



Webcast - 21 May 2010
Q1 result 2010

TrygVesta 

Certain statements in this presentation are based on the beliefs of our management as well as assumptions made by and information currently available to the management. Forward-looking statements (other than statements of historical fact) regarding our future results of operations, financial condition, cash flows, business strategy, plans and future objectives can generally be identified by terminology such as “targets”, “believes”, “expects”, “aims”, “intends”, “plans”, “seeks”, “will”, “may”, “anticipates”, “continues” or similar expressions.

A number of different factors may cause the actual performance to deviate significantly from the forward-looking statements in this presentation including but not limited to 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.

We urge you to read our annual report available on our website at www.trygvesta.com for a discussion of some of the factors that could affect our future performance and the industry in which we operate.

Should one or more of these risks or uncertainties materialise or should any underlying assumptions prove to be incorrect, our actual financial condition or results of operations could materially differ from that described herein as anticipated, believed, estimated or expected.

We are not under any duty to update any of the forward-looking statements or to conform such statements to actual results, except as may be required by law.



Results First Quarter 2010 – Stine Bosse, CEO

Premiums increased by 7.7% in local currency (2.4% excl. Moderna) and 12.9% in DKK. Growth positive impacted by price increases within Private

Combined ratio at 108.4 – 93.4 before extraordinary winter claims

Investment result improved by DKK 158m to DKK 204m - influenced by narrowing of bond spread and increasing equity prices

Net income of DKK -102m down from DKK 320m in Q1 2009

Outlook for growth unchanged at 3-4%. Combined ratio guidance of 97-99% incl. winter claims and 94-96 excl. winter

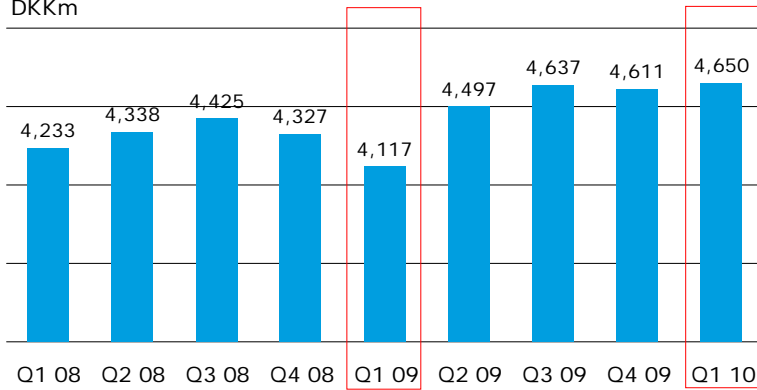
Key performance indicators



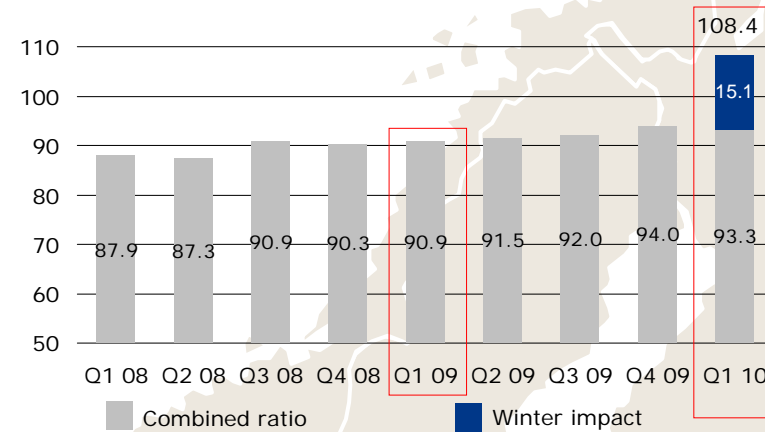
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Gross premium

