

First Quarter 2006 Report

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Further information and webcast available at www.trqvesta.com

The quarterly report is not audited

Financial highlights and key ratios, the TrygVesta Group

DKKm	Q1 2006	Q1 2005	Q1 2004	Change 2006/2005
TrygVesta				
Gross premiums earned	3,960	3,843	3,777	3.0%
Technical result	393	297	214	96
Profit on investment	311	230	129	81
Profit for the period before tax	700	523	338	177
Profit for the period	535	341	273	194
Key ratios				
Claims ratio	76.0	87.3	73.7	11.3
Business ceded as a percentage of gross premiums	0.4	-11.3	3.3	-11.7
Claims ratio, net of ceded business	76.4	76.0	77.0	-0.4
Expense ratio	17.2	17.8	17.8	0.6
Combined ratio	93.6	93.8	94.8	0.2
Private & Commercial Denmark				
Gross premiums earned	1,617	1,555	1,459	4.0%
Technical result	271	96	104	175
Key ratios				
Claims ratio	68.0	109.5	74.0	41.5
Business ceded as a percentage of gross premiums	1.4	-31.1	1.7	-32.5
Claims ratio, net of ceded business	69.4	78.4	75.7	9.0
Expense ratio	17.0	17.9	18.0	0.9
Combined ratio	86.4	96.3	93.7	9.9
Private & Commercial Norway				
Gross premiums earned	1,120	1,119	1,065	0.1%
Technical result	99	128	-83	-29
Key ratios				
Claims ratio	71.0	66.5	85.2	-4.5
Business ceded as a percentage of gross premiums	1.3	1.7	1.5	0.4
Claims ratio, net of ceded business	72.3	68.2	86.7	-4.1
Expense ratio	22.1	22.3	22.2	0.2
Combined ratio	94.4	90.5	108.9	-3.9
Corporate				
Gross premiums earned	1,183	1,139	1,234	3.9%
Technical result	30	85	207	-55
Key ratios				
Claims ratio	91.4	77.5	63.1	-13.9
Business ceded as a percentage of gross premiums	-1.5	2.8	6.9	4.3
Claims ratio, net of ceded business	89.9	80.3	70.0	-9.6
Expense ratio	12.0	12.4	13.0	0.4
Combined ratio	101.9	92.7	83.0	-9.2
Finnish general insurance				
Gross premiums earned	41	30	20	36.7%
Technical result	-7	-12	-14	5
Key ratios				
Claims ratio	81.4	84.5	94.0	3.1
Business ceded as a percentage of gross premiums	0.0	0.2	0.3	0.2
Claims ratio, net of ceded business	81.4	84.7	94.3	3.3
Expense ratio	38.9	55.4	81.7	16.5
Combined ratio	120.3	140.1	176.0	19.8

Highlights for the first quarter 2006

“TrygVesta maintained the high level of earnings in the first quarter 2006. The strong performance in customer service and claims handling as well as the innovation of new products and services across business areas continue. In addition to starting up business in Sweden in June 2006, TrygVesta intends to begin selling commercial insurance in Finland before year-end. Nordea has approximately 60% of the commercial market in Finland and distribution will take place in a joint effort with Nordea”, says Stine Bosse, Group CEO.

- Gross premiums rose by 3.0% relative to the year-earlier period primarily driven by growth rates of 4.0% in Private & Commercial Denmark and 3.9% in Corporate.
- Costs in absolute terms were maintained at the same level and hence the expense ratio was reduced by 0.6 percentage point.
- The pre-tax profit was DKK 700m in the first quarter 2006, an improvement of DKK 177m compared with the same period in 2005.
- The combined ratio for the first quarter 2006 improved to 93.6 from 93.8 in the same period of last year despite large claims significantly above normal and DKK 50m in increased provisions for workers' compensation in Denmark associated with a new ruling on rehabilitation.
- The technical result was DKK 393m against DKK 297m in the year-earlier period.
- The Group's investments yielded a total return of DKK 419m in the first quarter 2006 against DKK 301m in the same period of last year. In addition, discounting of technical provisions had a positive effect on the results amounting to DKK 160m due to the increased discount rate.
- The performance in the period after tax and discontinued business equals an annualised return on equity of 28%.
- TrygVesta has successfully implemented two new IT systems which, over time, will further improve the earnings capacity.
- A market survey in Norway rated TrygVesta number one in the market in terms of satisfaction with claims handling.
- A decision was made to begin selling commercial insurance to small businesses in Finland in late 2006.
- Preparations for the start-up in Sweden are progressing as planned and the first insurance products are expected to be sold in June.
- A stock option scheme and an employee share programme were established in the first quarter 2006.

Outlook for 2006

On the basis of the performance in the first quarter 2006, TrygVesta upgrades its full-year forecast relative to the guidance provided in the announcement of TrygVesta's results for the full year 2005.

DKKm	Actual 2005	Forecast 28 Feb. 2006	Forecast 11 May 2006	Favourable scenario	Adverse scenario
Premium growth	2.9%	4.0%	4.0%		
Technical result	2,053	1,800	2,100	2,300	1,900
Investment result	888	400	730		
Profit before tax	2,913	2,200	2,800		
Profit after tax	2,097	1,650	2,150	2,300	2,000
Combined ratio (%)	89	91	89	87.5	90.5

Growth in gross premiums is expected at 4.0%, unchanged relative to the previous Outlook.

