

# Interim report for the first nine months of 2008

## Strong premium growth, but higher claims expenses and lower investment income

### Highlights (compared with the first nine months of 2007)

- Premium income improved by 4.8% in local currency terms (5.3% in DKK terms) to DKK 12,996m
  - The technical result was DKK 1,867m against DKK 2,099m in the same period of 2007. The reduction was due to higher claims expenses
  - The combined ratio was 88.7 compared with 86.0
  - Gross investment return of DKK 407m, or 1.1%, and a negative net investment return of DKK 831m due to falling equity prices
  - Pre-tax profit of DKK 999m against DKK 2,471m
  - Profit after tax of DKK 766m against DKK 1,847m
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- TrygVesta extended its partnership with Nordea for the mutual sale of the two companies' products until 2013
  - The number of policies increased by 244,000 in 2008, with Finland and Sweden 157,000 policies of the improvement
  - The forecast for full-year premium growth is unchanged at 5%. The forecast for the technical result is lowered from DKK 2.6bn to DKK 2.2bn, and the combined ratio forecast is changed from 88 to 90. Furthermore, the investment income forecast has been updated up to and including 31 October 2008, resulting in an expected net investment loss of DKK 1.1bn. The forecast pre-tax profit is therefore reduced from DKK 2.3bn to DKK 1.1bn, and the forecast profit after tax is reduced from DKK 1.5bn to DKK 0.6bn due to non-deductible equity losses
  - The preliminary forecast for 2009 is a growth rate in line with 2008 and a combined ratio at the level prevailing in 2008

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**TrygVesta hosts a webcast and teleconference Tuesday 11 November 2008 at 9.30 CET**

To participate in the teleconference, please call +44 208 817 9301 or +45 70 26 50 40.

The interim report is unaudited.

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## Financial highlights and key ratios

DKKm	FY 2007	Q3 2007	Q3 2008	Change 2007/2008	Q1-Q3 2007	Q1-Q3 2008	Change 2007/2008
<b>Income statement</b>							
Gross premiums earned	16,606	4,232	4,425	4.6%	12,338	12,996	5.3%
Gross claims incurred	-11,175	-2,725	-3,194	-17.2%	-8,248	-8,893	-7.8%
Gross expenses	-2,769	-682	-706	-3.5%	-2,062	-2,165	-5.0%
Profit/loss on gross business	2,662	825	525	-36.4%	2,028	1,938	-4.4%
Profit/loss on ceded business	-343	-136	-121	11.0%	-301	-474	-57.5%
Technical interest, net of reinsurance	501	132	142	7.6%	372	403	8.3%
<b>Technical result</b>	<b>2,820</b>	<b>821</b>	<b>546</b>	<b>-33.5%</b>	<b>2,099</b>	<b>1,867</b>	<b>-11.1%</b>
Return on investment activities after transfer to insurance activities	340	-90	-331	-241	384	-831	-1,215
Other income and expenses	-51	-5	-17	-12	-12	-37	-25
<b>Profit/loss before tax</b>	<b>3,109</b>	<b>726</b>	<b>198</b>	<b>-253</b>	<b>2,471</b>	<b>999</b>	<b>-1,240</b>
Tax	-842	-239	34	273	-624	-233	391
<b>Profit/loss, continuing business</b>	<b>2,267</b>	<b>487</b>	<b>232</b>	<b>20</b>	<b>1,847</b>	<b>766</b>	<b>-849</b>
Profit/loss on discontinued and divested business after tax	-1	0	0	0	0	0	0
<b>Profit/loss</b>	<b>2,266</b>	<b>487</b>	<b>232</b>	<b>20</b>	<b>1,847</b>	<b>766</b>	<b>-849</b>
Run-off result, net of reinsurance	743	233	209	-24	556	602	46
<b>Balance sheet</b>							
Total technical provisions	26,916				28,087	27,735	
Total insurance assets	1,587				1,529	1,245	
Total shareholders' equity	10,010				9,692	8,623	
Total assets	43,830				43,178	42,079	
<b>Key ratios</b>							
Gross claims ratio	67.3	64.4	72.2	-7.8	66.9	68.4	-1.5
Business ceded as a percentage of gross premiums	2.1	3.2	2.7	0.5	2.4	3.6	-1.2
Claims ratio, net of ceded business	69.4	67.6	74.9	-7.3	69.3	72.0	-2.7
Gross expense ratio	16.7	16.1	16.0	0.1	16.7	16.7	0.0
Combined ratio	86.1	83.7	90.9	-7.2	86.0	88.7	-2.7
<b>Other data</b>							
Return on equity before tax and discontinued and divested business p.a. (%)	31				34	14	
Earnings per share, continuing business (DKK)	33.5				27.3	11.8	
Net asset value per share (DKK)	148				143	132	
Share price (DKK)	388				419.0	334.0	
Average number of shares (1,000) *	67,648				67,651	66,673	
Number of shares (1,000) *	67,638				67,638	65,189	
Number of full-time employees, end of period	3,814				3,821	4,088	

\* Calculated in accordance with "Recommendations & Financial Ratios 2005" issued by the Danish Society of Financial Analysts.

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## The Group's performance

Compared with the first nine months of 2007, unless otherwise indicated.

- Premium growth of 4.8% in local currency terms (5.3% in DKK terms)
- Claims expenses up by 7.8% due to higher house and health care claims
- Expense ratio retained at 16.7 despite higher selling commission and payroll costs
- The investment result adversely impacted by falling equity and mortgage bond prices

### Highlights

- TrygVesta and Nordea have extended the successful partnership operated since 1999 to 2013. The partnership provides for Nordea to sell TrygVesta's policies on a pan-Nordic basis in its branch network, and for TrygVesta to sell Nordea's life and pension products in Denmark and Norway. The agreement also involves Nordea's portfolio management of most of TrygVesta's investment assets. The extended agreement will expire in 2013 due to a statutory five-year limit on such agreements between companies.
- In collaboration with Nordea, we will launch a travel insurance policy targeting 750,000 gold card (MasterCard and Visa) holders in Denmark and Norway in early 2009.
- Standard & Poor's and Moody's affirmed their ratings of TrygVesta in August and September 2008, respectively. Standard & Poor's affirmed their rating of "A- stable" in mid-August, and Moody's affirmed their "A2" rating in late September.
- The competitive environment in Denmark changed during 2008. Poor investment results and reduced technical results caused a number of small companies to refocus on balancing price and risk. Competition in Norway was characterised by increasing average premiums from all major players as companies seek to balance higher average claims and the related premium income.
- Private & Commercial Denmark launched a new enhanced house policy on 7 November 2008. The new extended-coverage policy will be priced 11% higher on average and provide customers with a number of benefits, including extended coverage in case of water damage. In this way, TrygVesta meets one of the challenges posed by changed climate conditions.
- In addition to price increases in Denmark and Norway, price increases are also scheduled for motor policies in Sweden.
- TrygVesta Garanti, which provides guarantee insurance to the building sector, the public sector and others, operates very stringent underwriting principles and is thus well prepared to meet the challenges posed by the market for guarantee insurance to the building industry. In addition to pursuing a conservative underwriting policy, the company has taken out reinsurance for claims expenses per event of more than DKK 30m.

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## Results for the period

### Premium growth of 4.8%

The Group recorded gross earned premiums of DKK 12,996m in the first nine months of 2008, which was DKK 658m, or 4.8% in local currency terms (5.3% in DKK terms), more than in the same period of 2007. The increase was in line with expectations, but it should be noted that the growth of 4.5% recorded by Private & Commercial Norway was higher than expected.

The activities in Finland and Sweden recorded aggregate growth of 78.2%, or DKK 186m, to DKK 424m, and the total portfolio in the two countries stood at DKK 680m at 30 September 2008. Growth was attributable to a sustained high inflow of customers. In Finland, it was a direct result of the sales organisation being enhanced and enlarged. Sweden and Finland accounted for 1.4 percentage points and Denmark and Norway accounted for 3.4 percentage points of the Group's total premium growth of 4.8%.

In the first nine months of 2008, Private & Commercial Norway contributed growth of 4.5% in local currency terms, thereby outperforming expectations. The improvement was attributable to the combined effect of price increases, a growing number of new customers and more existing customers maintaining their policies with TrygVesta. In Private & Commercial Denmark, gross earned premiums were 1.3% higher (1.5% after bonus/premium rebates), and the growth rate increased to 2.6% (2.1% after bonus/premium rebates) in the third quarter of 2008 compared with the same quarter of 2007. The Corporate business saw growth of 5.3%, albeit recording a lower rate of growth in the third quarter of 2008 due to the large influx of new large customers to TrygVesta at the beginning of the third quarter of 2007 which lifted the portfolio to a higher level that is now used to compare with the third quarter of 2008.

In the first nine months of the year, the portfolio grew by a net amount of some 244,000 policies, with Finland and Sweden accounting for 157,000 policies.

Gross earned premiums in the third quarter of 2008 were 4.7% higher in local currency terms (4.6% in DKK terms), standing at DKK 4,425m. Sweden and Finland accounted for 1.6 percentage points of total growth, while Denmark and Norway contributed 3.0 percentage points.

### Claims impacted by claims inflation

Gross claims rose 7.8% to DKK 8,893m, resulting in a claims ratio, net of ceded business, of 72.0 compared with 69.3 in the same period of 2007. The DKK 645m increase in gross claims incurred was primarily attributable to higher claims expenses in relation to house and health care insurance as well as an increased number of large claims in the third quarter.

The first nine months of 2008 saw large claims amounting to DKK 467m, exceeding the forecast of DKK 375m. In the third quarter alone, large claims amounted to DKK 288m (DKK 226m net) compared with the forecast of some DKK 125m. The most widely covered large claim related to a fire in Bergen, Norway on 3 September 2008, which destroyed several of the city's historic timber-built houses. Large claims amounted to DKK 195m in the third quarter of 2007 (DKK 89m net).

Weather-related claims were DKK 90m compared with DKK 252m in the same period of 2007. The reduction was due partly to the mild winter, partly to fewer cloudbursts in the summer of 2008 compared with the summer of 2007.