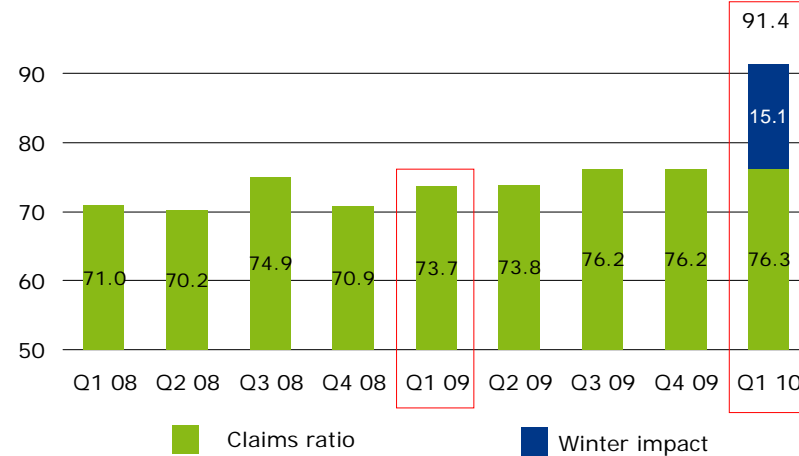
DKKm



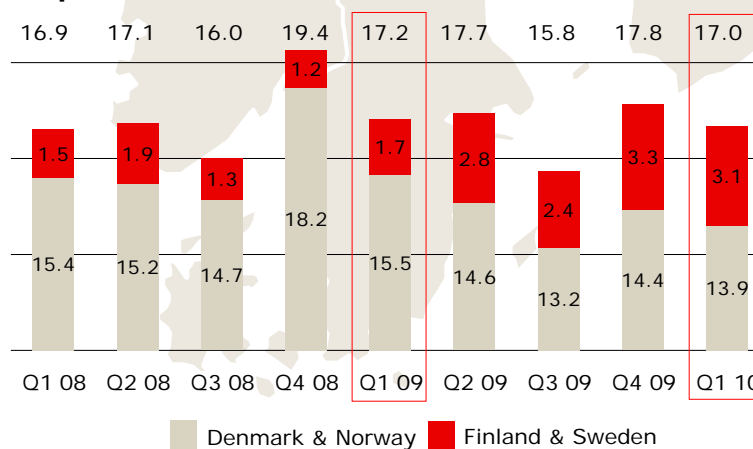
Combined ratio



Claims ratio

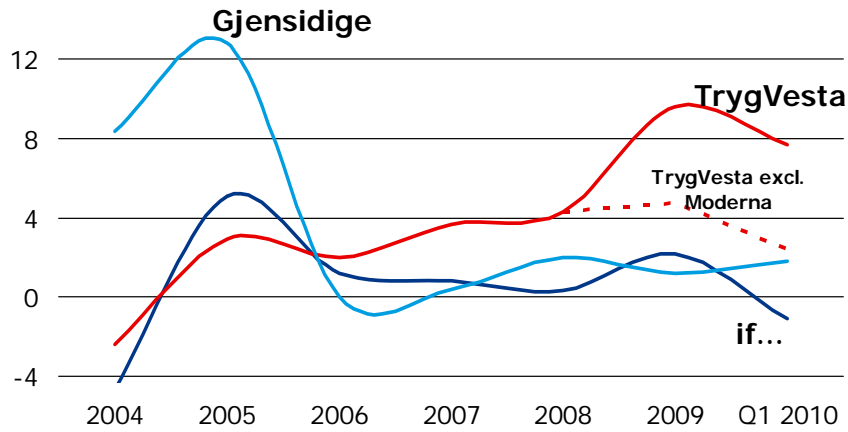


Expense ratio

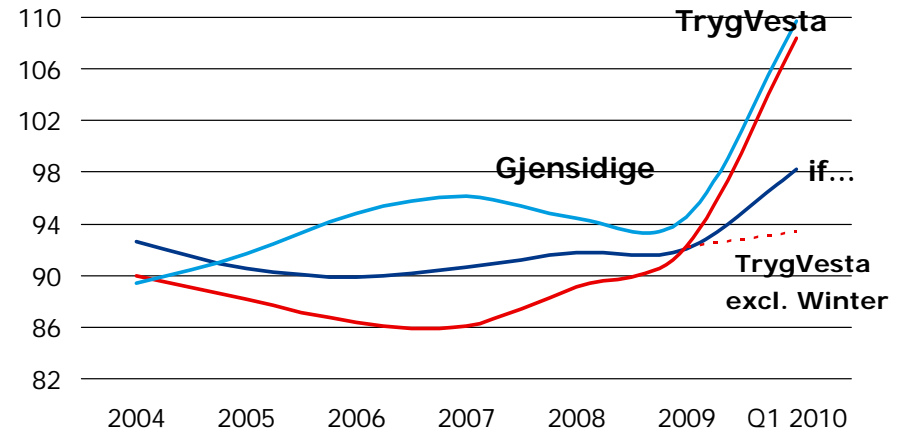


Data before 2009 is not corrected for the sale of Marine Hull business

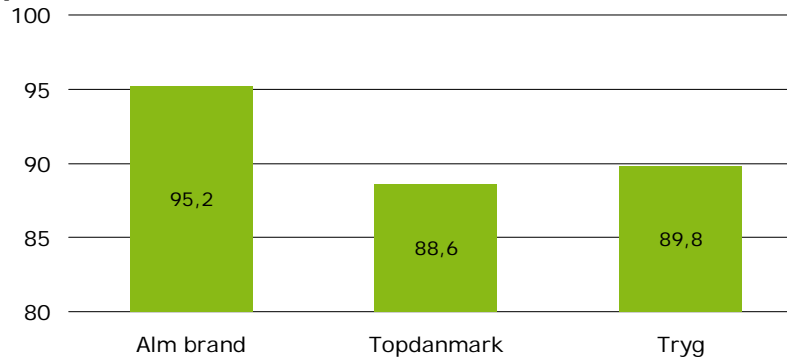
GEP growth in %



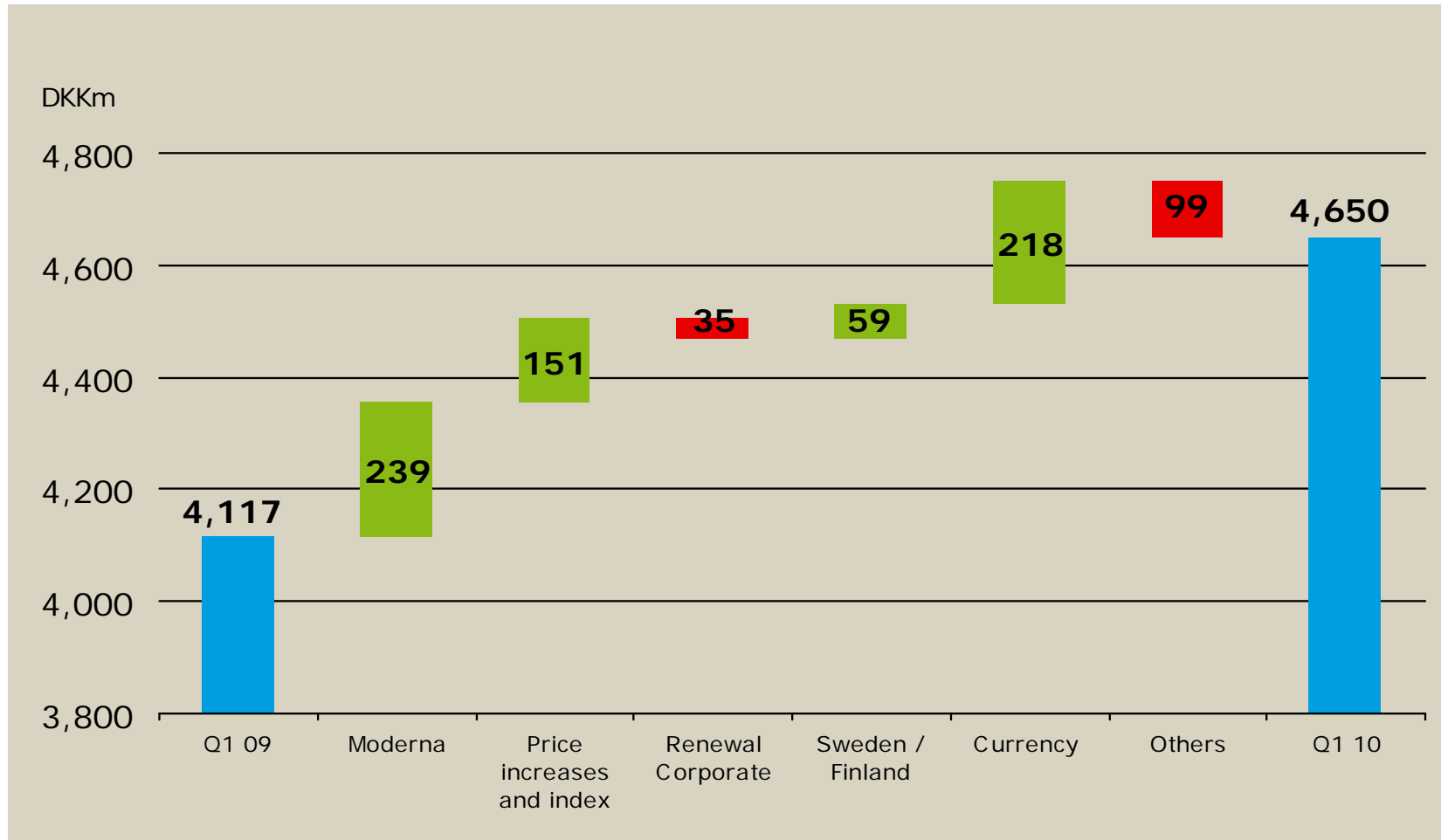
Combined ratio



Combined ratio 1Q 2010 for Danish peers ex winter

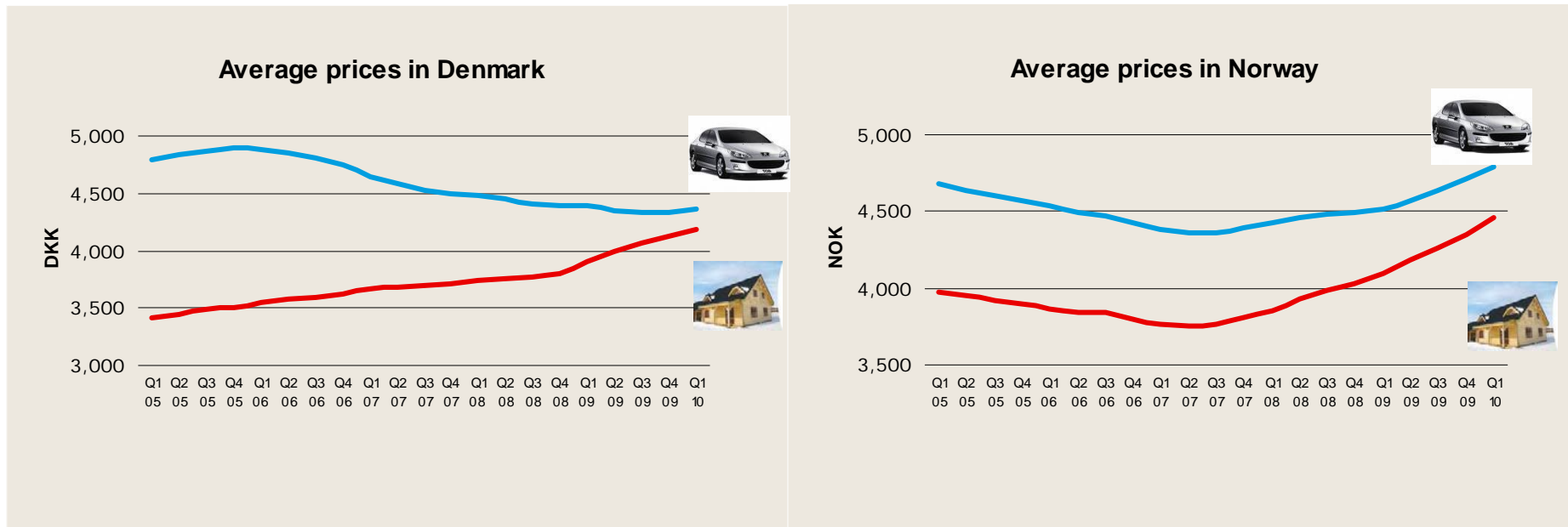


Premium drivers



Price increases now noticeable within private lines

- Private House in Denmark increased by 7.4% and Norway by 8.8% both y-o-y
- Private Motor in Denmark increased slightly during Q1 2010 for the first time in 4 years
- Private Motor in Norway continues upwards with 6.0% y-o-y



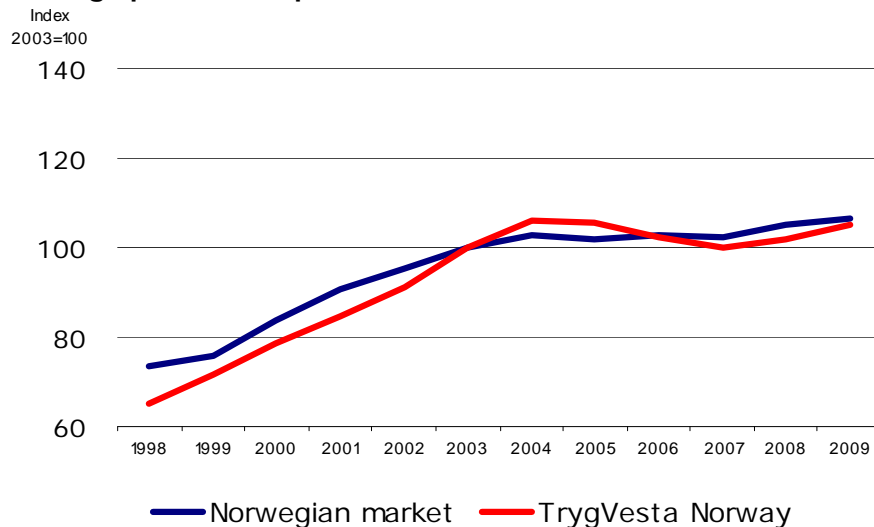
Price increases crucial for the entire Norwegian market



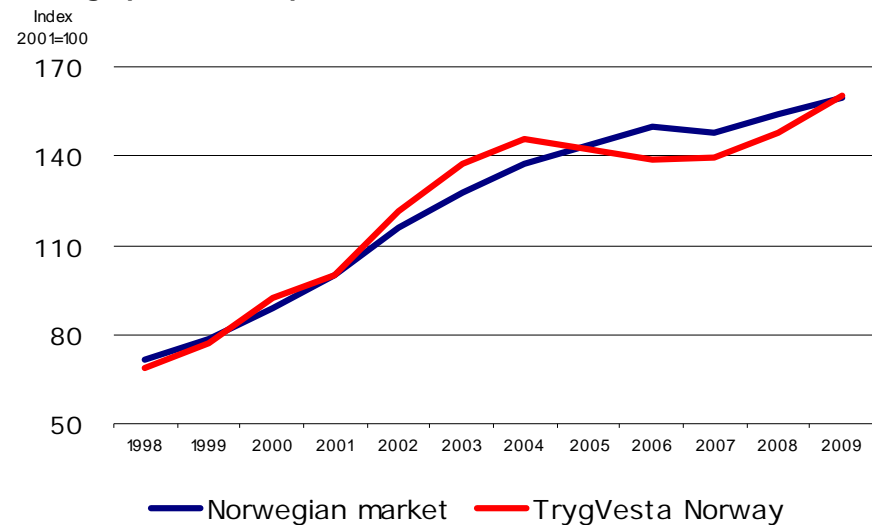
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The Norwegian market increases prices with about same level and pace as our Norwegian business

