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Financial results for the six months ended 30 June 2005

– TrygVesta's results for the past six months were the company's best half-year performance ever, slightly better than the results for the second half-year of 2004 and building on the strong momentum of this period. We will now seek to maintain our profitability and continue to provide the best service to existing and new customers in Denmark, Norway and Finland – and, beginning in the first half of 2006, also in Sweden, says Group CEO Stine Bosse.

- The pre-tax profit was DKK 1,227m in the first half of 2005, an improvement of DKK 388m compared with the same period of 2004.
- In June 2005, TrygVesta and Nordea extended the agreement to sell each other's products until 2010. TrygVesta intends to begin selling general insurance through Nordea's branches in Sweden in the first half of 2006.
- In Norway, TrygVesta's new customer benefit programme was successfully implemented in the second quarter of 2005.
- The group combined ratio for the first half of 2005 was 89.5, an improvement of 1.4 points from 90.9 in the same period of 2004.
- The windstorm that hit Denmark in January resulted in claims totalling DKK 830m. The effect on the technical result was DKK 100m plus DKK 57m in reinstatement fees.
- The Group's investments yielded a total return of DKK 782m in the first half of 2005 equalling a half-year investment return of 2.6% (5.2% on an annual basis).
- The performance in the period equals an annualised return on equity of 25% after tax and discontinued activities.
- TrygVesta raises its full-year forecast for 2005 by DKK 400m: The full-year pre-tax profit is expected to be DKK 2,100m, and the combined ratio is expected to be 91.0.

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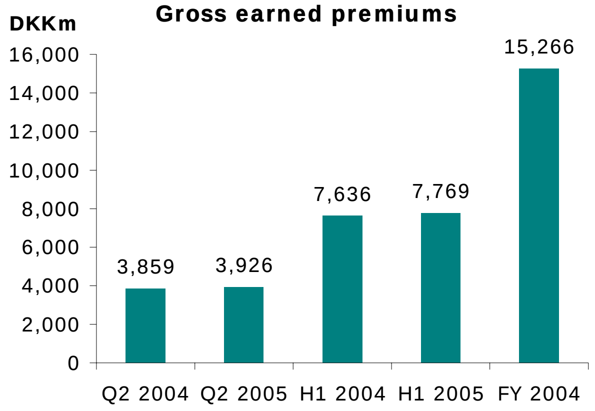
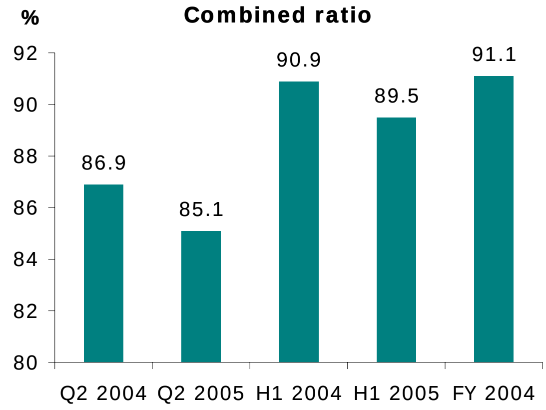
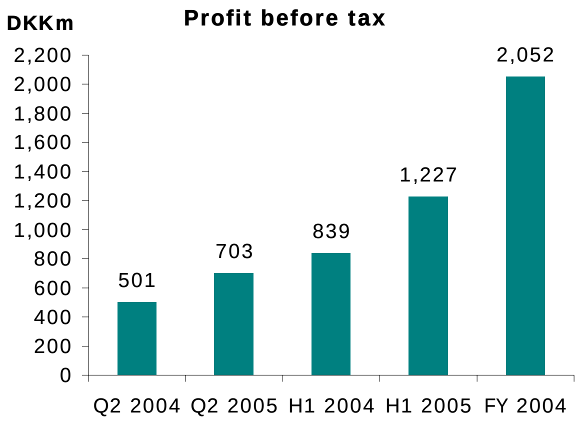
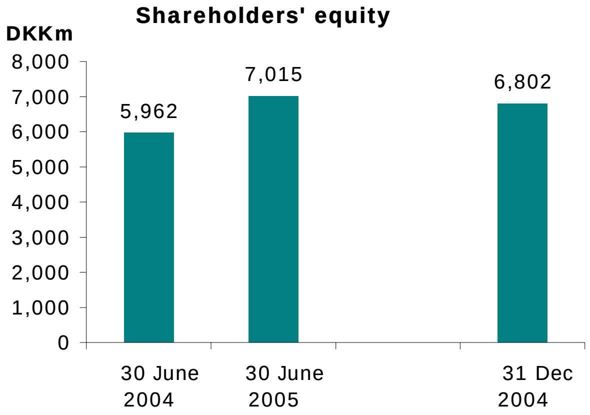
Key ratios, TrygVesta









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Financial highlights and key ratios, TrygVesta

DKKm	Q2 2005	Q2 2004	H1 2005	H1 2004	FY 2004
Gross earned premiums	3.926	3.859	7.769	7.636	15.266
Gross claims incurred	-2.586	-2.408	-5.941	-5.193	-10.572
Gross expenses	-651	-637	-1.336	-1.311	-2.611
Profit on gross business	**689**	**814**	**492**	**1.132**	**2.083**
Profit/loss on ceded business	**-103**	**-308**	**331**	**-434**	**-718**
Technical interest, net of reinsurance	93	110	154	132	335
Technical result	**679**	**616**	**977**	**830**	**1.700**
Profit/loss on investments after transfer to insurance activities	26	-114	256	15	378
Other income	22	27	56	55	121
Other expenses	-24	-28	-62	-61	-147
Profit for the period before tax	**703**	**501**	**1.227**	**839**	**2.052**
Tax	-153	-160	-317	-224	-556
Profit for the period, continued business	**550**	**341**	**910**	**615**	**1.496**
Loss for the period, discontinued and divested business	-13	-45	-31	-46	-75
Profit for the period	**537**	**296**	**879**	**569**	**1.421**
Balance sheet					
Total technical provisions			28.032	25.428	25.212
Total shareholders' equity			7.015	5.962	6.802
Total assets			40.275	37.354	37.824
Key ratios					
Gross claims ratio	65,9	62,4	76,5	68,0	69,3
Ceded business, as a % of gross premiums	2,6	8,0	-4,2	5,7	4,7
Claims ratio, net of ceded business	68,5	70,4	72,3	73,7	74,0
Gross expense ratio	16,6	16,5	17,2	17,2	17,1
Combined ratio	85,1	86,9	89,5	90,9	91,1
Operating ratio	83,1	84,5	87,7	89,3	89,1
Annualised return on equity					
Return on equity before tax and discontinued and divested business			35	29	33
Return on equity after tax and discontinued and divested business			25	20	23
Number of full-time employees at end of period:					
Continued business			3.680	3.731	3.728
Discontinued and divested business			33	672	34

Accounting policies

TrygVesta has changed its accounting policies to comply with IFRS effective from 1 January 2005.
A change in the accounting for the pension fund was implemented in the second quarter of 2005. Figures for 2004 have been restated accordingly.
See 'New accounting rules' for a more detailed description of the changes.

Figures in the table have been restated relative to TrygVesta's annual report 2004 and are now net of divested activities.
See 'New accounting rules'.

Review of TrygVesta's performance

TrygVesta reported a profit on ordinary activities before tax and discontinued activities of DKK 1,227m in the first half of 2005, which was an improvement of DKK 388m relative to the same period of 2004. The increase was driven by an improvement of the technical result of DKK 147m and an improvement of investment income of DKK 241m compared with the first half of 2004.

