

Interim report Q1 2015



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Financial calendar 2015

- 10 July 2015** Half-year report 2015
- 13 July 2015** Tryg shares trade ex-dividend
- 15 July 2015** Payment of dividend based on half-year results 2015
- 9 October 2015** Interim report for Q1-Q3 2015

Teleconference

Tryg is hosting a teleconference on 15 April 2015 at 9.30 CET. View the audio webcast at tryg.com. Financial analysts and investors may participate on tel. +44 (0) 203 194 0545 or +45 35 44 55 83, where questions can be asked. The teleconference will be held in English and can subsequently be viewed at tryg.com.

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This report constitutes Tryg A/S’s consolidated financial statements and has not been audited. Unless otherwise indicated, all comparisons are made to Q1 2014. Comparative figures for Q1 2014 are generally given in brackets.

Highlights

Satisfactory overall result driven by high investment return and a slightly weaker technical result impacted by weather claims and the low interest rate. The new customer initiatives were the key drivers of an improved Net Promoter Score (NPS).

Financial highlights Q1 2015

- Profit after tax of DKK 525m (DKK 455m).
- Technical result of DKK 429m (DKK 523m).
- Combined ratio of 90.7 (89.2) due to a high level of weather claims of approximately DKK 240m.
- Continued improved premium income trend with drop of 0.4% (-2.0%).
- Lower expense ratio of 15.6 (15.9) as a result of the efficiency programme.
- High investment return of DKK 261m (DKK 89m) influenced by high return on bonds and equities.
- Return on equity of 20.3% (16.1%) p.a. after tax.

Customer highlights Q1 2015

- NPS improved from 11 to 16.
- Retention rate improved from 87.9 to 88.1.
- Number of customers with three or more products increased from 56.3% to 56.5%.
- New bonus scheme approved at Trygheds-Gruppen's representative meeting – awaiting the authorities' approval.

New initiatives Q1 2015

- New car insurance product launched in Denmark.
- Tryg extended the road assistance agreement with Viking to cover the Danish and Swedish markets.
- New customer concept in Commercial based on segment-specific service.
- Efficiency programme improved the result by DKK 35m.

In Q1 2015, Tryg made a donation to the Night Ravens (Natteravnene) in Norway – a group of adults volunteering to look after young people in the streets at night.

Financial targets 2015

- Return on equity of 20% after tax
- Combined ratio ≤ 90
- Expense ratio $< 15^a$

a) Excluding one-off effects.

Financial targets 2017

- Return on equity of $\geq 21\%$ after tax
- Combined ratio ≤ 87
- Expense ratio ≤ 14

Customer targets 2017

- NPS + 100%
- Retention rate + 1 pp
- Customers ≥ 3 products + 5 pp

Income overview

DKKm	Q1 2015	Q1 2014	FY 2014
Gross premium income	4,451	4,583	18,652
Technical result	429	523	3,032
Investment return after insurance technical interest	261	89	360
Profit/loss for the period before tax	665	602	3,302
Profit/loss for the period, continuing business	515	454	2,547
Profit/loss for the period	525	455	2,557
Run-off gains/losses, net of reinsurance	346	333	1,131
Key ratios			
Total equity	9,571	11,480	11,119
Return on equity after tax (%)	20.3	16.1	23.0
Number of shares, end of period (1,000)	57,453	59,172	57,824
Earnings per share of DKK 25	9.1	7.7	43.7
Premium growth in local currency (%)	-0.4	-2.0	-1.1
Gross claims ratio	72.0	71.7	67.8
Net reinsurance ratio	3.1	1.6	1.8
Claims ratio, net of reinsurance	75.1	73.3	69.6
Gross expense ratio	15.6	15.9	14.6
Combined ratio	90.7	89.2	84.2
Combined ratio exclusive of run-off	98.5	96.5	90.3
Run-off, net of reinsurance (%)	-7.8	-7.3	-6.1
Large claims, net of reinsurance (%)	3.5	4.7	3.1
Weather claims, net of reinsurance (%)	5.4	2.6	2.4
Combined ratio on business areas			
Private	91.8	88.0	82.5
Commercial	84.6	81.9	79.4
Corporate	92.9	98.7	89.8
Sweden	92.1	88.7	92.0

Tryg's results

Tryg's profit after tax was DKK 525m (DKK 455m). The results were positively affected by the internal efficiency programme in the amount of DKK 35m, but negatively affected by weather claims of approximately DKK 240m, relating to storms and a high number of house fires in Norway relating to heating in the winter period. The investment return totalled DKK 261m (DKK 89m) influenced by a high return on equities and the match portfolio.

A combined ratio of 90.7 (89.2) was posted. In general the combined ratio will, due to weather claims, be higher in the first quarter than for the year as a whole. The combined ratio was also impacted by the level of large claims being higher than expected for an average quarter. The underlying combined ratio adjusted for weather and large claims, run-off and interest rate improved by 0.3 percentage points. The low interest rate impacted the combined ratio by 0.9 percentage points.

Tryg announced a number of customer targets at the Capital Markets Day in November 2014. An improvement in relation to all these targets was achieved in Q1. The NPS improved from 11 at CMD to 16 on 31 March 2015. This positive development can be ascribed in particular to the Danish claims organisation where

there was a substantial improvement in NPS. The retention rate increased from 87.9 to 88.1 due to an improvement in both Commercial in Denmark and Norway. The number of private customers with three or more products increased from 56.3% to 56.5%. Commercial implemented a new customer contact strategy and a new customer concept intended to strengthen relations with our small commercial customers and improve retention rates in both Denmark and Norway. In Private Sweden, customer satisfaction and retention have been integrated in the compensation model for employees with customer contact.

The development of price-differentiated products continues, and in late March Tryg launched a new car insurance product in Denmark. This was the most important launch of a new product since Tryg started its strategic initiative of developing price-differentiated products in 2012. We expect the product to improve Tryg's competitive position in this key market. The number of tariff criteria has almost been doubled, making it possible to customise the product exactly to customer needs. In Q1, we also launched new house insurance, travel insurance and pet insurance products in Norway, while in Denmark we launched many products for our largest affinity agreement including house, pet and motorcycle insurance.

Concurrently, the conversion of old products into new products for both private and commercial customers continues, and with very satisfactory results.

Corporate Social Responsibility constitutes an integral part of our core business. For example, Tryg has worked together with the Night Ravens (Natteravnene) in Norway since 1995. Night Ravens is a group of adults who volunteer to look after young people in the streets at night. In March 2015, Night Ravens celebrated its 25th anniversary. Norway's Prime Minister Erna Solberg and Tryg's Group CEO Morten Hübbe attended the Night Ravens conference where Tryg donated NOK 1m to the project, which creates peace of mind for young people and prevents violence and vandalism.

In 2014, Tryg digitised 77% of all Danish and 62% of all Norwegian customers, and almost all customer communication is now available online. Working from this position, Tryg will, in 2015 and 2016, explore the potential for offering more extensive and innovative self-service solutions focusing on mobility in addition to the more traditional web pages.

The Danish currency has been under attack as investors have speculated in the possible unpegging of the krone from the euro. Danmarks Nationalbank has defended the Danish currency by lowering the interest rate to negative levels. The general opinion

is that Danmarks Nationalbank will succeed in defending the peg. The low interest rates will, all else being equal, have a negative impact on the claims ratio and the investment income going forward. The effect on the claims ratio compared to the prior-year period was 0.9%. This development does, however, not affect Tryg's targets for 2015 or 2017.

The market situation in Denmark is generally more optimistic, and some economists are even talking about the danger of a housing bubble. Unemployment in Denmark is around 5%, and car sales continue to be dominated by small cars. In Denmark, car sales in Q1 2015 were 3% higher than in the prior-year period. The Norwegian economy is still impacted by very low oil prices and a weakened Norwegian currency. Tryg is only to a very limited extent exposed to the oil sector – both directly and indirectly. The impact would be considerably bigger if the Norwegian economy goes into recession with a lower level of economic activity in the country. Car sales in Norway in Q1 2015 were 3.1% lower than in the prior-year period.