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The net run-off result was DKK 602m relative to DKK 556m in the same period of 2007, equalling 4.6% and 4.5% of gross earned premiums, respectively.

The underlying claims ratio increased when adjusted for the effect of large claims, weather-related claims, run-off results and interest rates. The underlying increase in claims expenses was attributable to higher claims expenses in several areas. The higher average house claims were driven by higher payroll and material costs. To counter the effect of these factors on the Group's financial results, TrygVesta has already launched a number of initiatives and additional measures have been scheduled to maintain the favourable claims level. Finally, health care insurance recorded higher claims expenses, and premium increases have been implemented in order to offset the growing use of private health care insurance.

#### **Expense ratio retained despite high level of sales**

Selling, marketing and administrative expenses at DKK 2,165m were DKK 103m, or 5.0%, higher, resulting in an unchanged expense ratio of 16.7 compared with the same period of 2007. The performance was in line with expectations.

Expenses in the Finnish and Swedish activities were up by DKK 49m to stand at an aggregate DKK 207m, but both business areas recorded a fall in the expense ratio.

The expense ratio in Private & Commercial Norway was up from 20.1 to 21.3, which was attributable to higher selling commission costs. The Corporate business recorded an expense ratio of 10.2, up from 9.7, resulting from a higher business volume and a changed business mix since mid-2007. Corporate recorded an expense ratio of around 10, which is considered competitive and satisfactory.

The development in expenses was impacted by an increase of around 6% in payroll costs in the Danish and Norwegian financial sector in 2008. Staff turnover in Norway was furthermore affected by strong demand for qualified employees in the labour market.

#### **Technical performance**

The technical result amount to a profit of DKK 1,867m in the first nine months of 2008, which was lower than the DKK 2,099m recorded in the same period of 2007. The lower-than-expected result was attributable to a greater number of large claims than forecast and an underlying increase in the claims ratio, net of ceded business. Due to the higher level of interest rates, DKK 403m was transferred by way of technical interest, up from DKK 372m in 2007.

#### **Combined ratio affected by more large claims**

The combined ratio amounted to 88.7 in the first nine months of 2008 relative to 86.0 in the same period of 2007. The adverse development was mainly attributable to an increase in the number of large claims and higher house and health care claims.

Run-off gains had a favourable impact on the combined ratio of 4.6 percentage points compared with 4.5 percentage points in the same period of 2007.

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### Investment return

The investment portfolio amounted to a total of approximately DKK 36.6bn at 30 September 2008 compared with DKK 37.3bn at 1 January 2008. The investment assets yielded a total gross return of DKK 407m, or 1.1%, and a result of DKK 281m before transfer of technical interest compared with DKK 1,418m in the same period of 2007.

The poorer-than-expected performance was mainly attributable to capital losses on equities of DKK 658m in the first nine months of 2008. The proportion of equities in the investment portfolio was reduced from more than DKK 5bn in 2007 to DKK 1.8bn in January 2008. Capital losses on equities would have amounted to approximately DKK 1.3bn if the lower allocation to equity investments had not been implemented.

Bonds yielded a total return of DKK 929m, comprising a capital loss of DKK 118m and interest accruals of DKK 1,047m. TrygVesta discounts provisions, and the year's change in the differential between the risk-free rate used for discounting purposes and the bond portfolio used to match provisions triggered a negative deviation of DKK 267m.

After transfer of technical interest of DKK 1,112m and other financial income and expenses, the investment result amounted to a net loss of DKK 831m compared with a profit of DKK 384m in the same period of 2007.

The turmoil in the financial markets underlines the importance of focusing on profitable insurance operations.

### Profit before and after tax

The pre-tax profit amounted to DKK 999m against DKK 2,471m in the same period of 2007. The performance was composed of the technical result of DKK 1,867m and a loss on investment activities of DKK 831m.

Profit after tax was DKK 766m against DKK 1,847m in the first nine months of 2007.

Capital losses on equities are non-deductible, and based on the Group's capital losses in the third quarter and in the first nine months of 2008, the tax rate was above normal. However, tax cases were closed with a positive impact in the third quarter of 2008, bringing the effective tax rate to 23% in the first nine months of 2008.

### Return on equity

At 30 September 2008, equity stood at DKK 8,623m against DKK 10,010m at 1 January 2008. The change was primarily attributable to a dividend payment of DKK 1,156m and share buybacks of DKK 810m to which should be added net earnings in the first nine months of 2008. The annualised return on equity was 14% before tax in the first nine months of 2008.

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## Private & Commercial Denmark

Private & Commercial Denmark sells insurances to private households and small and medium-sized enterprises in Denmark under the Tryg brand name. Sales are handled by five customer centres, 16 local service centres, affinity groups, car dealers, real estate agents and Nordea's branches. Private & Commercial Denmark has around 1,400 employees.

- Gross earned premiums up by 1.3% (1.5% including bonus/premium rebates)
- Combined ratio of 85.8 against 82.6 in the same period of 2007
- Higher claims expenses due to more building, health care and personal accident claims

	Q3 2007	Q3 2008	Change 2007/2008	Q1-Q3 2007	Q1-Q3 2008	Change 2007/2008
<b>DKKm</b>						
Gross earned premiums	1,610	1,652	2.6%	4,873	4,936	1.3%
Gross claims incurred	-987	-1,154	-16.9%	-3,104	-3,351	-8.0%
Gross expenses	-283	-276	2.5%	-846	-803	5.1%
Profit/loss on gross business	340	222	-34.7%	923	782	-15.3%
Profit/loss on ceded business	-22	-31	-40.9%	-74	-81	-9.5%
Technical interest, net of reinsurance	39	49	25.6%	122	144	18.0%
<b>Technical result</b>	<b>357</b>	<b>240</b>	<b>-32.8%</b>	<b>971</b>	<b>845</b>	<b>-13.0%</b>
<b>Key ratios</b>						
Gross claims ratio	61.3	69.9	-8.6	63.7	67.9	-4.2
Business ceded as % of gross premiums	1.4	1.9	-0.5	1.5	1.6	-0.1
Claims ratio, net of ceded business	62.7	71.8	-9.1	65.2	69.5	-4.3
Gross expense ratio	17.6	16.7	0.9	17.4	16.3	1.1
Combined ratio	80.3	88.5	-8.2	82.6	85.8	-3.2

### Earned premiums

Gross earned premiums at DKK 4,936m represented an increase of DKK 63m, or 1.3%, relative to the same period of 2007. Premium growth of 2.6% in the third quarter of 2008 was higher than in the first half-year of 2008, which was attributable to higher average house insurance premiums and strong growth in health care and travel insurance.

Competition is believed to have become less price-driven than was previously the case. This is partly because, already in the first half-year of 2008, a number of market players recorded earnings levels and combined ratios that were value-diluting, and partly because investment results impair the companies' capitalisation due, among other factors, to the large falls in equity prices seen in 2008. The overall result going forward is that insurers are expected to enhance their focus on balancing premium income/growth and the related claims expenses.

The renewal rate remained unchanged at 91, and the number of policies increased by 10,000 during the third quarter of 2008, resulting in growth of 36,000 policies in the first nine months of 2008.

The "Udvidet Tryg Vejrhjælp" policy, which provides customers with additional benefits relative to "Tryg Vejrhjælp", is offered to all 200,000 concept customers with a motor insurance, and 20,000 extended policies have been sold to date.

Sales of policies under a cooperation agreement with DLG began in September 2008 and performance is good. Staffing has been increased to respond to the interest shown by this customer segment. Additional information is provided in our interim report for the first half of 2008 released on 19 August 2008.

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## Claims

Claims incurred were up by 8.0% to stand at DKK 3,351m, and the claims ratio rose from 63.7 to 67.9. The level is still considered good, and for 2007 even unusually low. The increase recorded from the first nine months of 2007 was mainly attributable to higher house and health care claims and to a larger number of medium-sized claims than expected.

Expenses for weather-related claims fell as July and August had fewer cloudbursts and storm claims compared with the large number of cloudbursts in 2006 and 2007. Large claims were DKK 77m in the nine-month period compared with DKK 66m in the same period of 2007.

Price increases have been scheduled on a number of products in 2009 due to increasing underlying claims expenses. The time lag from implementation of a price increase until it feeds through as a gross earned premium is up to two years, and the effect of such price increases will therefore only begin to materialise in the second half-year of 2009 and be fully recognised in the financial statements for 2010.

The claims frequency for motor policies fell by around 1% in the first nine months of 2008 compared with 2007, and the average claim was up by around 2%. TrygVesta's cooperation with selected garages helps keep the average claims expenses down and ensure customers a high-quality service.

The claims frequency for houses fell by 5% in the first nine months of 2008 impacted, in particular, by fewer weather-related losses, while the average claim was 21% higher and thus the main cause of the increased claims expenses. The increase in average claims was attributable to higher payroll and material costs, but also to a changed mix which has resulted in more expensive claims for TrygVesta. Large claims are not included in the average claims. Average price increases of around 11% will be implemented on house policies in 2009 due to the higher claims expenses.

The run-off result amounted to DKK 290m against DKK 360m in the same period of 2007. Run-off gains impacted the combined ratio by 5.9 percentage points compared with 7.4 percentage points in the same period of 2007.

## Expenses

Costs totalled DKK 803m, a decline of DKK 43m relative to the same period of 2007, causing the expense ratio to fall from 17.4 to 16.3. The improvement was attributable to changed processes, and in order to maintain this cost level, processes and planning will be subject to enhanced focus going forward.

## Technical performance

The technical result amounted to DKK 845m compared with DKK 971m in the first nine months of 2007. The decline was exclusively attributable to higher claims expenses as described above. Higher interest rates had a favourable impact of DKK 22m on the quarterly performance.

## Combined ratio

The combined ratio amounted to 85.8 in the first nine months of 2008 relative to 82.6 in the same period of 2007. The combined ratio was adversely affected by several medium-sized claims and higher average house claims, whereas rising interest rates had a favourable effect on the combined ratio.

