

# Interim report for the first half of 2008

## Growth in earned premiums and insurance earnings but weaker investment return

### Highlights (compared with the first half-year of 2007)

- Gross earned premiums were DKK 8,571m, up 4.9% in local currency terms (5.7% in DKK terms).
- Technical result was up by 3.4% to DKK 1,321m
- Combined ratio of 87.6
- Gross investment return of 0.9%. Investment return of DKK -500m after transfer of technical interest
- Pre-tax profit of DKK 801m
- Profit after tax of DKK 534m
- 17% return on equity before tax

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- The number of policies increased by 171,500 in the first half of 2008, of which Finland and Sweden accounted for 111,500.
- TrygVesta has signed a cooperation agreement with DLG for the distribution of insurance products in Denmark and Sweden.
- The full-year outlook for premium growth is retained at 5%. The outlook for the technical result is increased from DKK 2.4bn to DKK 2.6bn and the outlook for combined ratio is improved to 88 from 89. The pre-tax profit outlook is retained at DKK 2.3bn, however, the outlook for net income is lowered by DKK 100m to DKK 1.5bn due to lower tax-free equity income.

**TrygVesta hosts a webcast and teleconference on Tuesday, 19 August 2008, at 9:30 CET**  
 To participate in the teleconference, please call +44 208 817 9301 or +45 70 26 50 40.

The interim financial statements are unaudited.

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## Financial highlights and key ratios

DKKm	FY 2007	Q2 2007	Q2 2008	Change 2007/2008	H1 2007	H1 2008	Change 2007/2008
<b>Income statement</b>							
Gross premiums earned	16,606	4,107	4,338	5.6%	8,106	8,571	5.7%
Gross claims incurred	-11,175	-2,762	-2,840	-2.8%	-5,523	-5,699	-3.2%
Gross expenses	-2,769	-690	-743	-7.7%	-1,380	-1,459	-5.7%
Profit/loss on gross business	2,662	655	755	15.3%	1,203	1,413	17.5%
Profit/loss on ceded business	-343	-30	-205	-583.3%	-165	-353	-113.9%
Technical interest, net of reinsurance	501	120	134	11.7%	240	261	8.8%
<b>Technical result</b>	<b>2,820</b>	<b>745</b>	<b>684</b>	<b>-8.2%</b>	<b>1,278</b>	<b>1,321</b>	<b>3.4%</b>
Return on investment activities after transfer to insurance activities	340	322	-135	-457	474	-500	-974
Other income and expenses	-51	-5	-9	-4	-7	-20	-13
<b>Profit/loss before tax</b>	<b>3,109</b>	<b>1,062</b>	<b>540</b>	<b>-461</b>	<b>1,745</b>	<b>801</b>	<b>-987</b>
Tax	-842	-208	-184	24	-385	-267	118
<b>Profit/loss, continuing business</b>	<b>2,267</b>	<b>854</b>	<b>356</b>	<b>-437</b>	<b>1,360</b>	<b>534</b>	<b>-869</b>
Profit/loss on discontinued and divested business after tax	-1	1	0	-1	0	0	0
<b>Profit/loss</b>	<b>2,266</b>	<b>855</b>	<b>356</b>	<b>-438</b>	<b>1,360</b>	<b>534</b>	<b>-869</b>
Run-off result, net of reinsurance	743	195	220	25	322	393	71
<b>Balance sheet</b>							
Total technical provisions	26,916				28,028	27,967	
Total insurance assets	1,587				1,691	1,368	
Total shareholders' equity	10,010				9,135	8,846	
Total assets	43,830				43,390	42,854	
<b>Key ratios</b>							
Gross claims ratio	67.3	67.3	65.5	1.8	68.1	66.5	1.6
Business ceded as a percentage of gross premiums	2.1	0.7	4.7	-4.0	2.0	4.1	-2.1
Claims ratio, net of ceded business	69.4	68.0	70.2	-2.2	70.1	70.6	-0.5
Gross expense ratio	16.7	16.8	17.1	-0.3	17.0	17.0	0.0
Combined ratio	86.1	84.8	87.3	-2.5	87.1	87.6	-0.5
<b>Other data</b>							
Return on equity before tax and discontinued and divested business p.a. (	31				37	17	
Earnings per share, continuing business (DKK)	33.5				20.1	8.1	
Net asset value per share (DKK)	148				135	134	
Share price (DKK)	388				461.5	335.0	
Average number of shares (1,000) *	67,648				67,660	67,188	
Number of shares (1,000) *	67,638				67,589	66,231	
Number of full-time employees, end of period	3814				3,784	3,953	

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

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## The Group's performance

Compared with the first half-year of 2007, unless otherwise indicated.

- Premium growth of 4.9% in local currency terms (5.7% in DKK terms) in first half of 2008
- Claims ratio down by 1.6 percentage points to 66.5
- Expense ratio retained at 17.0 despite strong growth and higher payroll costs
- Higher claims expenses in the Nordic region and particularly on building insurance may result in new initiatives to maintain profitability

### Premium growth of 4.9%

The Group recorded gross earned premiums of DKK 8,571m in the first half-year of 2008, which was DKK 465m, or 4.9% in local currency terms (5.7% in DKK terms), more than in the same period of 2007. The increase was primarily attributable to strong growth in Private & Commercial Norway and Corporate of 4.1% and 6.6%, respectively, in local currency terms.

Activities in Finland and Sweden recorded aggregate growth of 81.4% or DKK 118m to DKK 263m in the first half of 2008, and the total portfolio in the new markets stood at DKK 630m at 30 June 2008. Growth was attributable to a sustained high inflow of customers. In Finland, it was a direct result of the sales organisation being enhanced and enlarged. Sweden and Finland accounted for 1.5 percentage points and Denmark and Norway accounted for 3.4 percentage points of the Group's total premium growth of 4.9%.

In the second quarter of 2008, Private & Commercial Norway contributed growth of 4.7% in local currency terms, compared with 3.6% in the first quarter of 2008. The sustained improvement was attributable to an increased inflow of customers and to the price increases which were initiated in 2007 and continued in 2008. In Private & Commercial Denmark, gross earned premiums were 0.7% higher (0.8% after bonus/premium rebates) in the second quarter of 2008. The performance of Private & Commercial Denmark was below expectations. Backed by various initiatives within motor and house owners' insurance launched in the first half-year of 2008, premium growth is expected to increase during the remainder of 2008.

Year-to-date, the portfolio had grown by a net amount of some 171,500 policies, with Finland and Sweden accounting for 111,500 policies.

### Claims

Gross claims rose 3.2% to DKK 5,699m compared with DKK 5,523m in the first half of 2007. The claims ratio, net of ceded business, was 70.6 in the first half-year of 2008 against 70.1 in the same period of 2007. The DKK 176m increase in gross claims incurred was primarily attributable to higher repair costs as a result of higher wages and higher costs of materials. On the other hand, the first six months of 2008 were favourably affected by run-off gains amounting to DKK 393m against DKK 322m in the same period of 2007.

The number of large claims was lower than expected in the first half of 2008 and lower than the same period of 2007. Large claims amounted to DKK 179m (DKK 155m net) before reinsurance compared with DKK 473m (DKK 312m net) in the first half of 2007.

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Weather-related claims were DKK 57m compared with DKK 101m in the first half-year of 2007. The reduction was primarily due to the mild winter.

Adjusted for the effect of large claims, weather-related claims, run-off results and interest rates, the underlying claims ratio increased. This was primarily attributable to Private & Commercial Denmark, which recorded higher average building claims and higher claims within the health area. The higher average building claims were driven by higher wages and higher costs of materials. To counter the effect of these factors on the Group's financial results, TrygVesta has already launched a number of initiatives and additional measures have been scheduled to maintain the favourable claims level.

#### **Costs kept steady despite high level of sales**

Selling, marketing and administrative expenses at DKK 1,459m were up by DKK 79m, or 5.7%, in the first six months of 2008. The performance was impacted by the continued expansion in Finland and Sweden, which together recorded expenses of DKK 48m more than in the first half of last year. Expenses in the Norwegian and Danish activities increased by 3.6%. The Group's gross expense ratio was unchanged at 17.0. The expense ratio in the Norwegian and Danish activities fell to 15.7 from 16.0.

The development in expenses included higher payroll costs, generally up by approximately 6% in the Danish and Norwegian financial sectors in the first half of 2008. Staff turnover in Norway was furthermore affected by strong demand for qualified employees in the labour market. As a result of the general pay increases, TrygVesta will increase its focus on costs in the second half of 2008.

#### **Technical result**

The technical result amounted to a profit of DKK 1,321m in the first half-year of 2008, an improvement of 3.4%, or DKK 43m, attributable to strong premium growth, run-off gains and a higher level of interest rates. The improvement was furthermore achieved despite costs related to the expansion in Finland and Sweden.

In the second quarter of 2008, the technical result amounted to a profit of DKK 684m, or DKK 61m lower than in the same period of 2007. Contributing factors included a higher number of claims, higher costs of health claims and higher selling expenses. Moreover, the Norwegian private business was hit by a higher number of and more expensive claims relating to fires in single-family houses.

#### **Combined ratio affected by claims inflation**

The combined ratio amounted to 87.6 in the first half of 2008 relative to 87.1 in the same period of 2007. The adverse development was mainly attributable to higher average building claims, higher motor claims frequencies and higher selling expenses. Large claims and weather-related claims had an impact of 1.8 and 0.7 percentage point(s), respectively. Run-off gains had a favourable impact on the combined ratio of 4.8 percentage points.