Premiums

Gross premium income amounted to DKK 4,451m, corresponding to a fall of 0.4% when measured in local currencies (-2.0%).

Customer targets

	CMD (Nov. 2014)	Q1 2015	Target 2017
Net Promoter Score (NPS)	11	16	22
Retention rate	87.9	88.1	88.9
Customers with ≥3 products (%)	56.3	56.5	61.3

The improved development trend is thus continuing, and the development in Private in particular was positive with growth of 0.3%, whereas there was a reduction in Commercial and Sweden. For Commercial and Sweden, the drop in premium income represented a significantly improved trend compared to the development in the same quarter in previous years. Corporate reported growth of 1% in premium income (0.7%).

For 2015, Tryg expects a development in premium income of between -1% and 0%. We expect the focus on customer targets and the initiatives relating to these targets to improve customer development. The approval of a customer bonus scheme by the representatives of TryghedsGruppen is also expected to support the long-term development in premium income. The new bonus scheme is subject to final approval by the authorities.

Claims

The gross claims ratio was 72.0 (71.7). The claims ratio, net of ceded business, was 75.1 (73.3). In January, two storms hit the Nordic region. Combined with winter-related claims and especially a high number of house fires in Norway, this resulted in total weather claims of DKK 315m, which, due to Tryg's sideways cover, were reduced to approximately DKK 240m. In Q1, large claims were at 3.5 (4.7), which is approximately 0.5 percentage points higher than expected for an average quarter. In Q1, we also saw quite a high claims ratio for travel insurance in Denmark despite the price increases announced to compensate for the more extensive cover as a consequence of the new limited health insurance cover for travellers.

The claims part of the efficiency programme continues as planned, and in Q1, DKK 20m of the target figure of DKK 100m for 2015 was realised. The main driver was an improved renewal of existing procurement agreements and positive results from intensified work with fraud through stronger focus and improved internal processes.

In Q1, Tryg extended its road assistance scheme with Viking to cover Danish and Swedish customers. This was a natural step as the cooperation has been very satisfactory in Norway.

Tryg decided to test the use of vehicle telematics in Norway for 1,000 drivers. Telematics is a device which is installed in cars to monitor the driving style. Based on the result of this trial, Tryg will decide the future use of telematics in relation to pricing. In general, the use of telematics is extremely limited in the Nordic countries.

Tryg launched DNA marking in Q4 2014, which makes it possible for customers to mark their belongings. The DNA marking is not visible, and can only be seen using ultraviolet light. The marking can be identified by the police and, combined with warning labels, reduces the risk of theft. In Q2, DNA marking will be extended to high-value bicycles, as thefts relating to bicycles with a value in excess of DKK 10,000 have increased by almost 70% from 2009 to 2014, whereas there has been an almost 30% decline in thefts of cheaper bicycles in the same period.

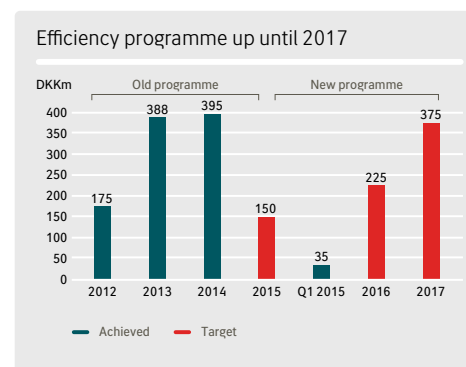
Expenses

The expense ratio totalled 15.6 (15.9), an improvement which shows that Tryg is well on the way to

achieving a ratio of under 15 excluding one-off effects from 2015. The efficiency programme is progressing according to plan, and improved results by DKK 15m. A continued reduction in the number of employees was the main driver for the quarter. Tryg has decided to outsource some of its accounting and administrative functions. The new structure in Commercial, which gives more mandate to the front-line staff, will also have a positive impact on the expense level. Private changed its organisational set-up towards a more national structure, which also made it possible to cut approximately ten jobs.

On 31 March 2015, the number of employees was 3,548, down 51 since Q4 2014.

The efficiency programme reduced costs by DKK 952m during 2012-14, of which DKK 392m was realised in 2014. In the coming three years, the new programme is expected to deliver further savings of DKK 750m, of which DKK 150m is planned for 2015. This means that the run rate will be significantly lower in year one of the new programme. In Q1, the programme delivered total savings of DKK 35m.



Investment return

Investment activities generated a result of DKK 261m (DKK 89m) and were impacted by a high return on equities in the free investment portfolio. The return on the match portfolio was DKK 56m, positively impacted by investors attempting to break the peg between the euro and the Danish krone. This led to very low and even negative interest rates, which in turn resulted in high gains. All else being equal, the low interest rates will, however, lead to lower investment income going forward.

Profit before and after tax

The profit before tax was DKK 665m (DKK 602m). Profit for the period after tax and discontinued business was DKK 525m (DKK 455m). Tax on continuing business constituted DKK 150m (DKK 148m), corresponding to a tax rate of 22.5%.

Capital

Tryg's equity totalled DKK 9,571m on 31 March 2015. Tryg determines the individual solvency need according to the guidelines of the Danish Financial Supervisory Authority. The individual solvency need totalled DKK 6,750m on 31 March 2015, and in relation to the capital base of DKK 10,451m and after share buy back, Tryg's surplus cover amounted to DKK 3,701m, or 55%.

Tryg's capital adequacy calculation includes approximately NOK 1.2bn after tax from the Norwegian Natural Perils Pool and the Norwegian guarantee scheme. It still has to be decided how these should be classified under Solvency II. Tryg expects the issue to be clarified before the planned implementation of Solvency II on 1 January 2016.

Private

Private encompasses the sale of insurance products to private individuals in Denmark and Norway. Sales are effected via call centres, online, Tryg's own agents, franchisees (Norway), interest organisations, car dealers, estate agents and Nordea branches. The business area accounts for 49% of the Group's total premium income.

Results

Private posted a technical result of DKK 181m (DKK 273m) and a combined ratio of 91.8 (88.0). The result is positively affected by Tryg's efficiency programme, but negatively affected by weather claims. The quarter saw an underlying improvement in the claims ratio of 0.7, taking into account the fact that the interest rate had a negative impact of 0.4 percentage points.

Premiums

Gross premium income rose by 0.3% when measured in local currencies (-0.5%), representing an improved trend. The positive development in sales continues whereas retention was

unchanged in Denmark and reduced by 0.3 percentage points in Norway. In Norway, sales via the franchise channel were at a very high level, which can be attributed partly to an increased number of sales agents and partly to the many price-differentiated products that have been launched with a high sales rate. The conversion of old products to the new price-differentiated products continues, and is progressing satisfactorily.

The development in premium income in Denmark is still affected by the high sales of small cars. This leads to lower average premiums, which is compensated by lower risk. The retention rate was 89.7 for the Danish part of the business against 89.6 in Q4 2014 and 89.4 at CMD (November 2014). In Norway, the retention rate was 86.6 against 87.0 in Q4 2014 and 86.9 at CMD (November 2014).

Claims

The gross claims ratio was 76.5 (72.1). The claims ratio, net of ceded business, constituted

76.5 (72.5), and was influenced by the storms in Denmark and Norway in January and by a high number of house fires in Norway relating to heating in the winter period. The improvement in the underlying claims ratio is attributable to the ongoing efficiency programme.

Expenses

The expense ratio for Private was 15.3 (15.5), a satisfactory development that supports Tryg's target of an expense ratio of below 15 excluding

one-off effects in 2015. To strengthen Private's profile in Denmark and Norway, a more nationally oriented organisational structure has been implemented. Following the changes, the number of full-time employees was reduced by approximately ten.

The number of employees totalled 896 at the end of the quarter against 903 at the end of 2014.