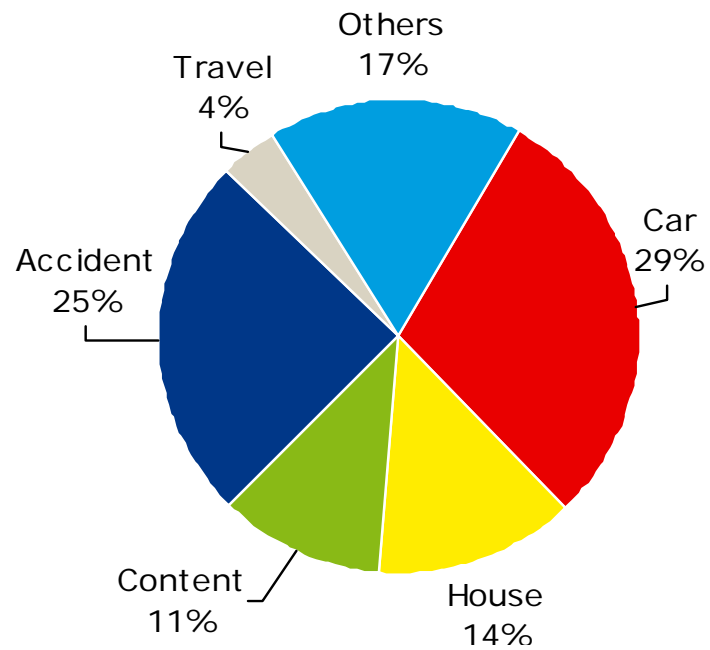
Average premiums - private cars



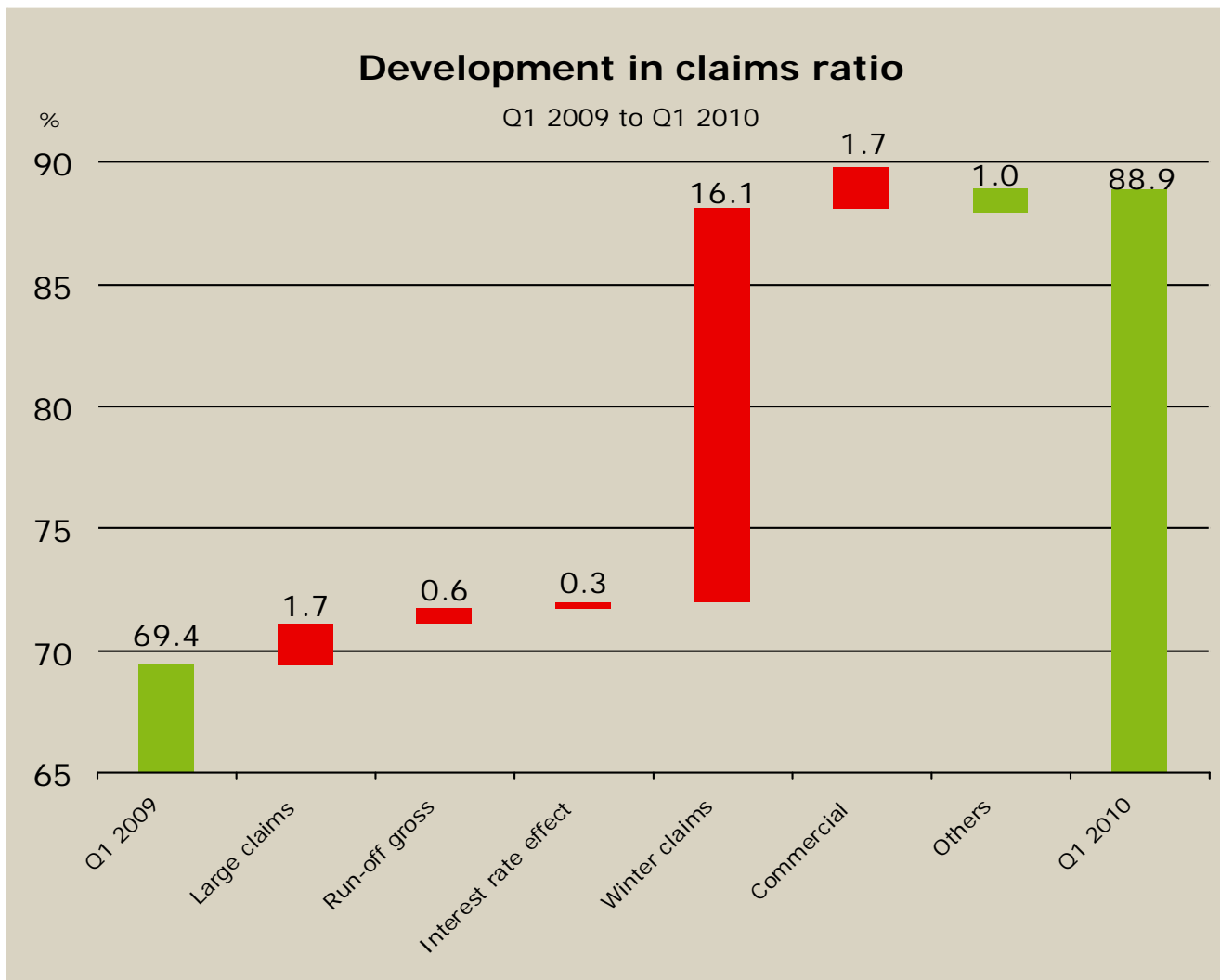
Average premiums - private houses



Distribution of premium increases and index of DKK 900m in 2010



Ekstraordinary winter hit claims ratio hard

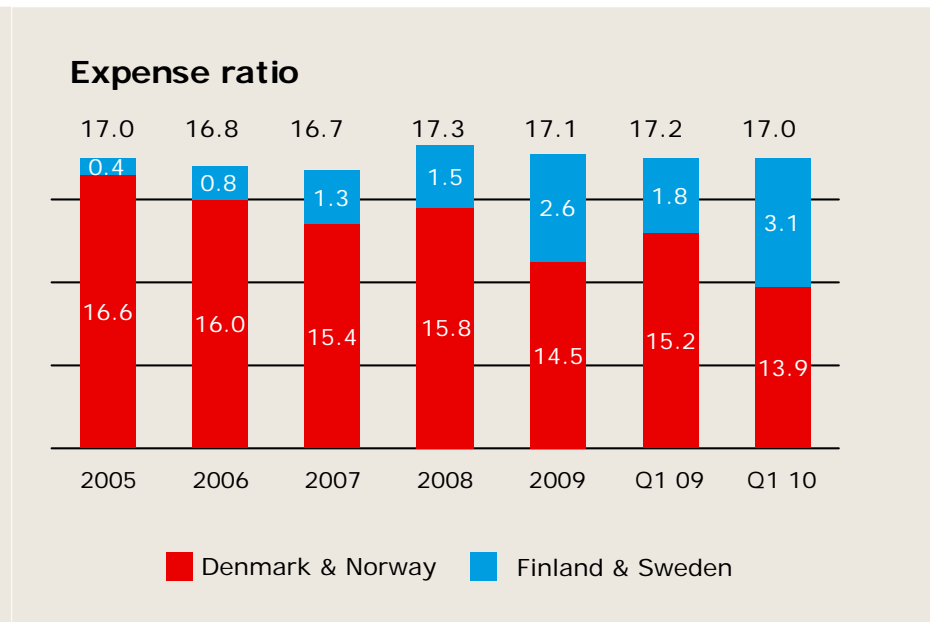
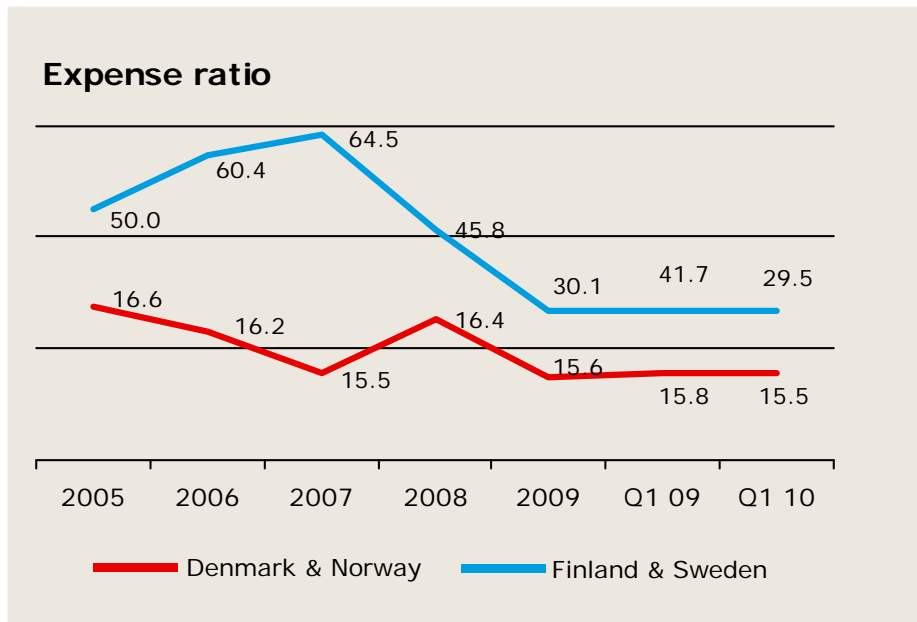