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## Private & Commercial Norway

Private & Commercial Norway sells insurances to private households and small and medium-sized enterprises in Norway under the TrygVesta and Enter brand name. Sales are handled by 85 franchise offices, our own sales agents, three regional customer centres, 35 local sales centres, car dealers and Nordea's branches. Private & Commercial Norway has around 1,100 employees excluding some 300 franchise office staff.

- Gross premiums rose by 4.5% in local currency terms
- Combined ratio of 95.4 up from 90.4 as a result of more large building claims and increased selling costs
- Customer retention up by 0.5 percentage point to 86.5% from the same period of 2007

	Q3 2007	Q3 2008	Change 2007/2008	Q1-Q3 2007	Q1-Q3 2008	Change 2007/2008
<i>NOK/DKK, average rate for the period</i>	93.53	93.35	-0.18	92.18	93.39	1.21
Gross earned premiums	1,142	1,204	5.4%	3,320	3,521	6.1%
Gross claims incurred	-719	-876	-21.8%	-2,275	-2,559	-12.5%
Gross expenses	-222	-248	-11.7%	-667	-749	-12.3%
Profit/loss on gross business	201	80	-60.2%	378	213	-43.7%
Profit/loss on ceded business	-17	-16	5.9%	-60	-51	15.0%
Technical interest, net of reinsurance	57	35	-38.6%	135	100	-25.9%
<b>Technical result</b>	<b>241</b>	<b>99</b>	<b>-58.9%</b>	<b>453</b>	<b>262</b>	<b>-42.2%</b>
<b>Key ratios</b>						
Gross claims ratio	63.0	72.8	-9.8	68.5	72.7	-4.2
Business ceded as % of gross premiums	1.5	1.3	0.2	1.8	1.4	0.4
Claims ratio, net of ceded business	64.5	74.1	-9.6	70.3	74.1	-3.8
Gross expense ratio	19.4	20.6	-1.2	20.1	21.3	-1.2
Combined ratio	83.9	94.7	-10.8	90.4	95.4	-5.0

### Premiums

Gross earned premiums in Private & Commercial Norway increased by 4.5% in local currency terms and by 6.1% in DKK terms to stand at DKK 3,521m. The DKK 201m improvement was attributable to the combined effect of rising customer loyalty, increased sales in several regions and particularly in the Oslo area, staggered premium increases implemented since mid-2007 and the appreciation of NOK relative to DKK. Additional premium increases have been scheduled, which, going forward, will further enhance growth.

Private & Commercial Norway improved its renewal rate further to 86.3 from 86.0 in the third quarter of 2007, and we recorded a rising renewal rate for large customer relationships, in particular. Enhanced customer loyalty has been recorded since Private & Commercial Norway changed its price and loyalty model in 2005.

The number of policies increased by 40,000 in net terms in the first nine months of 2008. All TrygVesta franchise and sales offices have used a new customer system, "Salgsnøkkelen", since the spring of 2008, which has significantly facilitated administrative selling routines. This caused the sales force to increase sales by more than was expected, as reflected in the higher selling and commission expenses. Going forward, this development will generate higher premium growth rates, thereby strengthening TrygVesta's position and market opportunities in Norway.

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## Claims

Claims expenses at DKK 2,559m were 12.5%, or DKK 284m, higher, and the claims ratio, net of ceded business, increased from 70.3 to 74.1. The increase was mainly attributable to more medium-sized house and fire claims.

Large claims increased by DKK 25m to stand at DKK 115m. As a percentage of gross earned premiums, large claims amounted to 3.3% compared with 2.4% in the same period of 2007. The third quarter of 2008 saw a greater number of large claims than was expected, amounting to DKK 91m compared with DKK 5m in the same period of 2007.

The claims frequency for motor policies rose by 1% in the first nine months of 2008 compared with 2007, and the average claim was up by around 7%. The average claim tracks the general development in payroll and material costs. TrygVesta's cooperation with selected garages which repair three out of four motor claims ensures high quality and lower costs. The claims frequency for house policies was unchanged in the first nine months of 2008 compared with 2007, and the average claim was up by 5%. In particular, the third quarter of 2008 saw an increased number of fires, contributing to lifting average claims.

Price increases will be implemented for a number of policies as of 1 January 2009 due to the rising claims expenses.

The net run-off result was negative at DKK 25m, equivalent to minus 0.7% of gross earned premiums compared with plus 0.6% in the same period of 2007. Provisions for house and group life insurance were strengthened.

## Expenses

Expenses at DKK 749m were 12.3%, or DKK 82m, higher, causing the expense ratio to rise from 20.1 to 21.3. The increase was exclusively attributable to higher selling commission costs and general payroll increases.

## Technical performance

The technical result amounted to a profit of DKK 262m relative to DKK 453m in the same period of 2007. As described above, the decline was attributable to a significant increase in claims expenses due to a greater number of large claims and increased commission/selling costs.

Going forward, such price increases will improve profitability, but they will only gradually feed through to the financial statements as it will take up to two years for the price increases to materialise as gross earned premiums.

## Combined ratio

The combined ratio amounted to 95.4 against 90.4 in the same period of 2007. The higher level was attributable to the factors described above, including more large claims and increased commission/selling costs. The premium increases to be implemented will have a downward impact on the combined ratio.

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## Corporate

Corporate is a Nordic business area which sells insurances to corporate customers under the TrygVesta brand. Corporate's products are sold through its own sales force and through insurance brokers. The Corporate business area has some 10,000 customers each paying annual premiums of more than DKK 900,000 or having more than 50 employees, and around 75 customers each paying annual premiums of more than DKK 10m. The Corporate business area has some 500 employees.

- Gross earned premiums up by 4.9% in local currency terms (5.3% in DKK terms)
- Combined ratio of 82.7 compared with 82.5
- Sharp focus on profitable growth

	Q3	Q3	Change	Q1-Q3	Q1-Q3	Change
DKKm	2007	2008	2007/2008	2007	2008	2007/2008
Gross earned premiums	1,387	1,408	1.5%	3,908	4,115	5.3%
Gross claims incurred	-946	-1,022	-8.0%	-2,681	-2,641	1.5%
Gross expenses	-117	-141	-20.5%	-379	-421	-11.1%
Profit/loss on gross business	324	245	-24.4%	848	1,053	24.2%
Profit/loss on ceded business	-97	-74	23.7%	-166	-341	-105.4%
Technical interest, net of reinsurance	31	47	51.6%	103	142	37.9%
<b>Technical result</b>	<b>258</b>	<b>218</b>	<b>-15.5%</b>	<b>785</b>	<b>854</b>	<b>8.8%</b>
<b>Key ratios</b>						
Gross claims ratio	68.2	72.6	-4.4	68.6	64.2	4.4
Business ceded as % of gross premiums	7.0	5.3	1.7	4.2	8.3	-4.1
Claims ratio, net of ceded business	75.2	77.9	-2.7	72.8	72.5	0.3
Gross expense ratio	8.4	10.0	-1.6	9.7	10.2	-0.5
Combined ratio	83.6	87.9	-4.3	82.5	82.7	-0.2

### Premiums

Gross earned premiums in Corporate increased by DKK 207m, or 4.9% (5.3% in DKK terms), to stand at DKK 4,115m. Since mid-2007, Corporate has recorded growth significantly in excess of estimated market growth with the addition of several new large customers impacting premiums from the beginning of the third quarter of 2007. The performance in the third quarter of 2008 should therefore be seen relative to the high growth and portfolio in 2007 and accordingly, the third quarter 2008 growth rate was somewhat lower than that reported by Corporate in the prior quarters.

The Danish part of the Corporate business recorded growth of 4.8%, and the Norwegian part recorded growth of 4.9%. We indicated in earlier interim reports in 2008 that increased competition would probably result in lower growth going forward. Given the turmoil in the financial markets and the more restrained behaviour of a major competitor, we expect more stable price trends and healthier competition going forward.

The Swedish business will not be reported separately until it has achieved a meaningful size.

### Claims

Claims expenses at DKK 2,641m were down by 1.5%, or DKK 40m, mainly due to fewer large claims, which amounted to DKK 221m (DKK 162m net) in the first nine months of 2008 compared with DKK 522m (DKK 256m net) in the same period of 2007. However, the underlying trend was an increase in claims in the personal lines.

The net run-off result for the reporting period was DKK 322m against DKK 168m in the same period of 2007.

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### **Expenses**

Costs rose by 11.1% to DKK 421m, resulting in an expense ratio of 10.2. The increase since mid-2007 was attributable to a changed customer mix, requiring additional administrative expenses and costs relating to customer follow-up. The expense ratio produced by the Corporate business is considered competitive and satisfactory.

### **Technical performance**

The technical result amounted to DKK 854m compared with DKK 785m in 2007, driven by the factors described above and an increase of technical interest from DKK 103m to DKK 142m.

### **Combined ratio**

The combined ratio was 82.7 relative to 82.5 in the same period of 2007.

Large claims impacted the combined ratio adversely by 3.9 percentage points against 6.6 percentage points in the same period of 2007.

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## Finland

Our Finnish branch sells insurances to private household customers and small enterprises under the brand name of Nordea Vahinkovakuutus. Insurances are sold by Nordea's branches, our own sales force and call centres, car dealers and via the Internet. The Finnish branch has around 153 employees.