Key figures – Private

DKKm	Q1 2015	Q1 2014	FY 2014
Gross premium income	2,194	2,238	9,051
Gross claims	-1,679	-1,614	-6,129
Gross expenses	-335	-347	-1,311
Profit/loss on gross business	180	277	1,611
Profit/loss on ceded business	0	-10	-23
Insurance technical interest, net of reinsurance	1	6	24
Technical result	181	273	1,612
Run-off gains/losses, net of reinsurance	110	127	357
Key ratios			
Premium growth in local currency (%)	0.3	-0.5	0.0
Gross claims ratio	76.5	72.1	67.7
Net reinsurance ratio	0.0	0.4	0.3
Claims ratio, net of reinsurance	76.5	72.5	68.0
Gross expense ratio	15.3	15.5	14.5
Combined ratio	91.8	88.0	82.5
Combined ratio exclusive of run-off	96.8	93.7	86.4
Run-off, net of reinsurance (%)	-5.0	-5.7	-3.9
Large claims, net of reinsurance (%)	0.0	0.5	0.1
Weather claims, net of reinsurance (%)	7.3	3.2	2.5

Commercial

Commercial encompasses the sale of insurance products to small and medium-sized businesses in Denmark and Norway. Sales are effected by Tryg's own sales force, brokers, franchisees (Norway), customer centres as well as group agreements. The business area accounts for 23% of the Group's total premium income.

Results

Commercial posted a technical result of DKK 155m (DKK 193m) and a combined ratio of 84.6 (81.9). The results are influenced by a high level of large claims and weather claims and an improved expense ratio.

Premiums

Gross premium income totalled DKK 1,003m (DKK 1,042m), which represents a 2.4% drop when measured in local currencies. The reduction in premium income was in line with the development seen in recent quarters and represents a significantly improved development from the same quarter last year, which saw a 4.4% decline in premium income. There was an improved

development in retention rates for both Denmark and Norway and a high sales rate in Denmark.

In Q1, Commercial implemented a new customer contact strategy and a new customer concept, according to which all customers in Denmark and Norway should be contacted at least once a year. Furthermore, the service organisation is divided into segment-specific teams with dedicated contact numbers, and segment-specific insurance checks are performed to identify changes in customers' coverage and risks.

The change is expected to improve the customer experience and thus the retention rate in Commercial.

The conversion to the new price-differentiated products continues and generally meets with a high level of customer acceptance.

Claims

The gross claims ratio was 66.3 (63.9), and the claims ratio, net of ceded business, was 67.2

(64.2). The development in the claims ratio, net of ceded business, is attributable to a higher level of large claims and weather claims, which to some extent was offset by a higher level of run-off gains.

Expenses

The expense ratio was 17.4 (17.7), reflecting a satisfactory development. The Commercial

organisation continues to be aligned with more efficient sales processes and market potential. Reducing costs is still very important for Commercial if it is to strengthen its competitiveness and improve results.

At the end of Q1 2015, Commercial had 557 employees, which is two employees fewer than at the end of Q4 2014.

Key figures – Commercial

DKKm	Q1 2015	Q1 2014	FY 2014
Gross premium income	1,003	1,042	4,190
Gross claims	-665	-666	-2,673
Gross expenses	-175	-184	-664
Profit/loss on gross business	163	192	853
Profit/loss on ceded business	-9	-3	8
Insurance technical interest, net of reinsurance	1	4	14
Technical result	155	193	875
Run-off gains/losses, net of reinsurance	143	52	310
Key ratios			
Premium growth in local currency (%)	-2.4	-4.4	-3.0
Gross claims ratio	66.3	63.9	63.8
Net reinsurance ratio	0.9	0.3	-0.2
Claims ratio, net of reinsurance	67.2	64.2	63.6
Gross expense ratio	17.4	17.7	15.8
Combined ratio	84.6	81.9	79.4
Combined ratio exclusive of run-off	98.9	86.9	86.8
Run-off, net of reinsurance (%)	-14.3	-5.0	-7.4
Large claims, net of reinsurance (%)	11.6	0.8	4.3
Weather claims, net of reinsurance (%)	3.9	1.6	1.9

Corporate

Corporate sells insurance products to corporate customers under the brands 'Tryg' in Denmark and Norway, 'Moderna' in Sweden and 'Tryg Garanti'. Sales are effected both via Tryg's own sales force and via insurance brokers. Moreover, customers with international insurance needs are served by Corporate through its cooperation with the AXA Group. The business area accounts for 22% of the Group's total premium income.

Results

The technical result amounted to DKK 70m (DKK 19m), and the combined ratio stood at 92.9 (98.7). Compared to 2014, both run-off and large claims were at a lower level, while the underlying claims level was somewhat higher. The change is largely attributable to a higher proportion of medium-sized claims in Q1.

Premiums

Gross premium income totalled DKK 968m (DKK 989m), representing growth of 1% when measured in local currencies. The development reflects an acceptable portfolio development during 2014 and a subsequent good renewal rate on

1 January 2015. In Q1, the portfolio saw a slight increase in Denmark, a slight decrease in Norway and continued balanced growth in Sweden. As the Corporate portfolio comprises some very large customers, the portfolio can be significantly impacted by the gain and loss of individual customers. Managing the portfolio development in Corporate is therefore closely connected with ensuring profitability at the individual customer level.

In Corporate one of the important focus areas is to improve the customer experience, and a number of initiatives have been taken. As an example, the establishment of an advisory board has been planned in Sweden for the purpose of strengthening contact with the broker community. Corporate has also been working extensively with team culture to improve cooperation between sales, underwriting and administration for the purpose of improving customer relations. Like the other business areas in Tryg, Corporate is also planning to use customer feedback systematically to follow up on customer experience.

Claims

The gross claims ratio stood at 67.6 (81.5), while the claims ratio, net of ceded business, was 81.0

(86.1). The level of large claims and weather claims was significantly lower than last year and resulted in a slightly higher underlying claims level. The development in claims is monitored closely, while taking account of fluctuations in the underlying claims level. If certain segments or lines of business show an unsatisfactory claims trend, steps are taken.

In 2013 and 2014, the Swedish business did not develop satisfactorily especially within the affinity segment. Consequently, price increases for this segment are being implemented together with normal pricing adjustments for individual custom-

ers. In Norway, the development within motor is being closely monitored as there are signs of an increasing claims trend. In Denmark, focus is on developments in property claims.

Expenses

The expense ratio was 11.9 (12.6), which represents a satisfactory improvement. Like other areas in Tryg, Corporate is also working to improve efficiency.

The number of employees in Corporate stood at 279, which was unchanged from the end of 2014.

Key figures – Corporate

DKK m	Q1 2015	Q1 2014	FY 2014
Gross premium income	968	989	4,033
Gross claims	-654	-806	-2,872
Gross expenses	-115	-125	-446
Profit/loss on gross business	199	58	715
Profit/loss on ceded business	-130	-45	-304
Insurance technical interest, net of reinsurance	1	6	16
Technical result	70	19	427
Run-off gains/losses, net of reinsurance	70	145	421
Key ratios			
Premium growth in local currency (%)	1.0	0.7	1.1
Gross claims ratio	67.6	81.5	71.2
Net reinsurance ratio	13.4	4.6	7.5
Claims ratio, net of reinsurance	81.0	86.1	78.7
Gross expense ratio	11.9	12.6	11.1
Combined ratio	92.9	98.7	89.8
Combined ratio exclusive of run-off	100.1	113.4	100.2
Run-off, net of reinsurance (%)	-7.2	-14.7	-10.4
Large claims, net of reinsurance (%)	3.9	19.6	9.4
Weather claims, net of reinsurance (%)	2.8	2.9	3.0

Sweden

Sweden comprises the sale of insurance products to private customers under the 'Moderna' brand. Moreover, insurance is sold under the brands Atlantica, Bilsport & MC, Securator and Moderna Djurförsäkringar. Sales take place through its own sales force, call centres and online. The business area accounts for 6% of the Group's total premium income.

Results

Sweden posted a technical result of DKK 23m (DKK 38m) and a combined ratio of 92.1 (88.7).