The technical result of DKK 977m in the first half of 2005 was a significant improvement relative to the same period of 2004. The increase was mainly the result of cost reduction programmes, portfolio rebalancing and the underlying good financial performance in the three main business areas. These increases were offset in part by customer outflows in Private & Commercial Norway and in Corporate mainly in product lines in which we have introduced significant price increases in the past two years.

Combined ratio improved by 1.4 points

The gross claims ratio was negatively affected by 10.7 points due to the storm that hit Denmark in January 2005. Despite the January storm, total claims, net of ceded business performed 1.4 points better than in the same period of 2004, resulting in a combined ratio for the group at 89.5.

The annualised return on equity after tax and discontinued activities was 25% in the first half of 2005 compared with 20% in the same period of 2004.

Retaining the very satisfactory claims level

TrygVesta's gross claims ratio in the first half of 2005 was 76.5 which was an increase of 8.5 points compared with first half of 2004. The increase in gross claims was the result of the storm that hit Denmark in January, which affected claims adversely by DKK 830m in the first half of 2005. Due to effective reinsurance cover for this large event, the reinsurance percent amounted to -4.2 and the claims ratio, net of ceded business was 72.3. The share payable by TrygVesta regarding the storm was DKK 100m, while the remainder was recovered through reinsurance. The storm also cost TrygVesta DKK 57m in reinstatement fees. In the second quarter the claims provisions for the storm were increased by DKK 85m, while the share payable by TrygVesta was unchanged. TrygVesta estimates the normal full year gross claims on catastrophe and windstorm events to be in the range of DKK 210m-220m.

The very positive underlying claims performance of first half of 2005 was attributable to TrygVesta's efforts to ensure a healthier correlation between risk and price in the individual markets and to provide better advice in relation to prevention and improvements in a claims situation.

Continued low cost level
TrygVesta's expense ratio was 17.2 in the first half of 2005, which was unchanged relative to the first half of 2004. The performance was attributable to the Group's targeted efforts to reduce costs and exploit Nordic synergies, and to the fact that measures to make distribution more efficient progressed as planned. As a result, the number of employees was reduced by 51 in first half of 2005. The cost savings enabled us to make investments in IT, HR and customer processes, offsetting the general wage increases and maintaining expenses at an unchanged level in nominal terms.

Positive trend in earned premiums
Earned premiums amounted to DKK 7,769m in the first half of 2005, equivalent to 2% growth relative to the same period of 2004. The growth in premiums consisted of 6% growth in Private & Commercial Denmark, 3% growth in Private & Commercial Norway, a fall of 6% in Corporate, and 50% growth in Finnish general insurance.

The performance was in line with TrygVesta's market strategies. The growth in Private & Commercial Denmark was based on a greater market share and in Finland the firm sales improvement through Nordea's branches continued confirming the strong growth potential in Finland.

The fall in premiums in the Corporate area was attributable to: more customers than previously choosing a higher deductible and thereby a lower premium, customer selection in the Corporate market related to our targeted pricing strategy, competition in general, the transfer of the aviation portfolio to an independent company and the full effect of the introduction of net pricing to customers served by brokers.

Capital gains on shares and bonds
TrygVesta generated an overall profit on investment activities of DKK 782m before other financial income and expenses and before transfer to technical interest, equal to a return of 2.6% (5.2% on an annual basis) in the first half of 2005 and an increase of DKK 337m relative to the same period of 2004. Danish and Norwegian shares yielded particularly good returns in the first half of 2005.

Discontinued and divested activities
The technical result of business in run-off was a loss of DKK 31m in the first half of 2005, mainly attributable to costs in connection with the run-off of the portfolio in Chevanstell Ltd.

Nordea partnership
In June 2005, TrygVesta and Nordea extended their partnership in which Nordea sells TrygVesta’s general insurance through its branch network and TrygVesta sells Nordea’s life and pension products. The partnership agreement has been extended until 1 July 2010. Selling Nordea’s life and pension products enables TrygVesta to offer customers full-service insurance coverage including general insurance and pension requirements.

In continuation of the partnership, TrygVesta will start selling general insurance in Sweden in the first half of 2006. Sales will take place through Nordea's branch network. Nordea is the second largest bank in Sweden in terms of the number of customers and has a nationwide branch network. The entry into the Swedish market provides a strong growth opportunity similar to that provided in Finland.

In Denmark, TrygVesta and Nordea Life & Pension took yet another step in April 2005 towards enhancing TrygVesta's product portfolio of life and pension insurance that TrygVesta offers and amplifying the peace of mind offering to customers by launching a new comprehensive product package called *Startpension*. The package includes death, critical illness and disability cover as well as health insurance and pension savings. The *Startpension* package is available in small, medium and large in terms of price and cover, it has a simple structure and is easy to understand.

TrygVesta brings "peace of mind"

Peace of mind is a key component in the life of every individual, in the public debate and for TrygVesta as a provider of products and services that offer "peace of mind". We seek to establish a brand, image and level of service that make us the insurer of choice in the Nordic region for customers wanting to safeguard themselves, their businesses, their family and their assets in order to gain a sense of security or "peace of mind".

We believe that customer focus, as evidenced by our "peace of mind" philosophy, increases customer satisfaction and loyalty and enhances shareholder value. All of our customers should expect from us an understanding of their risk and attention in assisting them in risk management, high-quality customer service and the prompt handling of a claim.

In the spring of 2005 TrygVesta and media house Mandag Morgen asked 1,000 Norwegians what gives them "peace of mind". Compared with an earlier survey in Denmark the results showed that both Norwegians and Danes feel secure, with the Danes feeling the more secure. Norwegians fear to a higher degree than Danes that it will be too costly to maintain the welfare state at today's level in future. At TrygVesta, we are using the conclusions of the "peace of mind" report to become even better at providing peace of mind to our customers.

TrygVesta's new benefit programme for Norwegian private customers follows our "peace of mind" philosophy. The programme "Vesta Trygghetsavtale" came into effect on 2 May 2005 and has now been successfully implemented. The programme adds advantages for both existing and new customers such as free psychological crisis therapy, free children's insurance and an under-insurance guarantee. The aim is to ensure that customers are treated in a uniform and transparent manner and to create loyal customers. We no longer offer customers a discount when they take out a new policy, but prefer to focus even more on our customers and their needs. While TrygVesta provides pricing benefits when a customer purchases insurance in one of our programmes with two or more insurance policies, we more importantly provide a package of benefits, services, trust and a strong customer relationship.

Effective 1 September 2005, TrygVesta will extend its agreements with a network of sewage builders and plumbers in Denmark to include Danish carpenters. Under the agreements, called “Tryg Bygning”, builders come directly to the customers on behalf of TrygVesta to assess and repair the damage. This arrangement involves good service to the customer, reduces TrygVesta’s claims expenses and provides business opportunities to the builders’ involved.

Effective 1 January 2005, TrygVesta in Denmark entered into a five-year agreement with DGI (the Danish Gymnastics and Sports Association) and DIF (the Danish Sports Association) under which TrygVesta will in future provide collective insurance to the two organisations and their member associations.

Corporate customers require tailored solutions

TrygVesta will in future provide even better advice and service to corporate customers with respect to minimising risk. In the first half of 2005, the Group worked on changing from being “only” a risk carrier to also becoming a risk adviser, not least because customers demand such services in light of the greater focus on corporate governance, the growing risk of terror and the increasing premiums in the insurance market.