The technical result is expected to be DKK 2,100m against the previous forecast of DKK 1,800m. The increase is due to the combined effect of higher technical interest and lower-than-anticipated claims frequencies and average claims in several major product lines.

In terms of claims, the first quarter was not affected by windstorm claims as was expected and we saw a positive run-off corresponding to 0.5% and combined with higher-than-expected costs related to large claims, results in TrygVesta to expect a lower claims ratio overall in 2006 than previously expected. Run-off for the remainder of 2006 is expected to be zero.

The combined ratio is expected to range from 87.5 to 90.5 with an expectation of 89 against the previous forecast of 91. One percentage point is derived from lower claims. The second percentage point is solely attributable to higher interest rates than previously expected, which reduces the claims ratio due to higher discounting. However, this does not affect the pre-tax profit as the negative impact on the item 'Transferred from provisions for claims concerning discounting' is increased by a similar amount.

The 2006 investment result is expected to be DKK 730m, an increase of DKK 330m relative to the guidance provided previously. This increase is based on the investment result at 31 March 2006 and assuming annualised equity returns of 7.0%, real property returns of 6.1%, and bond returns of 3.7% in the remaining nine months of 2006.

As a result of the above developments, the guidance for the full-year profit before tax is increased by DKK 600m to DKK 2,800m, corresponding to a 27% increase in expectations. The profit after tax is upgraded by DKK 500m to DKK 2,150m.

Results for the first quarter 2006 – The Group's overall performance

Positive trend in earned premiums

Earned premiums amounted to DKK 3,960m in the first quarter 2006, equivalent to 3.0% growth in DKK relative to the same period of 2005. The growth in premiums was composed of 4.0% growth in Private & Commercial Denmark, 0.1% growth in Private & Commercial Norway, 3.9% growth in Corporate, and 36.7% growth in Finnish general insurance.

The performance was in line with TrygVesta's market strategies. The 4.0% growth in Private & Commercial Denmark indicates an increase in market share. The market share of Private & Commercial Norway remained unchanged, and in the longer term, TrygVesta's changed pricing schemes will result in greater customer loyalty, growing market share and continued good profitability. In Finland, growth, currently standing at 37%, continued the upward trend and confirming an expected increase in market share.

Earned premiums generated satisfactory results within Corporate, driven especially by good renewal rates from 1 January 2006. Growth was generated particularly in the Danish part of the Corporate business, whereas the broker business performed positively in both Denmark and Norway.

Satisfactory performance

TrygVesta reported an aggregate profit before tax and discontinued business of DKK 700m for the first quarter 2006, which was an improvement of DKK 177m relative to the same period of 2005. The increase was driven by an improvement of the technical result of DKK 96m and an improvement of investment income of DKK 81m relative to the first quarter 2005.

While the technical result in the first quarter 2005 was strongly impacted by the January storm in Denmark, the first quarter 2006 was affected by significantly larger costs related to large claims as compared with a normal first quarter and strengthened provisions of DKK 50m on workers' compensation concerning the new ruling on rehabilitation. Moreover, the first quarter saw continuing positive trends in the claims frequency in both Denmark and Norway and falling average claims in the motor business.

The investment return of DKK 419m was a significant improvement over the DKK 301m generated in the same period of 2005, and the higher level of interest rates will yield a higher return going forward.

In the first quarter 2006, the annualised return on equity was 28% after tax and discontinued

business, compared with 19% in the year-earlier period.

Combined ratio improved

The combined ratio for the first quarter improved by 0.2 percentage point to 93.6, including significantly larger costs related to large claims relative to the same period of 2005, and a strengthening of provisions in connection with the new ruling on rehabilitation, which affects workers' compensation in the Danish part of the business.

Satisfactory claims level

TrygVesta's gross claims ratio was 76.0 in the first quarter, an improvement of 11.3 percentage points over the first quarter 2005, which were significantly impacted by the January storm in Denmark, affecting claims expenses by DKK 830m in 2005.

Large claims in the first quarter totalled a gross amount of DKK 342m, which almost represent the level for a full normal year. The gross expense in connection with two largest claims (two corporate customer fire incidents) was DKK 215m, corresponding to 5.4 percentage points, and net of reinsurance the two claims impacted profit by DKK 150m or 3.8 percentage points. Because of these two large claims, large claims incurred in the remainder of 2006 will be covered by the reinsurance programme after deduction of a DKK 50m retention per claim, as TrygVesta's reinsurance program is designed such as TrygVesta self retention is DKK 100m for the first large claim and DKK 50m per claim afterwards.

The first quarter was favourably affected by net run-off gains of DKK 69m – positive on property and motor and negative on liability and workers' compensation – corresponding to two percentage points. Moreover, several major product lines reported a better-than-expected average claim cost and claims frequency performance.

Further reduction of expense level

TrygVesta's expense ratio was 17.2 in the first quarter 2006, which was an improvement of 0.6 point relative to the same period of 2005. In absolute terms, costs were maintained at the same level as in the first quarter 2005 through continued focus on cost efficiencies and Nordic synergies as a result of intra-group knowledge sharing.

Investment result

TrygVesta generated an overall profit on investment activities of DKK 419m before other financial income and expenses and before transfer to technical interest, equal to a return of 1.2% in the first quarter 2006. In addition to the DKK 419m, discounting of technical provisions had a positive

effect on the results amounting to DKK 160m due to the higher discount rate.

