

# The ATP Group

## Quarterly report – Qs 1-3 2008

### Financial highlights for Qs 1-3 2008

DKK million	Qs 1-3 2008	Qs 1-3 2007	Full year 2007
Investment-activity results	(17,603)	11,867	10,030
Hedging-activity results	536	294	(2,212)
Pension-activity results (including mortality update) after bonus additions	(5,942)	1,832	(2,952)
Transferred to client deposits under the SP and SUPP schemes	5,023	(2,659)	(2,013)
Administration-activity results	32	64	23
Tax	(5)	(9)	(10)
<b>Net profit (loss) for the period</b>	<b>(17,959)</b>	<b>11,389</b>	<b>2,866</b>

## Contents

Financial highlights of the ATP Group	2
Report for Qs 1-3 2008	3
Results for the period	3
Investment-activity results	5
Hedging-activity results	10
Pension-activity results	10
Administration-activity results	11
Accounting policies	11
Outlook for 2008	12

## Financial highlights of the ATP Group

DKK million	<u>Qs 1-3 2008</u>	<u>Qs 1-3 2007</u>	<u>Full year 2007</u>
<b>Income statement</b>			
<b>Investment activities</b>			
Return on investment	(21,292)	13,915	11,939
Expenses	(306)	(260)	(383)
Tax on pension-savings returns	3,995	(1,788)	(1,526)
<b>Investment-activity results</b>	<b><u>(17,603)</u></b>	<b><u>11,867</u></b>	<b><u>10,030</u></b>
<b>Hedging activities</b>			
Return on hedging portfolio, etc.	24,223	(19,874)	(18,548)
Change in guaranteed benefits due to change in discount rate	(11,236)	25,227	24,287
Change in guaranteed benefits due to declining term to maturity	(8,818)	(8,040)	(10,733)
Tax on pension-savings returns	(3,633)	2,981	2,782
<b>Hedging-activity results</b>	<b><u>536</u></b>	<b><u>294</u></b>	<b><u>(2,212)</u></b>
<b>Pension activities</b>			
Contributions	5,527	5,549	7,263
Fee income	63	67	90
Pension benefits	(6,152)	(5,598)	(7,666)
Change in guaranteed ben. due to contributions and pension benefits	1,969	2,740	4,055
Expenses	(189)	(189)	(239)
<b>Results before change in mortality and bonus, etc.</b>	<b><u>1,218</u></b>	<b><u>2,569</u></b>	<b><u>3,503</u></b>
Change in guaranteed benefits due to change in mortality	(1,213)	(737)	(744)
Bonus for the year	(5,947)	0	(5,711)
<b>Pension-activity results</b>	<b><u>(5,942)</u></b>	<b><u>1,832</u></b>	<b><u>(2,952)</u></b>
<b>Transferred to client deposits under the SP and SUPP schemes</b>	<b>5,023</b>	<b>(2,659)</b>	<b>(2,013)</b>
<b>Administration activities</b>			
Income	369	391	510
Expenses	(337)	(327)	(487)
<b>Administration-activity results</b>	<b><u>32</u></b>	<b><u>64</u></b>	<b><u>23</u></b>
<b>Tax</b>	<b><u>(5)</u></b>	<b><u>(9)</u></b>	<b><u>(10)</u></b>
<b>Net profit (loss) for the period</b>	<b><u>(17,959)</u></b>	<b><u>11,389</u></b>	<b><u>2,866</u></b>
Of which minority interests' share	(195)	84	51
<b>Balance sheet</b>			
<b>Assets</b>			
Investment assets	421,471	425,003	429,944
Other assets	15,305	16,397	14,730
<b>Total assets</b>	<b><u>436,776</u></b>	<b><u>441,400</u></b>	<b><u>444,674</u></b>
<b>Liabilities</b>			
Guaranteed benefits	306,646	273,364	281,400
Bonus potential	55,415	81,670	73,181
Provisions for unit-linked contracts under the SP scheme	46,542	50,801	52,574
Other liabilities	28,173	35,565	37,519
<b>Total liabilities</b>	<b><u>436,776</u></b>	<b><u>441,400</u></b>	<b><u>444,674</u></b>

## Report for Qs 1-3 2008

- The market return on ATP's investment portfolio was a negative DKK 5.3bn, equivalent to a negative rate of return of 1.4 per cent.
- The Group's net results were a loss of DKK 12.0bn before bonus additions of DKK 5.9bn.
- All current and future pensions will be increased by bonus additions of 2 per cent as at 1 January 2009.
- The annual update of the mortality base has added an amount of DKK 1.2bn to provisions.
- The Group's bonus potential decreased by DKK 17.8bn, to a total of DKK 55.4bn, as at 30 September 2008.
- Administration expenses amounted to DKK 28 for each ATP member and DKK 21 for each SP client.
- Investment expenses totalled DKK 25 for each ATP member and DKK 5 for each SP client.
- ATP's equity returns were a negative 14.7 per cent, compared with a negative 25 per cent in most equity markets.

## Results for the period

The overview 'Financial highlights of the ATP Group' reflects the main activities of the ATP Group. Net results were a loss of DKK 18.0bn.

The current period of extreme financial-market turbulence, sending equity prices tumbling, has impacted the results of the ATP Group, which fell significantly short of expectations. This will cause ATP's reserves to show a corresponding reduction, which is obviously not satisfactory. The reason why ATP was able to contain the loss at DKK 12.0bn before bonus additions, in the face of adverse equity-market conditions, is, not least, the decision to hedge part of the equity exposure by purchasing financial instruments.

Results can be broken down as follows:

Qs 1-3 2008 - DKK million	ATP	SP	Other <sup>1</sup>	Group
Investment-activity results	(12,411)	(4,995)	(197)	(17,603)
Hedging-activity results	536	0	0	536
Pension-activity results	(5,942)	0	0	(5,942)
Transferred to client deposits under the SP and SUPP schemes	0	5,023	0	5,023
Administration-activity results	24	1	7	32
Tax	0	0	(5)	(5)
<b>Net profit (loss) for the period</b>	<b>(17,793)</b>	<b>29</b>	<b>(195)</b>	<b>(17,959)</b>

1) Comprised primarily of reclassifications related to financial statement consolidation.

## Investment activities

The Group's investment activities comprise asset management of the ATP and SP schemes, including the SUPP scheme (the Supplementary Labour Market Pension Scheme for Disability Pensioners).

The introduction of mark-to-market accounting fundamentally changed the conditions for managing pension assets. This prompted ATP to divide its portfolio into two separate sub-portfolios to match the two main objectives to which the management of ATP's investments is subject:

- A hedging portfolio comprised primarily of interest-rate swaps, etc., the aim of which is to ensure optimal hedging of ATP's pension liabilities.
- An investment portfolio, the aim of which is to generate an absolute return that is sufficient to ensure growth in the bonus potential, thus making it possible to preserve the long-term purchasing power of pensions.

The hedging-portfolio return is included in hedging-activity results, while investment activities comprise other investments.