The weaker result can be ascribed to a higher level of medium-sized claims within house insurance, which in a relatively small portfolio will have a significant impact on results and key ratios. Securator has been satisfactorily integrated into the organisation. Likewise, the pet insurance portfolio, Optimal, has been fully integrated in the Swedish organisation.

Premiums

Premium income totalled DKK 289m (DKK 317m), equating to a fall of 3.4% when measured in local

currencies. This represents an improvement compared to Q1 2014, which saw a drop of 12.5%. The development in premium income is influenced by the continued decline in Nordea customers and the cancellation of two big affinity agreements. This is mitigated through an increase in own direct distribution, online sales and the cooperation with Danske Bank. Sales are now at a higher level than when the agreement with Nordea was in place. Sales of extended warranty for electronic products were generally at a lower level than expected due to lower sales of electronic goods.

In line with the customer targets for Tryg, the Swedish business area has changed the compensation model for employees with customer contact to also include customers with three or more products and NPS when in contact with customers.

Claims

The gross claims ratio totalled 72.0 (64.4), which can be ascribed to a higher level of medium-sized claims and a general increase in the claims frequency for contents insurance.

Expenses

The expense ratio was 20.8 (19.9), reflecting the need to adapt cost levels following the reduction in business volume. The transformation from a high volume of distribution via partner agreements and affinity agreements to own distribution will, over time, have a positive impact on the distribution costs as own distribution is more cost-effective.

The number of employees was 329 at the end of the quarter, down 53 from 382 at the end of 2014.

The significant reduction can be ascribed to synergies relating to the successful integration of Securator and to the fact that the employees who were made redundant as a result of the decision to centralise the call centre in southern Sweden have now left the company.

Key figures – Sweden

DKKm	Q1 2015	Q1 2014	FY 2014
Gross premium income	289	317	1,399
Gross claims	-208	-204	-998
Gross expenses	-60	-63	-268
Profit/loss on gross business	21	50	133
Profit/loss on ceded business	2	-14	-21
Insurance technical interest, net of reinsurance	0	2	6
Technical result	23	38	118
Run-off gains/losses, net of reinsurance	23	9	43
Key ratios			
Premium growth in local currency (%)	-3.4	-12.5	-7.4
Gross claims ratio	72.0	64.4	71.3
Net reinsurance ratio	-0.7	4.4	1.5
Claims ratio, net of reinsurance	71.3	68.8	72.8
Gross expense ratio	20.8	19.9	19.2
Combined ratio	92.1	88.7	92.0
Combined ratio exclusive of run-off	100.1	91.5	95.1
Run-off, net of reinsurance (%)	-8.0	-2.8	-3.1
Weather claims, net of reinsurance (%)	5.2	1.3	1.5

Investment activities

In Q1 2015, the return on Tryg's investment activities totalled DKK 261m (DKK 89m). The positive result is composed of a return of DKK 282m on the free portfolio, a net return of DKK 56m on the match portfolio and other financial income and expenses of DKK -77m.

The match portfolio

Tryg matches the insurance provisions with the assets in the match portfolio so that changes in interest rate levels affect Tryg's results as little as possible. This generally leads to less variation in results and will under Solvency II reduce the capital required to accommodate fluctuations. The difference between the return on the match portfolio and the price adjustments of the claims provisions and the insurance technical interest is divided in two components: a regulatory deviation and a performance component. The match portfolio generated a return of DKK 338m, while an amount of DKK 282m was transferred to insurance. The difference thus amounts to a regulatory deviation of DKK 30m and a performance of DKK 26m.

The regulatory deviation stems from the evaluation of the claims based on the Danish Financial Supervisory Authority's discount curve relative to local benchmarks used in the match portfolios. Thus, this component is primarily a result of how European swap interest rates develop relatively to Danish, Norwegian and Swedish swap interest rates as EUR swaps are an important element in the Financial Supervisory Authority's interest curve. In Q1 2015, Danish interest rates have fallen a lot more than European interest rates. This has resulted in a positive regulatory deviation of DKK 30m.

The performance component expresses the return on the match portfolios relative to the selected local benchmarks. Thus, this component primarily shows how local bonds are performing relative to local market rates. Short bonds in Denmark performed very well in Q1, and all in all this has resulted in a performance of DKK 26m.

Key figures – investments

DKKm	Q1 2015	Q1 2014	FY 2014
Free portfolio, gross return	282	129	548
Match portfolio, regulatory deviation and performance	56	27	181
Other financial income and expenses	-77	-67	-369
Total investment return	261	89	360

Return – match portfolio

DKKm	Return Q1 2015	Return Q1 2014	Return FY 2014
Return, match portfolio	338	320	1,336
Value adjustments, changed discount rate	-221	-175	-741
Transferred to insurance technical interest	-61	-118	-414
Match, regulatory deviation and performance	56	27	181
Hereof:			
Match, regulatory deviation	30	-3	77
Match, performance	26	30	104

The free investment portfolio

The free investment portfolio mainly consists of equities, real estate and bonds and generated a return of DKK 282m, corresponding to 2.2% on the average invested capital. At the end of the quarter, the free portfolio constituted DKK 12.3bn.

The market has been characterised by an increasing risk appetite and positive sentiment due to the support extended by the European Central Bank and the general expectations of recovery in the world economy.

The equity portfolio delivered a positive return of DKK 210m or 7.7%, and the interest and credit exposures generated a return of DKK 42m or 0.5%. The real estate portfolio, which consists of Danish and Norwegian investment properties, posted a return of DKK 30m or 1.4%, for the quarter.

Other financial income and expenses

Other financial income and expenses were negative at DKK 77m. This is attributable, partly, to the currency hedging of the capital in the Swedish and Norwegian branches, and partly to expenses relating to Tryg's subordinated loan.



In Q1 2015, Tryg launched a new car insurance product in Denmark. The number of tariff criteria has almost been doubled, making it possible to customise the product exactly to the customer's needs.

Return – free portfolio

DKKm	Return Q1 2015	Return (%) Q1 2015	Return Q1 2014	Return (%) Q1 2014	Investment assets 31.03.2015	Investment assets 31.12.2014
Government bonds	4	1.6	2	0.4	264	279
Covered bonds	27	0.6	30	0.6	4,792	5,188
Emerging market bonds	9	2.3	14	3.7	419	410
High-yield bonds	21	2.1	22	3.0	1,046	910
Other ^{a)}	-19	-	-8	-	928	1,085
Interest rate and credit exposure	42	0.5	60	0.7	7,449	7,872
Equity exposure	210	7.7	41	1.8	2,780	2,470
Investment property	30	1.4	28	1.4	2,116	2,099
Total gross return	282	2.2	129	0.9	12,345	12,441

a) Bank deposits and derivative financial instruments hedging interest rate risk and credit risk.

Capital

Tryg calculates the individual solvency need based on a partially internal model compliant with the Danish Financial Supervisory Authority's Executive Order on Solvency and Operating Plans for Insurance Companies. The model is based on the structure of the standard model. However, Tryg has decided to model insurance risks using an internal model, while the other risks are calculated using the standard model components. The individual solvency need was DKK 6,750m in Q1 2015 against DKK 6,560m in Q4 2014.

According to the standard model, the solvency need would be DKK 8,467m in Q1 2015 against DKK 8,276m in Q4 2014.

Capital

According to the Danish Financial Supervisory Authority, the calculated solvency need must be covered by an 'adequate capital base'.

An element which can be included in the adequate capital base is expected future surplus. Tryg has not yet done so, as we are awaiting the

introduction of uniform solvency and accounting principles. The Danish Financial Supervisory Authority has announced that the harmonisation will take effect on 1 January 2016.

As of 1 January 2015, the Danish Solvency regulation allows for inclusion of additional subordinated capital. Thus, Tryg's subordinated loan of EUR 150m can now be fully included in the adequate base capital. This regulatory change contributed approximately DKK 300m to the adequate base capital.

Tryg is looking at refinancing the subordinated loan of EUR 150m during 2015. In addition, Tryg will be able to add DKK 1.2-2.2bn to the subordinated capital presently held.

