

The background of the entire page is a photograph of two children on a snowy mountain. The child in the foreground is wearing a red helmet and blue goggles, looking towards the camera. The child in the background is wearing a yellow helmet and pink goggles, looking slightly away. They are both wearing light blue ski jackets. The mountain is covered in snow under a clear blue sky with some light clouds.

Interim report Q1 2017

Contents – Management’s review

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Financial calendar 2017

10 April 2017	Tryg shares are traded ex-dividend
12 April 2017	Payment of dividend
11 July 2017	Interim report Q2 and H1 2017
12 July 2017	Tryg shares are traded ex-dividend
14 July 2017	Payment of dividend
10 Oct. 2017	Interim report Q1-Q3 2017
11 Oct. 2017	Tryg shares are traded ex-dividend
13 Oct. 2017	Payment of dividend

Teleconference

Tryg is hosting a teleconference on 7 April 2017 at 10.00 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’ consolidated financial statements and has not been audited. Unless otherwise indicated, all comparisons are made to Q1 2016. Comparative figures for Q1 2016 are generally given in brackets.

Highlights

Profit before tax improved by more than 35% driven by very strong investment income and a slightly improved technical result compared to Q1 2016. A solvency ratio of 202% and quarterly dividend of DKK 1.60 per share benefits shareholders and supports TryghedsGruppen's 8% member bonus in 2017.

Financial highlights Q1 2017

- Profit before tax of DKK 779m (DKK 563m) and after tax of DKK 605m (DKK 445m)
- Technical result of DKK 568m (DKK 562m)
- Combined ratio of 87.3 (87.1), driven mainly by a low level of weather claims and large claims
- Underlying claims ratio (Group and Private) on a par with Q1 2016
- Expense ratio of 14.4 (15.1) as a result of efficiency programme
- Premium growth of 1.6% in local currencies including the Skandia child insurance portfolio
- Investment return of DKK 223m, boosted primarily by strong equity markets
- Q1 dividend of DKK 1.60 per share and solvency ratio of 202%

