</tr>
<tr>
<td>Other activities</td>
<td>17</td>
<td>14</td>
<td>10</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>7,721</td>
<td>8,176</td>
<td>7,571</td>
<td>7,341</td>
<td>3,553</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
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<th>2009</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Non-life insurance</td>
<td>647</td>
<td>262</td>
<td>287</td>
<td>207</td>
<td>244</td>
</tr>
<tr>
<td>Banking</td>
<td>196</td>
<td>-532</td>
<td>-1,758</td>
<td>-869</td>
<td>-348</td>
</tr>
<tr>
<td>Life insurance</td>
<td>104</td>
<td>43</td>
<td>139</td>
<td>181</td>
<td>62</td>
</tr>
<tr>
<td>Other activities</td>
<td>39</td>
<td>271</td>
<td>-4</td>
<td>-55</td>
<td>-23</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>986</td>
<td>44</td>
<td>-1,336</td>
<td>-536</td>
<td>-65</td>
</tr>
</tbody>
</table>

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<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Shareholders equity</td>
<td>5,446</td>
<td>4,800</td>
<td>3,694</td>
<td>4,758</td>
<td>4,683</td>
</tr>
<tr>
<td>Total assets</td>
<td>47,886</td>
<td>45,777</td>
<td>47,498</td>
<td>48,149</td>
<td>46,523</td>
</tr>
</tbody>
</table>

Note: Københavnske Re included under other activities
Adjusting insurance conditions
- An example on agriculture buildings

- Process to increase overall level of deductible for agriculture buildings initiated spring 2011
  - Includes specific deductible for cloudburst in line with the existing conditions for private buildings

- Re-underwriting of agricultural portfolio
  - 20,000 clients to be contacted
  - 3,600 clients already visited
  - 2,400 clients now have reduced cover and exposure

- Continued focus on rate adjustments for property
  - General increase in deductible for all lines

Graph showing:
- TSI: Total Sum Insured
- Average Deductible (DKK)

Q3 2010: TSI = 100, Average Deductible = 100
Q2 2011: TSI = 117, Average Deductible = 86

TSI: Total Sum Insured
The long term goal is to maintain an expense ratio of 16-17%.

In the period 2008 to 2010 income has remained stable...

...so the reduction in expense ratio has been achieved through cost reductions and not revenue growth.

An ambitious cost reduction programme was developed focusing on:
- Better back office system / IT development and processes
- Rethinking the distribution strategy
- Staff reductions