#### **Investment return**

The investment portfolio amounted to a total of approximately DKK 37.1bn at 30 June 2008. Investment activities yielded a total return of DKK 14m compared with DKK 923m in the first half of 2007. The decline was primarily attributable to a loss in the value of equities of DKK 466m in aggregate against a DKK 458m gain in the first six months of 2007. Capital losses on equities mainly occurred in the first quarter of 2008, whereas the price falls in June 2008 had a more limited effect on the second quarter investment return as a result of the lower weight to equity investment implemented at the beginning of January 2008.

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Rising bond yields throughout the second quarter of 2008 resulted in a negative bond return, which was largely off-set by value adjustments of provisions as a result of a higher discount rate.

After transfer of technical interest of DKK 725m and other financial income and expenses, the investment result amounted to a net loss of DKK 500m, which was DKK 974m lower than in the same period of 2007.

In the second quarter of 2008, the investment result amounted to a net loss of DKK 135m against a net profit of DKK 322m in the same period of 2007. Equities accounted for a DKK 44m loss in the second quarter of 2008.

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

### **Profit before and after tax**

The Group posted a pre-tax profit of DKK 801m against DKK 1,745m in the same period of 2007. The performance was composed of a strong technical result of DKK 1,321m, an improvement of DKK 43m on the same period of 2007, and a loss on investment activities of DKK 500m, which was DKK 974m lower than in the same period of 2007.

Profit after tax was DKK 534m in the first half of 2008 against DKK 1,360m in the same period of 2007.

Capital losses on equities are non-deductible and based on the Group's capital losses of the first half-year, the effective tax rate was 33%.

### **Return on equity**

At 30 June 2008, equity stood at DKK 8,846m against DKK 10,010m at 1 January 2008. The change was primarily attributable to a dividend payment of DKK 1,156m, share buybacks of DKK 424m and the favourable impact of the financial results for the first half-year of 2008. The annualised return on equity was 17% before tax in the first six months of 2008.

### **Operational highlights**

- Competition changed in the first half-year of 2008, as the small Danish insurers refocused on balancing price and risk. In Norway, the companies leveraged on the opportunity to create a better balance between higher average claims and premium performance through new premium adjustments.
- In June 2008, the Group's roadside assistance product ("Tryg Vejhhjælp") was added to the motor insurance coverage held by around 200,000 Danish concept customers at no additional cost. At the same time, the Group started selling "Tryg Vejhhjælp" to customers not comprised by Tryg's concept benefits and the extended roadside assistance product "Udvidet Tryg Vejhhjælp" to all customers. Sales of "Tryg Vejhhjælp" are ahead of projections, and the product is the most recent example of innovation supporting the Group's role as a peace-of-mind provider.
- In mid-August 2008, the Danish business will launch a new health product for corporate customers. The product focuses on employee health and offers help towards adopting a healthier lifestyle through health checks, help for exposed groups and status reports offering specific plans of action for helping companies improve the health of their employees.

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- TrygVesta has employed a manager for the Swedish corporate business, and the Corporate business will open an office in Stockholm, Sweden at the beginning of September 2008.
- The number of customers in the Oslo region began to rise again in the first half of 2008 after a period of decline. The renewal rate also performed favourably in the Oslo region, increasing by 1 percentage point.
- The business in Finland expanded its distribution network by 40 new insurance agents in the first half of 2008.
- TrygVesta has signed a cooperation agreement with DLG, Denmark's leading supplier of agricultural products, for the distribution of insurance products in Denmark and Sweden. DLG, which also spans telecommunications, food products and machinery, generates revenue of DKK 24bn and has 5,000 employees. The agreement is expected to contribute to earned premiums and earnings from 2009.

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## Private & Commercial Denmark

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

- Growth in gross earned premiums up by 1.1% (0.6 % including bonus/premium rebates)
- Combined ratio of 84.4 in the first half of 2008 against 83.8 in the same period of 2007.
- Renewal rate remained high at around 91

DKKm	Q2 2007	Q2 2008	Change 2007/2008	H1 2007	H1 2008	Change 2007/2008
Gross earned premiums	1,642	1,655	0.8%	3,263	3,284	0.6%
Gross claims incurred	-1,031	-1,112	-7.9%	-2,117	-2,197	-3.8%
Gross expenses	-287	-270	5.9%	-563	-527	6.4%
Profit/loss on gross business	324	273	-15.7%	583	560	-3.9%
Profit/loss on ceded business	-29	-27	6.9%	-52	-50	3.8%
Technical interest, net of reinsurance	43	53	23.3%	83	95	14.5%
<b>Technical result</b>	<b>338</b>	<b>299</b>	<b>-11.5%</b>	<b>614</b>	<b>605</b>	<b>-1.5%</b>
<b>Key ratios</b>						
Gross claims ratio	62.8	67.2	-4.4	64.9	66.9	-2.0
Business ceded as % of gross premiums	1.8	1.6	0.2	1.6	1.5	0.1
Claims ratio, net of ceded business	64.6	68.8	-4.2	66.5	68.4	-1.9
Gross expense ratio	17.5	16.3	1.2	17.3	16.0	1.3
Combined ratio	82.1	85.1	-3.0	83.8	84.4	-0.6

### Earned premiums

Gross earned premiums in the first half-year of 2008 rose by DKK 21m, or 0.6%, relative to the same period of 2007. In the second quarter of 2008, gross earned premiums were DKK 1,655m, equalling an increase of DKK 13m, or 0.8% (0.7% before bonus), relative to the second quarter of 2007. Premium growth in the first half of 2008 was weaker than anticipated, partly due to price reductions in motor insurance. In previous years, the price on motor insurance fell by 3%-4%, but the decline slowed down in the first half-year, spurring expectations of a gradual improvement of premium growth in the remainder of 2008. Premium performance on motor insurance is expected to improve in the second half of 2008 through "Tryg Vejrhjælp" and upcoming campaigns. Average motor premiums fell by 2.4% relative to the first half-year of 2007, while average building premiums increased by 2.1% during the same period.

In 2007 and in the first six months of 2008, the market was characterised by tougher competition especially from small insurers. However, price competition is deemed to have abated in the first half of 2008, as insurers increased their focus on balancing growth and earnings.

The renewal rate remained unchanged at around 91 in the first half of 2008, and the number of policies increased by 26,000 during the reporting period.

In the second quarter of 2008, some 200,000 concept customers received "Tryg Vejrhjælp" at no additional cost as a customer benefit on their motor insurance. At the same time, sales of "Udvidet Tryg Vejrhjælp" to these customers

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have been a great success, which confirms that customers are welcoming the Group's ambition to continuously improve the quality and service it provides.

In mid-August 2008, the Danish business will launch a new health product for corporate customers. The product focuses on employee health and offers help towards adopting a healthier lifestyle through health checks, help for exposed groups and status reports offering specific plans of action for helping companies improve the health of their employees.

TrygVesta has signed a cooperation agreement with DLG, Denmark's leading supplier of agricultural products, for the distribution of insurance products in Denmark and Sweden. DLG, which also spans telecommunications, food products and machinery, generates revenue of DKK 24bn and has 5,000 employees. The agreement is expected to contribute to earned premiums and earnings from 2009.

### **Claims**

The claims ratio rose to 66.9 from 64.9 in the same period of 2007. Run-off gains had a positive impact of 5.3 percentage points on the performance against 4.5 percentage points in the same period of 2007. The run-off result was positively affected by motor policies, whereas building insurance reserves were strengthened.

Motor claims frequencies increased by approximately 8% in the first half of 2008. Developments in average motor claims were moderate, increasing some 2% relative to the first half-year of 2007. In comparison, average motor claims for the market as a whole increased by approximately 3% in the same period. TrygVesta owes its ability to maintain a lower level of average claims to its cooperation agreements with garages.

Average building claims frequencies rose by around 7%. This improvement was particularly attributable to fewer weather-related claims. Overall, average building claims increased by just over 9% in the first half-year of 2008. The increase in average claims is attributable to rising prices which are feeding through to materials costs and repairer wages. TrygVesta is considering whether higher claims within buildings insurance should lead to price increases.

### **Expenses**

Costs totalled DKK 527m, a decline of DKK 36m relative to the same period of 2007, causing the expense ratio to fall from 17.3 to 16.0. This was attributable to the continued focus on process enhancements. In the light of the higher payroll costs, this focus should be intensified to maintain an unchanged level of costs.

### **Technical result**

The technical result amounted to a profit of DKK 605m in the first half of 2008, a decline of DKK 9m compared with 2007. In the second quarter of 2008, the technical result amounted to a profit of DKK 299m, equivalent to a decline of DKK 39m compared with the same period of 2007. The decline was primarily attributable to the fact that Private & Commercial Denmark was hit by several medium-sized claims in the first six months of 2008, which amounted to DKK 67m against DKK 40m in the same period of 2007. Fewer weather-related expenses and a rising level of interest rates had the opposite effect.

### **Combined ratio**

The combined ratio amounted to 84.4 in the first half of 2008 relative to 83.8 in the same period of 2007. The combined ratio was adversely affected by several medium-sized claims and higher average building claims, whereas higher run-off gains and rising interest rates had a favourable effect on the combined ratio.