This is an increase of DKK 118m relative to the same period of last year. Danish and Norwegian shares, in particular, yielded good returns in the first quarter of 2006.

Discontinued and divested business

Business in run-off generated a profit of DKK 6m against a loss of DKK 18m in the year-earlier period. In 2006, business in run-off in Chevanstell Ltd. performed in line with expectations, generating a break-even result. In addition, other business in run-off generated modest run-off gains.

Private & Commercial Denmark

DKKm	Q1 2006	Q1 2005	Q1 2004	Change 2006/2005	2005
Gross premiums earned	1,617	1,555	1,459	62	6,276
Gross claims incurred	-1,100	-1,702	-1,080	602	-4,987
Gross expenses	-275	-278	-262	3	-1,113
Profit/loss on gross business	242	-425	117	667	176
Profit/loss on ceded business	-23	485	-26	-508	467
Technical interest, net of reinsurance	52	36	13	16	113
Technical result	271	96	104	175	756
Key ratios					
Claims ratio	68.0	109.5	74.0	41.5	79.5
Business ceded as a percentage of gross premiums	1.4	-31.1	1.7	-32.5	-7.4
Claims ratio, net of ceded business	69.4	78.4	75.7	9.0	72.1
Expense ratio	17.0	17.9	18.0	0.9	17.7
Combined ratio	86.4	96.3	93.7	9.9	89.8

Gross earned premiums totalled DKK 1,617m in the first quarter 2006 against DKK 1,555m in the same period last year, corresponding to premium growth of 4%, hence Private & Commercial Denmark is believed to gain market share.

Premiums developed satisfactorily, especially considering the enhanced competition in the private segment. This performance reflects, among other things, the general focus on retaining existing customers and the effect of a strong and dedicated sales organisation. The number of private and, in particular, commercial customers has increased since the turn of the year.

In terms of premiums, the introduction of the new motor product also resulted in improved customer selection and competitive advantages vis-à-vis selected segments. This will contribute to continuing growth in premiums.

Private & Commercial Denmark's technical result was DKK 271m against DKK 96m in first quarter 2005, which was affected by the storm in January 2005.

This highly satisfactory technical result was primarily attributable to an extremely favourable claims performance, among other things, as a result of the absence of windstorms, satisfactory growth in the mass markets and continued cost restraints.

In terms of claims, the average claim cost developed positively for motor in the first quarter, while the claims frequency remained at the level of the first quarter of 2005.

Taken together this was reflected in a combined ratio of 86.4 in the first quarter, an improvement of 9.9 percentage points relative to the same period last year. The combined ratio for the first quarter of 2005 included a 8.2 percentage point share attributable to the impact of the windstorm in January.

The gross claims ratio was 68.0 in the first quarter 2006, a decline of 41.5 percentage points from the same period of last year. Adding the net reinsurance ratio, the first quarter 2006 saw a claims performance of 69.4% against 78.4% in the year-earlier period, which was affected by the windstorm in January. Generally, all primary products performed well and the satisfactory performance of average claims in motor continues. Run-offs in first quarter was DKK 28m equivalent to 1.7%.

Tryg Reparation for cars, which was introduced in 2003, and *Tryg Bygning* from 2004 also had a positive effect on claims expenses. These concepts have resulted in a fall in average claims.

The expense ratio decreased to 17.0 in the first quarter 2006, which was 0.9 percentage point lower than in the same period last year.

Private & Commercial Norway

DKKm	Q1 2006	Q1 2005	Q1 2004	Change 2006/2005	2005
<i>NOK/DKK, rate quarterly, annual average</i>	92.98	90.29	86.38	2.69	92.85
Gross premiums earned	1,120	1,119	1,065	1	4,632
Gross claims incurred	-795	-744	-907	-51	-2,844
Gross expenses	-247	-249	-236	2	-945
Profit/loss on gross business	78	126	-78	-48	843
Profit/loss on ceded business	-14	-19	-16	5	-62
Technical interest, net of reinsurance	35	21	11	14	93
Technical result	99	128	-83	-29	874
Key ratios					
Claims ratio	71.0	66.5	85.2	-4.5	61.4
Business ceded as a percentage of gross premiums	1.3	1.7	1.5	0.4	1.3
Claims ratio, net of ceded business	72.3	68.2	86.7	-4.1	62.7
Expense ratio	22.1	22.3	22.2	0.2	20.4
Combined ratio	94.4	90.5	108.9	-3.9	83.1

Gross earned premiums at DKK 1,120m in the first quarter 2006 were in line with the same period of 2005. In local currency, the performance was negative at 2.8% relative to the first quarter 2005. Commercial recorded a growing market share throughout the first quarter 2006 while Private saw a small decline and in total the market share was unchanged. This was due, in particular, to the changed pricing schemes introduced for the private market in the first half of 2005, which is intended to improve customer retention and profitability in the longer term. Also, competition in the market is increasing. Initiatives have been introduced to increase sales, including measures to enhance loyalty among existing customers.

The technical result of Private & Commercial Norway in the first quarter 2006 was a profit of DKK 99m compared with DKK 128m in the same period of 2005. The level of claims incurred was as expected, although higher than in the same period last year, which was significantly below normal for the period.

The combined ratio in the first quarter 2006 was 94.4, which was 3.9 percentage points higher than in the same period of 2005, primarily due to a higher level of claims incurred.