- Premium growth of 41% and higher-than-expected sales
- Combined ratio of 102 in the private business
- At 30 September 2008, the portfolio totalled DKK 420m

<b>DKKm</b>	<b>Q3 2007</b>	<b>Q3 2008</b>	<b>Change 2007/2008</b>	<b>Q1-Q3 2007</b>	<b>Q1-Q3 2008</b>	<b>Change 2007/2008</b>
<i>EUR/DKK, average rate for the period</i>	744.40	745.91	1.51	744.96	745.73	0.77
Gross earned premiums	67	97	44.8%	185	261	41.1%
Gross claims incurred	-53	-85	-60.4%	-141	-187	-32.6%
Gross expenses	-35	-37	-5.7%	-91	-124	-36.3%
Profit/loss on gross business	-21	-25	19.0%	-47	-50	6.4%
Profit/loss on ceded business	-1	0	100.0%	-1	0	100.0%
Technical interest, net of reinsurance	5	7	40.0%	10	13	30.0%
<b>Technical result</b>	<b>-17</b>	<b>-18</b>	<b>5.9%</b>	<b>-38</b>	<b>-37</b>	<b>-2.6%</b>
<b>Key ratios</b>						
Gross claims ratio	79.1	87.6	-8.5	76.2	71.6	4.6
Business ceded as % of gross premiums	1.5	0.0	1.5	0.5	0.0	0.5
Claims ratio, net of ceded business	80.6	87.6	-7.0	76.7	71.6	5.1
Gross expense ratio	52.2	38.1	14.1	49.2	47.5	1.7
Combined ratio	132.8	125.7	7.1	125.9	119.1	6.8

Gross earned premiums in Finland were DKK 261m, an increase of 41% relative to the same period of 2007. The larger and broader distribution network implemented in the late summer of 2007 accelerated premium growth from around 30% during 2007 to 40% in 2008.

Net growth in the number of policies sold was 65,000, and the Finnish business had a total portfolio of DKK 420m at 30 September 2008.

The strong growth in the Finnish business and the plans for continued growth give rise to an ongoing requirement for attracting qualified employees. The number of employees has risen from 132 to 153 since the beginning of 2008. To this number should be added 40 independent insurance agents.

The claims ratio, net of ceded business, was 71.6 against 76.7 in the same period of 2007.

The combined ratio was 119 relative to 126 in the same period of 2007. In the private business, the combined ratio was 102 against 107 in the same period of 2007.

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## Sweden

Vesta Skadeförsäkring sells insurances to private individuals. Insurances are sold by Nordea's branches, our own call centre and via the Internet. The Swedish business has around 92 employees.

- Gross earned premiums rose by 208% and the portfolio amounted to DKK 280m (SEK 350m)
- Focused sales efforts and simple insurance policies through Nordea and our own call centre generate a strong customer inflow

DKKm	Q3 2007	Q3 2008	Change 2007/2008	Q1-Q3 2007	Q1-Q3 2008	Change 2007/2008
<i>SEK/DKK, average rate for the period</i>	80.31	78.87	-1.44	80.82	79.17	-1.65
Gross earned premiums	27	64	137.0%	53	163	207.5%
Gross claims incurred	-20	-57	-185.0%	-47	-155	-229.8%
Gross expenses	-23	-22	4.3%	-67	-83	-23.9%
Profit/loss on gross business	-16	-15	-6.3%	-61	-75	23.0%
Profit/loss on ceded business	-1	-1	0.0%	-1	-1	0.0%
Technical interest, net of reinsurance	1	5	400.0%	2	4	100.0%
<b>Technical result</b>	<b>-16</b>	<b>-11</b>	<b>-31.3%</b>	<b>-60</b>	<b>-72</b>	<b>20.0%</b>
<b>Key ratios</b>						
Gross claims ratio	74.1	89.1	-15.0	88.7	95.1	-6.4
Business ceded as % of gross premiums	3.7	1.6	2.1	1.9	0.6	1.3
Claims ratio, net of ceded business	77.8	90.7	-12.9	90.6	95.7	-5.1
Gross expense ratio	85.2	34.4	50.8	126.4	50.9	75.5
Combined ratio	163.0	125.1	37.9	217.0	146.6	70.4

Gross earned premiums in Sweden were up by 208%, or DKK 110m, to DKK 163m. The rapid growth was generated principally by strong sales through Nordea, but increasingly also by employees of the business unit's own call centre. The number of policies increased by 27,000 in the third quarter of 2008, and the portfolio totalled SEK 350m (DKK 280m) at 30 September 2008.

The Swedish business has not raised its premiums since being launched in 2006, but premium increases are scheduled for selected groups within motor insurance.

The rapid growth requires a continuous inflow of new employees, and the number of full-time employees was 92 at 30 September 2008.

The claims ratio, net of ceded business, was 95.7 compared with 90.6 in the same period of 2007. This level is considered satisfactory for a relatively new portfolio.

Expenses rose by 23.9% to DKK 83m, and considering the growth in gross earned premiums, the expense ratio fell from 126 to 51. Expenses were mainly driven by selling commissions to Nordea and the call centre.

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## Investment activities

TrygVesta's investment activities comprise any placement of the Group's funds in investment assets, bonds, equity investments, land and buildings or cash.

- Gross return of DKK 407m, or 1.1%, despite turbulent financial markets
- Reduction of the proportion of equities since 2007 has, relatively speaking, had a positive impact on the return on equities
- Falling interest rates in the third quarter of 2008 yielded capital gains on bonds, but produced losses from the discounting of provisions

DKKm	Q3	Q3	Change	Q1-Q3	Q1-Q3	Change	Investment assets	
	2007	2008	2007/2008	2007	2008	2007/2008	31.12.2007	30.09.2008
Bonds etc.	377	538	161	756	929	173	30,294	31,570
Equities	-84	-192	-108	374	-658	-1,032	4,445	1,440 **
Real estate *	38	47	9	124	136	12	2,569	3,628
<b>Total</b>	<b>331</b>	<b>393</b>	<b>62</b>	<b>1,254</b>	<b>407</b>	<b>-847</b>	<b>37,308</b>	<b>36,638</b>
Value adjustment, changed discount rate	-34	-240	-206	247	92	-155		
Other financial income and expenses ***	-17	-97	-80	-83	-218	-135		
<b>Total return on investment activities</b>	<b>280</b>	<b>56</b>	<b>-224</b>	<b>1,418</b>	<b>281</b>	<b>-1,137</b>		
Transferred to technical interest	-370	-387	-17	-1,034	-1,112	-78		
<b>Return on investment activities</b>	<b>-90</b>	<b>-331</b>	<b>-241</b>	<b>384</b>	<b>-831</b>	<b>-1,215</b>		

\*) Return on properties includes a calculated return on owner-occupied property. The balancing item is recognised in "Other financial income and expenses" to the effect that the total return shown corresponds to the investment return according to the income statement which does not include return on owner-occupied property.

\*\*) DKK 194m sold on futures contracts has been deducted from the equity portfolio

\*\*\*) The item comprises interest on operating assets, bank debt and reinsurance deposits, exchange rate adjustment of insurance items, costs of investment activities and offsetting of return on owner-occupied property.

The international financial reporting standards (IFRS) were amended in October 2008 to allow a changed classification of certain types of equities and bonds. As at 1 July 2008, companies may change the designation of certain assets, including equities, to the category 'available-for-sale' with value adjustment through equity, and the designation of bonds to 'held-to-maturity' measured at amortised cost. TrygVesta has elected not to adopt those standards considering, among other factors, the company's matching of assets and liabilities, a desire to correctly present the Group's assets, and its dividend policy. If TrygVesta had elected to change the designation, the year-to-date income statement would be positively impacted by approximately DKK 150m and equity would be adversely impacted by approximately DKK 100m.

In October 2008, the Danish FSA changed the principles for discounting of provisions by insurance companies. Prior to the change, only the risk-free interest rate was applied. After the new rules have come into force, a combination of the risk-free interest rate and the benchmark mortgage bond yield is used. The new principle provides a better accounting match of assets and liabilities, reducing future fluctuations.

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TrygVesta's investment portfolio of approximately DKK 37bn produced a return of DKK 407m in the first nine months of 2008 before transfer of technical interest, equivalent to 1.1% for the period. This was achieved despite turmoil in the financial markets.

The return is composed of returns on equities, bonds and real estate. The equity portfolio amounted to approximately DKK 1.4bn at 30 September 2008 and produced a loss of DKK 658m for the first nine months of 2008. The overall bond return amounted to DKK 929m, comprising capital losses of DKK 118m and interest income of DKK 1,047m. Real estate produced a return of DKK 136m, corresponding to the current net rental income of the properties.

TrygVesta matches interest rate risk on assets and liabilities (bond portfolio and insurance provisions), thereby seeking to neutralise the exposure to interest rate fluctuations. The risk-free interest rate is used for discounting of insurance provisions. 2008 saw an increase in the differential between the risk-free interest rate (euroswap plus government yield interest rate spread) used for discounting purposes, and the yield on the bond portfolio (a mixture of government and mortgage bonds) used for matching provisions, which produced a loss of DKK 267m due to mismatch.

After transfer of technical interest for discounting of provisions, the return was negative in the amount of DKK 831m.

The equity portfolio yielded a loss of 658m in the first nine months of 2008, and a loss of DKK 192m in the third quarter of 2008, despite the substantial reduction of the equity portfolio in 2007 and early 2008. If the equity portfolio had been maintained at the proportion it had at the end of 2007, the capital loss on equities would have been approximately DKK 1.3bn. The equity portfolio accounted for 3.9% of the investment portfolio at 30 September 2008, comprising 14% Nordic, 14% UK, 30% other Europe, 28% US and 14% Asia.

Bonds yielded a return of DKK 929m in the first nine months of 2008 before transfer of technical interest, composed of capital losses of DKK 118m and interest income of DKK 1,047m. Transfer to technical interest amounted to DKK 1,112m compared with DKK 1,034m in the first nine months of 2007.

The bond portfolio accounted for 86.2% of the total investment portfolio at 30 September 2008. Having an aggregate maturity of around two years, the bond portfolio comprised 23% Danish and Norwegian government bonds, 62% Danish mortgage bonds, 8% bank deposits in Norway and 7% other, including Norwegian bonds. Around 80% of the Danish mortgage bond portfolio is placed in short-term, non-callable bonds or floating rate bonds.

70% of the bond portfolio is placed in AAA rated bonds, 22% in AA rated bonds and 3% in A rated bonds. The remaining part of the portfolio is placed primarily in unrated money market certificates with good credit quality issued by Norwegian banks.

The real estate portfolio amounted to DKK 3.6bn at 30 September 2008, accounting for 9.9% of the investment portfolio. Part of the real estate portfolio consists of head office buildings in Ballerup and Bergen, and no rental income is recognised in the investment return from those buildings. The remaining part of the real estate portfolio mainly comprised prime location commercial and office properties in Denmark and Norway. The DKK 136m return for the first nine months of 2008 was equivalent to 4.6% or an annualised return of around 6.0%.