Expense ratio



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- Continued focus on expenses helps expense ratio trending downwards
- Focus on internal recruitment reduces need for external hiring

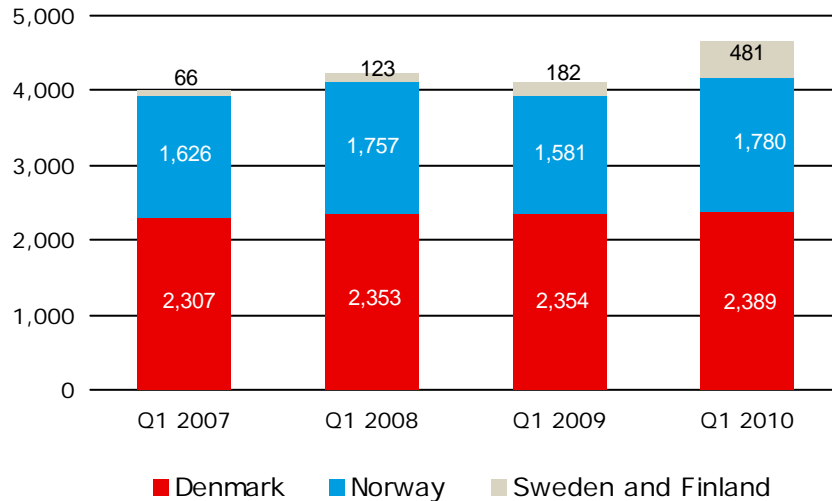


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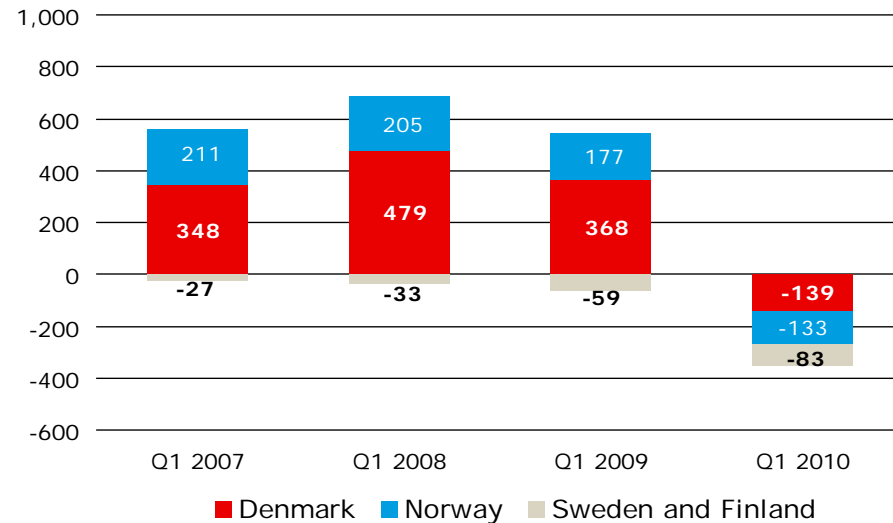
Abnormal winter hit technical result by DKK 700m and Q1 2010 ended at DKK -354m

- Technical interest DKK 30m lower in Q1 2010 relative to Q1 2009
- Strong growth in both Sweden and Finland around 28%
- Moderna included in Q1 2010 figures

Gross premiums (DKKm)



Technical result (DKKm)



Data before 2009 is not corrected for the sale of marine insurance

Outlook 2010



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DKKm	2009	Outlook 2010 February	Outlook 2010 April - incl. winter	Outlook 2010 May - incl. winter
Discounting rate		3.6%	3.2%	3.2%
Premium growth local currency*	4.7%	3-4%	3-4%	3-4%
Insurance result		1,200-1,600	500-900	300-700
Investment result, net		200-300	300-400	300-400
Pre-tax profit		1,400-1,800	800-1,200	600-1,000
Effective tax rate		approx. 25%	approx. 25%	approx. 25%
Combined ratio before run-off	95.9	93-95	96-98	97-99 *

* Includes run-off in Q1 2010

Assumptions: Run-off expected at DKK 0m, large claims DKK 500-600m and weather claims of DKK 200-300m

Return assumption p.a. in free investment portfolio

Equity	7.0%
Bonds	2.4%
Real estate	6.0%

Due to volatility and insecurity in the financial markets caused by high levels of government debt in Southern Europe and the fragile economic recovery in Europe, assumptions for the investment return are subject to considerable uncertainty.



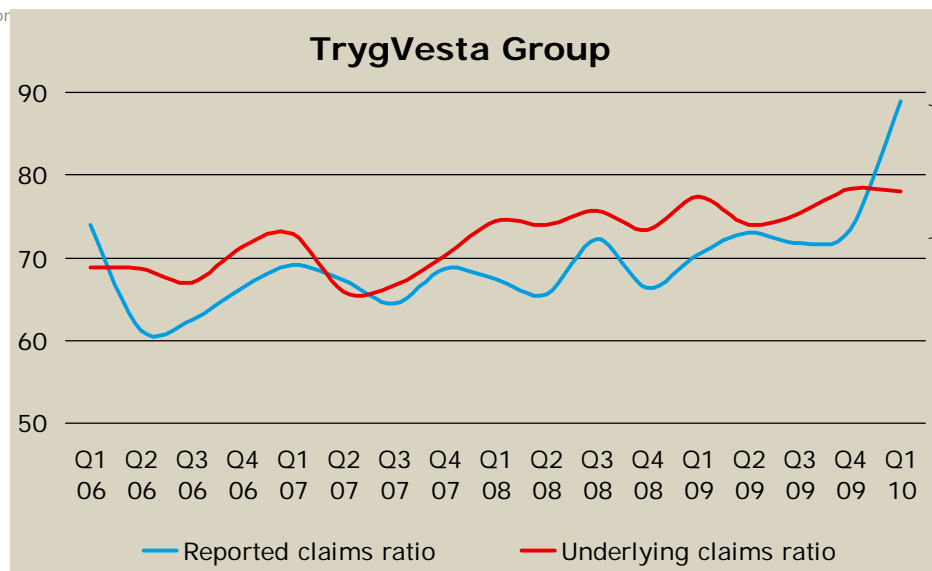
Claims, investments and capital

Underlying claims development



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Extraordinary winter impacts
16.1 percentage points

	Q1 2009	Q1 2010
Gross claims ratio	69.4%	88.9%
Large claims	-1.0%	-3.0%
Weather related claims	-0.1%	0.0%
Extra winter impact	0%	-16.1%
Run-off	4.8%	4.2%
Interest rate	4.3%	4.0%
Underlying claims ratio	77.4%	78.0%

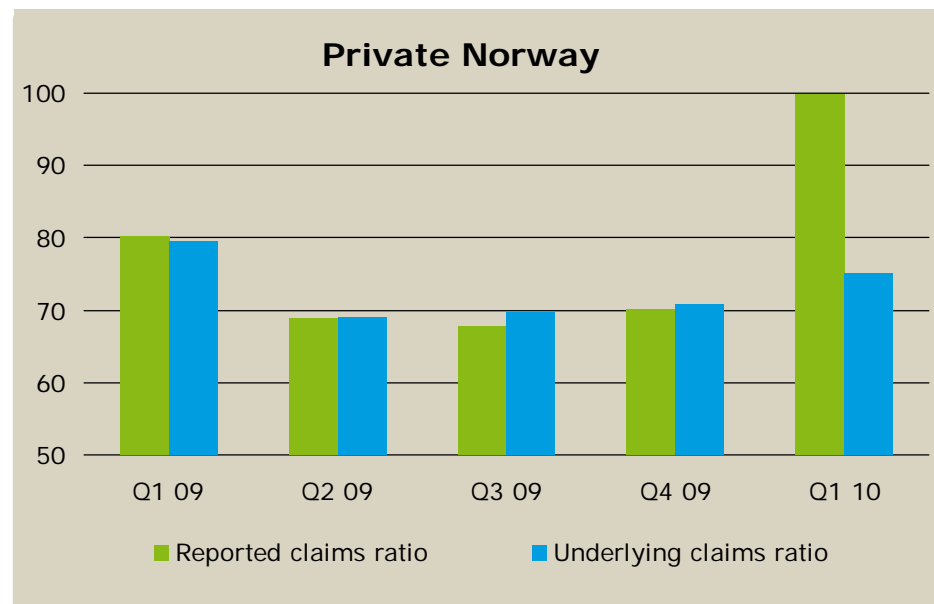
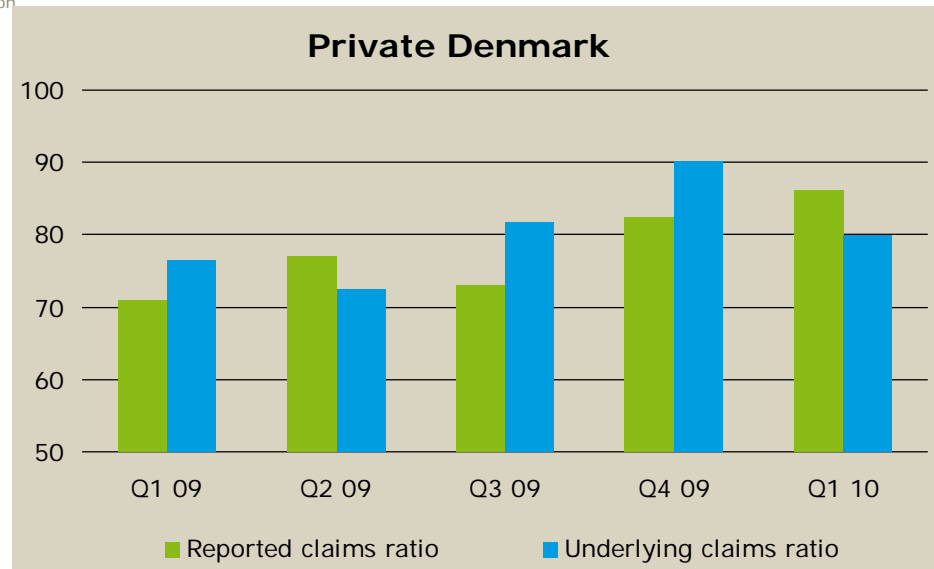
Data before 2009 is not corrected for the sale of marine insurance