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## Private & Commercial Norway

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

- Gross premiums rose by 4.1% in local currency terms in the first half of 2008
- Combined ratio of 95.7 in the first half-year of 2008 against 93.8 in the same period of 2007 as a result of a strengthening of reserves on group life insurance and a higher number of and more expensive building claims
- Customer retention up by 0.1 percentage point to 86.3%

DKKm	Q2 2007	Q2 2008	Change 2007/2008	H1 2007	H1 2008	Change 2007/2008
<i>NOK/DKK, average rate for the period</i>	<i>91.73</i>	<i>93.51</i>	<i>1.78</i>	<i>91.50</i>	<i>93.41</i>	<i>1.91</i>
Gross earned premiums	1,095	1,169	6.8%	2,178	2,317	6.4%
Gross claims incurred	-725	-835	-15.2%	-1,556	-1,683	-8.2%
Gross expenses	-215	-247	-14.9%	-445	-501	-12.6%
Profit/loss on gross business	155	87	-43.9%	177	133	-24.9%
Profit/loss on ceded business	-26	-20	23.1%	-44	-35	20.5%
Technical interest, net of reinsurance	42	35	-16.7%	79	65	-17.7%
<b>Technical result</b>	<b>171</b>	<b>102</b>	<b>-40.4%</b>	<b>212</b>	<b>163</b>	<b>-23.1%</b>
<b>Key ratios</b>						
Gross claims ratio	66.2	71.4	-5.2	71.4	72.6	-1.2
Business ceded as % of gross premiums	2.4	1.7	0.7	2.0	1.5	0.5
Claims ratio, net of ceded business	68.6	73.1	-4.5	73.4	74.1	-0.7
Gross expense ratio	19.6	21.1	-1.5	20.4	21.6	-1.2
Combined ratio	88.2	94.2	-6.0	93.8	95.7	-1.9

### Premiums

Gross earned premiums in Private & Commercial Norway increased by DKK 138m in the first six months of 2008, or 4.1% (6.4% in DKK terms), relative to the same period of 2007. In the second quarter of 2008, gross premiums rose by DKK 74m, or 4.7% in NOK terms (6.8% in DKK terms). By way of comparison, premiums fell by 1.1% in the second quarter of 2007. The favourable performance was mainly attributable to rising customer loyalty, increased sales and premium increases. Average motor and building claims performed favourably in the first half of 2008, increasing by 1.4% and 3.0%, respectively. The favourable performance was attributable to the premium increases at the level of 2%-3% implemented since mid-2007 and most recently with effect from 1 July 2008. The premium increases were implemented to neutralise the impact from higher average claims.

The number of policies increased by 27,000 in net terms in the first half of 2008, and the number of customers rose by more than 2,500. This positive trend, which will create stronger premium growth going forward, was attributable, among other factors, to the performance in the Oslo region, which recorded growth in the number of customers as a result of targeted efforts including adapted products and new franchise offices. The renewal rate for Private & Commercial Norway improved from 85.9 at the beginning of 2008 to 86.3 in June 2008. This increase was due in part to TrygVesta's transparent price policy, high level of service and quality products.

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## Claims

The claims ratio rose to 72.6 in the first half of 2008 from 71.4 in the same period of 2007 and was adversely affected by a strengthening of provisions relating to prior-year claims in terms of group life and building insurance. Overall, the run-off result had a negative impact on the claims ratio of 1.6 percentage points compared with a positive impact of 1.3 percentage points in the first half of 2007. The claims performance was adversely affected by several claims relating to fires in single-family houses, which alone impacted the claims ratio negatively by 0.8 point in the first half-year of 2008 relative to the same period of 2007.

As a result of claims inflation, average building claims increased by approximately 8% in the first six months of 2008, whereas average motor claims rose by some 3% during the same period.

## Expenses

Costs were up by DKK 56m to DKK 501m relative to the first half of 2007, lifting the expense ratio from 20.4 in the year-earlier period to 21.6. Costs were influenced by general payroll increases in the financial sector and by higher commission expenses as a result of higher sales. Higher sales also caused the expense ratio in the second quarter of 2008 to increase relative to the same period of 2007. The Norwegian financial sector will see annualised salary increases of about 6% in 2008, which will also affect the expense ratio.

## Technical result

The technical result amounted to a profit of DKK 163m in the first half of 2008, which was DKK 49m lower than in the same period of 2007. The lower technical result was attributable to higher premium levels, which were affected by higher commission expenses. In the first half-year of 2008, Private & Commercial Norway posted a run-off loss of DKK 39m compared with a DKK 19m run-off gain in the first half of 2007.

In the second quarter of 2008, the technical result amounted to a profit of DKK 102m, which was DKK 69m lower than in the same period of 2007. The reduction was attributable to increased claims expenses particularly in connection with fires in single-family houses and growing sales/commission expenses to sales channels, which benefit greatly from the new customer system implemented in late February 2008.

## Combined ratio

The combined ratio amounted to 95.7 in the first half of 2008 relative to 93.8 in the same period of 2007. The higher level was mainly attributable to the fact that the combined ratio was adversely affected by run-off losses and a higher level of costs in the first half-year of 2008 compared with the same period of 2007.

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## Corporate

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

- Gross earned premiums up by 6.6% in the first half-year of 2008 (7.4% in DKK terms)
- Combined ratio improved to 80.0 from 81.9 in the first half of 2007
- Technical result up DKK 109m to DKK 636m

DKKm	Q2 2007	Q2 2008	Change 2007/2008	H1 2007	H1 2008	Change 2007/2008
Gross earned premiums	1,291	1,374	6.4%	2,520	2,707	7.4%
Gross claims incurred	-941	-798	15.2%	-1,735	-1,619	6.7%
Gross expenses	-123	-142	-15.4%	-262	-280	-6.9%
Profit/loss on gross business	227	434	91.2%	523	808	54.5%
Profit/loss on ceded business	26	-161	-719.2%	-68	-267	-292.6%
Technical interest, net of reinsurance	31	46	48.4%	72	95	31.9%
<b>Technical result</b>	<b>284</b>	<b>319</b>	<b>12.3%</b>	<b>527</b>	<b>636</b>	<b>20.7%</b>
<b>Key ratios</b>						
Gross claims ratio	72.9	58.1	14.8	68.8	59.8	9.0
Business ceded as % of gross premiums	-2.0	11.7	-13.7	2.7	9.9	-7.2
Claims ratio, net of ceded business	70.9	69.8	1.1	71.5	69.7	1.8
Gross expense ratio	9.5	10.3	-0.8	10.4	10.3	0.1
Combined ratio	80.4	80.1	0.3	81.9	80.0	1.9

### Premiums

Gross earned premiums in Corporate increased by DKK 187m in the first six months of 2008, or 6.6% (7.4% in DKK terms), relative to the same period of 2007. In the second quarter of 2008, gross premiums rose by DKK 83m, or 5.6% (6.4% in DKK terms). Since the second quarter of 2007, Corporate has significantly outperformed the estimated market growth due to the addition of several new large customers. The Norwegian part of the Corporate business recorded growth of 7.2%, whereas the Danish part contributed a growth rate of 5.9%. The first half-year of 2008 showed signs of mounting competition in the Corporate business, which is likely to result in lower growth going forward.

TrygVesta has employed a manager for the Swedish part of the corporate business, and the Corporate business will open an office in Stockholm, Sweden at the beginning of September 2008.

### Claims

The claims ratio, net of ceded business, performed favourably at 69.7 in the first half of 2008 from 71.5 in the same period of 2007 and benefited from lower claims expenses for large claims, which totalled a gross amount of DKK 78m DKK against DKK 354m in the same period of 2007.

Based on the claims performance and the level of claims paid in the first half of 2008, provisions for prior-year unsettled claims were reduced by DKK 240m. The run-off result was impacted in particular by provisions for motor insurance in Denmark and personal accident insurance in Norway, as actual developments proved to be better than

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expected. The run-off result had a positive impact of 8.9% on the claims ratio, compared with 5.2%, or DKK 140m, in the first half of 2007.

### **Expenses**

Costs rose from DKK 262m to DKK 280m, or over 7%. The increase was particularly attributable to extraordinary income recognised in 2007 as a result of reversals of provisions relating to losses on reinsurers. Overall, the expense ratio fell from 10.4 to 10.3.

### **Technical result**

The technical result increased by 21% to DKK 636m in the first half of 2008 mainly due to higher premium levels, a reversal of prior-year provisions as a result of a changed assessment of the performance of the personal accident lines and the stable quality of the business.

### **Combined ratio**

The combined ratio amounted to 80.0 in the first half of 2008 relative to 81.9 in the same period of 2007. Large claims affected the combined ratio adversely by 2.2 percentage points in the first half-year of 2008 against 7.9 percentage points in the same period of 2007. Run-off gains and the effect of interest rates through discounting of provisions for claims impacted the combined ratio favourably by 8.9 percentage points and 9.9 percentage points, respectively, compared with 5.2 percentage points and 7.6 percentage points in the same period of 2007.

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## Finland

Our Finnish branch sells insurances to private household customers and small enterprises under the brand name of Nordea Vahinkovakuutus. Insurances are sold by Nordea's branches, our own sales force and call centres, car dealers and via the Internet. The Finnish branch has 145 employees.

- Finland achieved just under two-thirds of its sales target for 2008 during the first half-year
- Gross earned premiums were up by 38.2% in the first half-year of 2008 (37.8% in DKK terms)
- Combined ratio of 95.3 in the private business in the first half of 2008
- At 30 June 2008, the portfolio totalled approximately DKK 400m

DKKm	Q2 2007	Q2 2008	Change 2007/2008	H1 2007	H1 2008	Change 2007/2008
<i>EUR/DKK, average rate for the period</i>	745.00	745.92	0.92	745.24	745.64	0.40
Gross earned premiums	62	86	38.7%	119	164	37.8%
Gross claims incurred	-46	-39	15.2%	-88	-102	-15.9%
Gross expenses	-30	-52	-73.3%	-56	-87	-55.4%
Profit/loss on gross business	-14	-5	64.3%	-25	-25	0.0%
Profit/loss on ceded business	-1	1	200.0%	-1	0	100.0%
Technical interest, net of reinsurance	3	2	-33.3%	5	6	20.0%
<b>Technical result</b>	<b>-12</b>	<b>-2</b>	<b>83.3%</b>	<b>-21</b>	<b>-19</b>	<b>9.5%</b>
<b>Key ratios</b>						
Gross claims ratio	74.2	45.3	28.9	73.9	62.2	11.7
Business ceded as % of gross premiums	1.6	-1.2	2.8	0.8	0.0	0.8
Claims ratio, net of ceded business	75.8	44.1	31.7	74.7	62.2	12.5
Gross expense ratio	48.4	60.5	-12.1	47.1	53.0	-5.9
Combined ratio	124.2	104.6	19.6	121.8	115.2	6.6

In Finland, gross earned premiums rose by DKK 45m, or 37.8%, in the first half-year of 2008 compared with the same period of 2007. In the second quarter of 2008, gross premiums were DKK 24m, or 38.7%, higher than in the second quarter of 2007. The increase was particularly pronounced in terms of sales via the Internet, which accounted for 5% of overall sales at 30 June 2008. The larger and broader distribution network implemented in the late summer of 2007 showed strong results and, despite an ambitious full-year sales target, two-thirds of this target was achieved in the first six months of the year.