The gross claims ratio was 71.0 in the first quarter 2006, which was 4.5 percentage points higher than in the same period last year. Claims incurred were as expected and the claims frequency in building and motor continued at satisfactory low levels. The average building claim cost increased in the first quarter 2006, while the average motor claim cost was unchanged, hence the level of claims incurred in building and motor was satisfactory. Also, claims incurred in workers'

compensation are at a satisfactory level. The performance in the first quarter the year was also favourably affected by run-off gains, which improved the combined ratio by 1.5 percentage points.

An independent customer satisfaction survey of claims handling in Norway was conducted in the first quarter of 2006. The survey ranked TrygVesta first among its principal competitors in terms of satisfaction, a good platform for realising growth and increasing market share based on quality.

With regard to expenses, the continued focus on efficiency and Nordic synergies resulted in lower costs as reflected in the expense ratio of 22.1 against 22.3 in the same period of 2005.

Corporate

DKKm	Q1 2006	Q1 2005	Q1 2004	Change 2006/2005	2005
<i>NOK/DKK, rate quarterly, annual average</i>	92.98	90.29	86.38	2.69	92.85
Gross premiums earned	1,183	1,139	1,234	44	4,666
Gross claims incurred	-1,081	-883	-779	-198	-3,361
Gross expenses	-142	-141	-160	-1	-534
Profit/loss on gross business	-40	115	295	-155	771
Profit/loss on ceded business	18	-32	-85	50	-421
Technical interest, net of reinsurance	52	2	-3	50	114
Technical result	30	85	207	-55	464
Key ratios					
Claims ratio	91.4	77.5	63.1	-13.9	72.0
Business ceded as a percentage of gross premiums	-1.5	2.8	6.9	4.3	9.0
Claims ratio, net of ceded business	89.9	80.3	70.0	-9.6	81.0
Expense ratio	12.0	12.4	13.0	0.4	11.4
Combined ratio	101.9	92.7	83.0	-9.2	92.4

Gross earned premiums amounted to DKK 1,183m in the first quarter 2006 against DKK 1,139m in the first quarter 2005. This corresponded to growth of 3.9%, which was satisfactory and primarily attributable to the Danish part of the Corporate business, which saw satisfactory retention rates at the principal renewal date on 1 January, and an increasing number of Corporate customers chose to have all their policies with TrygVesta. In addition, broker business in Denmark and Norway reported a very satisfactory performance in the first quarter 2006.

The technical result was DKK 30m in the first quarter 2006 against DKK 85m in the same period of 2005. The performance is lower than expected and attributable to large claims, totalling DKK 321m in the first quarter, which was more or less equivalent to the total in a normal year. The gross expense in connection with two largest claims (fire claims) was DKK 215m, having a net effect on the result of DKK 150m. When adjusted for the effect of the two large claims, the gross claims level was 73.2 per cent, underlining the solid profitability of the portfolio. In workers' compensation, reserves in Denmark were strengthened by DKK 28m in the first quarter the year as a result of the new ruling on rehabilitation, which affected the gross claims ratio by 2.4 percentage points.

Claims incurred were furthermore favourably affected by run-off gains of DKK 34m in the first quarter the year, equivalent to 3 percentage points.

The expense ratio improved to 12 for the first quarter 2006 from 12.4 in the same period last year. Nominal costs were maintained at the same level, reflecting continued tight cost management.

Finnish general insurance

DKKm	Q1 2006	Q1 2005	Q1 2004	Change 2006/2005	2005
<i>EUR/DKK, rate quarterly, annual average</i>	746.10	744.09	744.87	2.01	745.07
Gross premiums earned	41	30	20	11	140
Gross claims incurred	-33	-26	-19	-7	-113
Gross expenses	-16	-17	-16	1	-70
Profit/loss on gross business	-8	-13	-15	5	-43
Profit/loss on ceded business	0	0	0	0	-1
Technical interest, net of reinsurance	1	1	1	0	3
Technical result	-7	-12	-14	5	-41
Key ratios					
Claims ratio	81.4	84.5	94.0	3.1	80.9
Business ceded as a percentage of gross premiums	0.0	0.2	0.3	0.2	0.2
Claims ratio, net of ceded business	81.4	84.7	94.3	3.3	81.1
Expense ratio	38.9	55.4	81.7	16.5	50.2
Combined ratio	120.3	140.1	176.0	19.8	131.3

Gross earned premiums in the Finnish business were 37% higher in the first quarter 2006 than in the same period last year. As expected, the company reported a negative technical result of DKK 7m in the first quarter 2006, which was an improvement of DKK 5m relative to the same period of 2005. The target of break-even by end 2006 is reiterated.

Sales through Nordea's branches continue at a satisfactory, high level. A new partnership agreement with car dealers is expected to generate further growth in sales.

Profitability in the Finnish business continues to improve, and the gross claims ratio is 81.4, an improvement of 3.1 percentage points relative to the same period last year. The expense ratio was reduced to 38.9 from 55.4 in the same period of 2005. The reduction was achieved while nominal costs remained flat. The combined ratio was 120.3 in the first quarter the year, an improvement of more than 20 percentage points relative to the same period last year.

Sales of commercial insurance to small businesses in Finland will begin in late 2006. Distribution will take place in a close partnership with Nordea, which has a share of around 60% of the commercial market of some 230,000 businesses, 93% of which have a staff of less than 10. As in the Finnish private business, we will focus on simplicity and use of existing solutions, and start-up costs are consequently kept at a relatively limited level. Nordea and TrygVesta have a mutual interest in developing the well-functioning partnership to include the commercial segment.