TrygVesta has no investments in hedge funds, structured products or similar investment vehicles, and the Group's portfolio does not include any subprime related products.

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## Capitalisation

DKKm	2007	Q1-Q3 2008
Equity at beginning of period	9,951	10,010
Resolved share buybacks for the period	1,405	0
Resolved cash dividend for the period	1,156	0
Actual share buybacks during the period	0	810
Cash dividend paid during the period	2,244	1,456
Equity at end of period	10,010	8,623
Equity at 30 September adjusted for distribution *	7,449	8,028

\* distribution resolved at the 2008 annual general meeting

TrygVesta's equity amounted to DKK 8.6bn at 30 September 2008 against DKK 9.7bn at the year-earlier date. Including hybrid capital of DKK 1.1bn, the total capitalisation amounted to DKK 9.7bn.

Following implementation of TrygVesta's share buyback programme after the annual general meeting held on 3 April 2008, buybacks have totalled 2,219,000 shares worth DKK 810m, or 58% of the programme. A total of 1,036,000 TrygVesta shares worth DKK 386m were bought in the third quarter of 2008 as part of TrygVesta's share buyback programme, corresponding to around 27% of the total share buyback programme.

Adjusted for the implemented and planned share buyback programme, shareholders' equity stood at DKK 8,028m at 30 September 2008.

The share capital comprised 68m shares of DKK 25 each, equivalent to DKK 1.7bn, at 30 September 2008. A total of 65,189,000 shares were outstanding, and TrygVesta held 2,811,000 own shares, mainly comprising share buybacks and cover of its share option programme and employee shares.

With respect to Standard & Poor's capital model, TrygVesta had available capital adjusted for dividends and share buybacks related to 2007 of DKK 9,674m, which should be seen relative to the capital requirement of DKK 8,193m. The capital requirement is determined based on Standard & Poor's capital model plus an additional capital requirement of 5% added by TrygVesta to give the Group a higher degree of certainty that it will meet its A- rating at all times.

TrygVesta issued subordinated loan capital in 2005 of EUR 150m (DKK 1.1bn). The loan carries interest at the rate of 4.5% and can be repaid in 2015. This so-called hybrid capital thus accounts for 11% of TrygVesta's total capitalisation. As an A- rating permits hybrid capital to account for a maximum of 25% of the company's capital, TrygVesta's existing capitalisation places it comfortably within this limit.

Standard & Poor's most recently affirmed TrygVesta's A- rating in August 2008, and Moody's affirmed its A2 rating in late September 2008.

A simplified capital model updated to include third quarter 2008 financial data is available at [www.trygvesta.com](http://www.trygvesta.com) under the menu item Investor Relations/key figures.

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## Financial outlook

TrygVesta maintains the forecast of premium growth of 5% in local currency terms, but lowers the forecast for the technical result from DKK 2.6bn to DKK 2.2bn due to increased claims expenses and a conservative estimate of costs related to renovation of head office properties. The investment return forecast is downgraded from a loss of DKK 300m to a loss of DKK 1,100m due to falling equity and mortgage bond prices.

DKKm	Actual	Forecast			2008 (Nov.)	Negative scenario	Positive scenario
	2007	2008 (Feb.)	2008 (May)	2008 (Aug.)			
Premium growth*	4%	5%	5%	5%	5%		
Technical result before run-off	2,077	2,200	2,200	2,200	1,600	1,450	1,750
Technical result after run-off	2,820	2,200	2,400	2,600	2,200	2,050	2,350
Investment result	340	400	0	-300	(1,100) **		
Profit before tax	3,109	2,500	2,300	2,300	1,100	950	1,250
Profit after tax	2,266	1,900	1,600	1,500	600	500	900
Combined ratio	86,1	90	89	88	90	91	89

\* In local currency terms

\*\* Investment result including return up to and including 31 October 2008, that is, including capital losses incurred in October 2008

### Premiums

Earned premiums are expected to increase by some 5% in local currency terms, which is unchanged relative to the figure communicated in connection with our second quarter report. The premium growth rate assumes no major changes in the competitive environment.

Price increases to reduce the impact of rising claims expenses have been implemented or scheduled, but will not feed through to the combined ratio until they materialise as gross earned premiums. In other words, they will only be recognised as gross earned premiums in 2009 and 2010.

### Combined ratio

The combined ratio is now expected to be around 90 against the previous forecast of 88. The increase is attributable partly to a greater-than-expected number of large claims, partly to a conservative estimate of costs related to the renovation and refurbishment of the head office properties in Ballerup and Bergen, and partly to an underlying deterioration of current-year claims due to more expensive average claims. Furthermore, lower-than-expected interest rates impacted the discounting of provisions.

### Claims

At the beginning of 2008, expenses for large claims were expected to amount to DKK 500m for the full year 2008. Large claims totalled a gross amount of DKK 467m in the first nine months of 2008. For the remainder of 2008, we expect large claims in the amount of DKK 125m.

At 1 January 2008, weather-related claims expenses were expected to be DKK 225m for the full year. Weather-related claims amounted to DKK 90m in the first nine months of 2008. For the remainder of 2008, we expect weather-related claims in the amount of DKK 75m.

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### Run-off

The run-off result or changes in provisions for claims amounted to DKK 602m in the first nine months of 2008, corresponding to 4.6 points of the combined ratio. A run-off of zero is assumed for the remainder of 2008.

### Expenses

The expense ratio is impacted by cost restraint, to the effect that the Danish and Norwegian activities will continue to seek to reduce their cost ratios, while the high growth rates in Finland and Sweden will push up the expense ratio. Furthermore, the outlook takes into account renovation and refurbishment costs totalling around DKK 150m relating to the head office properties in Ballerup and Bergen. We previously expected to capitalise all or part of this expense as appreciation of the property values, but the uncertain situation in the property market has caused us to recognise the amount in current costs in accordance with conservative principles.

### Technical performance

The technical result is expected to be DKK 2.2bn for the full year 2008 against the previous forecast of DKK 2.6bn. The lower forecast for the technical result is based on higher-than-expected expenses for large claims, renovation and refurbishment costs related to head office properties, lower interest rates that, through discounting, result in a higher present value of the technical provisions, and an underlying deterioration of current-year claims due to more expensive average claims.

### Investment return – updated to include 31 October 2008

The investment result after transfer of technical interest for 2008 is expected to amount to a loss of DKK 1,100m against the previous expectation of a loss of DKK 300m as expressed in the second quarter report. The downgrade of DKK 800m is attributable to negative returns on equities (DKK 500m) and bonds up to 31 October 2008 as well as impact from change in discounting rates for the insurance provisions as implemented by the Danish FSA (see page 15).

The outlook for the investment result for the remainder of 2008 is based on the investment result up to and including 31 October 2008, and assuming annualised equity returns of 7.0%, real estate returns of 6.0% and bond returns of 5.5% for the remainder of 2008. The sensitivity analysis of a 10% decline in equity and real estate prices indicates a fall in value of DKK -144m and DKK -363m, respectively. Similarly, a one percentage point change in interest rates would impact the bond portfolio with DKK -542m, however, this would be balanced by a DKK 566m gain from lower discounted reserves.

### Tax

As capital gains and losses on equities are tax-exempt/non-deductible, the effective tax rate is subject to the performance of equity prices. We expect an effective tax rate for 2008 of 44% based on the assumptions described and the realised loss on equities.

### Return on equity

If the announced forecasts are met, we expect to generate a return on equity of approximately 7% after tax.

### Outlook for 2009

Based on the updated forecasts and recent developments, we expect a premium growth rate for 2009 in line with 2008 and a combined ratio in 2009 at the level prevailing in 2008.

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#### **Disclaimer**

Certain statements in this report are based on the beliefs of management as well as assumptions made by and information currently available to management. Statements regarding TrygVesta's future results of operations, financial condition, cash flows, business strategy, plans and future objectives other than statements of historical fact can generally be identified by terminology such as "targets", "believes", "expects", "aims", "intends", "plans", "seeks", "will", "may", "anticipates", "could", "continues" or similar expressions.

A number of different factors may cause the actual performance to deviate significantly from the forward-looking statements in this report, 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. TrygVesta urges readers to refer to the section on risk management available in the annual report or on [www.trygvesta.com](http://www.trygvesta.com) for a description of some of the factors that could affect the Group's future performance or the insurance industry.

Should one or more of these risks or uncertainties materialise or should any underlying assumptions prove to be incorrect, TrygVesta's actual financial condition or results of operations could materially differ from that described as anticipated, believed, estimated or expected in this report. TrygVesta is 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.

This is a translation of the Danish interim report for the first nine months of 2008. In case of any discrepancy between the Danish and the English version, the Danish version shall apply.

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## Statement by the Supervisory Board and the Executive Management

The Supervisory Board and the Executive Management have today considered and adopted the interim report for the first nine months of 2008.

The interim report, which is unaudited and has not been reviewed by the company's auditors, is presented in accordance with IAS 34 Interim Financial Reporting, the Danish Financial Business Act and the requirements of the OMX Nordic Exchange Copenhagen for the presentation of financial statements of listed companies.

In our opinion, the interim report gives a true and fair view of the Group's assets, liabilities and financial position at 30 September 2008 and of the results of the Group's activities and cash flows for the period 1 January – 30 September 2008. Furthermore, in our opinion the Management's report gives a fair description of developments in the activities and financial position of the Group, the results for the period and of the Group's financial position in general and describes significant risk and uncertainty factors that may affect the Group.

Ballerup, 11 November 2008.