Net growth in the number of policies sold was 47,000 in the first half of 2008, and the Finnish business had a total portfolio amounting to approximately DKK 400m.

Sales of commercial insurance recorded a sustained strong performance, and efforts are being made to launch new insurance packages in this segment.

The strong growth in the Finnish business and the plans for continued growth give rise to an ongoing requirement for attracting qualified employees. In the first half-year of 2008, the number of employees rose to 145. In addition, the Finnish business has 40 affiliated insurance agents.

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The claims ratio, net of ceded business, was 44.1 in the second quarter of 2008 against 75.8 in the same period of 2007. The size and claims history of the Finnish business is now sufficient to assess the quality of the portfolio, which was done at 30 June 2008, resulting in run-off gains of DKK 15m in the first half of 2008. This shows that the Group has the same conservative approach to reserves in Finland as it does in its other business activities.

The combined ratio was 104.6 relative to 124.2 in the same period of 2007. In the private business, the combined ratio amounted to 80.6 in the second quarter of 2008 against 105.1 in the same period of 2007.

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## Sweden

Vesta Skadeförsäkring sells insurances to private individuals. Insurances are sold by Nordea's branches, our own call centre and via the Internet. The Swedish branch has 83 employees.

- Gross premiums rose by 281% in the first half of 2008
- At 30 June 2008, the portfolio totalled SEK 303m
- New sales processes based on simplicity yielded sales results ahead of expectations

DKKm	Q2 2007	Q2 2008	Change 2007/2008	H1 2007	H1 2008	Change 2007/2008
SEK/DKK, average rate for the period	80.42	79.68	-0.74	81.07	79.33	-1.74
Gross earned premiums	17	54	217.6%	26	99	280.8%
Gross claims incurred	-18	-56	-211.1%	-27	-98	-263.0%
Gross expenses	-26	-32	-23.1%	-44	-61	-38.6%
Profit/loss on gross business	-27	-34	-25.9%	-45	-60	-33.3%
Profit/loss on ceded business	0	1	-	0	0	-
Technical interest, net of reinsurance	1	-2	-300.0%	1	-1	-200.0%
<b>Technical result</b>	<b>-26</b>	<b>-35</b>	<b>-34.6%</b>	<b>-44</b>	<b>-61</b>	<b>-38.6%</b>
<b>Key ratios</b>						
Gross claims ratio	105.9	103.7	2.2	103.8	99.0	4.8
Business ceded as % of gross premiums	0.0	-1.9	1.9	0.0	0.0	0.0
Claims ratio, net of ceded business	105.9	101.8	4.1	103.8	99.0	4.8
Gross expense ratio	152.9	59.3	93.6	169.2	61.6	107.6
Combined ratio	258.8	161.1	97.7	273.0	160.6	112.4

In Sweden, where the Group commenced activities in 2006, gross earned premiums increased by DKK 73m in the first half-year and by DKK 37m in the second quarter of 2008, which was better than anticipated. Weekly sales totalled between 2,500 and 3,000 policies, which resulted in a net inflow of 64,000 policies in the first half of 2008, of which 44,000 were written in the second quarter of 2008. The Swedish business had a total portfolio of SEK 303m (DKK 242m) at 30 June 2008. This rapid growth requires a continuous inflow of new employees to serve Nordea's branches and staff the business' own call centre. The number of full-time employees thus rose to 83 at 30 June 2008.

The claims ratio was 101.8 in the second quarter of 2008 compared with 105.9 in the same period of 2007. The claims ratio, which was 99 for the first half-year of 2008, reflected sound risk selection and a prudent provisioning policy and was satisfactory for a new portfolio.

The expense ratio fell from 152.9 to 59.3 from the second quarter of 2007 to the second quarter of 2008, mainly attributable to gross earned premium growth. Gross expenses totalled DKK 32m in the second quarter of 2008. A direct year-on-year comparison should take into account the very high growth rate for the business.

As previously mentioned, TrygVesta's cooperation with DLG also comprises Sweden, and this new sales channel will support sustained rapid growth in the Swedish business going forward.

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## Investment activities

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

- Investment return of DKK 225m or 0.9% including value adjustments of provisions
- Reduction of the proportion of equities in January 2008 lowered the risk of loss on equities
- Rising interest rates resulted in capital losses on the bonds, but yielded gains from the discounting of provisions

DKKm	Q2	Q2	Change	H1	H1	Change	Investment assets	
	2007	2008	2007/2008	2007	2008	2007/2008	30.06.2008	31.12.2007
Bonds etc.	72	-131	-203	379	391	12	31,717	30,294
Equities	375	-44	-419	458	-466	-924	1,689 **	4,445
Real estate *	50	51	1	86	89	3	3,655	2,569
<b>Total</b>	<b>497</b>	<b>-124</b>	<b>-621</b>	<b>923</b>	<b>14</b>	<b>-909</b>	<b>37,061</b>	<b>37,308</b>
Capital gain, changed discount rate	203	409	206	281	332	51		
Other financial income and expenses ***	-31	-40	-9	-66	-121	-55		
<b>Total return on investment activities</b>	<b>669</b>	<b>245</b>	<b>-424</b>	<b>1,138</b>	<b>225</b>	<b>-913</b>		
Transferred to technical interest	-347	-380	-33	-664	-725	-61		
<b>Return on investment activities</b>	<b>322</b>	<b>-135</b>	<b>-457</b>	<b>474</b>	<b>-500</b>	<b>-974</b>		

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

\*\*) DKK 192m sold on futures contracts has been deducted from the equity portfolio

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

TrygVesta's investment portfolio of approximately DKK 37.1bn produced a return of DKK 14m in the first half-year of 2008. Including gains relating to a higher discount rate on provisions, the return was DKK 346m, or 0.9%. In the second quarter of 2008, the return was DKK 285m, or 0.8%, equivalent to 3.1% p.a. despite sustained turmoil in the financial markets.

TrygVesta matches assets and liabilities (bond portfolio and insurance provisions), thereby roughly neutralising the exposure to interest rate fluctuations.

Due to a substantial increase in short-term interest rates, the bond return was negative in the second quarter. This impacted on the overall return despite the Group's strategy to match the interest rate risk of assets and liabilities. The interest rate increase yielded an almost equivalent gain on provisions. The continued decline in equity markets had only a slight effect on the return in the second quarter as a result of the substantial reduction of the equity portfolio in 2007 and January 2008.

The equity portfolio yielded a loss of DKK 466m in the first half of 2008, of which only DKK 44m was attributable to the second quarter. At 30 June 2008, the portfolio of equities totalled almost 5% of the investment portfolio. The equity investment portfolio comprises 22% Nordic, 12% UK, 29% other Europe, 19% US, 5% Americas (non-US) and 13% Asia.

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Interest rate movements reduced the investment return by a net amount of DKK 84m in the first half-year of 2008, comprising positive value adjustments on provisions of DKK 332m as a result of the rising interest rates and a capital loss on bonds of DKK 416m. Overall, the bond portfolio yielded a return of DKK 391m in the first half of 2008, including a negative contribution of DKK 131m from the second quarter of the year.

At 30 June 2008, the bond portfolio accounted for some 86% of the total investment portfolio. The bond portfolio principally comprises 60% Danish mortgage bonds and 24% government bonds. Around 80% of the Danish mortgage bond portfolio is placed in short-term, non-callable bonds or floating rate bonds. Rising bond yields in the second quarter of 2008 produced a negative bond return, which was, however, more than off-set by gains on provisions as a result of a higher discount rate.

70% of the bond portfolio is placed in AAA-rated bonds, 17% in AA-rated bonds and 8% in A-rated bonds. The remaining part of the portfolio is placed primarily in unrated money market certificates with good credit quality issued by Norwegian banks.

In May 2008, TrygVesta acquired the head office buildings in Ballerup for an amount of DKK 1,085m. This brought the proportion of real estate to approximately 10% of the investment assets, of which 4% related to the head office buildings.

TrygVesta continues its policy of not investing in hedge funds, structured products or similar investment vehicles, and the Group's portfolio does not hold any subprime related products.

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## Capitalisation

DKKm	2007	Q1 2008	Q2 2008
Equity at beginning of period	9,951	10,010	10,057
Resolved share buybacks for the period	1,405	0	0
Resolved cash dividend for the period	1,156	0	0
Actual share buybacks during the period	0	0	424
Cash dividend paid during the period	2,244	0	1,156
Equity at end of period	10,010	10,057	8,846
Equity by the end of Q2 2008 and adjusted for resolved distribution *	7,449	7,496	7,865

TrygVesta's equity amounted to DKK 8.8bn at 30 June 2008 against DKK 9.1bn at the year-earlier date. Including hybrid capital of DKK 1.1bn, the total capitalisation amounted to DKK 9.9bn.