On 2 January 2015, Tryg initiated the buy back of own shares for an amount of DKK 1,000m. From the start-up of the share buy back programme and up until 31 March 2015, 403,475 shares were acquired for a total sum of DKK 320m. Following these transactions,

Tryg holds a total of 2,242,260 own shares, corresponding to 3.8%.

In Q1 2015, the adequate capital base less the executed part of the share buy back programme was DKK 10,451m, which means that Tryg has surplus cover of DKK 3,701m (55%) and DKK 1,984m (23%) relative to the individual solvency need and the standard solvency need, respectively.

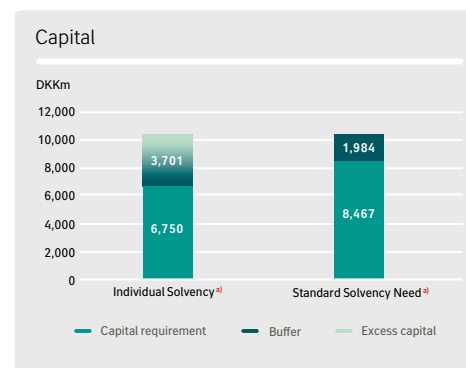
Solvency II

Solvency II allows a company to calculate its capital requirement using an internal model approved by the Financial Supervisory Authority. Tryg expects its internal model to be approved by 31 December 2015 at the latest, which implies that it can still be applied by the company. If the approval process is longer

than expected, it will be necessary to apply the Solvency II standard model for a period, which will result in a lower solvency surplus.

The Norwegian Financial Supervisory Authority raised several challenges in its letter of 19 June 2014 regarding the possibility of using the Norwegian Natural Perils Pool and other capital items as 'own funds' when Solvency II comes into force. The Norwegian insurance industry is currently working with the legislators to resolve these issues.

Tryg has an interactive 'A-' rating from Standard & Poor's, and the capital is sufficient to support this rating.



a) Share buy back deducted.

Outlook

Tryg announced financial targets for 2015 at Capital Markets Day (CMD) in 2012 and for 2017 at CMD in 2014. To ensure that Tryg realises its financial targets for 2015 and 2017, a new efficiency programme has been launched. The aim is to reduce expenses and claims by a total of DKK 750m, with DKK 500m relating to the procurement of claims services and administration and DKK 250m relating to expenses, in the period up to and including 2017. At the CMD, Tryg communicated that one-off costs relating to the efficiency programme will be realised in 2015.

Tryg expects the development in gross premium income to be slightly negative to unchanged in 2015 and on a par with the growth in GDP in 2016.

Tryg has a solid reserve position, which was confirmed by an external review by KPMG in 2014. This review has strengthened Tryg's assessment of its reserve position, and it is therefore likely that the run-off level in the coming years will be higher than previously.

The interest rate used for discounting Tryg's technical provisions is now historically low. A higher interest rate level will have a positive effect on Tryg's results. In 2015, weather claims net of reinsurance and

large claims of DKK 500m and DKK 550m, respectively, are expected. The investment portfolio is generally divided into a match portfolio corresponding to the technical provisions and a free portfolio. The objective is for the return on the match portfolio and changes in the technical provisions due to interest rate changes to be neutral when taken together.

The return on bonds in the free portfolio will vary, but considering the current interest rate level, a low current return is expected. For shares and real estate, returns of 7% and 6%, respectively, are expected.

Investment activities include other types of investment income and expenses, especially the costs of managing the investments, gains and losses on foreign currency hedges and interest paid on loans.

Tax rates have gradually been lowered in Denmark, Norway and Sweden in recent years. In Denmark, the tax rate will be reduced to 22% in the period up to 2016. The Norwegian tax rate is 27%, while the Swedish rate is 22%. When calculating the total tax payable, the fact that gains and losses on shareholdings are not taxed in Norway should also be taken into account. All in all, this will cause the expected tax payable for an average year to be 22-23% for 2015.



Financial targets 2015

- Return on equity of 20% after tax
- Combined ratio ≤ 90
- Expense ratio $< 15^a$

a) Excluding one-off effects.

Financial targets 2017

- Return on equity of $\geq 21\%$ after tax
- Combined ratio ≤ 87
- Expense ratio ≤ 14

Menu – Financial statements Q1 2015

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Tryg's Group consolidated financial statements are prepared in accordance with IFRS.

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 Q1 2015 of Tryg A/S.

The 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 Nasdaq OMX Copenhagen for the presentation of financial statements of listed companies.

In our opinion, the report gives a true and fair view of the Group's assets, liabilities and financial

position at 31 March 2015 and of the results of the Group's activities and cash flows for the period.

Furthermore, in our opinion the Management's report gives a true and fair view 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, 15 April 2015

Executive Management

Morten Hübbe
Group CEO

Tor Magne Lønnum
Group CFO

Lars Bonde
Group Executive Vice President and COO

Supervisory Board

Jørgen Huno Rasmussen
Chairman

Torben Nielsen
Deputy Chairman

Anya Eskildsen

Vigdis Fossehagen

Lone Hansen

Jesper Hjulmand

Ida Sofie Jensen

Bill-Owe Johansson

Lene Skole

Tina Snebjerg

Mari Thjømøe

Carl-Viggo Østlund



Financial highlights

DKKm	Q1 2015	Q1 2014	FY 2014
Gross premium income	4,451	4,583	18,652
Gross claims	-3,204	-3,287	-12,650
Total insurance operating costs	-685	-719	-2,689
Profit/loss on gross business	562	577	3,313
Profit/loss on ceded business	-136	-72	-341
Insurance technical interest, net of reinsurance	3	18	60
Technical result	429	523	3,032
Investment return after insurance technical interest	261	89	360
Other income and costs	-25	-10	-90
Profit/loss before tax	665	602	3,302
Tax	-150	-148	-755
Profit/loss, continuing business	515	454	2,547
Profit/loss on discontinued and divested business after tax	10	1	10
Profit/loss for the period	525	455	2,557
Other comprehensive income			
Other comprehensive income which cannot subsequently be reclassified as profit or loss	-26	39	-6
Other comprehensive income which can subsequently be reclassified as profit or loss	17	14	-34
Other comprehensive income	-9	53	-40
Comprehensive income	516	508	2,517
Run-off gains/losses, net of reinsurance	346	333	1,131
Statement of financial position			
Total provisions for insurance contracts	34,372	35,082	31,692
Total reinsurers' share of provisions for insurance contracts	2,206	2,874	1,938
Total equity	9,571	11,480	11,119
Total assets	53,394	54,139	52,224
Key ratios			
Gross claims ratio	72.0	71.7	67.8
Net reinsurance ratio	3.1	1.6	1.8
Claims ratio, net of reinsurance	75.1	73.3	69.6
Gross expense ratio	15.6	15.9	14.6
Combined ratio	90.7	89.2	84.2
Gross expense ratio without adjustment*	15.4	15.7	14.4
Operating ratio	90.4	88.6	83.8

*) The gross expense ratio without adjustment is calculated as the ratio of actual gross insurance operating costs to gross premium income.

Other key ratios are calculated in accordance with 'Recommendations & Financial Ratios 2010' issued by the Danish Society of Financial Analysts.

The adjustment, which is made pursuant to the Danish Financial Supervisory Authority's and the Danish Society of Financial Analysts' definitions of expense ratio and combined ratio, involves the addition of a calculated expense (rent) in respect of owner-occupied property based on a calculated market rent and the deduction of actual depreciation and operating costs on owner-occupied property.