TrygVesta continuously develops its pricing structures to better reflect the risks insured and provide greater transparency for customers. Later this year, TrygVesta will introduce annual driven mileage as a price criterion for motor insurance in Denmark, as more miles on the road increases the risk of claims. When TrygVesta introduces this new mandatory criterion, the price of some motor policies will go up while others will fall.

Enhanced IT systems

TrygVesta aims for a larger degree of self-service by customers reporting claims. In the first half of 2005 we implemented a new process for handling motor claims in Denmark. The process and the underlying IT system support the communication between employees and customers. The system has now been fully implemented, and the goal is to have about 50% of all motor claims finalised after the initial telephone contact with the customer.

In June 2005, TrygVesta launched a new, improved version of its web site for Norwegian customers. The appearance and contents of vesta.no have been changed, including an option allowing the Group’s Norwegian customers to view a summary of their own claims. The new web site is the result of a joint project in TrygVesta involving both our Danish and our Norwegian employees. The Norwegians used the experience and practises from Denmark (Danish customers already being able to view their own claims summary at tryg.dk). At the same time, vesta.no is based on a new technical platform, to which tryg.dk will also migrate going forward.

Strengthened values and social responsibility

To harness the synergies and other benefits of working in a cross-border company, we at TrygVesta concentrate on common values and shared goals. To develop our business it is essential that all employees “live and act” our brands and values. Therefore, we carried out an internal value process in 2004, which in early 2005 resulted in a set common values and customer commitments in TrygVesta. A number of activities thoughout the Group will now translate the values into action in relation to customers and colleagues, kicked off in May and June 2005 when 300 managers attended seminars on the values.

In May 2005, TrygVesta's logo in Norway was changed to the red TrygVesta colour. The Vesta logo thus demonstrates its affiliation with the Group, but without losing its local identity. In September 2005, we will start using the TrygVesta name when communicating to corporate costumers.

In connection with Vesta's 125th anniversary in April 2005, TrygVesta spent NOK 5m in promoting peace of mind to Norwegians: The Night Owls institution, which aims to prevent vandalism and violence simply by being visible in the streets after dark, was set up by TrygVesta and received a NOK 2m donation from the Group. TrygVesta Charitable Foundation, which aims to support projects promoting accident prevention, was set up with an initial capital of NOK 3m.

TrygVesta's two-year integration training programme in Denmark reached its conclusion in February 2005. Ten people with an ethnic background other than Danish completed the training, and nine of them now hold a permanent job with the Group. TrygVesta intends to launch other diversity projects in 2006 to lift the Group’s social responsibility, to further develop the ability of the organisation to handle multicultural issues, and to improve our ability to service customers from all cultural backgrounds.

In May 2005, TrygVesta decided to make the Group’s offices smoke-free from 1 May 2006. The Group’s canteens are already smoke-free. During the autumn, all smokers among the Group’s employees will be offered active help in the form of conventional stop-smoking courses.

On 1 March 2005, TrygVesta appointed Troels Rasmussen as its new CCO, on 1 May Reidar Kleven was appointed new HR director of the Group, and on 1 August the Group’s new Chief Internal Auditor Jens Galsgaard took up his office. Espen Opedal has been appointed Procurement Manager as from 1 October.

Improved rating

In June 2005, credit rating agency Moody’s upgraded TrygVesta from “A3 Stable” to “A3

Positive”, and in August 2005, credit rating agency Standard & Poor’s confirmed its “A-“ rating (outlook stable) to TrygVesta.

Private & Commercial Denmark

DKKm	Q2 2005	Q2 2004	H1 2005	H1 2004	FY 2004
Gross earned premiums	1,567	1,479	3,123	2,937	5,942
Gross claims incurred	-1,107	-966	-2,809	-2,045	-4,376
Gross expenses	-278	-267	-555	-529	-1,057
Profit/loss on gross business	**182**	**246**	**-241**	**363**	**509**
Profit/loss on ceded business	**27**	**-29**	**511**	**-53**	**-101**
Technical interest, net of reinsurance	11	20	47	33	116
Technical result	**220**	**237**	**317**	**343**	**524**
Key ratios					
Gross claims ratio	70.6	65.3	89.9	69.6	73.7
Ceded business, as a % of gross premiums	-1.7	2.0	-16.4	1.8	1.7
Claims ratio, net of ceded business	68.9	67.3	73.5	71.4	75.4
Gross expense ratio	17.7	18.1	17.8	18.0	17.8
Combined ratio	86.6	85.4	91.3	89.4	93.2
Operating ratio	86.1	84.2	90.0	88.5	91.4

The technical result of Private & Commercial Denmark was a profit of DKK 317m in the first half of 2005 compared with a profit of DKK 343m in the same period of 2004.

The very satisfactory technical result was attributable to a favourable claims performance despite the impact of DKK 710m which the storm in January had on claims, and of which the share payable by Private & Commercial Denmark, net of reinsurance, was DKK 85m and DKK 48m in reinsurance reinstatement fees. Some 37,000 out of the 52,000 reported claims relating to the January storm had been settled by the end of July 2005. The positive underlying development was due to the combined effects of prior years' targeted profitability-enhancing measures and a generally positive claims level in virtually all areas, except for workers compensation and personal accident, and in particular motor insurance performed well.

The positive underlying development of the technical result is reflected in a combined ratio of 91.3 for the first half of 2005 which was an increase of 1.9 points compared with first half of 2004. In the combined ratio for the first half of 2005 4.3 points were attributable to the impact of the storm in Denmark in January.

Gross earned premiums amounted to DKK 3,123m compared with DKK 2,937m in the same period of 2004, equal to an increase of 6%. This performance was highly satisfactory and reflects, among other things, higher retention rates within existing customers and the effect of the dedicated sales organisation set up in connection with the establishment of the current business areas.

The gross claims ratio in the first half of 2005 was 89.9, which was an increase of 20.3 points compared with the first half of 2004. Excluding the storm in January the gross claims ratio for the first half-year of 2005 amounted to 67.2, which was a decrease of 2.4 points relative to the same period of last year. The reinsurance percent, net was -16.4 due to the reinsurers' share of the winter storm. Apart from the storm in January, we experienced generally good developments for all main products except workers' compensation and personal accident, as the claims experience in these lines remained unsatisfactory. Developments are followed closely.

Tryg Repair, which was introduced in 2003, and Tryg Building from 2004 also had a positive influence on claims expenses. The new approach to claims procurement resulted in a decrease in average claims.

The expense ratio decreased in the first half of 2005 to 17.8, which was 0.2 points lower than in the same period of last year.

Private & Commercial Norway

DKKm	Q2 2005	Q2 2004	H1 2005	H1 2004	FY 2004
DKK/NOK, rate, quarterly / semiannual / annual average	*91.99*	*89.78*	*91.14*	*88.08*	*88.79*
Gross earned premiums	1,149	1,132	2,268	2,198	4,435
Gross claims incurred	-622	-410	-1,365	-1,317	-2,696
Gross expenses	-219	-197	-468	-433	-922
Profit on gross business	**308**	**525**	**435**	**448**	**817**
Loss on ceded business	**-26**	**-29**	**-47**	**-47**	**-73**
Technical interest, net of reinsurance	23	19	44	30	87
Technical result	**305**	**515**	**432**	**431**	**831**
Key ratios					
Gross claims ratio	54.1	36.2	60.2	59.9	60.8
Ceded business, as a % of gross premiums	2.3	2.6	2.1	2.1	1.6
Claims ratio, net of ceded business	56.4	38.8	62.3	62.0	62.4
Gross expense ratio	19.1	17.4	20.6	19.7	20.8
Combined ratio	75.5	56.2	82.9	81.7	83.2
Operating ratio	74.0	55.3	81.3	80.7	81.6

The positive performance in Private & Commercial Norway continues. The technical result of Private & Commercial Norway was a profit of DKK 432m in the first half of 2005 compared to DKK 431m in the same period of 2004. Danish kroner weakened against Norwegian kroner in the first half-year of 2005 compared with the first half of 2004. This currency change alone lifted the technical result by DKK 14m.