The cash dividend for the financial year 2007 of DKK 1,156m was paid in the second quarter of 2008. Moreover, shares worth DKK 424m were bought back during the same period, equivalent to approximately 30% of the total share buyback programme. TrygVesta's share buyback programme was initiated after the annual general meeting held on 3 April 2008. It has been resolved to buy back shares worth DKK 1,405m during the period until the day before the release of the 2008 Annual Report on 3 March 2009. Adjusted for the total share buyback programme, shareholders' equity stood at DKK 7,865m at 30 June 2008.

The share capital comprised 68m shares of DKK 25 each, equivalent to DKK 1.7bn, at 30 June 2008. A total of 66,231,000 shares were outstanding, and TrygVesta held 1,769,000 treasury shares, comprising share buybacks and cover of its stock option programme.

With respect to Standard & Poor's capital model, TrygVesta had available capital adjusted for dividends and share buybacks related to 2007 of DKK 9,476m, which should be seen relative to the capital requirement of DKK 8,220m. The capital requirement is determined based on Standard & Poor's capital model plus an additional capital requirement of 5% added by TrygVesta to give the Group a higher degree of certainty that it will meet its A-rating at all times.

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

\* distribution resolved at the 2008 annual general meeting

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## Financial outlook

TrygVesta increases the outlook for the technical result from DKK 2.4bn to DKK 2.6bn, maintains the outlook for pre-tax profit but reduces the outlook for the profit after tax with DKK 0.1bn to DKK 1.5bn as a result of financial market turmoil. In the first half-year of 2008, TrygVesta recorded an underlying reduction in its insurance operations as a result of claims inflation and higher payroll costs. This was off-set by a strong first half-year performance which was only slightly impacted by large claims and weather-related claims.

DKKm	Actual		Forecast		Negative scenario	Positive scenario
	2007	2008 (Feb.)	2008 (May)	2008 (Aug.)		
Premium growth*	4%	5%	5%	5%		
Technical result before run-off	2,077	2,200	2,200	2,200	2,050	2,350
Technical result after run-off	2,820	2,200	2,400	2,600	2,450	2,750
Investment result	340	400	0	(300)		
Profit before tax	3,109	2,500	2,300	2,300	2,150	2,450
Profit after tax	2,266	1,900	1,600	1,500	1,400	1,600
Combined ratio	86.1	90	89	88	89	87

\*In local currency.

### Premiums

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

### Combined ratio

The combined ratio is now expected to be around 88 due to the performance of the second quarter of 2008. This outlook is based on a recognised positive impact from provisions for claims relating to prior-year claims, an underlying deterioration of claims relating to the current year as a result of a higher number of claims and a positive impact from the discounting of provisions of claims at a higher rate of interest. Accelerating price increases impacting claims and cost constitute a challenge for the Group, but we are ready to take the necessary steps to neutralise this impact.

### Claims

At the beginning of the year, expenses for large claims were expected to amount to DKK 500m for the full year 2008. Large claims totalled DKK 179m in the first half of 2008. For the remainder of 2008, we expect large claims in the amount of DKK 250m.

At 1 January 2008, weather-related claims expenses were expected to be DKK 225m for the full year. Weather-related claims amounted to DKK 57m in the first six months of 2008, which does not change the assumptions for 2008. For the remainder of 2008, we expect weather-related claims of DKK 170m.

### Run-off

The run-off result or changes in provisions for claims amounted to DKK 393m in the first half-year of 2008, corresponding to 4.6 points in the combined ratio. A run-off of zero is assumed for the remainder of the year.

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### Expenses

The forecast that the expense ratio will be slightly lower than the full-year 2007 expense ratio of 16.7 is retained. The performance is impacted by continued cost restraint. The Danish and Norwegian activities will continue to reduce their expense ratios, while Finland and Sweden will push up the expense ratio by around 0.7 percentage point.

### Technical result

The technical result is expected to be DKK 2,6bn for the full year 2008 against the previous forecast of DKK 2,4bn. The forecast of a higher technical result is based on our expectation of a positive impact from prior-year claims and the discounting of provisions for claims at a higher rate of interest.

### Investment return

The investment result after transfer of technical interest for 2008 is expected to amount to a loss of DKK 300m against the previous expectation of DKK 0m as indicated in connection with the first quarter report. The downgrade is attributable to a lower than expected decrease in equities of approximately DKK 80m, increased transferral to technical interest of around DKK 100m as a result of rising interest rates and a mismatch between the bond portfolio and claims provisions around DKK 120m. The outlook for the remainder of 2008 investment result is based on the investment result at 30 June 2008, and assuming annualised equity returns of 7.0%, real estate returns of 5.9% and bond returns of 6.1% for the remainder of 2008.

### Tax

As capital gains and losses on equities are tax-exempt and non-deductible, the effective tax rate is subject to the performance of equity prices. We expect an effective tax rate for 2008 of 33% based on the assumptions described and the realised loss on equities.

### Return on equity

If the announced forecasts are met, we expect to generate a return on equity of 14%-15% after tax.

### Disclaimer

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

A number of different factors may cause the actual performance to deviate significantly from the forward-looking statements in this report, including but not limited to general economic developments, changes in the competitive environment, developments in the financial markets, extraordinary events such as natural disasters or terrorist attacks, changes in legislation or case law and reinsurance. TrygVesta urges readers to refer to the section on risk management available in the annual report or on [www.trygvesta.com](http://www.trygvesta.com) for a description of some of the factors that could affect the Group's future performance or the insurance industry.

Should one or more of these risks or uncertainties materialise or should any underlying assumptions prove to be incorrect, TrygVesta's actual financial condition or results of operations could materially differ from that described as anticipated, believed, estimated or expected in this report. TrygVesta is not under any duty to update any of the forward-looking statements or to conform such statements to actual results, except as may be required by law.

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## Statement by the Supervisory Board and the Executive Management

The Supervisory Board and the Executive Management have today considered and adopted the interim report for the first half-year of 2008.

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

In our opinion, the interim report gives a true and fair view of the Group's assets, liabilities and financial position at 30 June 2008 and of the results of the Group's activities and cash flows for the period 1 January – 30 June 2008.

Furthermore, in our opinion the Management's report gives a fair description of developments in the activities and financial position of the Group, the results for the period and of the Group's financial position in general and describes significant risk and uncertainty factors that may affect the Group.

Ballerup, 19 August 2008

### Executive Management:

Christine Bosse  
Group CEO

Morten Hübbe  
Group CFO

Peter Falkenham  
Group COO

### Supervisory Board:

Mikael Olufsen  
Chairman

Bodil Nyboe Andersen  
Deputy Chairman

Jørn Wendel Andersen

Paul Bergqvist

Christian Brinch

Niels Bjørn Christiansen

Peter Møllerup

John R. Frederiksen

Rune Torgeir Joensen

Birthe Petersen

Per Skov

Berit Torm

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## Income statement

DKKm	FY 2007	H1 2007	H1 2008
Notes			
<b>General insurance</b>			
Gross premiums written	16,959	9,883	10,465
Ceded insurance premiums	-893	-472	-527
Change in provisions for unearned premiums	-130	-1,669	-1,784
Change in reinsurers' share of provisions for unearned premiums	-46	21	103
2 <b>Earned premiums, net of reinsurance</b>	<b>15,890</b>	<b>7,763</b>	<b>8,257</b>
3 <b>Technical interest, net of reinsurance</b>	<b>501</b>	<b>240</b>	<b>261</b>
Claims paid	-11,336	-5,526	-6,523
Reinsurance recoveries	495	178	338
Change in provisions for claims	161	3	824
Change in reinsurers' share of provisions for claims	6	74	-294
4 <b>Claims incurred, net of reinsurance</b>	<b>-10,674</b>	<b>-5,271</b>	<b>-5,655</b>
<b>Bonus and premium rebates</b>	<b>-223</b>	<b>-108</b>	<b>-110</b>
Acquisition costs	-1,821	-884	-1,103
Administrative expenses	-948	-496	-356
Acquisition costs and administrative expenses	-2,769	-1,380	-1,459
Commission and profit commission from reinsurers	95	34	27
5 <b>Total insurance operating expenses, net of reinsurance</b>	<b>-2,674</b>	<b>-1,346</b>	<b>-1,432</b>
11 <b>Technical result</b>	<b>2,820</b>	<b>1,278</b>	<b>1,321</b>
<b>Investment activities</b>			
Income from associates	1	0	0
Income from investment properties	116	60	64
6 Interest income and dividends, etc.	1,382	689	748
7 Value adjustment	415	482	-492
6 Interest expenses	-88	-53	-45
Investment management charges	-86	-40	-50
<b>Total return on investment activities</b>	<b>1,740</b>	<b>1,138</b>	<b>225</b>
3 Interest on insurance provisions	-1,400	-664	-725
<b>Total return on investment activities after technical interest</b>	<b>340</b>	<b>474</b>	<b>-500</b>
Other income	121	62	65
Other expenses	-172	-69	-85
<b>Profit before tax</b>	<b>3,109</b>	<b>1,745</b>	<b>801</b>
Tax	-842	-385	-267
<b>Profit on continuing business</b>	<b>2,267</b>	<b>1,360</b>	<b>534</b>
Profit/loss on discontinued and divested business	-1	0	0
<b>Profit for the period</b>	<b>2,266</b>	<b>1,360</b>	<b>534</b>
Earnings per share - continuing business of DKK 25	33.5	20.1	8.1
Earnings per share of DKK 25	33.5	20.1	8.1