Private - Underlying claims development



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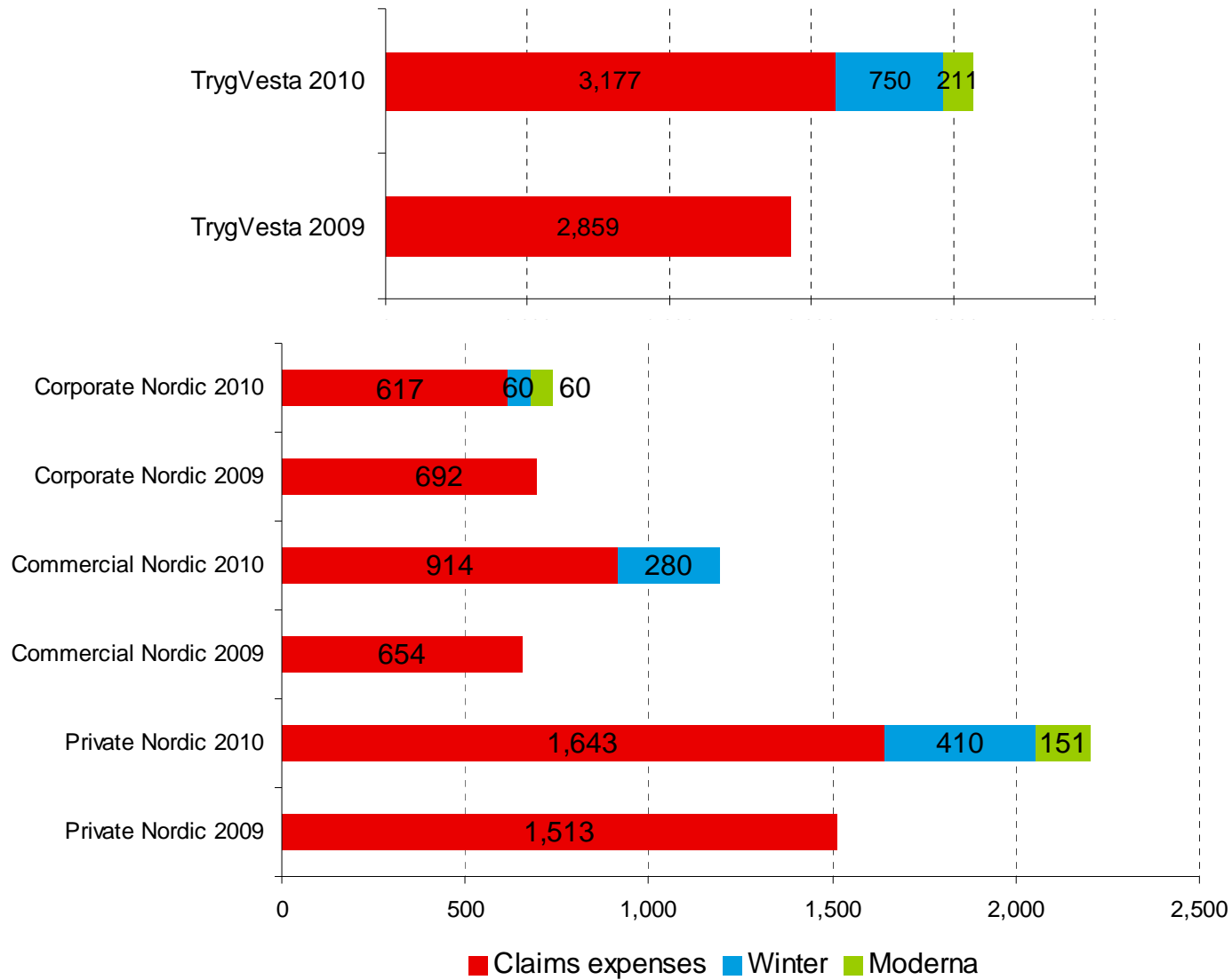


Claims expenses – break down Q1 2009 / Q1 1010



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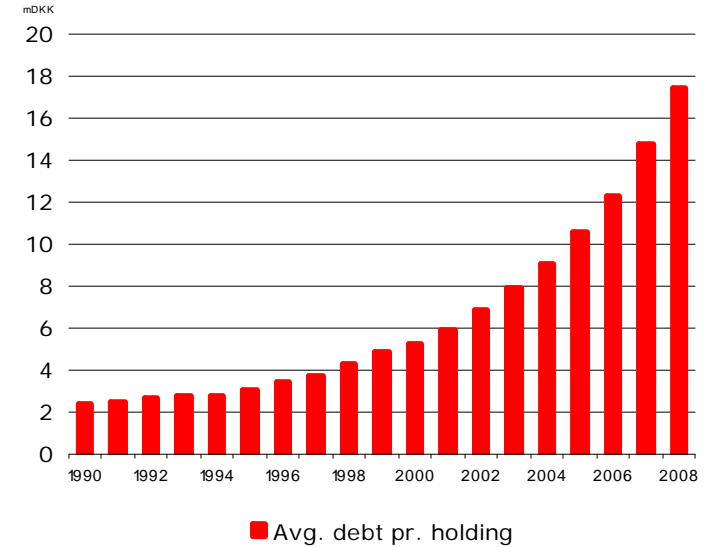
Challenges in the Danish SME market



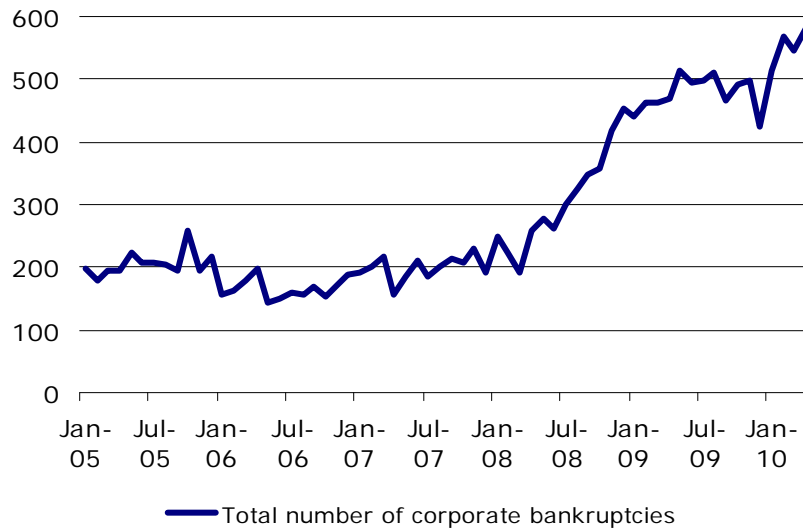
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- Debt levels have been increasing in past years
- Sales have fallen to the lowest level in 5 year and correspondingly have the total number of bankruptcies

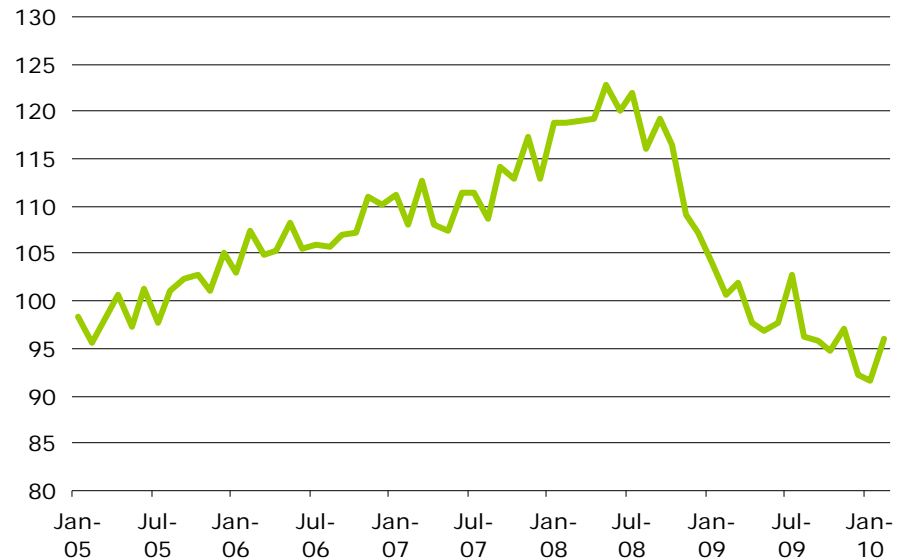
Debt in agriculture business



Bankruptcies in Denmark (seasonally adjusted)