Investment return and capital structure

DKKm	Q1	Q1	Q1	Change		Investment assets	
	2006	2005	2004	2006/2005	2005	31.03.2006	31.12.2005
Tryg	177	201	230	-24	1,064	20,793	19,426
Vesta	237	99	109	138	615	15,821	14,950
TrygVesta A/S	5	1	1	4	2	0	34
Total	419	301	340	118	1,681	36,614	34,410
Other financial income and expenses *)	122	83	-81	39	-86		
Total investments activities	541	384	259	157	1,595		
Transferred to technical interest	-230	-154	-130	-76	-707		
Return on investment activities	311	230	129	81	888		
Discontinued business	0	-3	5	3	-6	514	578

*) The item comprises gains and losses as a result of a changed discount rate, interest on operating assets, bank debt and reinsurance deposits, exchange rate adjustment of insurance items and costs of investment activities.

Investments

TrygVesta generated an overall profit on investment activities of DKK 419m before other financial income and expenses and before transfer of technical interest, equal to a return of 1.2% in the first quarter 2006. Investment income after return on technical provisions increased from DKK 230m in the first quarter 2005 to DKK 311m in the same period of 2006. The item 'Other financial income and expenses' includes the effect of changes in the interest rate applied for discounting technical provisions, which was DKK 160m in the first quarter 2006 against DKK 101m in the same period of 2005. Increasing interest rates in the first quarter the year resulted in a capital loss of DKK 190m on the bond portfolio. As a result, the net effect was a loss of DKK 30m.

The return on the overall bond portfolio in TrygVesta was DKK 31m, equal to 0.1%, while shares and real property yielded returns of DKK 352m and DKK 37m, respectively, equal to 7.4% and 1.8%. Danish and Norwegian shares, in particular, yielded good returns in the first quarter 2006. Bonds account for 80% of total investments, while shares and real property make up the rest.

The period was marked by a large number of unexpectedly positive economic confidence indicators in Europe, generating hopes that Europe will finally see increased growth. The ECB hiked its key lending rate by 0.25% to 2.5% due to fears that high and increasing oil prices would generate higher inflation. The USA continued to see strong growth and favourable economic indicators, causing concern about inflationary pressure and triggering higher market rates. Danish and Norwegian 2-year yields increased to 3.7%. US and European share indices gained approximately 4% and 9%, respectively, while the share markets in Denmark and Norway rose by around 11% and 19%, respectively, in the first quarter 2006.

Capital

Shareholders' equity stood at DKK 7,264m at 31 March 2006, which was DKK 123m higher than at the same time last year and DKK 951m less than at 31 December 2005. The fall is attributable to the fact that dividends for the 2005 financial year of DKK 1,428m were adopted by the shareholders at the annual general meeting held on 30 March 2006 and subsequently deducted from equity.

Net of dividends, shareholders' equity plus subordinated loan capital amounted to DKK 8,362m at 31 March 2006, an increase of DKK 1,171m from DKK 7,191m at the same time last year.

Relative to the total net premium over the past four quarters, equity plus subordinated loan capital accounted for 55.5% at 31 March 2006 against 51.5% a year earlier.

TrygVesta's website shows a simplified capital model updated at 31 March 2006.

Disclaimer

The information on TrygVesta contained in this interim report is based exclusively on the information available when the interim report was prepared. It should be emphasised that the forward-looking statements provided in this interim report are subject to uncertainty.

A number of different factors may cause the actual performance to deviate significantly from the forward-looking statements in this interim report, including general economic developments, changes in the competitive environment, developments in the financial markets, extraordinary events such as natural disasters or terrorist attacks, changes in legislation or case law and reinsurance.

Reference is furthermore made to our website: trygvesta.com – Investor Relations – Risk management.

A full review of risk factors etc. is provided in the Annual Report 2005.

Statement by the Supervisory Board and the Executive Management

The Supervisory Board and the Executive Management have today considered and adopted the un-audited interim report for the first quarter 2006.

The interim report has been prepared in accordance with the International Financial Reporting Standards (IFRS) and the financial reporting requirements for Danish listed companies of the Danish Financial Business Act and the Copenhagen Stock Exchange.

In our opinion, the accounting policies applied are appropriate, and the interim report gives a true and fair view of the Group's and the company's assets, liabilities, and financial position at 31 March 2006 and of the results of the Group's activities for the first quarter 2006.

Ballerup, 11 May 2006

Executive Management:

Christine Bosse

Morten Hübbe

Supervisory Board:

Mikael Olufsen
(Chairman)

Bodil Nyboe Andersen
(Deputy Chairman)

Paul Bergqvist

Per Skov

Rune Bjerke

Jørn Wendel Andersen

Niels Bjørn Christiansen

John R. Frederiksen

Håkon J. Huseklepp
(Employee
Representative)

Trond Christiansen
(Employee Representative)

Peter Wagner Mollerup
(Employee Representative)

Birthe Petersen
(Employee
Representative)

Financial calendar

2006:

Second quarter 2006:

17 August 2006

Third quarter 2006:

9 November 2006

2007:

Annual Report 2006:

28 February 2007

First Quarter 2007:

9 May 2007

Second Quarter 2007:

16 August 2007

Third Quarter 2007:

22 November 2007

Financial highlights and key ratios by geography

DKKm	Q1 2006	Q1 2005	Q1 2004	Change 2006/2005	2005
Danish general insurance					
Gross premiums earned	2,275	2,177	2,144	98	8,764
Technical result	227	87	159	140	956
Profit on investment	131	121	93	10	567
Other income	12	20	17	-8	77
Other expenses	-11	-20	-16	9	-70
Profit for the period before tax	359	208	253	151	1,530
Key ratios					
Claims ratio	77.0	104.7	75.2	27.7	78.0
Business ceded as a percentage of gross premiums	0.4	-24.4	1.8	-24.8	-3.9
Claims ratio, net of ceded business	77.4	80.3	77.0	2.9	74.1
Expense ratio	15.6	16.6	16.3	1.0	16.6
Combined ratio	93.0	96.9	93.3	3.9	90.7
Number of full-time employees, at the end of the period	2,205	2,167	2,240	38	2,215
Norwegian general insurance					
Gross premiums earned	1,645	1,636	1,614	9	6,810
Technical result	173	222	69	-49	1,138
Profit on investment	182	117	43	65	354
Other income	9	14	11	-5	49
Other expenses	-9	-13	-10	4	-47
Profit for the period before tax	355	340	113	15	1,494
Key ratios					
Claims ratio	74.3	64.2	71.5	-10.1	64.0
Business ceded as a percentage of gross premiums	0.1	6.0	5.4	5.9	5.2
Claims ratio, net of ceded business	74.4	70.2	76.9	-4.2	69.2
Expense ratio	18.3	18.7	19.1	0.4	16.7
Combined ratio	92.7	88.9	96.0	-3.8	85.9
Number of full-time employees, at the end of the period	1,430	1,443	1,443	-13	1,431
Finnish general insurance					
Gross premiums earned	41	30	20	11	140
Technical result	-7	-12	-14	5	-41
Loss on investment	-1	0	0	-1	-2
Profit/loss for the period before tax	-8	-12	-14	4	-43
Key ratios					
Claims ratio	81.4	84.5	94.0	3.1	80.9
Business ceded as a percentage of gross premiums	0.0	0.2	0.3	0.2	0.2
Claims ratio, net of ceded business	81.4	84.7	94.3	3.3	81.1
Expense ratio	38.9	55.4	81.7	16.5	50.2
Combined ratio	120.3	140.1	176.0	19.8	131.3
Number of full-time employees, at the end of the period	55	49	42	6	48

Income statement and balance sheet for TrygVesta

Income statement

DKKm	1 quarter 2006	1 quarter 2005	2005
Note			
General insurance			
Gross premiums written	6,103	5,859	15,908
Ceded insurance premiums	-315	-350	-892
Change in provisions for unearned premiums	-2,114	-2,001	-42
Change in the reinsurers' share of provisions for unearned premiums	62	57	-74
1 Earned premiums, net of reinsurance	3,736	3,565	14,900
2 Technical interest, net of reinsurance	140	60	323
Claims paid	-2,506	-2,592	-10,256
Reinsurance recoveries	95	255	1,373
Change in provisions for claims	-503	-763	-1,048
Change in the reinsurers' share of provisions for claims	119	456	-487
3 Claims incurred, net of reinsurance	-2,795	-2,644	-10,418
Bonus and premium rebates	-29	-15	-161
Acquisition costs	-480	-456	-1,514
Administrative expenses	-200	-229	-1,148
Acquisition costs and administrative expenses	-680	-685	-2,662
Commission and profit commission from the reinsurers	21	16	71
4 Total insurance operating expenses, net of reinsurance	-659	-669	-2,591
Technical result	393	297	2,053
Investment activities			
Income from associates	5	0	2
Income from investment properties	27	26	101
5 Interest income and dividends, etc.	261	288	1,035
6 Value adjustment	283	99	588
5 Interest expenses	-16	-19	-68
Investment management charges	-19	-10	-63
Total return on investment activities	541	384	1,595
2 Interest on insurance provisions	-230	-154	-707
Total return on investment activities after technical interest	311	230	888
Other income	21	34	126
Other expenses	-25	-38	-154
Profit before tax	700	523	2,913
Tax	-171	-164	-788
Profit on continuing business	529	359	2,125
Profit/loss on discontinued and divested business	6	-18	-28
Profit for the year	535	341	2,097

Balance sheet

DKKm Note	31.03.2006	31.03.2005	2005
Assets			
Intangible assets	163	111	135
Operating equipment	102	169	109
Owner-occupied property	333	275	329
Total property, plant and equipment	435	444	438
Investment property	1,733	1,701	1,726
Investments in associates	69	28	30
Total investments in associates	69	28	30
Equity investments	4,981	3,685	4,707
Unit trust units	292	248	280
Bonds	29,244	26,255	27,763
Deposits in credit institutions	75	146	120
Cash in hand and at bank	208	713	543
Total other financial investment assets	34,800	31,047	33,413
Deposits with ceding undertakings, receivable	20	46	27
Total investment assets	36,622	32,822	35,196
Reinsurers' share of provisions for unearned premiums	210	271	146
Reinsurers' share of provisions for claims	2,536	3,568	2,484
Total reinsurers' share of provisions for insurance contracts	2,746	3,839	2,630
Receivables from policyholders	1,432	1,582	819
Receivables from insurance brokers	102	89	85
Total receivables in relation to direct insurance contracts	1,534	1,671	904
Receivables from insurance enterprises	728	989	722
Receivables from subsidiaries	4	5	44
Other receivables	432	541	145
Total receivables	2,698	3,206	1,815
Temporarily acquired assets	9	0	9
Current tax assets	89	84	106
Other	4	4	8
Total other assets	102	88	123
Accrued interest and rent earned	274	263	423
Other prepayments and accrued income	34	77	51
Total prepayments and accrued income	308	340	474
Total assets	43,074	40,850	40,811