### Executive Management:

Christine Bosse  
Group CEO

Morten Hübbe  
Group CFO

Peter Falkenham  
Group COO

### Supervisory Board:

Mikael Olufsen  
Chairman

Bodil Nyboe Andersen  
Deputy Chairman

Jørn Wendel Andersen

Paul Bergqvist

Christian Brinch

Niels Bjørn Christiansen

Peter Møllerup

John R. Frederiksen

Rune Torgeir Joensen

Birthe Petersen

Per Skov

Berit Torm

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## Income statement

DKKm	FY 2007	Q1-Q3 2007	Q1-Q3 2008
Notes			
<b>General insurance</b>			
Gross premiums written	16,959	13,500	14,220
Ceded insurance premiums	-893	-553	-614
Change in provisions for unearned premiums	-130	-993	-1,076
Change in reinsurers' share of provisions for unearned premiums	-46	-131	-24
2 <b>Earned premiums, net of reinsurance</b>	<b>15,890</b>	<b>11,823</b>	<b>12,506</b>
3 <b>Technical interest, net of reinsurance</b>	<b>501</b>	<b>372</b>	<b>403</b>
Claims paid	-11,336	-8,227	-9,345
Reinsurance recoveries	495	351	418
Change in provisions for claims	161	-21	452
Change in reinsurers' share of provisions for claims	6	-20	-301
4 <b>Claims incurred, net of reinsurance</b>	<b>-10,674</b>	<b>-7,917</b>	<b>-8,776</b>
<b>Bonus and premium rebates</b>	<b>-223</b>	<b>-169</b>	<b>-148</b>
Acquisition costs	-1,821	-1,279	-1,645
Administrative expenses	-948	-783	-520
Acquisition costs and administrative expenses	-2,769	-2,062	-2,165
Commission and profit commission from reinsurers	95	52	47
5 <b>Total insurance operating expenses, net of reinsurance</b>	<b>-2,674</b>	<b>-2,010</b>	<b>-2,118</b>
8 <b>Technical result</b>	<b>2,820</b>	<b>2,099</b>	<b>1,867</b>
<b>Investment activities</b>			
Income from associates	1	0	0
Income from investment properties	116	87	93
6 Interest income and dividends, etc.	1,382	1,037	1,118
7 Value adjustment	415	417	-790
6 Interest expenses	-88	-74	-69
Investment management charges	-86	-49	-71
<b>Total return on investment activities</b>	<b>1,740</b>	<b>1,418</b>	<b>281</b>
3 Interest on insurance provisions	-1,400	-1,034	-1,112
<b>Total return on investment activities after technical interest</b>	<b>340</b>	<b>384</b>	<b>-831</b>
Other income	121	89	93
Other expenses	-172	-101	-130
<b>Profit before tax</b>	<b>3,109</b>	<b>2,471</b>	<b>999</b>
Tax	-842	-624	-233
<b>Profit on continuing business</b>	<b>2,267</b>	<b>1,847</b>	<b>766</b>
Profit/loss on discontinued and divested business	-1	0	0
<b>Profit for the period</b>	<b>2,266</b>	<b>1,847</b>	<b>766</b>
Earnings per share - continuing business of DKK 25	33.5	27.3	11.8
Earnings per share of DKK 25	33.5	27.3	11.8

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## Balance sheet

DKKm	31.12.2007	30.09.2007	30.09.2008
Notes			
<b>Assets</b>			
<b>Intangible assets</b>	<b>335</b>	<b>296</b>	<b>453</b>
Operating equipment	80	103	54
Owner-occupied property	306	345	1,412
<b>Total property, plant and equipment</b>	<b>386</b>	<b>448</b>	<b>1,466</b>
<b>Investment property</b>	<b>2,263</b>	<b>2,166</b>	<b>2,249</b>
Investments in associates	19	19	18
<b>Total investments in associates</b>	<b>19</b>	<b>19</b>	<b>18</b>
Equity investments	2,961	3,939	533
Unit trust units	1,629	1,178	1,251
Bonds	30,654	29,972	31,613
Deposits in credit institutions	302	872	363
<b>Total other financial investment assets</b>	<b>35,546</b>	<b>35,961</b>	<b>33,760</b>
<b>Deposits with ceding undertakings, receivable</b>	<b>19</b>	<b>18</b>	<b>18</b>
<b>Total investment assets</b>	<b>37,847</b>	<b>38,164</b>	<b>36,045</b>
Reinsurers' share of provisions for unearned premiums	159	108	118
Reinsurers' share of provisions for claims	1,428	1,421	1,127
<b>Total reinsurers' share of provisions for insurance contracts</b>	<b>1,587</b>	<b>1,529</b>	<b>1,245</b>
Receivables from policyholders	901	1,180	1,190
Total receivables in relation to direct insurance contracts	901	1,180	1,190
Receivables from insurance enterprises	509	494	315
Other receivables	1,145	192	399
<b>Total receivables</b>	<b>2,555</b>	<b>1,866</b>	<b>1,904</b>
Current tax assets	93	0	34
Cash in hand and at bank	298	302	309
Other	4	5	4
<b>Total other assets</b>	<b>395</b>	<b>307</b>	<b>347</b>
Accrued interest and rent earned	666	509	547
Other prepayments and accrued income	59	59	72
<b>Total prepayments and accrued income</b>	<b>725</b>	<b>568</b>	<b>619</b>
<b>Total assets</b>	<b>43,830</b>	<b>43,178</b>	<b>42,079</b>

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<b>DKKm</b>	<b>31.12.2007</b>	<b>30.09.2007</b>	<b>30.09.2008</b>
Notes			
<b>Liabilities</b>			
<b>Shareholders' equity</b>	<b>10,010</b>	<b>9,692</b>	<b>8,623</b>
<b>Subordinated loan capital</b>	<b>1,101</b>	<b>1,100</b>	<b>1,103</b>
Provisions for unearned premiums	5,403	6,350	6,367
Provisions for claims	21,104	21,371	20,999
Provisions for bonuses and premium rebates	409	366	369
<b>Total provisions for insurance contracts</b>	<b>26,916</b>	<b>28,087</b>	<b>27,735</b>
Pensions and similar obligations	403	371	506
Deferred tax liability	1,109	1,040	992
Other provisions	57	58	48
<b>Total provisions</b>	<b>1,569</b>	<b>1,469</b>	<b>1,546</b>
Debt related to direct insurance	358	357	333
Debt related to reinsurance	253	213	203
Debt to credit institutions	599	619	601
Current tax liabilities	336	470	371
Other debt	2,597	1,054	1,411
<b>Total debt</b>	<b>4,143</b>	<b>2,713</b>	<b>2,919</b>
<b>Accruals and deferred income</b>	<b>91</b>	<b>117</b>	<b>153</b>
<b>Total liabilities and equity</b>	<b>43,830</b>	<b>43,178</b>	<b>42,079</b>

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## Shareholders' equity

DKKm

	Share capital	Revaluation reserves	Reserve for exchange-rate adj.	Equalisation reserve	Other reserves	Retained earnings	Proposed dividends	Total
<b>Shareholders' equity at 1 January 2007</b>	1,700	7	-20	58	800	5,162	2,244	9,951
<b>Equity entries in the first three quarters of 2007</b>								
Profit for the period					93	1,754		1,847
Revaluation of owner-occupied properties		-1						-1
Exchange rate adjustment of foreign entities			299					299
Hedge of foreign currency risk in foreign entities			-289					-289
Actuarial gains and losses on pension obligation						142		142
Tax on equity entries			72			-40		32
Total comprehensive income	0	-1	82	0	93	1,856	0	2,030
Dividend paid							-2,244	-2,244
Dividend own shares						14		14
Purchase of own shares						-96		-96
Issue of employee shares						32		32
Issue of share options						5		5
<b>Total equity entries in the first three quarters of 2007</b>	<b>0</b>	<b>-1</b>	<b>82</b>	<b>0</b>	<b>93</b>	<b>1,811</b>	<b>-2,244</b>	<b>-259</b>
<b>Shareholders' equity at 30 September 2007</b>	<b>1,700</b>	<b>6</b>	<b>62</b>	<b>58</b>	<b>893</b>	<b>6,973</b>	<b>0</b>	<b>9,692</b>
<b>Shareholders' equity at 1 January 2007</b>	1,700	7	-20	58	800	5,162	2,244	9,951
<b>Equity entries in 2007</b>								
Profit for the year					75	1,035	1,156	2,266
Revaluation of owner-occupied properties		-3						-3
Exchange rate adjustment of foreign entities			49			35		84
Hedge of foreign currency risk in foreign entities			-40			-58		-98
Actuarial gains and losses on pension obligation						94		94
Tax on equity entries		3	10			-11		2
Total comprehensive income	0	0	19	0	75	1,095	1,156	2,345
Dividend paid							-2,244	-2,244
Dividend own shares						14		14
Purchase of own shares						-96		-96
Issue of employee shares						32		32
Issue of share options						8		8
<b>Total equity entries in 2007</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>75</b>	<b>1,053</b>	<b>-1,088</b>	<b>59</b>
<b>Shareholders' equity at 31 December 2007</b>	<b>1,700</b>	<b>7</b>	<b>-1</b>	<b>58</b>	<b>875</b>	<b>6,215</b>	<b>1,156</b>	<b>10,010</b>
<b>Shareholders' equity at 1 January 2008</b>	1,700	7	-1	58	875	6,215	1,156	10,010
<b>Equity entries in the first three quarters of 2008</b>								
Profit for the period					-3	769		766
Revaluation of owner-occupied properties		2						2
Exchange rate adjustment of foreign entities			-40			-77		-117
Hedge of foreign currency risk in foreign entities			45			86		131
Actuarial gains and losses on pension obligation						-127		-127
Tax on equity entries			-12			5		-7
Total comprehensive income	0	2	-7	0	-3	656	0	648
Dividend paid							-1,156	-1,156
Dividend own shares						12		12
Purchase of own shares						-937		-937
Issue of employee shares						37		37
Issue of share options						9		9
<b>Total equity entries in the first three quarters of 2008</b>	<b>0</b>	<b>2</b>	<b>-7</b>	<b>0</b>	<b>-3</b>	<b>-223</b>	<b>-1,156</b>	<b>-1,387</b>
<b>Shareholders' equity at 30 September 2008</b>	<b>1,700</b>	<b>9</b>	<b>-8</b>	<b>58</b>	<b>872</b>	<b>5,992</b>	<b>0</b>	<b>8,623</b>