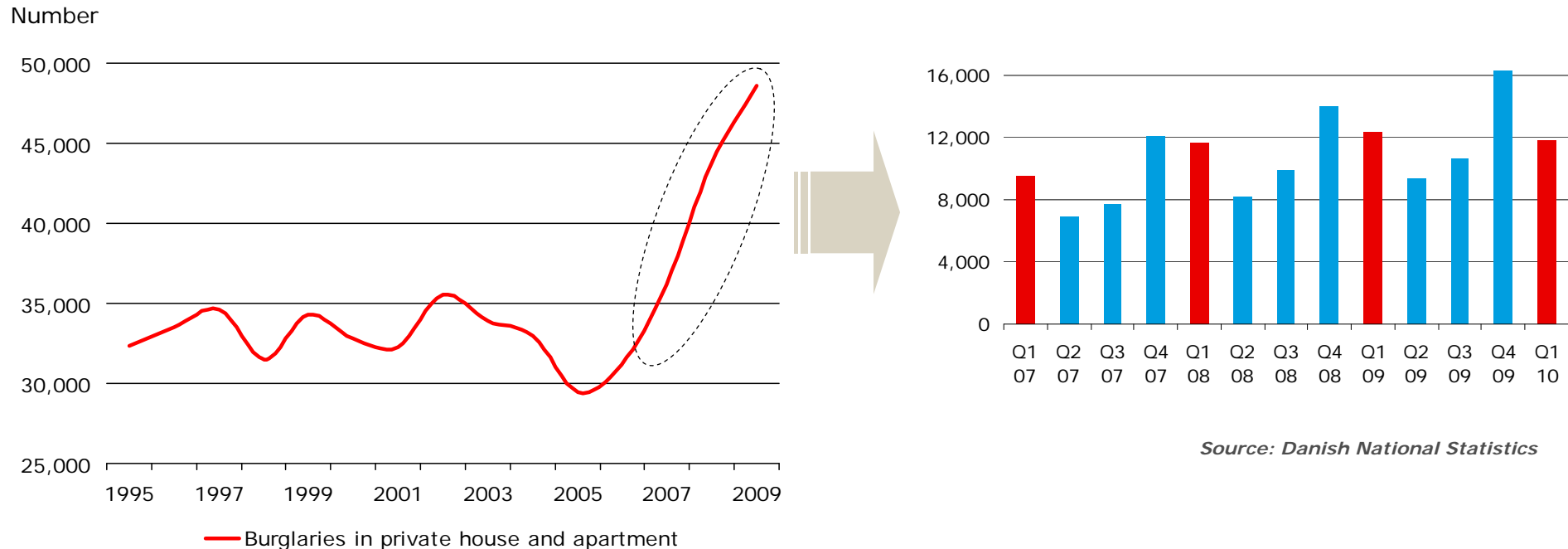


Index for Corporate turnover



Source: Danish National Statistics

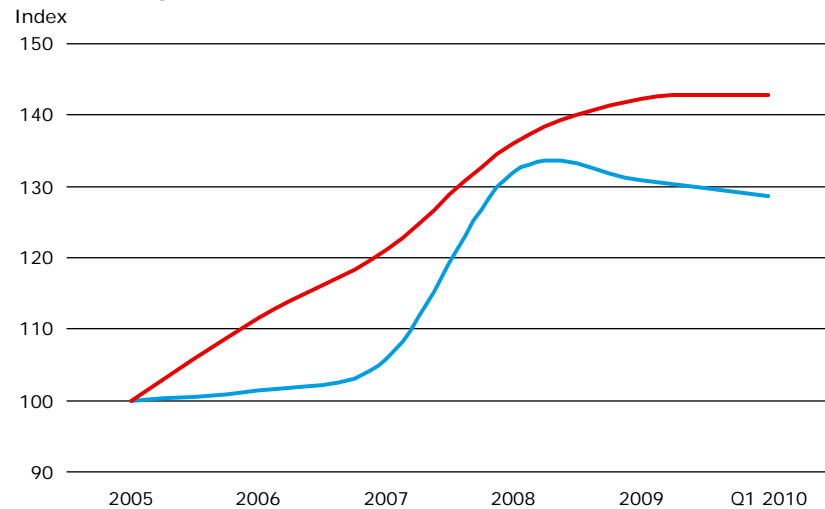
Number of burglaries per year



- Number of burglaries dropped in Q1 2010 – but only minor decrease q-o-q
- January and February recorded lower number of burglaries. Probably helped by the hard winter. March back on a high level
- More focus from the police will hopefully change this negative trend but more quarters are needed to track whether their efforts will help

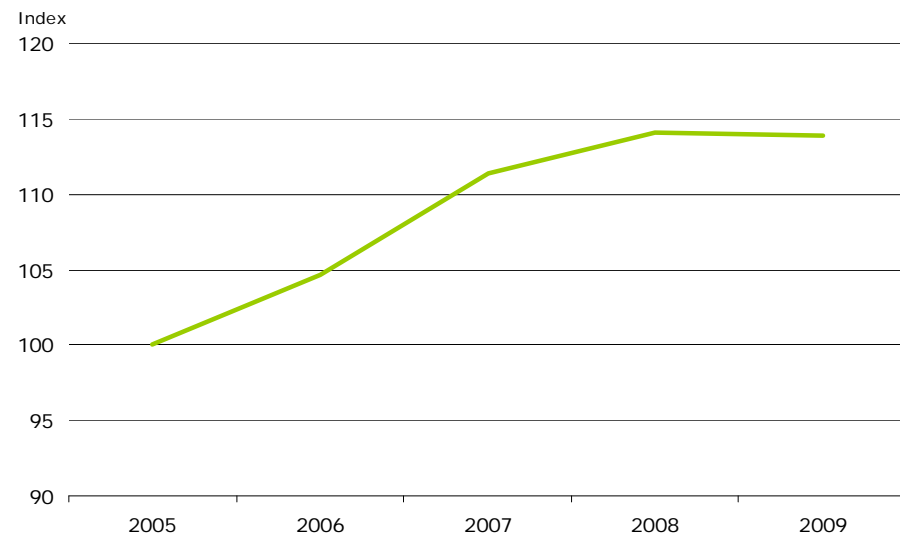
- Since 2008, we have seen a reduction in average claims under 100,000 DKK, where on the other hand the bigger claims tend to flatten out
- The flattening of the construction index has a positive impact on average claims

Average claims in private houses in Denmark



— All claims without weather related claims — All claims under 100,000 DKK

Construction index in Denmark

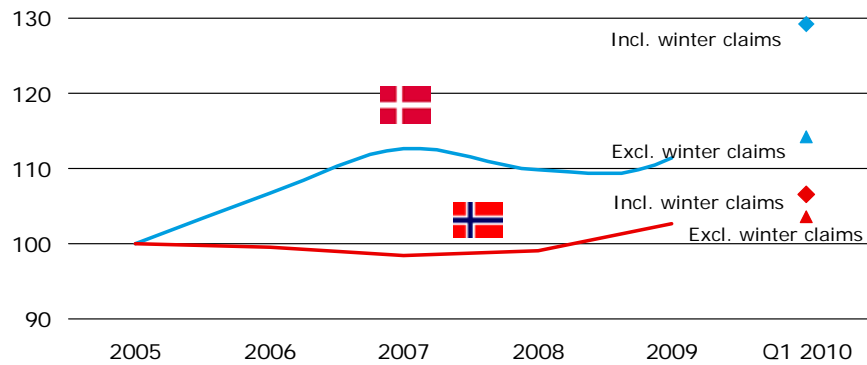


Frequency and average claims

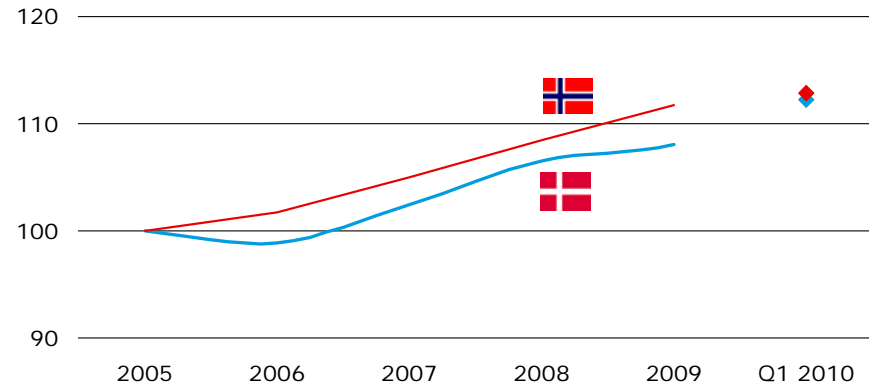


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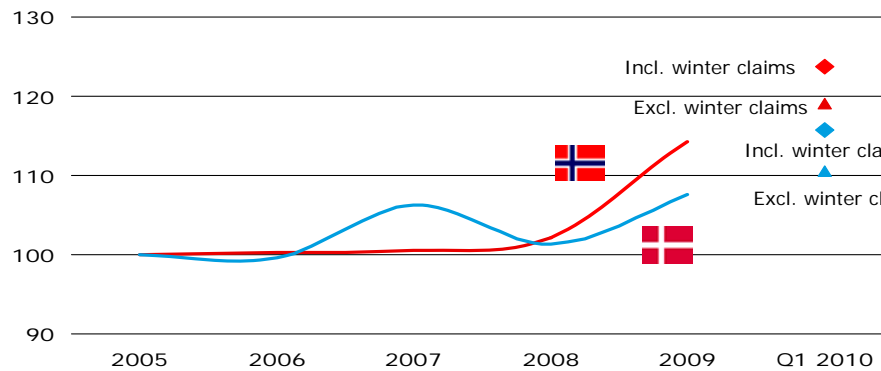
Frequency private cars