Balance sheet

DKKm	31.03.2006	31.03.2005	2005
Note			
Liabilities			
7 Shareholders' equity	7,264	7,141	8,215
Subordinate loan capital	1,099	700	1,098
Provisions for unearned premiums	7,310	7,054	5,183
Provisions for claims	21,595	20,773	21,261
Provisions for bonuses and premium rebates	260	205	313
Total provisions for insurance contracts	29,165	28,032	26,757
Pensions and similar obligations	584	548	669
Deferred tax liability	1,020	845	939
Other provisions	44	48	41
Total provisions	1,648	1,441	1,649
Debt related to direct insurance	265	200	342
Debt related to reinsurance	199	457	143
Debt to credit institutions	711	1,152	786
Current tax liabilities	353	0	385
Other debt	2,303	1,542	1,186
Total debt	3,831	3,351	2,842
Accruals and deferred income	67	185	250
Total liabilities	43,074	40,850	40,811

Notes

DKKm	31.03.2006	31.03.2005	2005
1 Earned premiums, net of reinsurance			
Direct insurance	3,964	3,851	15,833
Indirect insurance	15	7	33
	<u>3,979</u>	<u>3,858</u>	<u>15,866</u>
Unexpired risk provision	10	0	0
	<u>3,989</u>	<u>3,858</u>	<u>15,866</u>
Ceded direct insurance	-243	-292	-974
Ceded indirect insurance	-10	-1	8
	<u>3,736</u>	<u>3,565</u>	<u>14,900</u>
2 Technical interest			
Interest on insurance provisions	230	154	707
Transferred from provisions for claims concerning discounting	-84	-92	-378
Technical interest concerning discontinued business	-6	-2	-6
	<u>140</u>	<u>60</u>	<u>323</u>
<p>In respect of provisions for unearned premiums, the return under the item technical interest is calculated as the provision from time to time plus an average interest rate that corresponds to the estimated settlement period of the provision.</p> <p>In respect of provisions for claims, the calculated return for grouped classes of risk is calculated as the monthly average provision plus a co-weighted interest rate from the current yield curve for each risk group. The interest rate is weighted according to the expected settlement pattern of the provisions.</p>			
3 Claims incurred, net of reinsurance			
Claims incurred	-3,078	-3,425	-11,567
Run-off previous years, gross	69	70	263
	<u>-3,009</u>	<u>-3,355</u>	<u>-11,304</u>
Reinsurance recoveries	136	654	968
Run-off previous years, reinsurers' share	78	57	-82
	<u>-2,795</u>	<u>-2,644</u>	<u>-10,418</u>
4 Insurance operating expenses			
Commission regarding direct business	-102	-98	-270
Other acquisition costs	-378	-358	-1,244
Total acquisition costs	-480	-456	-1,514
Administrative expenses	-200	-229	-1,148
Insurance operating expenses, gross	-680	-685	-2,662
Commission, etc. from reinsurers	21	16	71
	<u>-659</u>	<u>-669</u>	<u>-2,591</u>
5 Interest and dividends, etc.			
Dividends	36	19	126
Interest expenses	-16	-19	-68
Interest income	225	269	909
	<u>245</u>	<u>269</u>	<u>967</u>
6 Market value adjustment			
Investment property	3	2	43
Equity investments	312	90	682
Unit trust units	0	2	34
Share derivatives	0	0	-10
Bonds	-187	-94	-204
Interest derivatives	2	-5	-7
Other loans	0	-1	-7
Other balance sheet items	-7	4	14
Discounting	160	101	43
	<u>283</u>	<u>99</u>	<u>588</u>
Market value gains	642	376	1,356
Market value losses	-359	-277	-768
Market value adjustment, net	<u>283</u>	<u>99</u>	<u>588</u>

Notes

DKKm

7 Statement of changes in equity

	Share capital	Own shares	Revaluation reserves	Reserve for exchange rate adj.	Equalisation reserve	Other reserves	Retained earnings	Proposed dividends	Total
Shareholders' equity at 1 January 2005	1,700	0	0	0	189	736	3,527	650	6,802
Equity entries in 2005									
Profit for the year						64	605	1,428	2,097
Change in equalisation provision					-126		126		7
Revaluation of owner-occupied properties			7						132
Exchange rate adjustment of foreign entities				132					-119
Hedge of foreign currency risk in foreign entities				-119					-118
Actuarial gains and losses on pension obligation							-118		33
Tax on equity entries			-2	33					64
Total comprehensive income	0	0	5	46	-126	64	646	1,428	2,063
Dividend paid								-650	-650
Total equity entries in 2005	0	0	5	46	-126	64	646	778	1,413
Shareholders' equity at 31 December 2005	1,700	0	5	46	63	800	4,173	1,428	8,215
Shareholders' equity at 1 January 2006	1,700	0	5	46	63	800	4,173	1,428	8,215
Equity entries in 2006									
Profit for the year						1	534		535
Purchase of own shares		-88							-88
Revaluation of owner-occupied properties				11					11
Exchange rate adjustment of foreign entities				-9					-9
Hedge of foreign currency risk in foreign entities							39		39
Tax on equity entries				1			-12		-11
Total comprehensive income	0	-88	0	3	0	1	561	0	477
Dividend paid								-1,428	-1,428
Total equity entries in 2006	0	-88	0	3	0	1	561	-1,428	-951
Shareholders' equity at 31 December 2006	1,700	-88	5	49	63	801	4,734	0	7,264