The performance was satisfactory and primarily attributable to the low claims ratio. The good first quarter claims performance in building insurance and, in particular, for motor insurance continued.

The positive technical result is reflected in a combined ratio of 82.9 for the first half of 2005, which was an increase of 1.2 points over the same period of 2004.

Gross earned premiums were DKK 2,268m compared to DKK 2,198m in the first half of 2004 equal to an increase in premiums of 3.2% and a flat performance when measured in local currency. The development in earned premiums was attributable to a continued focus on profitable business. We believe that our changes in pricing structure and the introduction of the new customer benefit programme will take us forward in the private segment in Norway.

The gross claims ratio was 60.2 in the first half of 2005, which was on the same level as in the same period of last year. As described above, the continued positive claims level was mainly attributable to a continued satisfactory claims performance for motor and building insurance, favourable weather conditions and relatively few large claims.

The expense ratio was 20.6, which was an increase of 0.9 points relative to the first half of 2004. The increase is due to the costs of the increased sales force, better customer service and a consequence of unchanged premium levels.

Corporate

DKKm	Q2 2005	Q2 2004	H1 2005	H1 2004	FY 2004
DKK/NOK, rate, quarterly / semiannual / annual average	*91.99*	*89.78*	*91.14*	*88.08*	*88.79*
Gross earned premiums	1,181	1,227	2,319	2,461	4,801
Gross claims incurred	-831	-1,018	-1,715	-1,798	-3,431
Gross expenses	-133	-154	-275	-314	-561
Profit on gross business	**217**	**55**	**329**	**349**	**809**
Loss on ceded business	**-108**	**-251**	**-137**	**-336**	**-549**
Technical interest, net of reinsurance	59	71	62	68	130
Technical result	**168**	**-125**	**254**	**81**	**390**
Key ratios					
Gross claims ratio	70.4	83.0	74.0	73.1	71.5
Ceded business, as a % of gross premiums	9.1	20.5	5.9	13.7	11.4
Claims ratio, net of ceded business	79.5	103.5	79.9	86.8	82.9
Gross expense ratio	11.3	12.6	11.9	12.8	11.7
Combined ratio	90.8	116.1	91.8	99.6	94.6
Operating ratio	86.5	109.6	89.3	96.8	92.1

The technical result of Corporate improved strongly and amounted to DKK 254m, which was an increase of DKK 173m compared with the first half of 2004. Corporate increased its profitability from the level reported at the end of 2004.

This was the second half-year period in which Corporate reported a technical result on a par with the other business areas. The positive performance of the technical result is reflected in a combined ratio of 91.8 in the first half of 2005, which was 7.8 points better than the combined ratio of 99.6 recorded in same period of 2004. The effect of the January storm in Denmark on the combined ratio for Corporate was 1.0 point in the first half of 2005.

Gross earned premiums were DKK 2,319m compared with DKK 2,461m in the first half of 2004. Gross earned premiums in Denmark were reduced by 7% which was mainly due to the transfer of the aviation portfolio to an independent company and the full effect of the introduction of net pricing to customers served by brokers. Moreover, several corporate customers have opted to increase their deductible in return for a premium reduction. TrygVesta's strategy is to maintain the profitable level achieved through the targeted efforts of recent years. The reduction in gross earned premiums in local currency was 7.6% in Norway.

The gross claims ratio in the first half of 2005 was 74.0, or 0.9 points higher than the unusually low claims ratio of the first half of 2004. The underlying development was positive and attributable to initiatives within personal accident insurance in the Norwegian part of the corporate business and to measures launched in prior years. The storm that hit Denmark in January had an effect of DKK 120m on gross claims equal to an effect on the gross claims ratio of 5.2 points. The share payable by Corporate, net of reinsurance amounted to DKK 23m including reinsurance reinstatement fees. The claims development in personal accident insurance in Norway improved considerably.

As a result of tight cost management and continued focus on efficiency enhancements and exploitation of synergies, the expense ratio was 11.9, which was a reduction of 0.9 point relative to the first half of 2004 despite lower earned premiums.

Finnish general insurance

DKKm	Q2 2005	Q2 2004	H1 2005	H1 2004	FY 2004
DKK/EUR, rate, quarterly / semiannual / annual average	*744.87*	*744.09*	*743.99*	*744.50*	*743.99*
Gross earned premiums	33	22	63	42	97
Gross claims incurred	-26	-14	-52	-33	-73
Gross expenses	-21	-19	-38	-35	-71
Loss on gross business	**-14**	**-11**	**-27**	**-26**	**-47**
Profit/loss on ceded business	**0**	**0**	**0**	**0**	**0**
Technical interest, net of reinsurance	0	0	1	1	2
Technical result	**-14**	**-11**	**-26**	**-25**	**-45**
Key ratios					
Gross claims ratio	78.8	63.6	82.5	78.6	75.3
Ceded business, as a % of gross premiums	0.0	0.0	0.0	0.0	0.2
Claims ratio, net of ceded business	78.8	63.6	82.5	78.6	75.5
Gross expense ratio	63.6	86.4	60.3	83.3	73.0
Combined ratio	142.4	150.0	142.8	161.9	148.5
Operating ratio	142.4	150.0	140.6	158.1	145.3

Gross earned premiums in Nordea Vahinkovakuutus increased significantly and were 50% up on the same period of last year. As expected, the company reported a negative technical result of DKK 26m in the first half of 2005, which was on a level with the same period of 2004.

The strong sales performance through Nordea's bank branches continued. The gross claims ratio was 82.5, which was an increase of 3.9 points relative to the same period last year.

The expense ratio fell by 23.0 points to 60.3 due to a constant cost base in spite of the increases in premiums.

Investment activities

DKKm	Q2 2005	Q2 2004	H1 2005	H1 2004	31 Dec 2004	Assets 30.06.2005	Assets 31.12.2004
Denmark	284	35	485	265	803	17.717	16.251
Norway	196	70	295	179	396	14.759	12.563
TrygVesta A/S	1	0	2	1	4	47	109
Total	**481**	**105**	**782**	**445**	**1.203**	**32.523**	**28.923**
Other financial income and expenses *)	-273	-34	-190	-115	-186		
Total investments	**208**	**71**	**592**	**330**	**1.017**		
Transferred to technical interest	-182	-185	-336	-315	-639		
Investement income	**26**	**-114**	**256**	**15**	**378**		
Discontinued and divested activities	2	-22	-1	-17	-7	648	745

*) Including change in discounting rate of insurance provisions.

TrygVesta generated an overall profit on investment activities of DKK 782m before other financial income and expenses and before transfer of technical interest, equal to a return of 2.6% in the first half of 2005 (5.2% on an annual basis), which was in line with the benchmark. Investment income after the return on technical provisions increased from DKK 15m in the first half of 2004 to DKK 256m in the first half of 2005. The item "Other financial income and expenses" includes the effect of discounting the technical provisions, which was an expense of DKK 137m in the first half of 2005 against an expense of DKK 24m in the first half of 2004. The large expense in the first half of 2005 arose from the use of lower discounting rates due to the decline in interest rates in the first half of 2005.