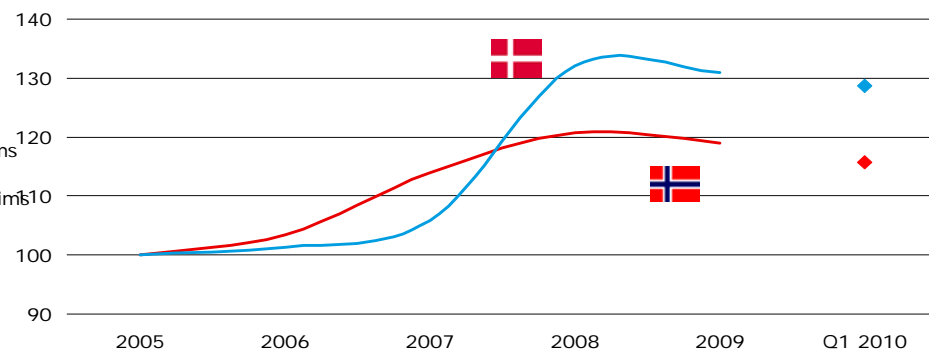
Average claims private cars



Frequency private Houses



Average claims private houses

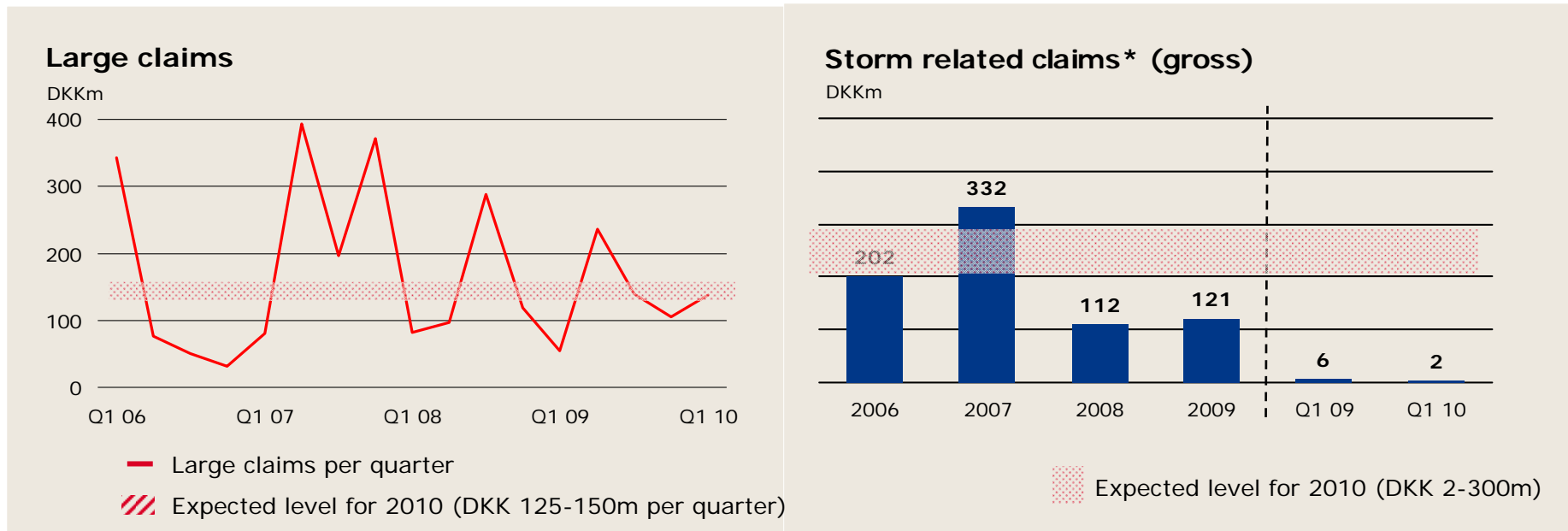


Large claims and weather related claims



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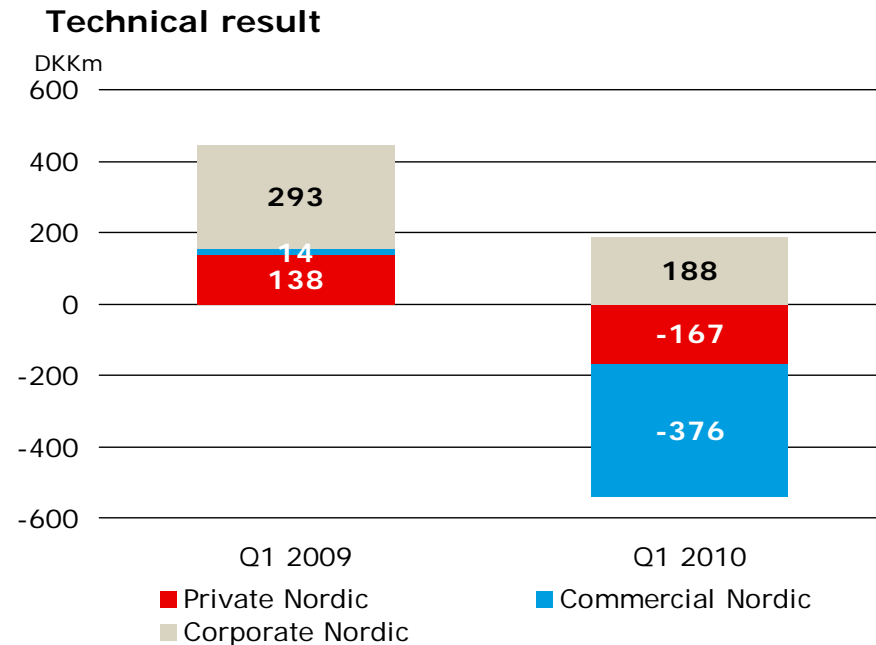
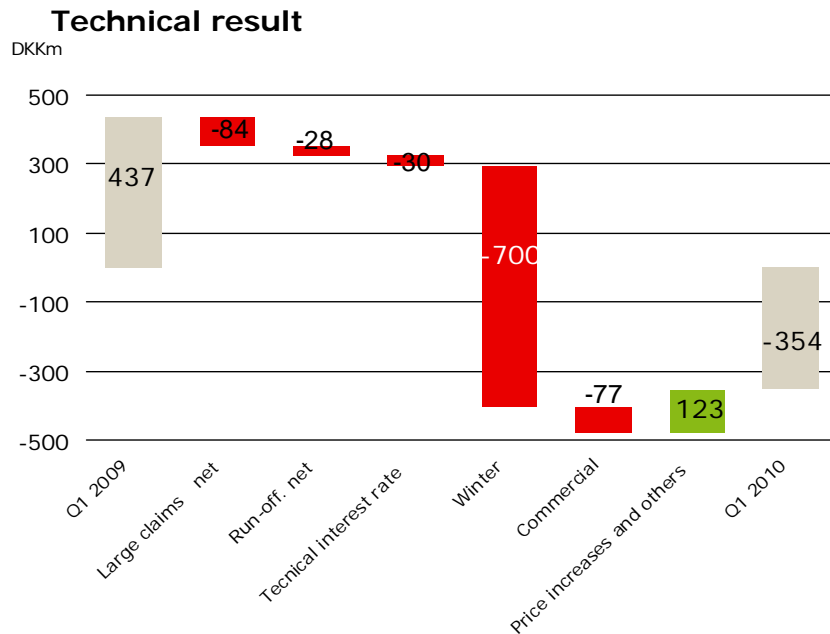
- Large claims was DKK 138m in Q1 2010 and increased by DKK 84m compared to Q1 2009



* Comprise storm and cloudburst claims

Abnormal winter hit technical result by DKK 700m and Q1 2010 ended at DKK -354m.

- Technical interest DKK 30m lower in Q1 2010 relative to Q1 2009.
- Moderna included in Q1 2010 figures.