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## Balance sheet

DKKm	31.12.2007	30.06.2007	30.06.2008
Notes			
<b>Assets</b>			
<b>Intangible assets</b>	<b>335</b>	<b>274</b>	<b>440</b>
Operating equipment	80	106	60
Owner-occupied property	306	332	1,416
<b>Total property, plant and equipment</b>	<b>386</b>	<b>438</b>	<b>1,476</b>
<b>Investment property</b>	<b>2,263</b>	<b>2,149</b>	<b>2,269</b>
Investments in associates	19	18	19
<b>Total investments in associates</b>	<b>19</b>	<b>18</b>	<b>19</b>
Equity investments	2,961	4,026	583
Unit trust units	1,629	1,179	1,477
Bonds	30,654	28,751	31,814
Deposits in credit institutions	302	600	389
<b>Total other financial investment assets</b>	<b>35,546</b>	<b>34,556</b>	<b>34,263</b>
Deposits with ceding undertakings, receivable	19	18	18
8 <b>Total investment assets</b>	<b>37,847</b>	<b>36,741</b>	<b>36,569</b>
Reinsurers' share of provisions for unearned premiums	159	220	225
9 Reinsurers' share of provisions for claims	1,428	1,471	1,143
<b>Total reinsurers' share of provisions for insurance contracts</b>	<b>1,587</b>	<b>1,691</b>	<b>1,368</b>
Receivables from policyholders	901	1,410	1,433
Total receivables in relation to direct insurance contracts	901	1,410	1,433
Receivables from insurance enterprises	509	585	477
Receivables from subsidiaries	0	1	0
Other receivables	1,145	1,566	293
<b>Total receivables</b>	<b>2,555</b>	<b>3,562</b>	<b>2,203</b>
Current tax assets	93	0	77
Cash in hand and at bank	298	196	208
Other	4	3	4
<b>Total other assets</b>	<b>395</b>	<b>199</b>	<b>289</b>
Accrued interest and rent earned	666	406	421
Other prepayments and accrued income	59	79	88
<b>Total prepayments and accrued income</b>	<b>725</b>	<b>485</b>	<b>509</b>
<b>Total assets</b>	<b>43,830</b>	<b>43,390</b>	<b>42,854</b>

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DKKm		31.12.2007	30.06.2007	30.06.2008
Notes				
<b>Liabilities</b>				
	<b>Shareholders' equity</b>	<b>10,010</b>	<b>9,135</b>	<b>8,846</b>
	<b>Subordinated loan capital</b>	<b>1,101</b>	<b>1,098</b>	<b>1,102</b>
	Provisions for unearned premiums	5,403	6,934	7,174
9	Provisions for claims	21,104	20,778	20,447
	Provisions for bonuses and premium rebates	409	316	346
	<b>Total provisions for insurance contracts</b>	<b>26,916</b>	<b>28,028</b>	<b>27,967</b>
	Pensions and similar obligations	403	375	408
	Deferred tax liability	1,109	1,112	1,084
	Other provisions	57	59	51
	<b>Total provisions</b>	<b>1,569</b>	<b>1,546</b>	<b>1,543</b>
	Debt related to direct insurance	358	316	330
	Debt related to reinsurance	253	222	311
	Debt to credit institutions	599	651	718
	Current tax liabilities	336	157	404
	Other debt	2,597	2,131	1,488
	<b>Total debt</b>	<b>4,143</b>	<b>3,477</b>	<b>3,251</b>
	Accruals and deferred income	91	106	145
	<b>Total liabilities and equity</b>	<b>43,830</b>	<b>43,390</b>	<b>42,854</b>

10 **Related parties****TrygVesta A/S**

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## Shareholders' equity

DKKm

	Share capital	Revaluation reserves	Reserve for exchange-rate adj.	Equalisation reserve	Other reserves	Retained earnings	Proposed dividends	Total
<b>Shareholders' equity at 1 January 2007</b>	1,700	7	-20	58	800	5,162	2,244	9,951
<b>Equity entries in the first half of 2007</b>								
Profit for the period					50	1,310		1,360
Revaluation of owner-occupied properties		-1						-1
Exchange rate adjustment of foreign entities			138					138
Hedge of foreign currency risk in foreign entities			-135					-135
Actuarial gains and losses on pension obligation						134		134
Tax on equity entries			35			-33		2
Total comprehensive income	0	-1	38	0	50	1,411	0	1,498
Dividend paid							-2,244	-2,244
Dividend own shares						14		14
Purchase of own shares						-96		-96
Issue of employee shares						9		9
Issue of share options						3		3
<b>Total equity entries in the first half of 2007</b>	<b>0</b>	<b>-1</b>	<b>38</b>	<b>0</b>	<b>50</b>	<b>1,341</b>	<b>-2,244</b>	<b>-816</b>
<b>Shareholders' equity at 30 June 2007</b>	<b>1,700</b>	<b>6</b>	<b>18</b>	<b>58</b>	<b>850</b>	<b>6,503</b>	<b>0</b>	<b>9,135</b>
<b>Shareholders' equity at 1 January 2007</b>	1,700	7	-20	58	800	5,162	2,244	9,951
<b>Equity entries in 2007</b>								
Profit for the year					75	1,035	1,156	2,266
Revaluation of owner-occupied properties		-3						-3
Exchange rate adjustment of foreign entities			49			35		84
Hedge of foreign currency risk in foreign entities			-40			-58		-98
Actuarial gains and losses on pension obligation						94		94
Tax on equity entries		3	10			-11		2
Total comprehensive income	0	0	19	0	75	1,095	1,156	2,345
Dividend paid							-2,244	-2,244
Dividend own shares						14		14
Purchase of own shares						-96		-96
Issue of employee shares						32		32
Issue of share options						8		8
<b>Total equity entries in 2007</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>75</b>	<b>1,053</b>	<b>-1,088</b>	<b>59</b>
<b>Shareholders' equity at 31 December 2007</b>	<b>1,700</b>	<b>7</b>	<b>-1</b>	<b>58</b>	<b>875</b>	<b>6,215</b>	<b>1,156</b>	<b>10,010</b>
<b>Shareholders' equity at 1 January 2008</b>	1,700	7	-1	58	875	6,215	1,156	10,010
<b>Equity entries in the first half of 2008</b>								
Profit for the period					-4	538		534
Revaluation of owner-occupied properties		1						1
Exchange rate adjustment of foreign entities			-3			-6		-9
Hedge of foreign currency risk in foreign entities			4			10		14
Actuarial gains and losses on pension obligation						-22		-22
Tax on equity entries			-4			9		5
Total comprehensive income	0	1	-3	0	-4	529	0	523
Dividend paid							-1,156	-1,156
Dividend own shares						12		12
Purchase of own shares						-563		-563
Issue of employee shares						14		14
Issue of share options						6		6
<b>Total equity entries in the first half 2008</b>	<b>0</b>	<b>1</b>	<b>-3</b>	<b>0</b>	<b>-4</b>	<b>-2</b>	<b>-1,156</b>	<b>-1,164</b>
<b>Shareholders' equity at 30 June 2008</b>	<b>1,700</b>	<b>8</b>	<b>-4</b>	<b>58</b>	<b>871</b>	<b>6,213</b>	<b>0</b>	<b>8,846</b>

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## Cash flow statement

DKKm	FY 2007	H1 2007	H1 2008
<b>Cash generated from operations</b>			
Premiums	16,800	9,259	9,775
Claims paid	-11,376	-5,629	-6,599
Ceded business	-122	-190	-33
Expenses	-2,705	-1,393	-1,389
Change in other payables and other amounts receivable	-316	-510	88
<b>Cash flow from insurance operations</b>	<b>2,281</b>	<b>1,537</b>	<b>1,842</b>
Interest income	1,164	802	1,040
Interest expenses	-186	-53	-64
Dividend received	169	126	27
Taxes	-693	-292	-197
Other items	-55	-7	-22
<b>Cash generated from operations, continuing business</b>	<b>2,680</b>	<b>2,113</b>	<b>2,626</b>
Cash generated from operations, discontinued and divested business	0	-2	0
<b>Total cash generated from operations</b>	<b>2,680</b>	<b>2,111</b>	<b>2,626</b>
<b>Investments</b>			
Acquisition of real property	-16	-2	-1,090
Sale of real property	17	10	4
Acquisition of equity investments and unit trust units (net)	1,062	743	2,029
Purchase/Sale of bonds (net)	-856	150	-1,866
Deposits in Credit institutions	-303	-600	-86
Purchase of operating equipment	-187	-131	-146
Sale of operating equipment	5	32	0
Foreign currency hedging	-98	-135	14
<b>Investments, continuing business</b>	<b>-376</b>	<b>67</b>	<b>-1,141</b>
<b>Total investments</b>	<b>-376</b>	<b>67</b>	<b>-1,141</b>
<b>Funding</b>			
Purchase of own shares	-50	-82	-554
Share options	8	12	6
Dividend paid	-2,244	-2,244	-1,144
Change in debt to credit institutions	-65	-14	119
<b>Funding, continuing business</b>	<b>-2,351</b>	<b>-2,328</b>	<b>-1,573</b>
<b>Total funding</b>	<b>-2,351</b>	<b>-2,328</b>	<b>-1,573</b>
<b>Change in cash and cash equivalents, net</b>	<b>-47</b>	<b>-150</b>	<b>-88</b>
Price adjustment of cash and cash equivalents, beginning of period	7	8	-2
<b>Change in cash and cash equivalents, gross</b>	<b>-40</b>	<b>-142</b>	<b>-90</b>
Cash and cash equivalents, beginning of period	338	338	298
<b>Cash and cash equivalents, end of period</b>	<b>298</b>	<b>196</b>	<b>208</b>

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## Notes

### 1 Accounting policies

TrygVesta's H1 2008 report is presented in accordance with IAS 34 Interim Financial Reporting and the financial reporting requirements for Danish listed companies of the Danish Financial Business Act and the Copenhagen Stock Exchange.

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

### Change in accounting estimates

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

The accounting policies are except from change in accounting estimates unchanged from the annual report 2007. The annual report 2007 contains the full description of the accounting policies.