### **Hedging activities**

Hedging activities relate only to ATP. The market value of guaranteed benefits rises in case of interest-rate falls and declines in case of interest-rate rises. The objective of ATP's hedging activities is, primarily, to hedge the interest-rate risk related to ATP's guaranteed benefits. In other words, the objective of the hedging activities is not, *per se*, to generate a return.

The hedging portfolio may consist of long-dated bonds or similar financial instruments, e.g. interest-rate swaps. In principle, these instruments are subject to an interest-rate risk after tax that is equivalent to the interest-rate risk of the guaranteed benefits.

### **Pension activities**

Pension activities comprise the management of the ATP pension scheme and the SP and SUPP savings schemes (the Special Pension Savings Scheme and the Supplementary Labour Market Pension Scheme for Disability Pensioners).

The financial statements of the SP and SUPP schemes are presented as unit-linked schemes, entailing, among other things, that contribution payments and pension benefits are recognised directly in the item 'Provisions for unit-linked contracts' in the balance sheet.

Changes in guaranteed benefits due to changes in mortality are updated once a year at the end of H1.

### **Administration activities**

In relation to its pension activities, ATP sells administration services in the fields of pensions and social-security services to other schemes, including LG, AER, AES, *FerieKonto*, *Barsel.dk* and LD. These services are provided on a cost-recovery basis. ATP also sells administration services, etc., to labour-market pension schemes. These services are provided as part of the Group's administration activities.

Other customary income and expenses that cannot be attributed to pension or investment activities are recorded under the items 'Other Income' and 'Other expenses'.

### **Investment-activity results**

The Group's investment-activity results were a negative DKK 17.6bn after tax on pension-savings returns, which amounted to an income of DKK 4.0bn. ATP's investment-activity results were a negative DKK 12.4bn after tax. The investment-activity results posted by the SP and SUPP schemes, totalling a negative DKK 5.0bn, are transferred to client deposits.

### **The ATP investment portfolio**

In Qs 1-3, the overall market return on the investment portfolio was a negative DKK 5.3bn before tax, equivalent to a negative rate of return of 1.4 per cent.

The investment portfolio comprises a Beta portfolio and an Alpha portfolio.

- The Beta portfolio, totalling DKK 361.6bn, invests broadly in asset classes that are subject to a certain amount of investment risk, including listed and private equities, government and credit bonds, real estate, commodity-related investments, etc. Given that investors usually charge a premium for assuming investment risks, such investments tend, over time, to generate a higher return than risk-free investments. This return, which may be seen as compensation to investors for accepting greater risk, is known as 'Beta'.
- The Alpha portfolio is actively invested, e.g. through the purchase and sale of individual equities that are expected to go up or down within a given time horizon. The return achieved by active asset management is known as 'Alpha'.

ATP has separated the investment decisions relating to the Alpha and Beta portfolios and lodged the portfolio responsibility with a number of independent investment teams – the objective being to ensure that the investment approach is focused and flexible with a clear allocation of responsibilities and efficient decision-making processes.

Interest-rate swaps, the aim of which is to hedge ATP's pension liabilities, do not form part of the investment portfolio. Accordingly, the return on interest-rate swaps is not included in the market return on the investment portfolio.

In Qs 1-3, the overall market return on the investment portfolio was a negative DKK 5.3bn before tax, equivalent to a negative rate of return of 1.4 per cent. This figure includes a return of DKK 10.4bn, which has been transferred to the hedging portfolio. The return is transferred to the hedging portfolio because the hedging portfolio makes liquidity available to the investment portfolio. Allowing for financing costs, the return on the investment portfolio is thus a negative DKK 15.7bn.

The ATP investment portfolio <sup>1</sup>	Portfolio end of Q3 2008		Return Qs 1-3 2008	
	DKK billion	per cent	DKK million	per cent <sup>2</sup>
<b>Beta</b>	<b>361.6</b>	<b>100.0</b>	<b>(5,434.6)</b>	<b>(1.5)</b>
Nominal interest-rate risk	168.6	46.6	2,932.0	1.4
Credit risk	27.8	7.7	(586.6)	(1.8)
Equity-related risk	59.3	16.4	(12,534.4)	(14.7)
Inflation-related risk	89.7	24.8	2,242.4	3.1
Commodity-related risk	16.3	4.5	2,511.9	17.5
<b>Alpha</b>	<b>(0.1)</b>		<b>(106.4)</b>	<b>-</b>
<b>Other</b>	<b>6.1</b>		<b>221.8</b>	<b>-</b>
<b>Total investment portfolio</b>	<b>367.6</b>		<b>(5,319.2)</b>	<b>(1.4)</b>
<b>Transferred to hedging activities<sup>3</sup></b>	<b>(315.2)</b>		<b>(10,360.3)</b>	<b>3.4</b>
<b>Total investment portfolio after financing</b>			<b>(15,679.5)</b>	

1) Each figure is reconciled separately and, accordingly, rounding differences may occur.

2) ATP uses daily, time-weighted rates of return.

3) The hedging portfolio is primarily comprised of financial instruments designed to hedge ATP's pension liabilities.

Funds that are not tied up in the hedging portfolio are available for investment in the investment portfolio. A market rate is paid to hedging activities on these funds. This amount is referred to as "Transferred to hedging activities".

#### **In the Beta portfolio, nominal interest-rate risk, commodity-related risk and inflation-related risk generated positive returns**

In Qs 1-3, the overall Beta portfolio posted a negative return of DKK 5.4bn, equivalent to a negative rate of return of 1.5 per cent. The Beta portfolio is divided into five risk classes: nominal interest-rate risk, credit risk, equity-related risk, inflation-related risk and commodity-related risk. The nominal interest-rate risk class, achieving a return of DKK 2.9bn, or 1.4 per cent, accounted for the highest positive return, but commodity-related risk and inflation-related risk also made positive contributions of DKK 2.5bn and DKK 2.2bn, respectively, or 17.5 per cent and 3.1 per cent, respectively, to the return. The risk classes credit risk and equity-related risk posted negative returns. Credit risk thus yielded a negative return of DKK 0.6bn, equivalent to a negative rate of return of 1.8 per cent, while equity-related risk posted a negative return of DKK 12.5bn, equivalent to a negative 14.7 per cent.

- Nominal interest-rate risk posted positive return: The nominal interest-rate risk class generated a return of DKK 2.9bn, or 1.4 per cent. This portfolio comprises global bonds, domestic mortgage bonds and US mortgage bonds. The portfolio of global bonds, comprised primarily of domestic and foreign nominal bonds, produced a return of DKK 3.0bn, or 2.4 per cent. Domestic mortgage bonds posted a negative return of DKK 127m, equivalent to a negative 0.3 per cent, while US mortgage bonds achieved a return of DKK 38m, or 3.1 per cent.
- Credit risk: The credit-risk class generated a negative return of DKK 0.6bn, equivalent to a negative 1.8 per cent. This portfolio consists primarily of high-yield bonds and loans to credit institutions and funds. High-yield bonds are bonds issued by companies with low credit ratings or by developing countries. These bonds posted a negative return of DKK 1.1bn, equivalent to a negative rate of return of 6.6 per cent, while loans to credit institutions and funds generated a return of DKK 0.5bn, or 4.7 per cent.