The return on the overall bond portfolio in TrygVesta was DKK 398m, equal to 1.6%, while shares and real property yielded returns of DKK 314m and DKK 70m, respectively, equal to 8.6% and 3.7%. Danish and Norwegian shares, in particular, yielded good returns in the first half of 2005. Bonds account for 82% of total investments, while shares and real property make up the rest.

The second quarter was characterised by continued strong growth in the USA and weak growth in Europe, but also by growing concern about inflationary pressure in the USA, which triggered a steady flow of hikes by the Federal Reserve of its key lending rate, from 2.25% at 1 January 2005 to the present level of 3.25%. European key economic indicators were disappointing, entailing falling European market rates during the quarter. The Danish 2-year yield fell to 2.2%, while the Norwegian 2-year yield fell to 2.7%. US and European share indices fell by approximately 1% and 4%, respectively, while the stock markets in Denmark and Norway both rose by 10% in the second quarter of 2005.

Outlook

TrygVesta expects to report strong financial results also for 2005, with a projected low combined ratio and attractive returns on equity of around 29% before tax. The financial results for the first six months of 2005 were better than expected due, in particular, to the effect of prior years' initiatives and a low claims frequency in general, and this has led the company to increase the full-year 2005 forecast.

The Group increases its full-year 2005 forecast for profit before tax by DKK 400m to DKK 2,100m. The previous forecast was provided in the first quarter report. The corresponding figure for 2004 was DKK 2,052m. TrygVesta forecasts the combined ratio for 2005 to be around 89.5-92.5 with an expectation of 91.0.

The 2005 forecast assumes a small increase in gross earned premiums in the second half of 2005 and a normal claims experience for TrygVesta which means a slightly higher claims ratio, net of reinsurance compared with the first half of 2005. The exchange rate for Norwegian kroner is assumed to be unchanged from 30 June 2005.

The storm in Denmark on 8 January 2005 was within the limits of a year's normal claims performance, net of reinsurance and is incorporated in the forecast, although it increases the risk that total expenses in relation to storm claims may be greater in 2005 than in a normal year.

The expense ratio is expected to decrease slightly due to continued targeted efforts to reduce costs.

The forecast for profit/loss on investments of DKK 430m is based on the investment performance in the first half of 2005 and assuming annualised returns for the second half of 2005 of 7 per cent for the shares and 2.4 per cent for bonds.

Adjusted performance forecast for 2005

DKKm	Actual 2004	Estimate 2005	Positive scenario	Negative scenario
Technical result	1,700	1,700	1,900	1,500
Profit/Loss on investments	378	430		
Profit before tax	2,052	2,100		
Combined ratio	91.1	91.0	89.5	92.5

The actual performance of TrygVesta is affected by the developments in long-tail claims, weather related claims, large claims and major changes in economic conditions such as interest rate fluctuations, development in stock markets and changes in exchange rates.

Facts about TrygVesta

TrygVesta is the second-largest general insurer in the Nordic region. The Group comprises Tryg, Denmark's largest general insurer, Vesta, Norway's third largest insurer, Enter of Norway, Danish guarantee insurer Dansk Kaution and a rapidly growing branch in Finland. In 2006 TrygVesta expects to start selling general insurance in Sweden through Nordea's branch network.

TrygVesta has a strong strategic partnership with Nordea. The bank sells TrygVesta's general insurance products, while TrygVesta sells Nordea's life and pension products. Moreover, Nordea Asset Management is TrygVesta's main portfolio manager. TrygVesta also has a partnership with CSC, which handles the majority of TrygVesta's IT operations.

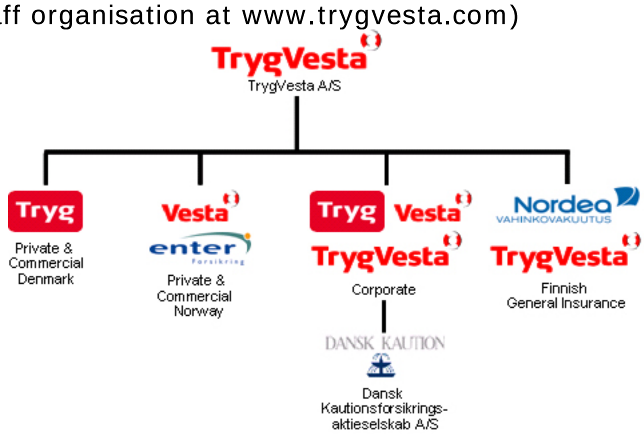
TrygVesta's distribution strategy is based on having each brand offering the same product, price and quality through all sales channels. TrygVesta pursues a multiple channel distribution strategy. The most important channels are large customer centres, service centres or franchisees, TrygVesta's own insurance agents and sales through real estate agents, car dealers and Nordea's branches. In addition, TrygVesta has signed agreements with a number of trade unions and affinity groups to offer their members personal insurance. Likewise, TrygVesta has industry agreements and agreements with insurance brokers in the commercial market.

TrygVesta's some 3,700 employees represent quality, advice and service, both to individual personal customers and to large industrial enterprises with several thousand employees.

TrygVesta's insurance products provide protection for more than two million private individuals. The Group generated premiums of DKK 15.3bn in 2004. TrygVesta's employees processed more than 500,000 claims and paid claims in the amount of more than DKK 10bn in 2004.

Organisation – Simplified operational structure

(See business and staff organisation at www.trygvesta.com)



Financial calendar

Financial results for the nine months ending 30 September 2005:
23 November 2005

Annual report 2005:
28 February 2006

Financial highlights and key ratios by geography

DKKm	Q2 2005	Q2 2004	H1 2005	H1 2004	FY 2004
The Group					
Gross earned premiums	3,926	3,859	7,769	7,636	15,266
Techical result	679	616	977	830	1,700
Profit/loss on investments	26	-114	256	15	378
Other income	22	27	56	55	121
Other expenses	-24	-28	-62	-61	-147
Profit for the period before tax	703	501	1,227	839	2,052
Key ratios					
Gross claims ratio	65.9	62.4	76.5	68.0	69.3
Ceded business, as a % of gross premiums	2.6	8.0	-4.2	5.7	4.7
Claims ratio, net of ceded business	68.5	70.4	72.3	73.7	74.0
Gross expense ratio	16.6	16.5	17.2	17.2	17.1
Combined ratio	85.1	86.9	89.5	90.9	91.1
Operating ratio	83.1	84.5	87.7	89.3	89.1
Number of full-time employees at the end of the period, continued business			3,680	3,731	3,728
Danish general insurance					
Gross earned premiums	2,208	2,149	4,385	4,293	8,525
Techical result	368	274	456	433	722
Profit/loss on investments	-10	-51	111	42	376
Other income	26	17	46	34	76
Other expenses	-21	-16	-41	-32	-72
Profit for the period before tax	363	224	572	477	1,102
Key ratios					
Gross claims ratio	67.2	66.0	85.8	70.6	73.6
Ceded business, as a % of gross premiums	1.8	6.9	-11.2	4.4	3.5
Claims ratio, net of ceded business	69.0	72.9	74.6	75.0	77.1
Gross expense ratio	16.5	16.5	16.6	16.4	16.3
Combined ratio	85.5	89.4	91.2	91.4	93.4
Operating ratio	83.7	87.5	89.8	90.1	91.7
Number of full-time employees at the end of the period			2,179	2,258	2,223
Norwegian general insurance					
Gross earned premiums	1,689	1,689	3,325	3,303	6,653
Techical result	325	353	547	422	1,023
Profit/loss on investments	44	-54	161	-11	33
Other income	-4	10	10	21	45
Other expenses	4	-10	-9	-20	-43
Profit for the period before tax	369	299	709	412	1,058
Key ratios					
Gross claims ratio	63.7	57.8	63.9	64.5	63.5
Ceded business, as a % of gross premiums	4.0	9.5	5.0	7.5	6.4
Claims ratio, net of ceded business	67.7	67.3	68.9	72.0	69.9
Gross expense ratio	15.7	15.6	17.2	17.3	17.3
Combined ratio	83.4	82.9	86.1	89.3	87.2
Operating ratio	81.3	79.9	84.0	87.5	85.0
Number of full-time employees at the end of the period			1,453	1,426	1,454