DKKm	FY 2007	H1 2007	H1 2008
<b>2 Earned premiums, net of reinsurance</b>			
Direct insurance	16,764	8,176	8,665
Indirect insurance	78	38	24
	16,842	8,214	8,689
Unexpired risk provision	-13	0	-8
	16,829	8,214	8,681
Ceded direct insurance	-891	-428	-404
Ceded indirect insurance	-48	-23	-20
	<b>15,890</b>	<b>7,763</b>	<b>8,257</b>
<b>3 Technical interest, net of reinsurance</b>			
Interest on insurance provisions	1,400	664	725
Transferred from provisions for claims concerning discounting	-896	-422	-463
Return on discontinued business	-3	-2	-1
	<b>501</b>	<b>240</b>	<b>261</b>
<b>4 Claims incurred, net of insurance</b>			
Claims incurred	-11,919	-5,829	-6,109
Run-off previous years, gross	744	306	410
	-11,175	-5,523	-5,699
Reinsurance recoveries	502	236	61
Run-off previous years, reinsurers' share	-1	16	-17
	<b>-10,674</b>	<b>-5,271</b>	<b>-5,655</b>
Under claims incurred, the value adjustment of inflation swaps to hedge the inflation risk concerning annuities on workers' compensation insurance totals DKK 76m. (30.06.2007 DKK 0m)			
<b>5 Insurance operating expenses, net of reinsurance</b>			
Commission regarding direct business	-406	-212	-245
Other acquisition costs	-1,415	-672	-858
Total acquisition costs	-1,821	-884	-1,103
Administrative expenses	-948	-496	-356
Insurance operating expenses, gross	-2,769	-1,380	-1,459
Commission, etc. from reinsurers	95	34	27
	<b>-2,674</b>	<b>-1,346</b>	<b>-1,432</b>

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DKKm	FY 2007	H1 2007	H1 2008
<b>6 Interest and dividends, etc.</b>			
Dividends	168	126	27
Interest expenses	-88	-53	-45
Interest income	1,214	563	721
	<b>1,294</b>	<b>636</b>	<b>703</b>
<b>7 Value adjustment</b>			
Equity investments	99	347	-203
Unit trust units	-80	-8	-235
Share derivatives	0	0	-12
Bonds	25	-184	-397
Interest derivatives	-56	21	50
	-12	176	-797
Investment property	107	7	4
Owner-occupied property	14	6	0
Discounting	298	282	332
Other balance sheet items	8	11	-31
	427	306	305
	<b>415</b>	<b>482</b>	<b>-492</b>
Market value gains	1,861	1,023	881
Market value losses	-1,446	-541	-1,373
<b>Market value adjustment, net</b>	<b>415</b>	<b>482</b>	<b>-492</b>
<b>8 Derivative financial instruments</b>			
<b>Gross</b>			
Interest derivatives	3,659	10,897	1,149
Inflation derivatives	681	0	4,057
Exchange rate derivatives	9,494	10,083	5,720
<b>Net</b>			
Interest derivatives	-7	2	0
Inflation derivatives	26	0	103
Exchange rate derivatives	205	9	-5
<b>Sensitivity information</b>			
Interest rate increase of 0.7-1.0 pct. point	-2	65	31
Interest rate fall of 0.7-1.0 pct. point	27	-35	-10
Equity price fall of 12 %	533	612	203
Fall in property prices of 8 %	214	189	317
Exchange rate risk (VaR 99.5)	8	12	3
Loss on counterparties of 8 %	220	230	235

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DKKm	FY 2007	H1 2007	H1 2008
<b>9 Provisions for claims</b>			
<b>Gross</b>			
Total at beginning of period	20,068	20,068	20,761
Market value adjustment of provisions at beginning of period	276	261	-32
	20,344	20,329	20,729
Paid in the financial year in respect of the current year	-5,786	-2,031	-2,243
Paid in the financial year in respect of prior years	-5,343	-3,434	-4,106
	-11,129	-5,465	-6,349
Change in claims in the financial year in respect of the current year	11,680	5,714	5,872
Change in claims in the financial year in respect of prior years	-740	-309	-381
	10,940	5,405	5,491
Discounting 3)	606	123	205
Provisions for claims, period-end 1)	20,761	20,392	20,076
Other 2)	343	386	371
	21,104	20,778	20,447
<b>Ceded business</b>			
Reinsurers' shares of provisions for claims at beginning of period	-1,312	-1,312	-1,366
Market value adjustment of provisions at beginning of period	-38	-36	5
	-1,350	-1,348	-1,361
Paid in the financial year in respect of the current year	139	10	6
Paid in the financial year in respect of prior years	348	166	326
	487	176	332
Change in claims in the financial year in respect of the current year	-504	-238	-57
Change in claims in the financial year in respect of prior years	11	-7	11
	-493	-245	-46
Discounting 3)	-10	13	-13
Provisions for claims, period-end 1)	-1,366	-1,404	-1,088
Other 2)	-62	-67	-55
	-1,428	-1,471	-1,143
<b>Net of reinsurance</b>			
Net at beginning of period	18,756	18,756	19,395
Market value adjustment of provisions at beginning of period	238	225	-27
	18,994	18,981	19,368
Paid in the financial year in respect of the current year	-5,647	-2,021	-2,237
Paid in the financial year in respect of prior years	-4,995	-3,268	-3,780
	-10,642	-5,289	-6,017
Change in claims in the financial year in respect of the current year	11,176	5,476	5,815
Change in claims in the financial year in respect of prior years	-729	-316	-370
	10,447	5,160	5,445
Discounting 3)	596	136	192
Provisions for claims, period-end 1)	19,395	18,988	18,988
Other 2)	281	319	316
	19,676	19,307	19,304

1) The table consists of figures for TrygVesta Forsikring A/S and our Norwegian business unit. Other companies and branches in the Group are included under "Other".

2) Comprises provisions for claims for TrygVesta Garanti A/S, travel and health and our Finnish and Swedish business unit.

3) Discounting also includes exchange rate adjustments.

#### 10 Related parties

In the first half-year of 2008 TrygVesta Forsikring A/S paid TrygVesta A/S a total amount of DKK 2,761m in dividends. There have been no other material transactions with related parties.

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## DKKm

## 11 Segments

H1 2007	P&C		Corporate	Finland	Sweden	Other	Total
	Denmark	Norway					
<b>Operating segments</b>							
Gross premiums earned	3,263	2,178	2,520	119	26	0	8,106
Gross claims	-2,117	-1,556	-1,735	-88	-27	0	-5,523
Gross operating expenses	-563	-445	-262	-56	-44	-10	-1,380
Profit/loss on business ceded	-52	-44	-68	-1	0	0	-165
Technical interest, net of reinsurance	83	79	72	5	1	0	240
Technical result	614	212	527	-21	-44	-10	1,278
Total return on investment activities after technical interest							474
Other income and expenses							-7
Profit before tax							1,745
Tax							-385
Profit on continuing business							1,360
Profit/loss on discontinued and divested business							0
<b>Profit</b>							<b>1,360</b>
Investments in associates	0	0	0	0	0	18	18
Reinsurers' share of provision for unearned premiums	66	2	152	0	0	0	220
Reinsurers' share of provision for claims	-29	220	1,280	0	0	0	1,471
Other assets						41,681	41,681
<b>Total assets</b>							<b>43,390</b>
Provisions for unearned premiums	2,830	1,729	2,281	61	33	0	6,934
Provisions for claims	7,360	3,429	9,708	145	19	117	20,778
Provisions for bonuses and premium rebates	202	0	114	0	0	0	316
Provisions						1,546	1,546
Debt						3,477	3,477
Accruals and deferred income						106	106
<b>Total liabilities</b>							<b>33,157</b>

H1 2008	P&C		Corporate	Finland	Sweden	Other	Total
	Denmark	Norway					
<b>Operating segments</b>							
Gross premiums earned	3,284	2,317	2,707	164	99	0	8,571
Gross claims	-2,197	-1,683	-1,619	-102	-98	0	-5,699
Gross operating expenses	-527	-501	-280	-87	-61	-3	-1,459
Profit/loss on business ceded	-50	-35	-267	0	0	-1	-353
Technical interest, net of reinsurance	95	65	95	6	-1	1	261
Technical result	605	163	636	-19	-61	-3	1,321
Total return on investment activities after technical interest							-500
Other income and expenses							-20
Profit before tax							801
Tax							-267
Profit on continuing business							534
Profit/loss on discontinued and divested business							0
<b>Profit</b>							<b>534</b>
Investments in associates	0	0	0	0	0	19	19
Reinsurers' share of provision for unearned premiums	32	1	192	0	0	0	225
Reinsurers' share of provision for claims	80	128	935	0	0	0	1,143
Other assets						41,467	41,467
<b>Total assets</b>							<b>42,854</b>
Provisions for unearned premiums	2,940	1,753	2,322	105	54	0	7,174
Provisions for claims	6,823	3,508	9,818	167	67	64	20,447
Provisions for bonuses and premium rebates	208	0	138	0	0	0	346
Provisions						1,543	1,543
Debt						3,251	3,251
Accruals and deferred income						145	145
<b>Total liabilities</b>							<b>32,906</b>