- Trying conditions for equity-related risk: The equity-related risk class yielded a negative return of DKK 12.5bn, equivalent to a negative 14.7 per cent. This portfolio is comprised of listed domestic and foreign equities, including financial instruments, and private equities. The 14.7 per cent loss recorded by ATP should be seen in the context of losses of up to 25 per cent in most equity markets. The reason why ATP managed to contain the loss was the gain realised by hedging part of the equity exposure.

Listed domestic equities posted a negative return of DKK 8.5bn, or a negative 19.4 per cent.

Listed foreign equities recorded an overall negative return of DKK 4.5bn, equivalent to a negative rate of return of 16.5 per cent. Listed European equities, for their part, produced a negative return of DKK 0.8bn, equivalent to a negative 1.3 per cent, while the portfolio of listed equities domiciled outside Western Europe, consisting of listed US, Japanese and emerging market-equities, recorded a negative return of DKK 3.7bn, or a negative 28.8 per cent. Listed US equities produced a negative return of DKK 1.1bn, equivalent to a negative 18.9 per cent, while listed Japanese equities recorded a negative return of DKK 0.6bn, or a negative 22.4 per cent. Finally, the portfolio of listed emerging-market equities generated a negative return of DKK 2.0bn, equivalent to a negative 31.8 per cent.

Private equities recorded a return of DKK 0.5bn, or 3.2 per cent.

Since July 2007, equity options have been used to hedge a significant portion of the equity portfolio against equity-price falls. In Qs 1-3, equity hedging contributed positively to the return by DKK 2.2bn for listed domestic equities and DKK 4.0bn for listed European equities. As Denmark does not have a sufficiently large and liquid market for equity options, hedging of the domestic equity portfolio has been conducted in options on European equity indices.

As a consequence of the sharp equity-price falls in H1, hedging of listed European and US equities was increasingly realised, resulting in almost zero exposure in these markets at the end of H1. The portfolio of European and US listed equities was therefore sold at the end of H1, and the hedging of these portfolios was subsequently discontinued. Thus, holdings in these markets were close to zero in Q3.

- Positive return on inflation-related risk: The inflation-related risk class generated a return of DKK 2.2bn, equivalent to 3.1 per cent. This portfolio comprises index-linked bonds, real estate, foreign infrastructure investments and an externally managed, well-diversified beta portfolio – an All Weather portfolio. The portfolio of index-linked bonds recorded a return of DKK 1.5bn, equivalent to 3.4 per cent. Real-estate investments produced a return of DKK 0.2bn, or 1.3 per cent. All Weather and infrastructure investments recorded returns of DKK 0.6bn and a negative 0.1bn, respectively, equivalent to rates of return of 19.6 per cent and a negative 3.1 per cent, respectively.
- Strong contribution by commodity-related risk: The commodity-related risk class generated a return of DKK 2.5bn, or 17.5 per cent. As this portfolio is comprised exclusively of oil-related risk, the gain is attributable to rising oil prices. In order to protect part of the gain realised on the portfolio of oil-indexed bonds as a result of soaring oil prices around the end of H1, the portfolio was hedged against oil-price falls, using options, at the beginning of Q3. As oil prices fell during the quarter, the hedge contributed DKK 1.2bn for the commodity-related risk class in Q3.



## ATP Alpha

The objective of the ATP Alpha portfolio is to generate stable returns – which are independent of long-term developments in financial markets – and to limit potential losses through active position, portfolio and risk management. In Qs 1-3, ATP Alpha recorded an overall negative return of DKK 0.1bn. In ATP Alpha, the returns of the individual investments teams have exhibited a low degree of covariation.

Market-independent returns can be generated primarily by taking both long and short positions in financial markets. A positive return is achieved on long positions if the price goes up, while the opposite is true for short positions, which yield a positive return if the price goes down. This strategy requires a clear focus on active risk management to limit potential losses on individual positions as well as on the overall portfolio. Moreover, wide portfolio diversification ensures that the risk on individual positions is reduced significantly.

## SP investment activities

In Qs 1-3, SP's total market return on investments was a negative DKK 5.9bn before tax, equivalent to a negative rate of return of 11.2 per cent.

SP's assets are comprised of:

- SP funds invested directly by ATP
- SP funds invested by SP clients
- SUPP funds invested by ATP

SP funds invested by ATP on behalf of the clients – totalling 97.3 per cent of the total portfolio – are invested so as to ensure that the investment risk is adapted to the individual client's age. The portfolio allocation of clients up to age 45 is approximately 60 per cent equities and approximately 40 per cent bonds, while the portfolio allocation of clients aged over 65 is approximately 20 per cent equities and 80 per cent bonds. For clients between 45 and 65, the equity allocation is scaled down gradually from approximately 60 per cent to approximately 20 per cent.

Three funds under the ATP Invest mutual fund have been designed with different risk levels to provide for this age-dependent portfolio allocation.

The SP investment portfolio <sup>1</sup>	Portfolio end of Q3		Return Qs 1-3		
	DKK million	per cent	SP	SP <sup>2</sup>	Benchmark <sup>2</sup>
			DKK million	per cent	per cent
<b>SP funds invested directly by ATP</b>	<b>45,466</b>	<b>97.3</b>	<b>(5,714)</b>	<b>(11.1)</b>	
<i>ATP Invest Basis Lav Risiko</i>	7,550	16.3	(229)	(3.0)	(3.5)
<i>ATP Invest Basis Mellem Risiko</i>	12,406	27.1	(1,197)	(8.8)	(9.3)
<i>ATP Invest Basis Høj Risiko</i>	25,509	56.6	(4,288)	(14.1)	(14.9)
<b>SP funds invested by SP clients</b>	<b>181</b>	<b>0.4</b>	<b>(86)</b>	<b>(32.4)</b>	
<b>The SUPP scheme</b>	<b>1,099</b>	<b>2.3</b>	<b>(111)</b>	<b>(9.6)</b>	
<b>Total investment assets</b>	<b>46,746</b>		<b>(5,911)</b>	<b>(11.2)</b>	

1) Each figure is reconciled separately and, accordingly, rounding differences may occur.

2) ATP uses daily, time-weighted rates of return.

SP funds invested directly by ATP produced a negative return of DKK 5.7bn, equivalent to a negative rate of

return of 11.1 per cent. Overall, equity markets recorded significant negative returns, while bond markets produced small positive returns. Consequently, the equity allocation has been a key factor in the return achieved. Accordingly, *ATP Invest Basis Lav Risiko* (“ATP Invest Basic Low Risk”), the risk of which is lower due to its lower equity allocation, delivered the best return.

A benchmark has been established for each of the three basic sub-funds, based on market indices and market portfolios. The benchmarks reflect the strategic allocation targets of the portfolios. All three basic sub-funds outperformed their respective benchmarks.