DKKm	Q2 2005	Q2 2004	H1 2005	H1 2004	FY 2004
Finnish general insurance					
Gross earned premiums	33	22	63	42	97
Techical result	-14	-11	-26	-25	-45
Loss on investments	-1	-1	-1	-1	-2
Loss for the period before tax	-15	-12	-27	-26	-47
Key ratios					
Gross claims ratio	78.8	63.6	82.5	78.6	75.3
Ceded business, as a % of gross premiums	0.0	0.0	0.0	0.0	0.2
Claims ratio, net of ceded business	78.8	63.6	82.5	78.6	75.5
Gross expense ratio	63.6	86.4	60.3	83.3	73.0
Combined ratio	142.4	150.0	142.8	161.9	148.5
Operating ratio	142.4	150.0	140.6	158.1	145.3
Number of full-time employees at the end of the period			48	47	51
TrygVesta A/S (parent company)					
Loss on investments (excluding subsidiaries)	-7	-8	-15	-15	-29
Other expenses	-7	-2	-12	-9	-32
Loss for the period before tax	-14	-10	-27	-24	-61
Discontinued and divested business *)					
Gross earned premiums	-23	342	-33	679	1,065
Techical result	-15	-36	-30	-40	-74
Profit/loss on investments	2	-22	-1	-17	-7
Loss for the period before tax	-13	-58	-31	-57	-81
Number of full-time employees at the end of the period			33	672	34

*) Chevanstell Ltd. and other insurance and TBi, Tryg Polska and Nordicum Kindlustus.

New accounting rules

Accounting policies

TrygVesta has changed its accounting policies to comply with IFRS (International Financial Reporting Standards) effective from 1 January 2005. The comparative figures for 2004 have been restated accordingly. For transition purposes, the Group applies IFRS 1 on first-time adoption of IFRS.

The IFRS standards might be amended and new standards might be introduced that will require the 2004 and 2005 financial information to be adjusted accordingly before constituting the final IFRS financial information, which according to IFRS will be when the company releases its Annual Report for 2005 including comparative numbers for 2004 in accordance with IFRS.

Accounting policies applied for the Parent

The accounting policies applied for the Parent are in accordance with regulations issued by the Danish Financial Supervisory Authority, the aim of which is to be consistent with IFRS.

The only major deviations from the recognition and measurement requirements of IFRS are:

- that investments in subsidiaries are accounted for under the equity method, whereas the requirements regarding presentation and disclosure are less comprehensive than IFRS
- that actuarial gains and losses on our pension liability is expensed in the profit and loss statement, while these are offset in the equity in the Group Financial Statements

For a description of the changes in accounting policies to comply with IFRS we refer to the press release for the three months ended 31 March 2005 dated 18 May 2005. In addition to this the following should be mentioned:

Change in accounting estimates

In 2005 we have changed accounting estimates for discounting workers' compensation in Norway and Denmark. The change is mainly due to the transition from use of a fixed interest rate to an interest rate curve or a decrease in the fixed interest rate. The total change results in a net expense of DKK 104m, which is included in "Value adjustment" in the investment result.

Divested companies

The companies which were divested in 2004 (Tryg-Baltica International, Tryg Polska and Nordicum Kindlustus), are now included in "Discontinued and divested activities". Figures for the first half of 2004 and for the year 2004 have been restated to be comparable with the 2005 figures. In respect of the first half of 2004, this resulted in a reduction of gross earned premiums of DKK 608m, an increase of the technical result of DKK 7m, and an improvement of the combined ratio of 0.8 points.

Pension liability

TrygVesta has applied IAS 19 retroactively from 1 January 2004. In the second quarter we have decided to implement the amendment to IAS 19, which allow the option of recognising actuarial gains and losses in full in the period in which they occur, outside profit or loss statement. This has the effect that actuarial gains and losses on our pension liability is off-set in the equity, and therefore does not effect the profit and loss statement. Actuarial gains and losses are for example changes in the discount rate, increases in salaries, change in mortality and differences between the actual return on plan assets and the expected return on plan assets. The comparative figures for 2004 have been restated accordingly in the second quarter. The change in accounting practice improves the result for 2004 by DKK 112 m, but has no effect on the equity or the total assets.

The annual report 2005 will contain a detailed description of the accounting policies in compliance with IFRS and reconciliations in compliance with IFRS 1.

Equity reconciliation at 1 January 2004 and 30 June 2004

DKKm	
Equity at 1 January 2004	5,360
IFRS adjustments:	
Equalisation provisions including Pool of Natural Perils	1,293
Provisions for claims	
Discounting	700
Claims handling costs	-444
Pension liabilities	-272
Dividend	50
Other items, including employee benefits etc.	-194
Tax on IFRS changes, including contingency fund provisions in Norway	-984
Equity at 1 January 2004 IFRS	**5,509**
Equity at 30 June 2004	5,969
IFRS adjustments:	
Equalisation provisions including Pool of Natural Perils	1,347
Provisions for claims	
Discounting	706
Claims handling costs	-472
Pension liabilities	-306
Actuarial gains and losses taken to equity (pensions liabilities)	-66
Other items, including employee benefits etc.	-195
Tax on IFRS changes, including contingency fund provisions in Norway	-1,021
Equity at 30 June 2004 IFRS	**5,962**

Equity reconciliation at 1 January 2005

DKKm	
Equity at 1 January 2005	6,195
IFRS adjustments:	
Equalisation provisions including Pool of Natural Perils	1,411
Provisions for claims	
Discounting	708
Claims handling costs	-502
Pension liabilities	-347
Actuarial gains and losses taken to equity (pensions liabilities)	-111
Dividend	650
Other items, including employee benefits etc.	-196
Tax on IFRS changes, including contingency fund provisions in Norway	-1,006
Equity at 1 January 2005 IFRS	**6,802**

Income statement 2004

DKKm	2004 Previous policies	IFRS-adjustments	2004 IFRS compliant
Gross earned premiums	15,273	-7	15,266
Gross claims incurred	-10,351	-221	-10,572
Gross expenses	-3,107	496	-2,611
Profit/loss on ceded business	-753	35	-718
Technical interest	495	-160	335
Change in equalisation provisions	-93	93	0
Profit/loss on investment activities	513	-135	378
Other income and expenses	-26	0	-26
Tax	-479	-77	-556
Profit/loss for the period, continuing business	**1,472**	**24**	**1,496**
Key ratios			
Gross claims ratio	67.8	-1.5	69.3
Ceded business, as a % of gross premiums	4.9	0.2	4.7
Claims ratio, net of ceded business	72.7	-1.3	74.0
Gross expense ratio	20.3	3.2	17.1
Combined ratio	93.0	1.9	91.1