5 years financial highlights

DKK M	IFRS				Danish GAAP			
	Q1 2006	Q1 2005	2005	2004	2004	2003	2002	2001
Gross premiums earned	3,960	3,843	15,705	15,266	16,308	16,702	15,792	12,620
Gross claims incurred	-3,009	-3,355	-11,304	-10,572	-11,020	-11,940	-12,334	-9,782
Gross expenses	-680	-685	-2,662	-2,611	-3,462	-3,745	-3,732	-3,063
Profit/loss on gross business	271	-197	1,739	2,083	1,826	1,017	-274	-225
Profit/loss on ceded business	-18	434	-9	-718	-814	-1,135	-871	-329
Technical interest, net of reinsurance	140	60	323	335	537	595	832	715
Change in equalisation provisions	0	0	0	0	-93	-101	-245	-56
Technical result	393	297	2,053	1,700	1,456	376	-558	105
Profit/loss on investments after transfer to insurance activities	311	230	888	378	517	685	-170	4
Other income	21	34	126	121	121	115	127	121
Other expenses	-25	-38	-154	-147	-147	-131	-173	-121
Profit/loss for the period before tax	700	523	2,913	2,052	1,947	1,045	-774	109
Extraordinary items and minority interests	0	0	0	0	0	1	-1,256	7
Tax	-171	-164	-788	-556	-485	-87	213	-43
Profit/loss for the period, continued business	529	359	2,125	1,496	1,462	959	-1,817	73
Profit/loss on discontinued and divested business after tax	6	-18	-28	-75	-55	-217	-274	-22
Profit/loss for the period	535	341	2,097	1,421	1,407	742	-2,091	51
Run-off gains/losses, net of reinsurance	147	127	181	-161	3	-516	-458	-283
Balance sheet								
Total provisions for insurance contracts	29,165	28,032	26,757	25,212	26,599	25,955	26,238	22,740
Total reinsurers' share of provisions for insurance contracts	2,746	3,839	2,630	3,292	3,132	3,480	4,632	5,067
Total shareholders' equity	7,264	7,141	8,215	6,802	6,117	5,360	4,268	4,564
Total assets	43,074	40,850	40,811	37,824	33,553	31,337	29,833	24,032
Key ratios								
Claims ratio	76.0	87.3	72.0	69.3	67.6	71.5	78.1	77.5
Business ceded as a percentage of gross premiums	0.4	-11.3	0.1	4.7	5.0	6.8	5.5	2.6
Claims ratio, net of ceded business	76.4	76.0	72.1	74.0	72.6	78.3	83.6	80.1
Expense ratio	17.2	17.8	16.9	17.1	21.2	22.4	23.6	24.3
Combined ratio	93.6	93.8	89.0	91.1	93.8	100.7	107.2	104.4
Operating ratio	90.4	92.4	87.2	89.1	90.8	97.2	101.9	98.8
Relative run-off gains/losses	-	-	0.9	-1.0	-	-	-	-
Other data ¹⁾								
Return on equity before tax and discontinued and divested business	36	29	39	33	34	22	-46	3
Return on equity after tax and discontinued and divested business	28	19	28	23	25	15	-47	1
Earnings per share (continuing business)	8	-	31	22	22	14	-27	1
Net assets value per share	107	-	121	100	90	79	63	67
Dividend per share	-	-	21	10	10	1	0	0
Average number of shares (1,000)	67,938	68,000	68,000	68,000	68,000	68,000	68,000	68,000
Number of shares, year end (1,000)	67,753	68,000	68,000	68,000	68,000	68,000	68,000	68,000
Share price	361.0	-	319.2	-	-	-	-	-
Quoted price/net asset value	3.4	-	2.6	-	-	-	-	-
Price Earnings ²⁾	11.6	-	10.2	-	-	-	-	-
Number of full-time employees, end of period:								
Continuing business	3,690	3,659	3,694	3,728	3,728	3,750	3,739	3,744
Discontinued and divested business	24	34	24	34	34	670	672	572

1) For the period 2001-2005 the share data is based on 68,000,000 shares as though such number of shares was outstanding during the periods presented. The 68,000,000 shares reflect the number of outstanding shares after giving effect to the four-to-one share split set forth in the company's amended articles of association approved by the company's shareholders on 21 September 2005.

2) Price earnings annualised.

Accounting policies
From 1. January 2005, the accounting policies of TrygVesta follow the IFRS standards.

The comparative figures for 2004 have been restated to IFRS, but in addition to IFRS restatements, the figures for 2004 are net of divested business, which is henceforth included in "profit/loss on discontinued and divested business."

Further information:

Further information is available at www.trygvesta.com and from TrygVesta Investor Relations

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TrygVesta is a leading Nordic provider of peace-of-mind solutions with business activities in Denmark, Norway and Finland. TrygVesta is listed on OMX Copenhagen Stock Exchange. Tryg i Danmark smba holds 60% of the company's shares.

Additional background information is available at www.trygvesta.com/ investor relations.