SP funds invested by clients recorded a negative return of DKK 86m, equivalent to a negative rate of return of 32.4 per cent, in Qs 1-3. The return reflects that clients primarily opted for high-risk equity-based sub-funds, which generally recorded large negative returns, while bond-based sub-funds produced small positive returns.

ATP administers SUPP (the Supplementary Labour Market Pension Scheme for Disability Pensioners) within the framework of SP. This entails that the SUPP funds are managed as part of the SP portfolio. The SUPP funds are invested individually depending on the age of the individual client – exactly as with SP funds invested directly by ATP.

In Qs 1-3, the SUPP portfolio posted a negative return of DKK 111m, equivalent to a negative rate of return of 9.6 per cent, thus outperforming the portfolio of SP funds invested directly by ATP. The differential is attributable exclusively to a difference in age distribution. On account of the age distribution, the SUPP portfolio has a significantly lower equity allocation – 37 per cent of its funds are invested in the sub-fund *ATP Invest Basis Høj Risiko*, while the corresponding figure for SP funds invested directly by ATP is 56 per cent.

### **Hedging-activity results**

The ATP Group's hedging activities produced a gain of DKK 536m.

In Qs 1-3 2008, the market value of ATP's pension liabilities – guaranteed benefits – increased by DKK 11.2bn as a result of falling interest-rate during the period. At the same time, the value of the liabilities increased by DKK 8.8bn due to the shorter term to maturity of the liabilities. Between them, these changes produced an increase in guaranteed benefits of DKK 20.0bn.

The hedging portfolio produced a gain of DKK 24.2bn before tax. As a result, tax on pension-savings returns amounted to DKK 3.6bn. Thus the hedging portfolio produced a gain after tax of DKK 20.6bn.

The return on the hedging portfolio is comprised of financial instruments designed to hedge ATP's pension liabilities and interest income transferred from investment activities. In Qs 1-3, financial instruments produced a return of DKK 13.9bn, while interest income amounted to DKK 10.4bn.

Hedging activities recorded a gain of DKK 536m, which is included in the overall results for the period.

Hedging-activity results are impacted by the interest-rate differential between DKK-denominated claims and euro-denominated claims. In case of a reduction in the interest-rate differential between euro rates and Danish rates of 1 basis point (0.01 percentage point), hedging activities stand to lose DKK 0.4bn after tax on pension-savings returns.

### **Pension-activity results**

Before the 2 per cent increase in all current and future pensions and the annual update of the mortality base, the Group's pension-activity results were a profit of DKK 1.2bn.

It has been decided to increase all current and future pensions by 2 per cent, equivalent to a DKK 5.9bn increase in pension commitments, DKK 5.2bn of which represents ordinary revaluation, while DKK 735m represents compensation from the Danish Government after the amendment of the tax on pension savings returns.

The annual update of the mortality base, effected at 30 June 2008, resulted in an increase in guaranteed benefits of DKK 1.2bn.

Overall pension-activity results were negative by DKK 5.9bn following the 2 per cent increase in pension commitments and the update of the mortality base.

At the end of Q3 2008, the Group had received contributions totalling DKK 5.5bn and fee income of DKK 63m. During the period under review, pension benefits totalling DKK 6.2bn were paid to members, up DKK 554m on the same period last year. At the end of Q3, more than 690,000 pensioners received a lifelong pension from ATP – an increase of close to 16,000 pensioners relative to the same period last year.

Overall pension-activity results include a change in guaranteed benefits of DKK 2.0bn due mainly to the impact of the purchase of new pension rights for the contributions paid into the schemes and the benefit payouts under the schemes during the period.

At the end of Q3 2008, the Group had received fee income of DKK 63m. Fees to cover expenses are collected directly from individual SP clients. As at 30 September 2008, the number of clients was 2,987,000.

Some 8,000 clients opted to take advantage of free SP choice to invest their SP savings themselves. During the period under review, about 34,200 clients chose to transfer their SP deposits to external pension providers. Since 1 January 2005, a total of some 264,000 clients have transferred their SP deposits to different pension providers. However, ATP still manages almost 90 per cent of all SP funds.

#### **Administration-activity results**

The Group's administration-activity results, totalling DKK 32m, comprise sale of administration services to external clients and other related parties, as well as expenses incurred in the sale of administration services.

#### **Accounting policies**

The quarterly report of the ATP Group for Qs 1-3 2008 has been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and in accordance with additional Danish disclosure requirements as set out in 'Executive Order on Financial Reporting by the Danish Labour Market Supplementary Pension Scheme and the Special Pension Savings Scheme' (available in Danish only).

The accounting policies are consistent with those applied in the annual report for 2007.

## **Outlook for 2008**

Financial markets have seen extreme turbulence in the first three quarters of the year. Initially, the turbulence was sparked by the global financial crisis and recently, turbulence has been driven by the sharp global economic slowdown. At the end of Q3, equity markets had plunged by 25 per cent on average and during the beginning of Q4, they have taken a further tumble, falling by up to 20 per cent. The Supervisory and Executive Boards find that there is a risk of continued equity-price falls and expect a slight downward pressure on government-bond yields.

Against this backdrop, a loss of DKK 20-25bn is expected before recognition of additional provisions of DKK 1.2bn resulting from increases in life expectancy and bonus additions to pensions and pension commitments of DKK 5.9bn. This represents a downward adjustment by DKK 25bn from the expectations at the beginning of the year and DKK 18bn from the expectations at the end of H1.

The administration expenses of the ATP scheme are expected to go up from DKK 35 to DKK 40 for each member, while the average administration expenses of the SP scheme are expected to rise from DKK 26 to DKK 30.

ATP's investment-activity expenses are expected to increase from DKK 27 to DKK 36 for each member, due to expanded activities. SP's investment-activity expenses are, however, expected to remain at an average of DKK 6 per client.

Hillerød, 30 October 2008

Jørgen Søndergaard  
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# The ATP Group