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## Cash flow statement

DKKm	FY 2007	Q1-Q3 2007	Q1-Q3 2008
<b>Cash generated from operations</b>			
Premiums	16,800	13,292	13,520
Claims paid	-11,376	-8,420	-9,245
Ceded business	-122	5	14
Expenses	-2,705	-2,044	-2,041
Change in other payables and other amounts receivable	-316	-71	-37
<b>Cash flow from insurance operations</b>	<b>2,281</b>	<b>2,762</b>	<b>2,211</b>
Interest income	1,164	1,391	1,312
Interest expenses	-186	-162	-139
Dividend received	169	146	35
Taxes	-693	-294	-163
Other items	-55	-13	-41
<b>Cash generated from operations, continuing business</b>	<b>2,680</b>	<b>3,830</b>	<b>3,215</b>
<b>Total cash generated from operations</b>	<b>2,680</b>	<b>3,830</b>	<b>3,215</b>
<b>Investments</b>			
Acquisition of real property	-16	-5	-1,095
Sale of real property	17	14	9
Acquisition of equity investments and unit trust units (net)	1,062	693	2,072
Purchase/Sale of bonds (net)	-856	-934	-2,013
Deposits in credit institutions	-303	-872	-61
Purchase of operating equipment	-187	-189	-184
Sale of operating equipment	5	35	0
Foreign currency hedging	-98	-289	131
<b>Investments, continuing business</b>	<b>-376</b>	<b>-1,547</b>	<b>-1,141</b>
<b>Total investments</b>	<b>-376</b>	<b>-1,547</b>	<b>-1,141</b>
<b>Funding</b>			
Purchase of own shares	-50	-57	-909
Share options	8	12	9
Dividend paid	-2,244	-2,244	-1,156
Change in debt to credit institutions	-65	-46	2
<b>Funding, continuing business</b>	<b>-2,351</b>	<b>-2,335</b>	<b>-2,054</b>
<b>Total funding</b>	<b>-2,351</b>	<b>-2,335</b>	<b>-2,054</b>
<b>Change in cash and cash equivalents, net</b>	<b>-47</b>	<b>-52</b>	<b>20</b>
Price adjustment of cash and cash equivalents, beginning of period	7	16	-9
<b>Change in cash and cash equivalents, gross</b>	<b>-40</b>	<b>-36</b>	<b>11</b>
Cash and cash equivalents, beginning of period	338	338	298
<b>Cash and cash equivalents, end of period</b>	<b>298</b>	<b>302</b>	<b>309</b>

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## Notes

### 1 Accounting policies

TrygVesta's Q1-Q3 2008 report is presented in accordance with IAS 34 Interim Financial Reporting and the financial reporting requirements for Danish listed companies of the Danish Financial Business Act and the Copenhagen Stock Exchange.

The application of IAS 34 means that the report is limited relative to the presentation of a full annual report and that the valuation principles are in accordance with International Financial Reporting Standards (IFRS).

#### Change in accounting estimates

The assumptions for the allocation of insurance operating expenses to acquisition and administrative expenses respectively were changed with effect from 30 June 2008. As a result, acquisition expenses total approximately 75% of insurance operating expenses, as compared with the previous total of approximately 65%. The change has no impact on the aggregate insurance operating expenses.

In the second quarter the effective tax rate was estimated at 33%. The decrease of the effective tax rate to 23% in the third quarter was due to the closing of tax cases to the advantage of TrygVesta. The change has reduced the tax expense by DKK 81m in the third quarter.

The accounting policies are otherwise unchanged from the annual report 2007. The annual report 2007 contains the full description of the accounting policies.

DKKm	FY 2007	Q1-Q3 2007	Q1-Q3 2008
<b>2 Earned premiums, net of reinsurance</b>			
Direct insurance	16,764	12,451	13,112
Indirect insurance	78	56	36
	16,842	12,507	13,148
Unexpired risk provision	-13	0	-4
	16,829	12,507	13,144
Ceded direct insurance	-891	-649	-607
Ceded indirect insurance	-48	-35	-31
	<b>15,890</b>	<b>11,823</b>	<b>12,506</b>
<b>3 Technical interest, net of reinsurance</b>			
Interest on insurance provisions	1,400	1,034	1,112
Transferred from provisions for claims concerning discounting	-896	-660	-706
Return on discontinued business	-3	-2	-3
	<b>501</b>	<b>372</b>	<b>403</b>
<b>4 Claims incurred, net of reinsurance</b>			
Claims incurred	-11,919	-8,801	-9,505
Run-off previous years, gross	744	553	612
	-11,175	-8,248	-8,893
Reinsurance recoveries	502	328	127
Run-off previous years, reinsurers' share	-1	3	-10
	<b>-10,674</b>	<b>-7,917</b>	<b>-8,776</b>
Under claims incurred, the value adjustment of inflation swaps to hedge the inflation risk concerning annuities on workers' compensation insurance totals DKK 97m. (30.09.2007 DKK 0m)			
<b>5 Insurance operating expenses, net of reinsurance</b>			
Commission regarding direct business	-406	-302	-344
Other acquisition costs	-1,415	-977	-1,301
Total acquisition costs	-1,821	-1,279	-1,645
Administrative expenses	-948	-783	-520
Insurance operating expenses, gross	-2,769	-2,062	-2,165
Commission, etc. from reinsurers	95	52	47
	<b>-2,674</b>	<b>-2,010</b>	<b>-2,118</b>

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DKKm	FY 2007	Q1-Q3 2007	Q1-Q3 2008
<b>6 Interest and dividends, etc.</b>			
Dividends	168	146	36
Interest expenses	-88	-74	-69
Interest income	1,214	891	1,082
	<b>1,294</b>	<b>963</b>	<b>1,049</b>
<b>7 Market value adjustment</b>			
Equity investments	99	243	-364
Unit trust units	-80	-9	-337
Bonds	25	-69	-188
Share derivatives	0	0	44
Interest derivatives	-56	-8	15
	-12	157	-830
Investment property	107	7	5
Owner-occupied property	14	10	1
Discounting	298	247	92
Other balance sheet items	8	-4	-58
	427	260	40
	<b>415</b>	<b>417</b>	<b>-790</b>
Market value gains	1,861	1,442	876
Market value losses	-1,446	-1,025	-1,666
<b>Market value adjustment, net</b>	<b>415</b>	<b>417</b>	<b>-790</b>

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## DKKm

## 8 Segments

Q1-Q3 2007	P&C		P&C				Total
	Denmark	Norway	Corporate	Finland	Sweden	Other	
<b>Operating segments</b>							
Gross premiums earned	4,873	3,320	3,908	185	53	-1	12,338
Gross claims	-3,104	-2,275	-2,681	-141	-47	0	-8,248
Gross operating expenses	-846	-667	-379	-91	-67	-12	-2,062
Profit/loss on business ceded	-74	-60	-166	-1	-1	1	-301
Technical interest, net of reinsurance	122	135	103	10	2	0	372
Technical result	971	453	785	-38	-60	-12	2,099
Total return on investment activities after technical interest							384
Other income and expenses							-12
Profit before tax							2,471
Tax							-624
Profit on continuing business							1,847
Profit/loss on discontinued and divested business after tax							0
<b>Profit</b>							<b>1,847</b>
Investments in associates	0	0	0	0	0	19	19
Reinsurers' share of provision for unearned premiums	8	0	99	0	0	1	108
Reinsurers' share of provision for claims	35	148	1,237	0	0	1	1,421
Other assets						41,630	41,630
<b>Total assets</b>							<b>43,178</b>
Provisions for unearned premiums	2,665	1,668	1,901	67	49	0	6,350
Provisions for claims	7,319	3,599	10,147	166	28	112	21,371
Provisions for bonuses and premium rebates	235	0	130	0	0	1	366
Provisions						1,469	1,469
Debt						2,713	2,713
Accruals and deferred income						117	117
<b>Total liabilities</b>							<b>32,386</b>
<b>Q1-Q3 2008</b>							
<b>Operating segments</b>							
Gross premiums earned	4,936	3,521	4,115	261	163	0	12,996
Gross claims	-3,351	-2,559	-2,641	-187	-155	0	-8,893
Gross operating expenses	-803	-749	-421	-124	-83	15	-2,165
Profit/loss on business ceded	-81	-51	-341	0	-1	0	-474
Technical interest, net of reinsurance	144	100	142	13	4	0	403
Technical result	845	262	854	-37	-72	15	1,867
Total return on investment activities after technical interest							-831
Other income and expenses							-37
Profit before tax							999
Tax							-233
Profit on continuing business							766
Profit/loss on discontinued and divested business after tax							0
<b>Profit</b>							<b>766</b>
Investments in associates	0	0	0	0	0	18	18
Reinsurers' share of provision for unearned premiums	8	1	109	0	0	0	118
Reinsurers' share of provision for claims	70	122	935	0	0	0	1,127
Other assets						40,816	40,816
<b>Total assets</b>							<b>42,079</b>
Provisions for unearned premiums	2,778	1,558	1,854	104	73	0	6,367
Provisions for claims	6,920	3,588	10,146	193	84	68	20,999
Provisions for bonuses and premium rebates	242	0	127	0	0	0	369
Provisions						1,546	1,546
Debt						2,919	2,919
Accruals and deferred income						153	153
<b>Total liabilities</b>							<b>32,353</b>

**Description of segments**

Please refer to 'Our business areas' in the Annual Report 2007 for a description of our operating segments.

Depreciation/amortisation is included in gross operating expenses. The Group has decided not to present depreciation/amortisation separately because they are managed at Group level and are therefore not allocated to the individual segments. Other assets and liabilities are managed at Group level and are therefore not allocated to the individual segments. These amounts are included under 'Other'.

costs are allocated according to specific keys, which are believed to provide the best estimate of assessed resource consumption.

A presentation of segments broken down by geography is provided in 'Financial highlights and key ratios by geography.'