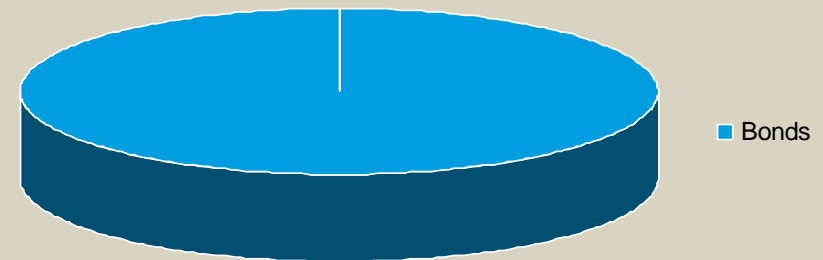


Investments – DKK 723m gross return in Q1 2010

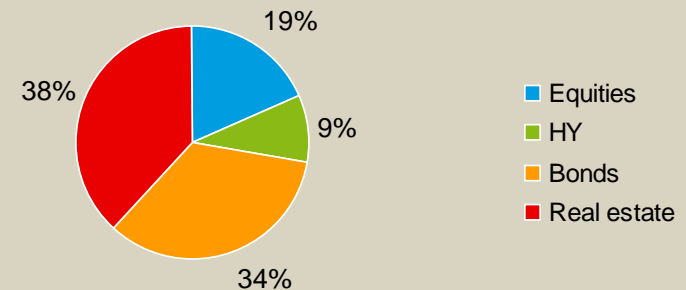
Portfolio of DKK 41.8bn by end of Q1 2010

- Return on total investment portfolio of DKK 723m versus DKK 527m in Q1 2009
- 1.8% gross return on total investment portfolio in Q1 (7.1% annualised)
- Return on investment portfolio of DKK 356m or 3.2%
- Return on bonds positively affected by interest rate and composition

Match portfolio (DKK 31bn)



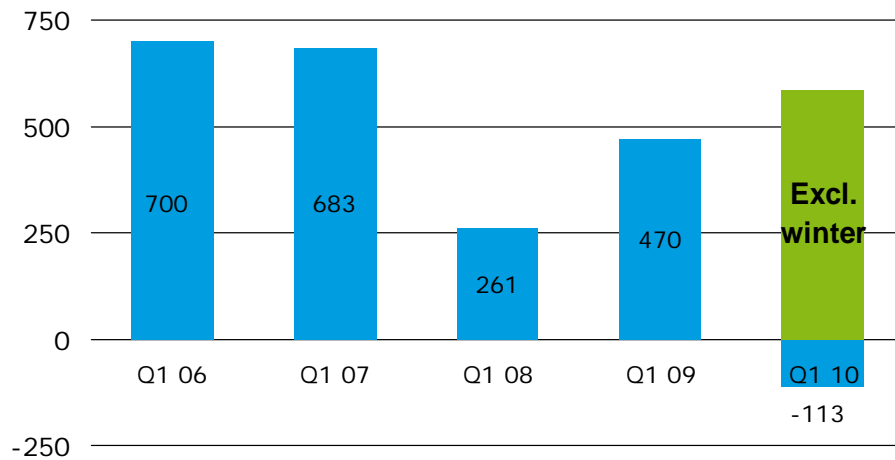
Investment portfolio (DKK 10Bn.)



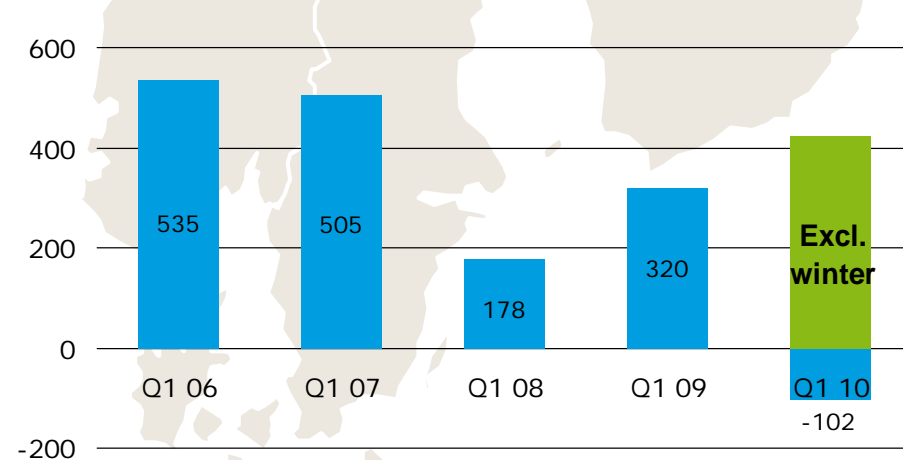
Profit before and after tax

- Profit before tax was DKK -113m against DKK 470m in Q1 2009 heavily affected by extraordinary winter claims expenses amounting to DKK 700m
- Profit after tax was DKK -102m against DKK 320m in Q1 2009
- Effective tax rate was 25

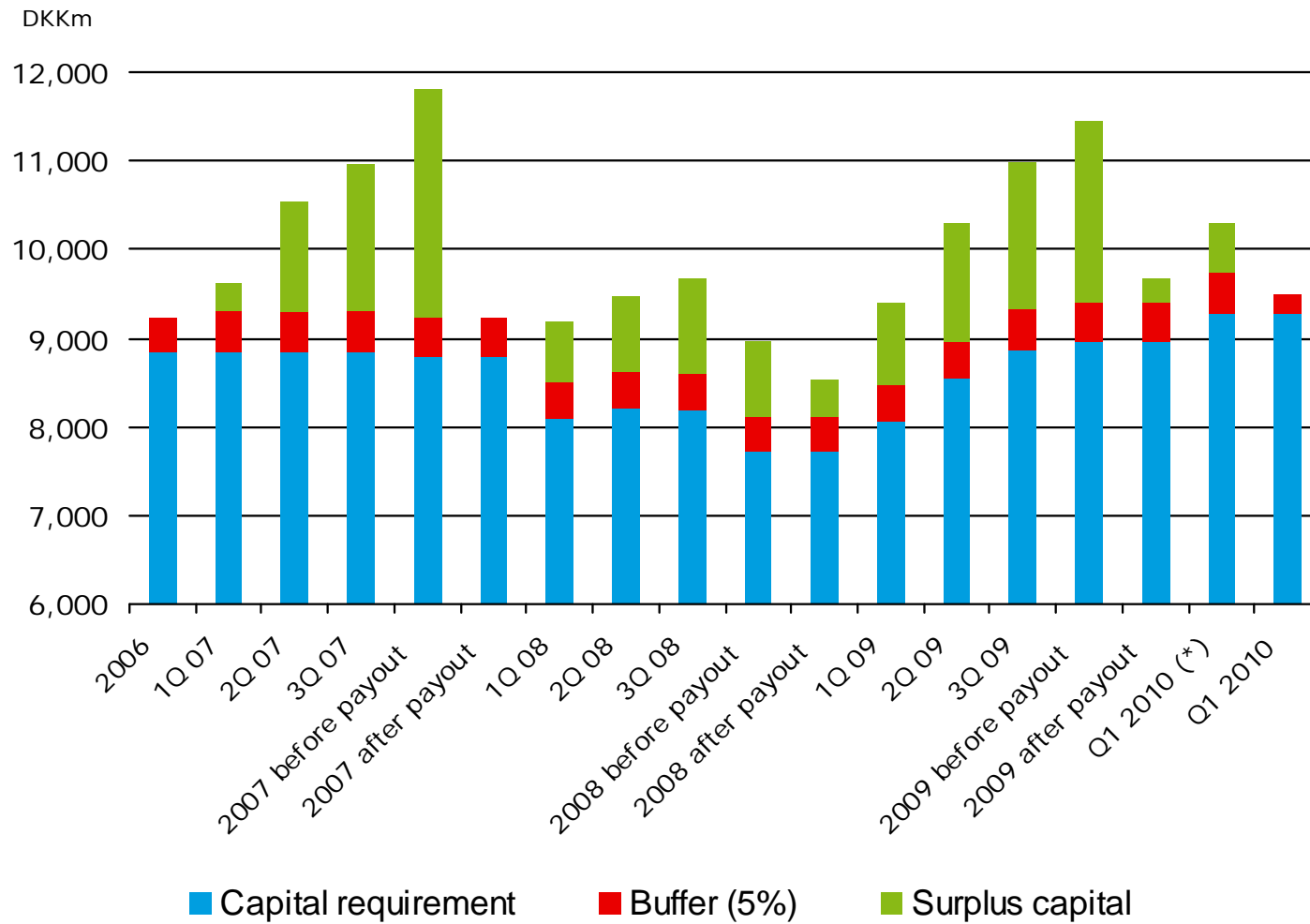
Profit before tax - DKKm



Profit after tax - DKKm



Capital



(*) Includes share buy back program based on 2009 earnings. Which began on 16 April 2010

Premium growth of 7.7% in local currency (12.9% in DKK)

Technical result negatively impacted by extraordinary winter claims of DKK 700m above normal winter levels

Positive development within private lines, but commercial lines calls for additional up-pricing

Split of investment portfolio implemented. Strong return on investment portfolio yielding 3.2% in Q1 2010

Outlook 2010: Expected premium growth unchanged. Combined ratio before winter claims changed from 93-95 to 94-96. Including winter claims combined ratio is expected at 97-99 excl. run-off in remaining year

Questions

Upcoming roadshows



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Q1 2010 presentation

Date	Place	Participants from TrygVesta	Arranged by
21 May 2010	Copenhagen	Stine Bosse, CEO Morten Hübbe, CFO Ole Søreberg, Head of IR Lars Møller, IR Manager	Nordea
26 May 2010	London	Peter Falkenham, COO Ole Søreberg, Head of IR	Autonomous conference
31 May 2010	Frankfurt	Morten Hübbe, CFO Ole Søreberg, Head of IR	Handelsbanken
1 June-31 May 2010	Zürich, Helsinki	Peter Falkenham, COO Lars Møller, IR Manager	Danske
1 June 2010	London	Morten Hübbe, CFO Ole Søreberg, Head of IR	SEB Enskilda
2 June 2010	Copenhagen	Ole Hesselager, Chief Risk Officer Ole Søreberg, Head of IR	Danske
9 June 2010	Madrid	Morten Hübbe, CFO Lars Møller, IR Manager	Goldman Sachs conference
14-15 June 2010	Edinburgh	Ole Søreberg, Head of IR	Carnegie

For further details, please visit www.trygvesta.com/investor/calendar