## Income statement

DKK million	Qs 1-3 2008	Qs 1-3 2007	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007
<b>Contributions</b>	<b>5,527</b>	<b>5,549</b>	<b>1,835</b>	<b>1,827</b>	<b>1,865</b>	<b>1,714</b>	<b>1,814</b>
<b>Fees</b>	<b>63</b>	<b>67</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>	<b>22</b>
Income from associates	151	(37)	137	49	(35)	(322)	(38)
Income from investment properties	450	425	150	147	153	139	152
Interest income and dividends, etc.	10,371	12,542	2,884	4,043	3,444	3,642	3,741
Fee income	253	32	247	2	4	3	4
Market-value adjustments	(8,278)	(18,912)	8,779	(21,285)	4,228	(4,109)	7,953
Interest expenses	(10)	(5)	(4)	0	(6)	(1)	(3)
Fee expenses	(5)	(4)	(1)	(2)	(2)	(2)	(2)
Investment-activity expenses	(306)	(260)	(99)	(106)	(101)	(123)	(78)
Total investment return	<u>2,626</u>	<u>(6,219)</u>	<u>12,093</u>	<u>(17,152)</u>	<u>7,685</u>	<u>(773)</u>	<u>11,729</u>
Tax on pension-savings returns	<u>362</u>	<u>1,193</u>	<u>(1,001)</u>	<u>2,425</u>	<u>(1,062)</u>	<u>63</u>	<u>(1,493)</u>
<b>Investment return after tax on pension-savings returns</b>	<b>2,988</b>	<b>(5,026)</b>	<b>11,092</b>	<b>(14,727)</b>	<b>6,623</b>	<b>(710)</b>	<b>10,236</b>
Benefit payouts	(6,152)	(5,600)	(2,075)	(2,053)	(2,024)	(2,065)	(1,891)
Change in claims-outstanding provisions	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(3)</u>	<u>0</u>
Total pension benefits	<u>(6,152)</u>	<u>(5,598)</u>	<u>(2,075)</u>	<u>(2,053)</u>	<u>(2,024)</u>	<u>(2,068)</u>	<u>(1,891)</u>
Change in guaranteed benefits	(19,299)	19,190	(17,422)	9,023	(10,900)	(2,325)	(4,956)
Bonus addition for the year	(5,947)	0	(5,947)	0	0	(5,711)	0
Change in provisions for unit-linked contracts	5,023	(2,659)	1,936	840	2,247	646	(525)
Pension-activity expenses	<u>(189)</u>	<u>(189)</u>	<u>(61)</u>	<u>(66)</u>	<u>(62)</u>	<u>(50)</u>	<u>(58)</u>
<b>Technical profit</b>	<b>(17,986)</b>	<b>11,334</b>	<b>(10,622)</b>	<b>(5,135)</b>	<b>(2,229)</b>	<b>(8,481)</b>	<b>4,642</b>
<b>Other income</b>	<b>369</b>	<b>391</b>	<b>107</b>	<b>139</b>	<b>123</b>	<b>119</b>	<b>114</b>
<b>Other expenses</b>	<b>(337)</b>	<b>(327)</b>	<b>(109)</b>	<b>(129)</b>	<b>(99)</b>	<b>(160)</b>	<b>(103)</b>
<b>Profit (loss) before tax</b>	<b>(17,954)</b>	<b>11,398</b>	<b>(10,624)</b>	<b>(5,125)</b>	<b>(2,205)</b>	<b>(8,522)</b>	<b>4,653</b>
Tax	<u>(5)</u>	<u>(9)</u>	<u>(7)</u>	<u>3</u>	<u>(1)</u>	<u>(1)</u>	<u>(4)</u>
<b>Net profit (loss) for the period</b>	<b>(17,959)</b>	<b>11,389</b>	<b>(10,631)</b>	<b>(5,122)</b>	<b>(2,206)</b>	<b>(8,523)</b>	<b>4,649</b>
Minority interests' share of the profit (loss) for the period	(195)	84	(95)	(7)	(93)	(33)	5
The ATP Group's share of the net profit (loss) for the period	<u>(17,764)</u>	<u>11,305</u>	<u>(10,536)</u>	<u>(5,115)</u>	<u>(2,113)</u>	<u>(8,490)</u>	<u>4,644</u>
<b>Allocated results</b>	<b>(17,959)</b>	<b>11,389</b>	<b>(10,631)</b>	<b>(5,122)</b>	<b>(2,206)</b>	<b>(8,523)</b>	<b>4,649</b>

# The ATP Group

## Balance sheet

DKK million	Qs 1-3 2008	Qs 1-3 2007	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007
<b>ASSETS</b>							
<b>Total intangible assets</b>	<b>924</b>	<b>632</b>	<b>924</b>	<b>854</b>	<b>767</b>	<b>694</b>	<b>632</b>
Operating equipment	15	15	15	16	18	19	15
Owner-occupied properties	463	415	463	459	456	449	415
<b>Total property, plant and equipment</b>	<b>478</b>	<b>430</b>	<b>478</b>	<b>475</b>	<b>474</b>	<b>468</b>	<b>430</b>
Investment properties	10,121	9,986	10,121	10,105	10,329	10,273	9,986
Investments in associates	6,273	4,249	6,273	5,494	4,530	4,449	4,249
Equity investments	65,982	122,033	65,982	71,861	102,106	115,657	122,033
Mutual-fund units	17	1,661	17	20	23	82	1,661
Bonds	262,949	220,462	262,949	252,803	230,338	234,535	220,462
Derivative-financial instruments	18,176	11,400	18,176	14,767	19,609	11,470	11,400
Other loans	11,198	20	11,198	9,189	2,300	0	20
Loans to portfolio companies	9	5	9	9	9	9	5
<b>Total other financial investment assets</b>	<b>358,331</b>	<b>355,581</b>	<b>358,331</b>	<b>348,649</b>	<b>354,385</b>	<b>361,753</b>	<b>355,581</b>
<b>Total investment assets</b>	<b>374,725</b>	<b>369,816</b>	<b>374,725</b>	<b>364,248</b>	<b>369,244</b>	<b>376,475</b>	<b>369,816</b>
<b>Investment assets related to unit-linked contracts</b>	<b>46,746</b>	<b>55,187</b>	<b>46,746</b>	<b>49,214</b>	<b>50,434</b>	<b>53,469</b>	<b>55,187</b>
Deferred tax	5	0	5	5	6	6	0
Deferred tax on pension-savings returns	1,137	1,536	1,137	2,865	438	1,497	1,536
Contributions receivable	2,006	2,085	2,006	1,982	1,983	1,961	2,085
Other receivables	688	1,351	688	2,392	1,083	668	1,351
Interest receivable and accrued rent	3,805	3,673	3,805	3,949	3,030	3,373	3,673
Other prepayments	2,882	28	2,882	112	4,595	128	28
Tax receivable on pension-savings returns	735	0	735	56	54	54	0
Corporation tax	1	0	1	8	5	2	0
Cash in hand and demand deposits	2,644	6,662	2,644	5,118	6,577	5,879	6,662
<b>Total receivables and other assets</b>	<b>13,903</b>	<b>15,335</b>	<b>13,903</b>	<b>16,487</b>	<b>17,771</b>	<b>13,568</b>	<b>15,335</b>
<b>Total assets</b>	<b>436,776</b>	<b>441,400</b>	<b>436,776</b>	<b>431,278</b>	<b>438,690</b>	<b>444,674</b>	<b>441,400</b>
<b>LIABILITIES</b>							
<b>Total minority interests</b>	<b>758</b>	<b>908</b>	<b>758</b>	<b>741</b>	<b>749</b>	<b>778</b>	<b>908</b>
Guaranteed benefits	306,646	273,364	306,646	283,277	292,300	281,400	273,364
Claims-outstanding provisions	40	37	40	40	40	40	37
Bonus potential	55,357	81,666	55,357	65,898	70,961	73,147	81,666
Revaluation reserve	58	4	58	53	34	34	4
<b>Total bonus potential</b>	<b>55,415</b>	<b>81,670</b>	<b>55,415</b>	<b>65,951</b>	<b>70,995</b>	<b>73,181</b>	<b>81,670</b>
Provisions for unit-linked contracts	46,542	53,616	46,542	48,691	49,879	52,574	53,616
Provisions for the SUPP scheme	1,207	1,061	1,207	1,181	1,149	1,112	1,061
<b>Total pension provisions</b>	<b>409,850</b>	<b>409,748</b>	<b>409,850</b>	<b>399,140</b>	<b>414,363</b>	<b>408,307</b>	<b>409,748</b>
Short-term loans	54	61	54	64	92	101	61
Amounts owed to credit institutions	0	20	0	0	0	0	20
Derivative-financial instruments	18,033	27,948	18,033	29,490	15,691	28,798	27,948
Tax payable on pension-savings returns	0	476	0	0	0	0	476
Other payables	8,081	2,239	8,081	1,843	7,795	6,690	2,239
<b>Total payables</b>	<b>26,168</b>	<b>30,744</b>	<b>26,168</b>	<b>31,397</b>	<b>23,578</b>	<b>35,589</b>	<b>30,744</b>
<b>Total liabilities</b>	<b>436,776</b>	<b>441,400</b>	<b>436,776</b>	<b>431,278</b>	<b>438,690</b>	<b>444,674</b>	<b>441,400</b>