**Description of segments**

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

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

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

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

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## Geographical segments

DKKm	Q2 2007	Q2 2008	Change 2007/2008	H1 2007	H1 2008	Change 2007/2008
<b>Danish general insurance</b>						
Gross premiums earned	2,344	2,403	2.5%	4,651	4,754	2.2%
Technical result	476	482	6	824	961	137
Return on investment activities	134	-88	-222	206	-175	-381
Other income and expenses	-2	2	4	-1	2	3
Profit/loss before tax	608	396	-212	1,029	788	-241
<b>Key ratios</b>						
Gross claims ratio	69.0	62.5	6.5	68.3	63.3	5.0
Business ceded as % of gross premiums	-2.9	5.5	-8.4	0.4	4.6	-4.2
Claims ratio, net of ceded business	66.1	68.0	-1.9	68.7	67.9	0.8
Gross expense ratio	15.9	15.2	0.7	15.9	15.0	0.9
Combined ratio	82.0	83.2	-1.2	84.6	82.9	1.7
Number of full-time employees, end of period				2,213	2,316	103
<b>Norwegian general insurance</b>						
Gross premiums earned	1,683	1,794	6.6%	3,309	3,552	7.3%
Technical result	318	237	-81	529	442	-87
Return on investment activities	189	-67	-256	268	-344	-612
Other income and expenses	1	0	-1	2	1	-1
Profit/loss before tax	508	170	-338	799	99	-700
<b>Key ratios</b>						
Gross claims ratio	64.2	69.3	-5.1	67.4	70.1	-2.7
Business ceded as % of gross premiums	5.7	4.2	1.5	4.4	3.8	0.6
Claims ratio, net of ceded business	69.9	73.5	-3.6	71.8	73.9	-2.1
Gross expense ratio	15.0	16.3	-1.3	16.0	16.8	-0.8
Combined ratio	84.9	89.8	-4.9	87.8	90.7	-2.9
Number of full-time employees, end of period				1,394	1,409	15
<b>Finnish general insurance</b>						
Gross premiums earned	62	86	38.7%	119	164	37.8%
Technical result	-12	-2	10	-21	-19	2
Return on investment activities	-2	2	4	-4	-2	2
Profit/loss before tax	-14	0	14	-25	-21	4
<b>Key ratios</b>						
Gross claims ratio	74.2	45.3	28.9	73.9	62.2	11.7
Business ceded as % of gross premiums	1.6	-1.2	2.8	0.8	0.0	0.8
Claims ratio, net of ceded business	75.8	44.1	31.7	74.7	62.2	12.5
Gross expense ratio	48.4	60.5	-12.1	47.1	53.0	-5.9
Combined ratio	124.2	104.6	19.6	121.8	115.2	6.6
Number of full-time employees, end of period			0	128	145	17
<b>Swedish general insurance</b>						
Gross premiums earned	17	54	217.6%	26	101	288.5%
Technical result	-26	-34	-8	-44	-60	-16
Return on investment activities	-1	3	4	-1	6	7
Profit/loss before tax	-27	-31	-4	-45	-54	-9
<b>Key ratios</b>						
Gross claims ratio	105.9	103.7	2.2	103.8	97.0	6.8
Business ceded as a percentage of gross premiums	0.0	-3.7	3.7	0.0	0.0	0.0
Claims ratio, net of ceded business	105.9	100.0	5.9	103.8	97.0	6.8
Gross expense ratio	152.9	59.3	93.6	169.2	61.4	107.8
Combined ratio	258.8	159.3	99.5	273.0	158.4	114.6
Number of full-time employees, end of period				49	83	34

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	Q2	Q2	Change	H1	H1	Change
DKKm	2007	2008	2007/2008	2007	2008	2007/2008
<b>Other*</b>						
Gross premiums earned	1	1	0.0%	1	0	-100.0%
Technical result	-11	1	12	-10	-3	7
Return on investment activities	2	15	13	5	15	10
Other income and expenses	-4	-11	-7	-8	-23	-15
Profit/loss before tax	-13	5	18	-13	-11	2
<b>TrygVesta</b>						
Gross premiums earned	4,107	4,338	5.6%	8,106	8,571	5.7%
Technical result	745	684	-61	1,278	1,321	43
Return on investment activities	322	-135	-457	474	-500	-974
Other income and expenses	-5	-9	-4	-7	-20	-13
Profit/loss before tax	1,062	540	-522	1,745	801	-944
<b>Key ratios</b>						
Gross claims ratio	67.3	65.5	1.8	68.1	66.5	1.6
Business ceded as % of gross premiums	0.7	4.7	-4.0	2.0	4.1	-2.1
Claims ratio, net of ceded business	68.0	70.2	-2.2	70.1	70.6	-0.5
Gross expense ratio	16.8	17.1	-0.3	17.0	17.0	0.0
Combined ratio	84.8	87.3	-2.5	87.1	87.6	-0.5
Number of full-time employees, end of period				3,784	3,953	169

\* The activities in Tryg Ejendomme A/S, Ejendomsselskabet af 08.05.2008 and the parent company TrygVesta A/S are included in Other.

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## Quarterly outline Q1 2006 – Q1 2008

DKKm	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007	Q3 2007	Q4 2007	Q1 2008	Q2 2008
<b>Private &amp; Commercial Denmark</b>									
Gross premiums earned	1,587	1,606	1,580	1,621	1,642	1,610	1,617	1,629	1,655
Technical result	297	240	184	276	338	357	469	306	299
Key ratios									
Gross claims ratio	61.5	66.5	69.5	67.0	62.8	61.3	57.9	66.6	67.2
Business ceded as a % of gross premiums	4.9	2.2	4.1	1.4	1.8	1.4	0.8	1.4	1.6
Claims ratio, net of ceded business	66.4	68.7	73.6	68.4	64.6	62.7	58.7	68.0	68.8
Gross expense ratio	16.8	18.2	17.3	17.0	17.5	17.6	14.8	15.8	16.3
Combined ratio	83.2	86.9	90.9	85.4	82.1	80.3	73.5	83.8	85.1
<b>Private &amp; Commercial Norway</b>									
Gross premiums earned	1,144	1,142	1,103	1,083	1,095	1,142	1,170	1,148	1,169
Technical result	190	232	237	41	171	241	239	61	102
Key ratios									
Gross claims ratio	63.4	60.8	60.1	76.7	66.2	63.0	58.7	73.9	71.4
Business ceded as a % of gross premiums	2.1	2.1	1.3	1.7	2.4	1.5	1.9	1.3	1.7
Claims ratio, net of ceded business	65.5	62.9	61.4	78.4	68.6	64.5	60.6	75.2	73.1
Gross expense ratio	20.5	19.4	19.9	21.2	19.6	19.4	23.0	22.1	21.1
Combined ratio	86.0	82.3	81.3	99.6	88.2	83.9	83.6	97.3	94.2
<b>Corporate</b>									
Gross premiums earned	1,229	1,264	1,245	1,229	1,291	1,387	1,378	1,333	1,374
Technical result	302	280	228	243	284	258	57	317	319
Key ratios									
Gross claims ratio	58.1	58.6	66.4	64.6	72.9	68.2	88.8	61.6	58.1
Business ceded as a % of gross premiums	8.5	10.3	7.0	7.6	-2.0	7.0	0.5	8.0	11.7
Claims ratio, net of ceded business	66.6	68.9	73.4	72.2	70.9	75.2	89.3	69.6	69.8
Gross expense ratio	11.2	10.4	10.2	11.3	9.5	8.4	9.1	10.4	10.3
Combined ratio	77.8	79.3	83.6	83.5	80.4	83.6	98.4	80.0	80.1
<b>Finland</b>									
Gross premiums earned	49	54	54	57	62	67	66	78	86
Technical result	-12	2	-17	-9	-12	-17	-11	-17	-2
Key ratios									
Gross claims ratio	77.6	64.8	87.5	73.7	74.2	79.1	71.2	80.8	45.3
Business ceded as a % of gross premiums	0.0	0.0	0.0	0.0	1.6	1.5	0.0	1.3	-1.2
Claims ratio, net of ceded business	77.6	64.8	87.5	73.7	75.8	80.6	71.2	82.1	44.1
Gross expense ratio	48.4	35.2	44.3	45.6	48.4	52.2	51.5	44.9	60.5
Combined ratio	126.0	100.0	131.8	119.3	124.2	132.8	122.7	127.0	104.6
<b>Sweden</b>									
Gross premiums earned	0	1	3	9	17	27	37	45	54
Technical result	-6	-10	-25	-18	-26	-16	-22	-26	-35
Key ratios									
Gross claims ratio	-	-	-	100.0	105.9	74.1	89.2	93.3	103.7
Business ceded as a % of gross premiums	-	-	-	0.0	0.0	3.7	-2.7	2.2	-1.9
Claims ratio, net of ceded business	-	-	-	100.0	105.9	77.8	86.5	95.5	101.8
Gross expense ratio	-	-	-	200.0	152.9	85.2	75.7	64.4	59.3
Combined ratio	-	-	-	300.0	258.8	163.0	162.2	159.9	161.1
<b>TrygVesta</b>									
Gross premiums earned	4,005	4,071	3,985	3,999	4,107	4,232	4,268	4,233	4,338
Technical result	771	743	602	533	745	821	721	637	684
Return on investment activities	-115	373	662	152	322	-90	-44	-365	-135
Profit/loss before tax	651	1,110	1,248	683	1,062	726	638	261	540
Profit/loss	562	995	1,119	505	855	487	419	178	356
Key ratios									
Gross claims ratio	61.2	62.4	66.3	69.0	67.3	64.4	68.6	67.5	65.5
Business ceded as a % of gross premiums	5.1	4.7	4.1	3.4	0.7	3.2	1.0	3.5	4.7
Claims ratio, net of ceded business	66.3	67.1	70.4	72.4	68.0	67.6	69.6	71.0	70.2
Gross expense ratio	16.7	16.6	16.8	17.2	16.8	16.1	16.6	16.9	17.1
Combined ratio	83.0	83.7	87.2	89.6	84.8	83.7	86.2	87.9	87.3

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### Financial calendar

Half-year 2008 report	19 August 2008
Third quarter 2008 report	11 November 2008
Annual report 2008	3 March 2009

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