Income statement for the six months ended 30 June 2004

DKKm	H1 2004 Previous policies	IFRS-adjustments	H1 2004 IFRS compliant
Gross earned premiums	7,614	22	7,636
Gross claims incurred	-5,127	-66	-5,193
Gross expenses	-1,560	249	-1,311
Profit/loss on ceded business	-431	-3	-434
Technical interest	225	-93	132
Change in equalisation provisions	-26	26	0
Profit/loss on investment activities	79	-64	15
Other income and expenses	-9	3	-6
Tax	-185	-39	-224
Profit/loss for the period, continuing business	**580**	**35**	**615**
Key ratios			
Gross claims ratio	67.3	-0.7	68.0
Ceded business, as a % of gross premiums	5.7	0.0	5.7
Claims ratio, net of ceded business	73.0	-0.7	73.7
Gross expense ratio	20.5	3.3	17.2
Combined ratio	93.5	2.6	90.9

Income statement and balance sheet for TrygVesta

Income statement

Note	DKKm	H1 2004	H1 2005	FY 2004
	General insurance			
	Earned premiums			
	Gross premiums written	9,267	9,005	15,022
	Ceded reinsurance premiums	-828	-507	-1,596
	Change in the gross provisions for unearned premiums	-1,589	-1,188	406
	Change in the reinsurers' share of the provisions for unearned premiums	-34	-5	-50
1	**Earned premiums, net of reinsurance**	**6,816**	**7,305**	**13,782**
2	**Technical interest, net of reinsurance**	**132**	**154**	**335**
	Claims incurred			
	Gross claims paid	-4,766	-5,346	-9,446
	Reinsurance recoveries	481	909	902
	Change in the gross provisions for claims	-427	-595	-1,126
	Change in the reinsurers' share of the provisions for claims	-151	-95	-190
3	**Claims incurred, net of reinsurance**	**-4,863**	**-5,127**	**-9,860**
	Bonus and premium rebates	**-42**	**-48**	**-162**
	Insurance operating expenses			
	Acquisition costs and administrative expenses	-1,311	-1,336	-2,611
	Commission and profit commission from the reinsurers	98	29	216
4	**Total insurance operating expenses, net of reinsurance**	**-1,213**	**-1,307**	**-2,395**
	Technical result	**830**	**977**	**1,700**
	Investment activities			
	Income from investment assets			
	Income from investment property	47	54	91
5	Interest and dividends, etc.	403	519	834
6	Value adjustment	-63	83	220
5	Interest expenses	-37	-36	-74
	Investment management charges	-19	-28	-54
	Total return on investment activities	**331**	**592**	**1,016**
2	Return on insurance provisions	-316	-336	-638
	Total return on investment activities after technical interest	**15**	**256**	**378**
	Other income	55	56	121
	Other expenses	-61	-62	-147
	Profit before tax	**839**	**1,227**	**2,052**
	Tax	-224	-317	-556
	Profit on continued business	**615**	**910**	**1,496**
	Loss on discontinued and divested business	-46	-31	-75
	Profit for the period	**569**	**879**	**1,421**

Balance sheet

DKKm	30 June 2004	30 June 2005	31 Dec 2004
Note			
Assets			
Intangible assets	**91**	**147**	**112**
Investment assets			
Land and buildings			
Investment property	1.723	1.698	1.727
Owner-occupied property	304	306	273
Land and buildings	**2.027**	**2.004**	**2.000**
Investments in associated undertakings			
Equity investments in associated undertakings	14	28	28
Total investments in associated undertakings	**14**	**28**	**28**
Other financial investment assets			
Capital participation	3.075	3.941	3.105
Unit trust units	219	264	246
Bonds	21.816	27.308	25.259
Other loans	70	0	0
Deposits in credit institutions	161	73	116
Total other financial investment assets	**25.341**	**31.586**	**28.726**
Deposits with ceding undertakings, receivable	**32**	**22**	**28**
Total investment assets	**27.414**	**33.640**	**30.782**
Reinsurers' share of technical provisions			
Reinsurers' share of provisions for unearned premiums	265	215	212
Reinsurers' share of provisins for claims	2.857	2.983	3.080
Total reinsurers' share of technical provisions	**3.122**	**3.198**	**3.292**
Amounts owing			
Amounts owing in relation to direct insurance contracts			
Amounts owing from policyholders	1.292	1.353	817
Amounts owing from insurance brokers	221	56	119
Total amounts owing in relation to direct insurance contracts	1.513	1.409	936
Amounts owing from insurance enterprises	1.050	826	960
Other amounts owing	162	122	437
Total amounts owing	**2.725**	**2.357**	**2.333**
Other assets			
Equipment	254	138	173
Cash in hand and at bank	697	392	490
Current tax asset	506	0	192
Assets relating to divested business	2.240	0	0
Other	10	12	9
Total other assets	**3.707**	**542**	**864**
Prepayments and accrued income			
Accrued interest and rent earned	251	337	383
Other prepayments and accrued income	70	54	58
Total prepayments and accrued income	**321**	**391**	**441**
Total assets	**37.380**	**40.275**	**37.824**

Balance sheet

DKKm		30 June 2004	30 June 2005	31 Dec 2004
Note				
	Liabilities			
7	**Shareholders' equity**	**5.962**	**7.015**	**6.802**
	Subordinate loan capital	**700**	**700**	**700**
	Provisions for insurance contracts			
	Premium provisions	6.475	6.806	5.037
	Claims provisions	18.789	21.015	19.914
	Provisions for bonuses and premium rebates	164	211	260
	Other insurance provisions	0	0	1
	Total provisions for insurance contracts	**25.428**	**28.032**	**25.212**
	Provisions			
	Pensions and similar obligations	479	625	543
	Deferred tax liability	647	865	792
	Other provisions	209	39	37
	Total provisions	**1.335**	**1.529**	**1.372**
	Debt			
	Debt related to direct insurance	280	301	366
	Debt related to reinsurance	396	395	485
8	Debt to credit institutions	600	645	609
	Debt to subsidiary undertakings	18	23	37
	Current tax liabilities	0	7	0
	Liabilities relating to divested business	1.657	0	0
	Other debt	903	1.451	1.991
	Total debt	**3.854**	**2.822**	**3.488**
	Accruals and deferred income	**101**	**177**	**250**
	Total liabilities	**37.380**	**40.275**	**37.824**

Notes

DKKm		H1 2004	H1 2005	FY 2004
Note				
1	**Earned premiums, net of reinsurance**			
	Earned premiums	7,681	7,814	15,454
	Unexpired risk provision	-3	3	-26
		7,678	7,817	15,428
	Ceded reinsurance premiums	-862	-512	-1,646
		6,816	**7,305**	**13,782**
2	**Technical interest, net of reinsurance**			
	Transferred from investment activities	316	336	638
	Discounting	-183	-178	-301
	Transferred from investment activities divested business	-1	-4	-2
		132	**154**	**335**

In respect of provisions for unearned premiums, the return under the item technical interest is calculated as the provision from time to time plus an average interest rate that corresponds to the estimated settlement period of the provision.

In respect of provisions for claims, the calculated return for grouped classes of risk is calculated as the monthly average provision plus a co-weighted interest rate from the current yield curve for each risk group. The interest rate is weighted according to the expected settlement pattern of the provisions.