## The ATP Group

### Note 1 – Cash flow statement

DKK million	Qs 1-3 2008	Qs 1-3 2007	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007
<b>Cash flows from operating activities</b>							
Received in respect of pension activities	(1,663)	(130)	(925)	(181)	(557)	(944)	(71)
Management income received	9,115	13,685	2,560	11,181	(4,626)	9,230	(2,629)
Tax paid on pension-savings returns	47	900	47	0	0	(120)	900
Other operating activities	(538)	(1,176)	(287)	(309)	58	(73)	(951)
Total	<u>6,961</u>	<u>13,279</u>	<u>1,395</u>	<u>10,691</u>	<u>(5,125)</u>	<u>8,093</u>	<u>(2,751)</u>
<b>Net cash flow from investing activities</b>							
Purchase and sale of investment assets	(9,880)	(10,702)	(3,771)	(12,030)	5,921	(8,791)	3,165
Intangible assets	(233)	(219)	(58)	(96)	(79)	(76)	(73)
Property, plant and equipment	(83)	(2)	(40)	(24)	(19)	(9)	(2)
Total	<u>(10,196)</u>	<u>(10,923)</u>	<u>(3,869)</u>	<u>(12,150)</u>	<u>5,823</u>	<u>(8,876)</u>	<u>3,090</u>
Change in cash and cash equivalents	(3,235)	2,356	(2,474)	(1,459)	698	(783)	339
Cash and cash equivalents, beginning of period	<u>5,879</u>	<u>4,306</u>	<u>5,118</u>	<u>6,577</u>	<u>5,879</u>	<u>6,662</u>	<u>6,323</u>
<b>Cash and cash equivalents, end of period</b>	<b><u>2,644</u></b>	<b><u>6,662</u></b>	<b><u>2,644</u></b>	<b><u>5,118</u></b>	<b><u>6,577</u></b>	<b><u>5,879</u></b>	<b><u>6,662</u></b>



## The ATP Group

### Note 2 – Contingent liabilities

DKK million	Qs 1-3 2008	Qs 1-3 2007	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007
Collateral security in respect of derivatives	17,132	17,284	17,132	21,568	11,016	24,795	17,284
Rental/lease obligations	111	110	111	118	125	132	110
Investment commitments, equity investments and commitments made by ATP Private Equity Partners	15,488	12,807	15,488	13,437	13,650	10,889	12,807
Investment commitments, equity investments and commitments made by ATP Timberland Invest K/S	1,328	0	1,328	1,183	0	0	0
Investment commitments, real-estate funds	4,829	4,250	4,829	3,939	3,626	3,950	4,250
Investment commitments, infrastructure funds	4,219	2,719	4,219	1,833	1,697	2,414	2,719
Investment commitments, credit funds	5,750	0	5,750	4,597	2,024	0	0
Investment commitments, biotech companies	920	0	920	0	0	0	0
Loan commitments, credit institutions	3,800	15,000	3,800	5,800	12,700	15,000	15,000
Loan commitments, credit funds	18,730	0	18,730	18,921	0	0	0
Agreements concluded on the supply of IT systems	124	256	124	145	239	310	256

ATP has joint VAT registration with a number of subsidiaries. These subsidiaries are jointly and severally liable for payment of VAT and payroll tax included in the joint registration for VAT.

# The ATP Group

## Note 3 – Pension provisions

DKK million	Qs 1-3 2008	Qs 1-3 2007	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007
<b>Guaranteed benefits</b>							
Market value, beginning of period	281,400	292,554	283,277	292,300	281,400	273,364	268,408
Change in provisions for the period	19,299	(19,190)	17,422	(9,023)	10,900	2,325	4,956
Bonus provisions	5,947	0	5,947	0	0	5,711	0
Market value, end of period	<u>306,646</u>	<u>273,364</u>	<u>306,646</u>	<u>283,277</u>	<u>292,300</u>	<u>281,400</u>	<u>273,364</u>
Change in provisions for the period:							
Contributions	5,527	5,549	1,835	1,827	1,865	1,714	1,814
Pension benefits	(6,152)	(5,600)	(2,075)	(2,053)	(2,024)	(2,066)	(1,891)
Change in mortality	1,213	737	31	1,182	0	7	8
Change in discount rate	11,236	(25,227)	15,150	(12,410)	8,496	940	3,097
Other changes	7,475	5,351	2,481	2,431	2,563	1,730	1,928
Total	<u>19,299</u>	<u>(19,190)</u>	<u>17,422</u>	<u>(9,023)</u>	<u>10,900</u>	<u>2,325</u>	<u>4,956</u>
<b>Claims-outstanding provisions</b>							
Balance, beginning of period	40	39	40	40	40	37	37
Change in provisions for the period	0	(2)	0	0	0	3	0
Balance, end of period	<u>40</u>	<u>37</u>	<u>40</u>	<u>40</u>	<u>40</u>	<u>40</u>	<u>37</u>
<b>Bonus potential</b>							
Bonus potential:							
Balance, beginning of period	72,808	70,097	65,572	70,702	72,808	81,401	76,761
Changes during the period	(17,817)	11,303	(10,581)	(5,130)	(2,106)	(8,593)	4,640
Balance, end of period	<u>54,991</u>	<u>81,400</u>	<u>54,991</u>	<u>65,572</u>	<u>70,702</u>	<u>72,808</u>	<u>81,401</u>
Adjustment pool:							
Balance, beginning of period	339	265	326	259	339	266	260
Changes during the period	27	1	40	67	(80)	73	6
Balance, end of period	<u>366</u>	<u>266</u>	<u>366</u>	<u>326</u>	<u>259</u>	<u>339</u>	<u>266</u>
Revaluation reserve:							
Balance, beginning of period	34	4	53	34	34	3	3
Changes during the period	24	0	5	19	0	31	0
Balance, end of period	<u>58</u>	<u>4</u>	<u>58</u>	<u>53</u>	<u>34</u>	<u>34</u>	<u>3</u>
Total bonus potential	<u>55,415</u>	<u>81,670</u>	<u>55,415</u>	<u>65,951</u>	<u>70,995</u>	<u>73,181</u>	<u>81,670</u>
<b>Provisions for unit-linked contracts</b>							
Balance, beginning of period	52,574	52,284	48,691	49,879	52,574	53,616	53,471
Changes during the period	(6,032)	1,332	(2,149)	(1,188)	(2,695)	(1,042)	145
Balance, end of period	<u>46,542</u>	<u>53,616</u>	<u>46,542</u>	<u>48,691</u>	<u>49,879</u>	<u>52,574</u>	<u>53,616</u>
<b>Provisions for the SUPP scheme</b>							
Balance, beginning of period	1,112	856	1,181	1,149	1,112	1,061	993
Changes during the period	95	205	26	32	37	51	68
Balance, end of period	<u>1,207</u>	<u>1,061</u>	<u>1,207</u>	<u>1,181</u>	<u>1,149</u>	<u>1,112</u>	<u>1,061</u>
<b>Total pension provisions</b>	<b><u>409,850</u></b>	<b><u>409,748</u></b>	<b><u>409,850</u></b>	<b><u>399,140</u></b>	<b><u>414,363</u></b>	<b><u>408,307</u></b>	<b><u>409,748</u></b>