Income statement

DKKm	Q1 2015	Q1 2014	FY 2014
Notes			
General insurance			
Gross premiums written	6,658	6,849	18,672
Ceded insurance premiums	-579	-515	-1,059
Change in premium provisions	-2,142	-2,196	268
Change in reinsurers' share of premium provisions	290	217	-57
2 Premium income, net of reinsurance	4,227	4,355	17,824
3 Insurance technical interest, net of reinsurance	3	18	60
Claims paid	-3,463	-3,771	-13,695
Reinsurance cover received	170	197	1,361
Change in claims provisions	259	484	1,045
Change in the reinsurers' share of claims provisions	-41	3	-688
4 Claims, net of reinsurance	-3,075	-3,087	-11,977
Bonus and premium discounts	-65	-70	-288
Acquisition costs	-524	-537	-1,955
Administration expenses	-161	-182	-734
Acquisition costs and administration expenses	-685	-719	-2,689
Reinsurance commissions and profit participation from reinsurers	24	26	102
Insurance operating costs, net of reinsurance	-661	-693	-2,587
1 Technical result	429	523	3,032

DKKm	Q1 2015	Q1 2014	FY 2014
Notes			
Investment activities			
Income from associates	3	3	10
Income from investment property	26	25	94
Interest income and dividends	241	243	949
5 Value adjustments	96	-14	-95
Interest expenses	-24	-31	-115
Administration expenses in connection with investment activities	-20	-19	-69
Total investment return	322	207	774
3 Return on insurance provisions	-61	-118	-414
Total investment return after insurance technical interest	261	89	360
Other income	21	19	81
Other costs	-46	-29	-171
Profit/loss before tax	665	602	3,302
Tax	-150	-148	-755
Profit/loss on continuing business	515	454	2,547
Profit/loss on discontinued and divested business	10	1	10
Profit/loss for the period	525	455	2,557
Earnings per share of DKK 25 - continuing business	8.9	7.7	43.5
Diluted earnings per share of DKK 25 - continuing business	8.9	7.7	43.5
Earnings per share of DKK 25	9.1	7.7	43.7
Diluted earnings per share of DKK 25	9.1	7.7	43.7

Statement of comprehensive income

DKKm	Q1 2015	Q1 2014	FY 2014
Profit/loss for the period	525	455	2,557
Other comprehensive income			
Other comprehensive income which cannot subsequently be reclassified as profit or loss			
Change in equalisation reserve	0	0	26
Revaluation of owner-occupied property	0	0	2
Actuarial gains/losses on defined-benefit pension plans	-35	54	-46
Tax on actuarial gains/losses on defined-benefit pension plans	9	-15	12
	-26	39	-6
Other comprehensive income which can subsequently be reclassified as profit or loss			
Exchange rate adjustments of foreign entities	87	43	-178
Hedging of currency risk in foreign entities	-92	-39	191
Tax on hedging of currency risk in foreign entities	22	10	-47
	17	14	-34
Total other comprehensive income	-9	53	-40
Comprehensive income	516	508	2,517

Statement of financial position

DKKm	31.03.2015	31.03.2014	31.12.2014
Notes			
Assets			
Intangible assets	993	758	984
Operating equipment	89	118	97
Owner-occupied property	1,171	1,310	1,153
Assets under construction	12	0	11
Total property, plant and equipment	1,272	1,428	1,261
Investment property	1,844	1,836	1,828
Equity investments in associates	228	218	225
Total investments in associates	228	218	225
Equity investments	112	145	128
Unit trust units	4,218	3,641	3,884
Bonds	37,295	37,728	37,175
Deposits with credit institutions	150	1,326	667
Derivative financial instruments	1,240	677	1,318
Total other financial investment assets	43,015	43,517	43,172
Total investment assets	45,087	45,571	45,225
Reinsurers' share of premium provisions	476	454	219
Reinsurers' share of claims provisions	1,730	2,420	1,719
Total reinsurers' share of provisions for insurance contracts	2,206	2,874	1,938
Receivables from policyholders	1,917	1,834	1,232
Total receivables in connection with direct insurance contracts	1,917	1,834	1,232
Receivables from insurance enterprises	319	244	208
Other receivables	239	154	222
Total receivables	2,475	2,232	1,662
Current tax assets	0	117	0
Cash at bank and in hand	758	639	505
Other	0	1	0
Total other assets	758	757	505
Interest and rent receivable	322	341	337
Other prepayments and accrued income	281	178	312
Total prepayments and accrued income	603	519	649
Total assets	53,394	54,139	52,224

DKKm	31.03.2015	31.03.2014	31.12.2014
Notes			
Equity and liabilities			
Equity	9,571	11,480	11,119
Subordinated loan capital	1,801	1,834	1,768
Premium provisions	7,958	8,470	5,810
Claims provisions	25,870	26,090	25,272
Provisions for bonuses and premium discounts	544	522	610
Total provisions for insurance contracts	34,372	35,082	31,692
Pensions and similar liabilities	351	726	342
Deferred tax liability	1,081	1,155	1,022
Other provisions	81	43	83
Total provisions	1,513	1,924	1,447
Debt relating to direct insurance	436	377	565
Debt relating to reinsurance	436	588	188
Amounts owed to credit institutions	304	29	116
Debt relating to unsettled funds transactions and repos	2,627	1,039	2,902
Derivative financial instruments	653	485	799
Current tax liabilities	311	216	429
Other debt	1,347	1,051	1,153
Total debt	6,114	3,785	6,152
Accruals and deferred income	23	34	46
Total equity and liabilities	53,394	54,139	52,224

6 Accounting policies

Statement of changes in equity

DKKm	Share capital	Revaluation reserves	Reserve for exchange rate adjustment	Equalisation reserve	Other reserves	Retained earnings	Proposed dividend	Total
Equity at 31 December 2014	1,492	80	15	106	848	6,847	1,731	11,119
Q1 2015								
Profit/loss for the period					-37	562		525
Other comprehensive income			17			-26		-9
Total comprehensive income	0	0	17	0	-37	536	0	516
Dividend paid							-1,731	-1,731
Dividend, treasury shares						65		65
Purchase and sale of treasury shares						-415		-415
Exercise of share options						14		14
Issue of employee shares						2		2
Issue of share options and matching shares						1		1
Total changes in equity in Q1 2015	0	0	17	0	-37	203	-1,731	-1,548
Equity at 31 March 2015	1,492	80	32	106	811	7,050	0	9,571
Equity at 31 December 2013	1,533	78	49	61	888	6,842	1,656	11,107
Q1 2014								
Profit/loss for the period					-15	470		455
Other comprehensive income	0	0	14	0	0	39	0	53
Total comprehensive income	0	0	14	0	-15	509	0	508
Purchase and sale of treasury shares						-213		-213
Exercise of share options						41		41
Issue of employee shares						34		34
Issue of share options and matching shares						3		3
Total changes in equity in Q1 2014	0	0	14	0	-15	374	0	373
Equity at 31 March 2014	1,533	78	63	61	873	7,216	1,656	11,480

Statement of changes in equity

DKKm	Share capital	Revaluation reserves	Reserve for exchange rate adjustment	Equalisation reserve	Other reserves	Retained earnings	Proposed dividend	Total
Equity at 31 December 2013	1,533	78	49	61	888	6,842	1,656	11,107
FY 2014								
Profit/loss for the year				60	-81	847	1,731	2,557
Other comprehensive income		2	-34	-15	41	-34		-40
Total comprehensive income	0	2	-34	45	-40	813	1,731	2,517
Nullification of treasury shares	-41					41		0
Dividend paid							-1,656	-1,656
Dividend, treasury shares						59		59
Purchase and sale of treasury shares						-1,005		-1,005
Exercise of share options						49		49
Issue of employee shares						45		45
Issue of share options and matching shares						3		3
Total changes in equity in 2014	-41	2	-34	45	-40	5	75	12
Equity at 31 December 2014	1,492	80	15	106	848	6,847	1,731	11,119