DKKm		H1 2004	H1 2005	FY 2004
3	**Claims incurred, net of reinsurance**			
	Claims incurred	-5,136	-6,137	-10,555
	Run-off previous years, gross	-57	196	-17
		-5,193	-5,941	-10,572
	Reinsurance recoveries	330	814	712
		-4,863	**-5,127**	**-9,860**
4	**Insurance operating expenses, net of reinsurance**			
	Commission regarding direct business	-157	-159	-276
	Other acquisition costs	-531	-632	-1,165
	Total acquisition costs	-688	-791	-1,441
	Total administrative expenses	-908	-851	-1,772
	Insurance operating expenses, gross	-1,596	-1,642	-3,213
	Transferred costs	285	306	602
	Insurance operating expenses, gross	-1,311	-1,336	-2,611
	Commission, etc. from reinsurers	98	29	216
		-1,213	**-1,307**	**-2,395**
5	**Interest and dividens, etc.**			
	Dividens	55	79	85
	Interest expenses	-37	-36	-74
	Interest on securities, etc.	348	440	749
		366	**483**	**760**
6	**Value adjustments**			
	Land and buildings	3	5	30
	Other capital participation	125	233	399
	Unit trust units	1	18	28
	Share derivatives	-49	-10	-28
	Bond listed on the stock exchange	-22	-33	-17
	Interes derivatives	-55	-7	-61
	Other loans	0	-1	0
	Other	-11	14	-22
	Discounting	-55	-136	-109
		-63	**83**	**220**
	Realised and unrealised gains	443	678	958
	Realised and unrealised losses	-506	-595	-738
		-63	**83**	**220**

Other financial investment assets

The holding of unlisted shares totals DKK 148m.

Notes

DKKm

Note		Share capital	Share premium	Revaluation reserves	Reserve for exchange rate adj.	Equalisation reserve	Other provisions	Retained earnings	Proposed dividends	Total
7	**Shareholders' equity**									
	Equity at 1 January 2004	1,700	2,968					692		5,360
	Change in accounting policies					270	832	-1,003	50	149
	Adjusted equity at 1 January 2004	**1,700**	**2,968**	**0**	**0**	**270**	**832**	**-311**	**50**	**5,509**
	Equity entries in 2004									
	Profit for the year						190	581	650	1,421
	Retained share premium		-2,968					2,968		0
	Revaluation of owner-occupied properties									0
	Exchange rate adjustments of foreign entities									0
	Hedge of foreign currency risk in foreign entities									0
	Actuarial gains and losses on pension obligation							-111		-111
	Tax on equity entries							33		33
	Total comprehensive income	0	-2,968	0	0	0	190	3,471	650	1,343
	Dividend paid								-50	-50
	Capital contributions									0
	Total equity entries in 2004	**0**	**-2,968**	**0**	**0**	**0**	**190**	**3,471**	**600**	**1,293**
	Equity at 31 December 2004	**1,700**	**0**	**0**	**0**	**270**	**1,022**	**3,160**	**650**	**6,802**
	Equity at 1 January 2005	1,700	0	0	0	270	1,022	3,160	650	6,802
	Equity entries in H1 2005									
	Profit for the period						44	835		879
	Revaluation of owner-occupied properties									0
	Exchange rate adjustments of foreign entities				150		25	-5		170
	Hedge of foreign currency risk in foreign entities				-160					-160
	Actuarial gains and losses on pension obligation							-99		-99
	Tax on equity entries							73		73
	Total comprehensive income	0	0	0	-10	0	69	804	0	863
	Dividend paid								-650	-650
	Capital contributions									0
	Total equity entries in H1 2005	**0**	**0**	**0**	**-10**	**0**	**69**	**804**	**-650**	**213**
	Equity at 30 June 2005	**1,700**	**0**	**0**	**-10**	**270**	**1,091**	**3,964**	**0**	**7,015**

Notes

DKKm		30 June 2004	30 June 2005	31 Dec 2004
8	**Debt to credit institutions**			
	Bank loans	600	600	600
	Bank overdrafts	0	45	9
		600	**645**	**609**

Bank loans comprise three loans at floating interest rates due for repayment in 2005. The loans were raised by TrygVesta A/S.

	30 June 2004	30 June 2005	31 Dec 2004
Current	600	645	609
Non current	0	0	0

Income statement and balance sheet for TrygVesta A/S (parent company)

Income statement

DKKm	H1 2004	H1 2005	FY 2004
Investment activities			
Income from investment assets			
Income from subsidiary undertakings	573	858	1,480
Interest and dividends, etc.	20	18	37
Translation adjustment	-1	0	-1
Interest expenses	-31	-32	-62
Investment management charges	-1	-1	-3
Total return on investment activities	**560**	**843**	**1,451**
Other expenses	-9	-12	-32
Profit before tax	**551**	**831**	**1,419**
Tax	-1	8	-3
Profit on continued business	**550**	**839**	**1,416**
Loss on discontinued and divested business	-46	-31	-75
Profit for the period	**504**	**808**	**1,341**

Balance sheet

DKKm	30 June 2004	30 June 2005	31 Dec 2004
Assets			
Investment in subsidiary and associated undertakings			
Capital participation in subsidiary undertakings	5,811	7,589	7,330
Capital participation in subsidiary undertakings related to discontinued and divested business	744	78	105
Loans to subsidiary undertakings	600	600	600
Equity investments in associated undertakings	0	14	14
Total investments in subsidiary and associated undertakings	**7,155**	**8,281**	**8,049**
Other financial investment assets			
Bonds	123	33	77
Total other financial investment assets	**123**	**33**	**77**
Total investment assets	**7,278**	**8,314**	**8,126**
Amounts owing			
Amounts owing from subsidiary undertakings	16	22	0
Other amounts owing	0	0	16
Total amounts owing	**16**	**22**	**16**
Other assets			
Cash in hand and at bank	6	2	1
Deferred tax asset	5	2	3
Total other assets	**11**	**4**	**4**
Prepayments and accrued income			
Accrued interest and rent earned	2	0	2
Total prepayments and accrued income	**2**	**0**	**2**
Total assets	**7,307**	**8,340**	**8,148**
Liabilities			
Shareholders' equity	**5,962**	**7,015**	**6,802**
Subordinate loan capital	**700**	**700**	**700**
Debt			
Debt to credit institutions	600	600	601
Debt to subsidiary undertakings	28	23	33
Other debt	17	2	12
Total debt	**645**	**625**	**646**
Total liabilities	**7,307**	**8,340**	**8,148**

Vesta Forsikring AS

NOKm	Q2 2005	Q2 2004	H1 2005	H1 2004	FY 2004
Gross written premiums	1,647	1,719	4,464	4,548	7,422
Erarned premiums net of reinsurance	1,722	1,519	3,399	3,042	6,157
Net financial income	188	65	313	200	419
Claims incurred net of reinsurance	-1,141	-944	-2,243	-2,163	-4,133
Insurance operating expenses net of reinsurance	-297	-313	-699	-651	-1,336
Operating profit	**472**	**327**	**770**	**428**	**1,107**
Contingency provisions etc.*)	-95	-54	-129	-121	-231
Profit for the period before tax	**377**	**273**	**641**	**307**	**876**
Balance sheet					
Total technical provisions			14,641	13,705	13,207
Total shareholders' equity			1,871	1,159	1,380
Total assets			17,800	15,800	16,030
Key ratios					
Gross claims ratio	64.7	58.5	63.5	67.6	64.4
Ceded business, as a % of gross premiums	3.6	8.7	4.6	6.4	6.2
Claims ratio, net of ceded business	68.3	67.2	68.1	74.0	70.6
Gross expense ratio	16.3	18.8	19.4	19.9	20.2
Combined ratio	84.6	86.0	87.5	93.9	90.8
Operating ratio	76.7	83.1	80.6	89.1	85.9

*) The amount comprises provisions for security, reinsurance and administration as well as funds for natural disasters and guarantees.

The tabel presents the result and selected balance sheet items together with key ratios for the Vesta Forsikring Group AS. The information is presented in accordance with generally accepted accounting principles in Norway, which correspond to the policies described in the annual report of Vesta Forsikring AS for 2004.