# ATP

## Income statement

DKK million	Qs 1-3 2008	Qs 1-3 2007	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007
<b>Contributions</b>	<b>5,527</b>	<b>5,549</b>	<b>1,835</b>	<b>1,827</b>	<b>1,865</b>	<b>1,714</b>	<b>1,814</b>
Income from subsidiaries	(2,986)	3,497	(1,082)	686	(2,590)	423	1,194
Income from associates	2	(66)	55	(5)	(48)	(387)	(48)
Income from investment properties	273	259	89	89	95	82	83
Interest income and dividends, etc.	7,041	9,503	1,796	2,833	2,412	2,798	2,616
Fee income	253	32	247	3	3	3	4
Market-value adjustments	4,291	(22,578)	13,394	(19,705)	10,602	(2,921)	7,274
Interest expenses	(12)	0	(2)	(5)	(5)	0	0
Fee expenses	(5)	(4)	(1)	(2)	(2)	(2)	(2)
Investment-activity expenses	(115)	(71)	(35)	(41)	(39)	(50)	(18)
Total investment return	<u>8,742</u>	<u>(9,428)</u>	<u>14,461</u>	<u>(16,147)</u>	<u>10,428</u>	<u>(54)</u>	<u>11,103</u>
Tax on pension-savings returns	(562)	1,661	(1,379)	2,277	(1,460)	(39)	(1,402)
<b>Investment return after tax on pension-savings returns</b>	<b>8,180</b>	<b>(7,767)</b>	<b>13,082</b>	<b>(13,870)</b>	<b>8,968</b>	<b>(93)</b>	<b>9,701</b>
Benefit payouts	(6,152)	(5,600)	(2,075)	(2,053)	(2,024)	(2,065)	(1,891)
Change in claims-outstanding provisions	0	2	0	0	0	(3)	0
Total pension benefits	<u>(6,152)</u>	<u>(5,598)</u>	<u>(2,075)</u>	<u>(2,053)</u>	<u>(2,024)</u>	<u>(2,068)</u>	<u>(1,891)</u>
Change in guaranteed benefits	(19,299)	19,190	(17,422)	9,023	(10,900)	(2,325)	(4,956)
Bonus addition for the year	(5,947)	0	(5,947)	0	0	(5,711)	0
Pension-activity expenses	(126)	(123)	(44)	(42)	(40)	(34)	(38)
<b>Technical profit</b>	<b>(17,817)</b>	<b>11,251</b>	<b>(10,571)</b>	<b>(5,115)</b>	<b>(2,131)</b>	<b>(8,517)</b>	<b>4,630</b>
<b>Other income</b>	<b>467</b>	<b>488</b>	<b>132</b>	<b>172</b>	<b>163</b>	<b>144</b>	<b>144</b>
<b>Other expenses</b>	<b>(443)</b>	<b>(436)</b>	<b>(137)</b>	<b>(168)</b>	<b>(138)</b>	<b>(189)</b>	<b>(134)</b>
<b>Net profit (loss) for the period</b>	<b>(17,793)</b>	<b>11,303</b>	<b>(10,576)</b>	<b>(5,111)</b>	<b>(2,106)</b>	<b>(8,562)</b>	<b>4,640</b>
<b>Allocation of results</b>							
Transferred to/from bonus potential	(17,793)	11,303	(10,576)	(5,111)	(2,106)	(8,562)	4,640
<b>Ratios</b>							
Return before tax on pension-savings returns (per cent)	3	(3)	4	(4)	3	(0)	3
Return after tax on pension-savings returns (per cent)	2	(2)	4	(4)	3	(0)	3
Members (number in thousands)	4,591	4,505	4,591	4,572	4,534	4,520	4,505
<b>Expenses</b>							
Pension-activity expenses per member (DKK)	28	28	10	9	9	8	8
Investment-activity expenses per member (DKK)	25	16	8	9	9	11	4