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## Geographical segments

DKKm	Q3 2007	Q3 2008	Change 2007/2008	Q1-Q3 2007	Q1-Q3 2008	Change 2007/2008
<b>Danish general insurance</b>						
Gross premiums earned	2,358	2,421	2.7%	7,009	7,175	2.4%
Technical result	429	332	-97	1,253	1,293	40
Return on investment activities	11	-161	-172	217	-336	-553
Other income and expenses	0	1	1	-1	3	4
Profit/loss before tax	440	172	-268	1,469	960	-509
<b>Key ratios</b>						
Gross claims ratio	67.3	70.6	-3.3	68.0	65.8	2.2
Business ceded as % of gross premiums	1.1	3.3	-2.2	0.7	4.1	-3.4
Claims ratio, net of ceded business	68.4	73.9	-5.5	68.7	69.9	-1.2
Gross expense ratio	15.5	15.3	0.2	15.8	15.1	0.7
Combined ratio	83.9	89.2	-5.3	84.5	85.0	-0.5
Number of full-time employees, end of period				2,231	2,379	148
<b>Norwegian general insurance</b>						
Gross premiums earned	1,781	1,842	3.4%	5,090	5,394	6.0%
Technical result	429	225	-204	958	667	-291
Return on investment activities	-99	-174	-75	169	-518	-687
Other income and expenses	0	1	1	2	2	0
Profit/loss before tax	330	52	-278	1,129	151	-978
<b>Key ratios</b>						
Gross claims ratio	59.7	72.9	-13.2	64.7	71.0	-6.3
Business ceded as % of gross premiums	6.1	2.3	3.8	5.0	3.3	1.7
Claims ratio, net of ceded business	65.8	75.2	-9.4	69.7	74.3	-4.6
Gross expense ratio	14.4	16.0	-1.6	15.4	16.5	-1.1
Combined ratio	80.2	91.2	-11.0	85.1	90.8	-5.7
Number of full-time employees, end of period				1,407	1,464	57
<b>Finnish general insurance</b>						
Gross premiums earned	67	97	44.8%	185	261	41.1%
Technical result	-17	-18	-1	-38	-37	1
Return on investment activities	-3	-3	0	-7	-5	2
Profit/loss before tax	-20	-21	-1	-45	-42	3
<b>Key ratios</b>						
Gross claims ratio	79.1	87.6	-8.5	76.2	71.6	4.6
Business ceded as % of gross premiums	1.5	0.0	1.5	0.5	0.0	0.5
Claims ratio, net of ceded business	80.6	87.6	-7.0	76.7	71.6	5.1
Gross expense ratio	52.2	38.1	14.1	49.2	47.5	1.7
Combined ratio	132.8	125.7	7.1	125.9	119.1	6.8
Number of full-time employees, end of period			0	125	153	28
<b>Swedish general insurance</b>						
Gross premiums earned	27	65	140.7%	53	166	213.2%
Technical result	-16	-11	5	-60	-71	-11
Return on investment activities	-1	-3	-2	-2	3	5
Profit/loss before tax	-17	-14	3	-62	-68	-6
<b>Key ratios</b>						
Gross claims ratio	74.1	87.7	-13.6	88.7	93.4	-4.7
Business ceded as % of gross premiums	3.7	1.5	2.2	1.9	0.6	1.3
Claims ratio, net of ceded business	77.8	89.2	-11.4	90.6	94.0	-3.4
Gross expense ratio	85.2	35.4	49.8	126.4	51.2	75.2
Combined ratio	163.0	124.6	38.4	217.0	145.2	71.8
Number of full-time employees, end of period				58	92	34

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	Q3	Q3	Change	Q1-Q3	Q1-Q3	Change
DKKm	2007	2008	2007/2008	2007	2008	2007/2008
<b>Other*</b>						
Gross premiums earned	-1	0	-100.0%	1	0	-100.0%
Technical result	-4	18	22	-14	15	29
Return on investment activities	2	10	8	7	25	18
Other income and expenses	-5	-19	-14	-13	-42	-29
Profit/loss before tax	-7	9	16	-20	-2	18
<b>TrygVesta</b>						
Gross premiums earned	4,232	4,425	4.6%	12,338	12,996	5.3%
Technical result	821	546	-275	2,099	1,867	-232
Return on investment activities	-90	-331	-241	384	-831	-1,215
Other income and expenses	-5	-17	-12	-12	-37	-25
Profit/loss before tax	726	198	-528	2,471	999	-1,472
<b>Key ratios</b>						
Gross claims ratio	64.4	72.2	-7.8	66.9	68.4	-1.5
Business ceded as % of gross premiums	3.2	2.7	0.5	2.4	3.6	-1.2
Claims ratio, net of ceded business	67.6	74.9	-7.3	69.3	72.0	-2.7
Gross expense ratio	16.1	16.0	0.1	16.7	16.7	0.0
Combined ratio	83.7	90.9	-7.2	86.0	88.7	-2.7
Number of full-time employees, end of period				3,821	4,088	267

\* The activities in Tryg Ejendomme A/S, Ejendomsselskabet af 8. maj 2008 and the parent company TrygVesta A/S are included in Other.

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## Quarterly outline Q3 2006 – Q3 2008

	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
DKKm	2006	2006	2007	2007	2007	2007	2008	2008	2008
<b>Private &amp; Commercial Denmark</b>									
Gross premiums earned	1,606	1,580	1,621	1,642	1,610	1,617	1,629	1,655	1,652
Technical result	240	184	276	338	357	469	306	299	240
Key ratios									
Gross claims ratio	66.5	69.5	67.0	62.8	61.3	57.9	66.6	67.2	69.9
Business ceded as a % of gross premiums	2.2	4.1	1.4	1.8	1.4	0.8	1.4	1.6	1.9
Claims ratio, net of ceded business	68.7	73.6	68.4	64.6	62.7	58.7	68.0	68.8	71.8
Gross expense ratio	18.2	17.3	17.0	17.5	17.6	14.8	15.8	16.3	16.7
Combined ratio	86.9	90.9	85.4	82.1	80.3	73.5	83.8	85.1	88.5
<b>Private &amp; Commercial Norway</b>									
Gross premiums earned	1,142	1,103	1,083	1,095	1,142	1,170	1,148	1,169	1,204
Technical result	232	237	41	171	241	239	61	102	99
Key ratios									
Gross claims ratio	60.8	60.1	76.7	66.2	63.0	58.7	73.9	71.4	72.8
Business ceded as a % of gross premiums	2.1	1.3	1.7	2.4	1.5	1.9	1.3	1.7	1.3
Claims ratio, net of ceded business	62.9	61.4	78.4	68.6	64.5	60.6	75.2	73.1	74.1
Gross expense ratio	19.4	19.9	21.2	19.6	19.4	23.0	22.1	21.1	20.6
Combined ratio	82.3	81.3	99.6	88.2	83.9	83.6	97.3	94.2	94.7
<b>Corporate</b>									
Gross premiums earned	1,264	1,245	1,229	1,291	1,387	1,378	1,333	1,374	1,408
Technical result	280	228	243	284	258	57	317	319	218
Key ratios									
Gross claims ratio	58.6	66.4	64.6	72.9	68.2	88.8	61.6	58.1	72.6
Business ceded as a % of gross premiums	10.3	7.0	7.6	-2.0	7.0	0.5	8.0	11.7	5.3
Claims ratio, net of ceded business	68.9	73.4	72.2	70.9	75.2	89.3	69.6	69.8	77.9
Gross expense ratio	10.4	10.2	11.3	9.5	8.4	9.1	10.4	10.3	10.0
Combined ratio	79.3	83.6	83.5	80.4	83.6	98.4	80.0	80.1	87.9
<b>Finland</b>									
Gross premiums earned	54	54	57	62	67	66	78	86	97
Technical result	2	-17	-9	-12	-17	-11	-17	-2	-18
Key ratios									
Gross claims ratio	64.8	87.5	73.7	74.2	79.1	71.2	80.8	45.3	87.6
Business ceded as a % of gross premiums	0.0	0.0	0.0	1.6	1.5	0.0	1.3	-1.2	0.0
Claims ratio, net of ceded business	64.8	87.5	73.7	75.8	80.6	71.2	82.1	44.1	87.6
Gross expense ratio	35.2	44.3	45.6	48.4	52.2	51.5	44.9	60.5	38.1
Combined ratio	100.0	131.8	119.3	124.2	132.8	122.7	127.0	104.6	125.7
<b>Sweden</b>									
Gross premiums earned	1	3	9	17	27	37	45	54	64
Technical result	-10	-25	-18	-26	-16	-22	-26	-35	-11
Key ratios									
Gross claims ratio	-	-	100.0	105.9	74.1	89.2	93.3	103.7	89.1
Business ceded as a % of gross premiums	-	-	0.0	0.0	3.7	-2.7	2.2	-1.9	1.6
Claims ratio, net of ceded business	-	-	100.0	105.9	77.8	86.5	95.5	101.8	90.7
Gross expense ratio	-	-	200.0	152.9	85.2	75.7	64.4	59.3	34.4
Combined ratio	-	-	300.0	258.8	163.0	162.2	159.9	161.1	125.1
<b>TrygVesta</b>									
Gross premiums earned	4,071	3,985	3,999	4,107	4,232	4,268	4,233	4,338	4,425
Technical result	743	602	533	745	821	721	637	684	546
Return on investment activities	373	662	152	322	-90	-44	-365	-135	-331
Profit/loss before tax	1,110	1,248	683	1,062	726	638	261	540	198
Profit/loss	995	1,119	505	855	487	419	178	356	232
Key ratios									
Gross claims ratio	62.4	66.3	69.0	67.3	64.4	68.6	67.5	65.5	72.2
Business ceded as a % of gross premiums	4.7	4.1	3.4	0.7	3.2	1.0	3.5	4.7	2.7
Claims ratio, net of ceded business	67.1	70.4	72.4	68.0	67.6	69.6	71.0	70.2	74.9
Gross expense ratio	16.6	16.8	17.2	16.8	16.1	16.6	16.9	17.1	16.0
Combined ratio	83.7	87.2	89.6	84.8	83.7	86.2	87.9	87.3	90.9

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## Further information

### Financial calendar

Fourth quarter 2008 report and Annual report 2008	3 March 2009
Annual general meeting	22 April 2009
First quarter 2009 report	12 May 2009
Half-year 2009 report	18 August 2009
Interim report for the first nine months of 2009	10 November 2009

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