Cash flow statement

	Q1	Q1	FY
DKKm	2015	2014	2014
Cash from operating activities			
Premiums	4,981	5,837	18,139
Claims	-2,706	-3,844	-13,584
Ceded business	-233	3	229
Costs	-682	-720	-2,862
Change in other debt and other amounts receivable	77	121	-249
Cash flow from insurance activities	1,437	1,397	1,673
Interest income	231	309	995
Interest expenses	-24	-31	-115
Dividend received	34	8	39
Taxes	-232	-270	-512
Other income and costs	-25	-11	-90
Cash from operating activities, continuing business	1,421	1,402	1,990
Cash from operating activities, discontinued and divested business	-20	0	-58
Total cash flow from operating activities	1,401	1,402	1,932
Investments			
Acquisition and refurbishment of real property	-1	0	-14
Sale of real property	0	3	7
Acquisition and sale of equity investments and unit trust units (net)	151	181	291
Purchase/sale of bonds (net)	198	-1,293	-386
Deposits with credit institutions	499	-25	630
Purchase/sale of operating equipment (net)	5	2	-17
Acquisition of intangible assets	0	0	-228
Hedging of currency risk	-92	-39	191
Investments, continuing business	760	-1,171	474
Investments, discontinued and divested business	-37	0	0
Total investments	723	-1,171	474

	Q1	Q1	FY
DKKm	2015	2014	2014
Financing			
Exercise of share options/purchase of treasury shares (net)	-401	-172	-956
Dividend paid	-1,666	0	-1,597
Change in amounts owed to credit institutions	188	24	110
Financing, continuing business	-1,879	-148	-2,443
Total financing	-1,879	-148	-2,443
Change in cash and cash equivalents, net	245	83	-37
Additions relating to purchase of subsidiary	0	0	14
Exchange rate adjustment of cash and cash equivalents beginning of year	8	3	-25
Change in cash and cash equivalents, gross	253	86	-48
Cash and cash equivalents, beginning of year	505	553	553
Cash and cash equivalents, end of period	758	639	505

Notes

DKKkm	Private	Commercial	Corporate	Sweden	Other	Group	
1	Operating segments						
	Q1 2015						
	Gross premium income	2,194	1,003	968	289	-3	4,451
	Gross claims	-1,679	-665	-654	-208	2	-3,204
	Gross operating expenses	-335	-175	-115	-60	0	-685
	Profit/loss on ceded business	0	-9	-130	2	1	-136
	Insurance technical interest, net of reinsurance	1	1	1	0	0	3
	Technical result	181	155	70	23	0	429
	Other items						96
	Profit						525
	Run-off gains/losses, net of reinsurance	110	143	70	23	0	346
	Intangible assets		36		606	351	993
	Equity investments in associates					228	228
	Reinsurers' share of premium provisions	93	99	283	1	0	476
	Reinsurers' share of claims provisions	203	357	1,127	43	0	1,730
	Other assets					49,967	49,967
	Total assets						53,394
	Premium provisions	3,046	2,069	2,045	798	0	7,958
	Claims provisions	6,222	6,891	10,993	1,764	0	25,870
	Provisions for bonuses and premium discounts	444	27	63	10	0	544
	Other liabilities					9,451	9,451
	Total liabilities						43,823

Amounts relating to eliminations are included under 'Other'. Other assets and liabilities are managed at Group level and are therefore not allocated to the individual segments but are included under 'Other'.

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

Notes

DKKm	Private	Commercial	Corporate	Sweden	Other	Group
1 Operating segments						
Q1 2014						
Gross premium income	2,238	1,042	989	317	-3	4,583
Gross claims	-1,614	-666	-806	-204	3	-3,287
Gross operating expenses	-347	-184	-125	-63	0	-719
Profit/loss on ceded business	-10	-3	-45	-14	0	-72
Insurance technical interest, net of reinsurance	6	4	6	2	0	18
Technical result	273	193	19	38	0	523
Other items						-68
Profit						455
Run-off gains/losses, net of reinsurance	127	52	145	9	0	333
Intangible assets				457	301	758
Equity investments in associates					218	218
Reinsurers' share of premium provisions	71	91	291	1	0	454
Reinsurers' share of claims provisions	294	452	1,618	56	0	2,420
Other assets					50,289	50,289
Total assets						54,139
Premium provisions	3,279	2,226	2,157	808	0	8,470
Claims provisions	6,342	6,584	11,435	1,729	0	26,090
Provisions for bonuses and premium discounts	411	33	68	10	0	522
Other liabilities					7,577	7,577
Total liabilities						42,659

Notes

DKKm	Private	Commercial	Corporate	Sweden	Other	Group
1	Operating segments					
FY 2014						
Gross premium income	9,051	4,190	4,033	1,399	-21	18,652
Gross claims	-6,129	-2,673	-2,872	-998	22	-12,650
Gross operating expenses	-1,311	-664	-446	-268	0	-2,689
Profit/loss on ceded business	-23	8	-304	-21	-1	-341
Insurance technical interest, net of reinsurance	24	14	16	6	0	60
Technical result	1,612	875	427	118	0	3,032
Other items						-475
Profit						2,557
Run-off gains/losses, net of reinsurance	357	310	421	43	0	1,131
Intangible assets		37		600	347	984
Equity investments in associates					225	225
Reinsurers' share of premium provisions	10	12	197	0	0	219
Reinsurers' share of claims provisions	154	346	1,181	38	0	1,719
Other assets					49,077	49,077
Total assets						52,224
Premium provisions	2,423	1,425	1,163	799	0	5,810
Claims provisions	6,062	6,742	10,754	1,714	0	25,272
Provisions for bonuses and premium discounts	488	51	62	9	0	610
Other liabilities					9,413	9,413
Total liabilities						41,105

Notes

DKKm	Q1 2015	Q1 2014	FY 2014
1 Geographical segments			
Danish general insurance *			
Gross premium income	2,331	2,339	9,361
Technical result	304	294	1,510
Run-off gains/losses, net of reinsurance	231	120	564
Key ratios			
Gross claims ratio	69.2	70.2	66.9
Net reinsurance ratio	3.1	2.7	2.1
Claims ratio, net of reinsurance	72.3	72.9	69.0
Gross expense ratio	14.4	14.6	15.1
Combined ratio	86.7	87.5	84.1
Number of full-time employees, end of period	1,974	2,015	2,007
Norwegian general insurance			
Gross premium income	1,691	1,781	7,337
Technical result	55	192	1,478
Run-off gains/losses, net of reinsurance	58	190	501
Key ratios			
Gross claims ratio	77.5	73.9	66.5
Net reinsurance ratio	3.8	-0.3	1.4
Claims ratio, net of reinsurance	81.3	73.6	67.9
Gross expense ratio	15.9	16.2	12.5
Combined ratio	97.2	89.8	80.4
Number of full-time employees, end of period	1,184	1,186	1,167

* Comprises Danish general insurance and Finnish guarantee insurance.

Notes

DKKm	Q1 2015	Q1 2014	FY 2014
1 Geographical segments			
Swedish general insurance			
Gross premium income	432	466	1,975
Technical result	70	37	44
Run-off gains/losses, net of reinsurance	57	23	66
Key ratios			
Gross claims ratio	65.3	70.8	77.6
Net reinsurance ratio	0.0	3.0	2.2
Claims ratio, net of reinsurance	65.3	73.8	79.8
Gross expense ratio	18.5	18.9	18.4
Combined ratio	83.8	92.7	98.2
Number of full-time employees, end of period	390	454	425
Other**			
Gross premium income	-3	-3	-21
Technical result	0	0	0
Tryg			
Gross premium income	4,451	4,583	18,652
Technical result	429	523	3,032
Investment return activities	261	89	360
Other income and costs	-25	-10	-90
Profit/loss before tax	665	602	3,302
Run-off gains/losses, net of reinsurance	346	333	1,131
Key ratios			
Gross claims ratio	72.0	71.7	67.8
Net reinsurance ratio	3.1	1.6	1.8
Claims ratio, net of reinsurance	75.1	73.3	69.6
Gross expense ratio***	15.6	15.9	14.6
Combined ratio	90.7	89.2	84.2
Number of full-time employees, end of period, continuing business	3,548	3,655	3,599