# ATP

## Balance sheet

DKK million	Qs 1-3 2008	Qs 1-3 2007	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007
<b>ASSETS</b>							
<b>Total intangible assets</b>	<b>923</b>	<b>626</b>	<b>923</b>	<b>853</b>	<b>754</b>	<b>690</b>	<b>626</b>
Operating equipment	13	15	13	14	27	17	15
Owner-occupied properties	438	392	438	437	434	427	392
<b>Total property, plant and equipment</b>	<b>451</b>	<b>407</b>	<b>451</b>	<b>451</b>	<b>461</b>	<b>444</b>	<b>407</b>
Investment properties	6,701	6,553	6,701	6,690	6,824	6,769	6,553
Investments in subsidiaries	40,807	48,704	40,807	42,060	48,308	50,385	48,704
Loans to subsidiaries	33	33	33	33	33	33	33
Investments in associates	4,317	3,562	4,317	3,802	3,062	3,195	3,562
<i>Total investments in subsidiaries and associates</i>	<i>45,157</i>	<i>52,299</i>	<i>45,157</i>	<i>45,895</i>	<i>51,403</i>	<i>53,613</i>	<i>52,299</i>
Equity investments	42,569	94,451	42,569	48,455	75,827	87,185	94,451
Mutual-fund units	0	1,652	0	0	0	51	1,652
Bonds	250,732	204,527	250,732	240,243	214,730	218,556	204,527
Derivative-financial instruments	17,824	10,820	17,824	14,371	18,970	10,695	10,820
Other loans	11,198	20	11,198	9,189	2,300	0	20
<i>Total other financial investment assets</i>	<i>322,323</i>	<i>311,470</i>	<i>322,323</i>	<i>312,258</i>	<i>311,827</i>	<i>316,487</i>	<i>311,470</i>
<b>Total investment assets</b>	<b>374,181</b>	<b>370,322</b>	<b>374,181</b>	<b>364,843</b>	<b>370,054</b>	<b>376,869</b>	<b>370,322</b>
Deferred tax on pension-savings returns	243	1,537	243	2,314	37	1,497	1,537
Contributions receivable	1,956	2,062	1,956	1,956	1,956	1,934	2,062
Receivables from subsidiaries	58	62	58	47	59	61	62
Other receivables	286	519	286	2,129	623	313	519
Interest receivable and accrued rent	3,529	3,323	3,529	3,693	2,752	3,103	3,323
Tax on pension-savings returns	735	0	735	0	0	0	0
Cash in hand and demand deposits	1,225	4,978	1,225	3,290	4,563	3,947	4,978
<b>Total receivables and other assets</b>	<b>8,032</b>	<b>12,481</b>	<b>8,032</b>	<b>13,429</b>	<b>9,990</b>	<b>10,855</b>	<b>12,481</b>
<b>Total assets</b>	<b>383,587</b>	<b>383,836</b>	<b>383,587</b>	<b>379,576</b>	<b>381,259</b>	<b>388,858</b>	<b>383,836</b>
<b>LIABILITIES</b>							
Guaranteed benefits	306,646	273,364	306,646	283,277	292,300	281,400	273,364
Claims-outstanding provisions	40	37	40	40	40	40	37
Bonus potential	55,049	81,404	55,049	65,625	70,736	72,842	81,404
<b>Total pension provisions</b>	<b>361,735</b>	<b>354,805</b>	<b>361,735</b>	<b>348,942</b>	<b>363,076</b>	<b>354,282</b>	<b>354,805</b>
Short-term loans	54	61	54	64	92	101	61
Amounts owed to credit institutions	0	20	0	0	0	0	20
Payables to subsidiaries	0	0	0	0	0	1	0
Derivative-financial instruments	17,128	27,940	17,128	29,406	15,672	28,756	27,940
Other payables	4,670	1,010	4,670	1,164	2,419	5,718	1,010
<b>Total payables</b>	<b>21,852</b>	<b>29,031</b>	<b>21,852</b>	<b>30,634</b>	<b>18,183</b>	<b>34,576</b>	<b>29,031</b>
<b>Total liabilities</b>	<b>383,587</b>	<b>383,836</b>	<b>383,587</b>	<b>379,576</b>	<b>381,259</b>	<b>388,858</b>	<b>383,836</b>

# SP

## Income statement

DKK million	Qs 1-3 2008	Qs 1-3 2007	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007
<b>Fees</b>	<b>63</b>	<b>67</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>	<b>22</b>
Interest income and dividends, etc.	39	20	8	24	7	3	3
Market-value adjustments	(5,934)	3,119	(2,279)	(1,008)	(2,647)	(680)	618
Interest expenses	(10)	0	(2)	(2)	(6)	(1)	0
Investment-activity expenses	(14)	(12)	(4)	(4)	(6)	(6)	(2)
Total investment return	<u>(5,919)</u>	<u>3,127</u>	<u>(2,277)</u>	<u>(990)</u>	<u>(2,652)</u>	<u>(684)</u>	<u>619</u>
Tax on pension-savings returns	<u>924</u>	<u>(469)</u>	<u>378</u>	<u>148</u>	<u>398</u>	<u>103</u>	<u>(93)</u>
<b>Investment return after tax on pension-savings returns</b>	<b>(4,995)</b>	<b>2,658</b>	<b>(1,899)</b>	<b>(842)</b>	<b>(2,254)</b>	<b>(581)</b>	<b>526</b>
Change in provisions for unit-linked contracts	4,930	(2,621)	1,899	821	2,210	637	(515)
Change in provisions for the SUPP scheme	93	(38)	37	19	37	9	(10)
Pension-activity expenses	<u>(63)</u>	<u>(66)</u>	<u>(17)</u>	<u>(24)</u>	<u>(22)</u>	<u>(16)</u>	<u>(19)</u>
<b>Technical profit</b>	<b>28</b>	<b>0</b>	<b>40</b>	<b>(5)</b>	<b>(7)</b>	<b>72</b>	<b>4</b>
<b>Other income</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net profit (loss) for the period</b>	<b><u>29</u></b>	<b><u>2</u></b>	<b><u>40</u></b>	<b><u>(4)</u></b>	<b><u>(7)</u></b>	<b><u>72</u></b>	<b><u>4</u></b>
<b>Ratios</b>							
Return before tax on pension-savings returns (per cent)	(11)	6	(5)	(2)	(5)	(1)	1
Return after tax on pension-savings returns (per cent)	(9)	5	(4)	(2)	(4)	(1)	1
Clients (number in thousands)	2,987	3,140	2,987	3,002	3,018	3,040	3,051
<b>Expenses</b>							
Pension-activity expenses per client (DKK)	21	21	6	8	7	5	6
Investment-activity expenses per client (DKK)	5	4	2	1	2	2	1

## SP

### Balance sheet

DKK million	Qs 1-3 2008	Qs 1-3 2007	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007
<b>ASSETS</b>							
Mutual-fund units	46,746	55,187	46,746	49,214	50,434	53,469	55,187
<b>Investment assets related to unit-linked contracts</b>	<b>46,746</b>	<b>55,187</b>	<b>46,746</b>	<b>49,214</b>	<b>50,434</b>	<b>53,469</b>	<b>55,187</b>
Contributions receivable	50	24	50	26	27	27	24
Other receivables	925	11	925	610	456	54	11
Other prepayments	8	0	8	9	11	106	0
Demand deposits	408	224	408	359	380	394	224
<b>Total receivables and other assets</b>	<b>1,391</b>	<b>259</b>	<b>1,391</b>	<b>1,004</b>	<b>874</b>	<b>581</b>	<b>259</b>
<b>Total assets</b>	<b>48,137</b>	<b>55,446</b>	<b>48,137</b>	<b>50,218</b>	<b>51,308</b>	<b>54,050</b>	<b>55,446</b>
<b>LIABILITIES</b>							
Adjustment pool	367	266	367	326	333	339	266
Provisions for unit-linked contracts	46,542	53,616	46,542	48,691	49,805	52,574	53,616
Provisions for the SUPP scheme	1,207	1,061	1,207	1,181	1,148	1,112	1,061
<b>Total pension provisions</b>	<b>48,116</b>	<b>54,943</b>	<b>48,116</b>	<b>50,198</b>	<b>51,286</b>	<b>54,025</b>	<b>54,943</b>
Payables to subsidiaries	15	9	15	18	19	9	9
Other payables	6	494	6	2	3	16	494
<b>Total payables</b>	<b>21</b>	<b>503</b>	<b>21</b>	<b>20</b>	<b>22</b>	<b>25</b>	<b>503</b>
<b>Total liabilities</b>	<b>48,137</b>	<b>55,446</b>	<b>48,137</b>	<b>50,218</b>	<b>51,308</b>	<b>54,050</b>	<b>55,446</b>