** Amounts relating to eliminations are included under 'Other'.

*** Adjustment of gross expense ratio included only in 'Tryg'.

Notes

DKKm	Q1 2015	Q1 2014	FY 2014
2 Premium income, net of reinsurance			
Direct insurance	4,505	4,626	18,872
Indirect insurance	11	27	67
	4,516	4,653	18,939
Unexpired risk provision	0	0	1
	4,516	4,653	18,940
Ceded direct insurance	-270	-280	-1,067
Ceded indirect insurance	-19	-18	-49
	4,227	4,355	17,824
3 Insurance technical interest, net of reinsurance			
Return on insurance provisions	61	118	414
Discounting transferred from claims provisions	-58	-100	-354
	3	18	60
4 Claims, net of reinsurance			
Claims	-3,522	-3,479	-13,376
Run-off gains/losses, gross	318	192	726
	-3,204	-3,287	-12,650
Reinsurance cover received	101	59	268
Run-off gains/losses, reinsurers' share	28	141	405
	-3,075	-3,087	-11,977

DKKm	Q1 2015	Q1 2014	FY 2014
5 Value adjustments			
<i>Value adjustments concerning financial assets or liabilities at fair value with value adjustment in the income statement:</i>			
Equity investments	-17	0	-18
Unit trust units	266	67	354
Share derivatives	50	3	17
Bonds	-82	15	-129
Interest derivatives	133	104	596
Other loans	0	2	2
	350	191	822
<i>Value adjustments concerning assets or liabilities that cannot be attributed to IAS 39:</i>			
Investment property	1	0	23
Owner-occupied property	0	0	-106
Discounting	-221	-175	-741
Other statement of financial position items	-34	-30	-93
	-254	-205	-917
	96	-14	-95

6 Accounting policies

Tryg's first quarter 2015 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 OMX.

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).

From 1 January 2015 the Group implemented the following standards:

- IFRS 7 'Deferral of mandatory effective dates'
- Amendments to IFRS 2 'Definition of 'vesting condition'
- Amendments to IFRS 3 'accounting for contingent consideration'
- Amendments to IFRS 3 'scope exception for joint ventures'
- Amendments to IFRS 8 'aggregation of segments, reconciliation of segment assets'
- Amendments to IFRS 13 'scope of the portfolio exception in paragraph 52'
- Amendments to IAS 16 and IAS 38 'proportionate restatement of accumulated depreciation on revaluation'
- Amendments to IAS 24 'management entities'
- Amendments to IAS 40 'interrelationship between IFRS 3 and IAS 40'

The implementation of the new standards has not significantly affected recognition and measurement in 2015.

Quarterly outline

DKKm	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
<p>A more detailed version of the presentation can be seen at investor>Downloads">www.tryg.com/uk>investor>Downloads</p>									
Private									
Gross premium income	2,194	2,249	2,289	2,275	2,238	2,290	2,329	2,363	2,384
Technical result	181	400	445	494	273	286	440	364	245
Key ratios									
Gross claims ratio	76.5	65.3	64.6	69.0	72.1	75.6	64.7	68.5	72.9
Net reinsurance ratio	0.0	2.1	1.1	-2.6	0.4	-2.5	1.7	0.8	1.8
Claims ratio, net of reinsurance	76.5	67.4	65.7	66.4	72.5	73.1	66.4	69.3	74.7
Gross expense ratio	15.3	15.0	15.1	12.4	15.5	14.6	15.1	15.6	15.3
Combined ratio	91.8	82.4	80.8	78.8	88.0	87.7	81.5	84.9	90.0
Combined ratio exclusive of run-off	96.8	84.5	85.3	82.4	93.7	90.8	84.0	89.0	93.5
Commercial									
Gross premium income	1,003	1,050	1,045	1,053	1,042	1,080	1,075	1,124	1,132
Technical result	155	270	188	224	193	157	230	153	114
Key ratios									
Gross claims ratio	66.3	55.2	63.9	72.1	63.9	73.8	56.0	69.5	70.5
Net reinsurance ratio	0.9	3.7	0.9	-5.6	0.3	-5.9	3.5	-1.1	0.8
Claims ratio, net of reinsurance	67.2	58.9	64.8	66.5	64.2	67.9	59.5	68.4	71.3
Gross expense ratio	17.4	15.6	17.5	12.6	17.7	17.9	19.5	18.3	18.6
Combined ratio	84.6	74.5	82.3	79.1	81.9	85.8	79.0	86.7	89.9
Combined ratio exclusive of run-off	98.9	86.5	92.1	81.9	86.9	92.8	87.3	94.5	91.0
Corporate									
Gross premium income	968	1,015	999	1,030	989	1,025	1,025	1,062	1,046
Technical result	70	98	130	180	19	59	42	139	118
Key ratios									
Gross claims ratio	67.6	67.2	63.0	73.3	81.5	75.0	122.9	88.5	66.2
Net reinsurance ratio	13.4	12.6	13.0	0.1	4.6	7.6	-38.2	-12.2	10.1
Claims ratio, net of reinsurance	81.0	79.8	76.0	73.4	86.1	82.6	84.7	76.3	76.3
Gross expense ratio	11.9	10.6	11.5	9.5	12.6	12.1	11.6	10.9	12.5
Combined ratio	92.9	90.4	87.5	82.9	98.7	94.7	96.3	87.2	88.8
Combined ratio exclusive of run-off	100.1	106.4	94.9	86.8	113.4	102.2	104.8	94.4	101.7

Quarterly outline

DKKkm	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	* Amounts relating to eliminations are included under 'Other'
Sweden										
Gross premium income	289	338	386	358	317	348	442	420	377	
Technical result	23	7	30	43	38	44	54	28	23	
Key ratios										
Gross claims ratio	72.0	74.6	76.2	69.3	64.4	71.8	72.6	76.7	75.6	
Net reinsurance ratio	-0.7	1.5	0.8	-0.3	4.4	-2.9	0.5	0.0	-0.3	
Claims ratio, net of reinsurance	71.3	76.1	77.0	69.0	68.8	68.9	73.1	76.7	75.3	
Gross expense ratio	20.8	22.2	15.5	19.6	19.9	19.3	14.7	17.6	19.6	
Combined ratio	92.1	98.3	92.5	88.6	88.7	88.2	87.8	94.3	94.9	
Combined ratio exclusive of run-off	100.1	99.2	97.7	91.7	91.5	94.5	89.8	94.3	92.0	
Other*										
Gross premium income	-3	-6	-7	-5	-3	-6	-4	-7	-1	
Technical result	0	0	0	0	0	0	0	0	0	
Tryg										
Gross premium income	4,451	4,646	4,712	4,711	4,583	4,737	4,867	4,962	4,938	
Technical result	429	775	793	941	523	546	766	684	500	
Investment return	261	13	-1	259	89	154	152	13	269	
Profit/loss before tax	665	768	782	1,150	602	639	907	688	759	
Profit/loss	525	640	593	869	455	565	715	514	575	
Key ratios										
Gross claims ratio	72.0	64.1	64.9	70.7	71.7	74.9	75.9	73.7	71.2	
Net reinsurance ratio	3.1	4.7	3.7	-2.6	1.6	-1.2	-6.6	-2.6	3.1	
Claims ratio, net of reinsurance	75.1	68.8	68.6	68.1	73.3	73.7	69.3	71.1	74.3	
Gross expense ratio	15.6	14.9	15.1	12.6	15.9	15.4	15.5	15.6	16.0	
Combined ratio	90.7	83.7	83.7	80.7	89.2	89.1	84.8	86.7	90.3	
Combined ratio exclusive of run-off	98.5	91.0	90.0	84.1	96.5	94.3	89.8	91.9	94.8	

Disclaimer

Certain statements in this report are based on the beliefs of our management as well as assumptions made by and information currently available to management. Statements regarding Tryg's future operating results, financial position, cash flows, business strategy, plans and future objectives other than statements of historical fact can generally be identified by the use of words such as 'targets', 'believes', 'expects', 'aims', 'intends', 'plans', 'seeks', 'will', 'may', 'anticipates', 'would', '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. Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, Tryg's actual financial condition or results of operations could materially differ from that described herein as anticipated, believed, estimated or expected. Tryg 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. **i** [Read more in the chapter Capital and risk management in the annual report on page 24-25, and in Note 1 on page 47, for a description of some of the factors which may affect the Group's performance or the insurance industry.](#)