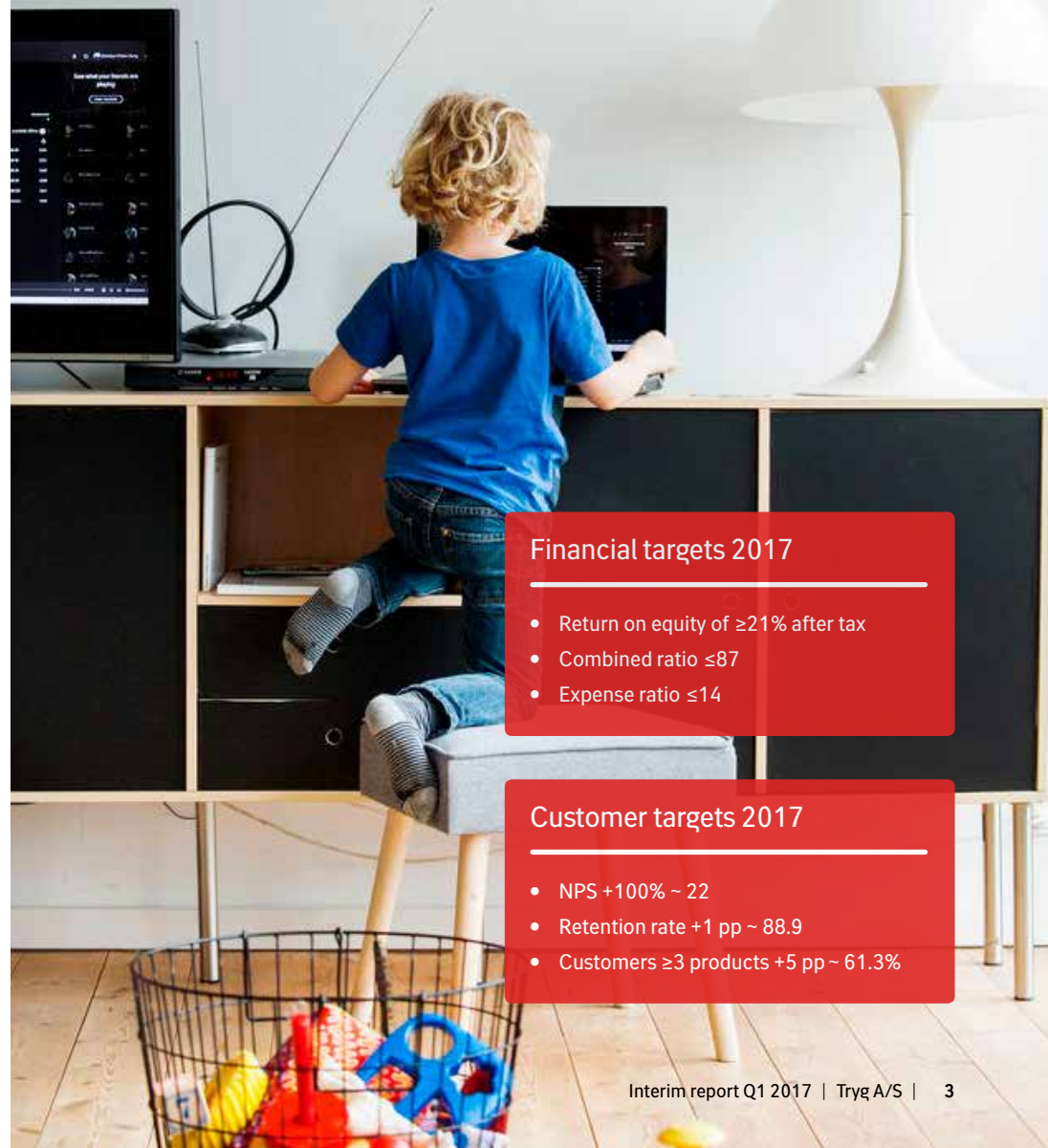
Customer highlights Q1 2017

- NPS of 23 (21)
- Retention rate of 87.9 (88.1)
- Share of customers with three or more products of 57.5% (56.8%)
- TryghedsGruppen's Board of Representatives decided to pay out a bonus of 8% to its members in 2017

New initiatives Q1 2017

- New Smart Plus car policy priced according to driving behaviour launched in Sweden
- First fully digitalised travel insurance claim processed in Norway
- New customer concept 'peace of mind' packages introduced in Denmark

Private Denmark launched a new customer concept, a 'peace-of-mind' package. The package includes Contents, Accident and Travel insurance, and customers are rewarded with an aggregate discount of up to 20% and current Tryg Plus benefits.



Financial targets 2017

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

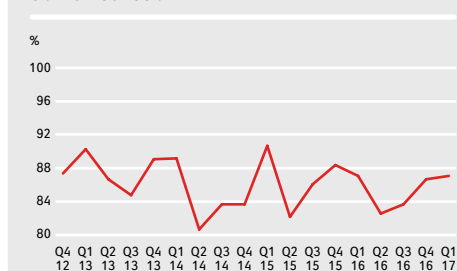
Customer targets 2017

- NPS +100% ~ 22
- Retention rate +1 pp ~ 88.9
- Customers ≥ 3 products +5 pp ~ 61.3%

Income overview

DKKm	Q1 2017	Q1 2016	2016
Gross premium income	4,458	4,310	17,707
Gross claims	-3,025	-2,858	-11,619
Total insurance operating costs	-643	-642	-2,737
Profit/loss on gross business	790	810	3,351
Profit/loss on ceded business	-221	-246	-951
Insurance technical interest, net of reinsurance	-1	-2	-10
Technical result	568	562	2,390
Investment return after insurance technical interest	223	17	987
Other income and costs	-12	-16	-157
Profit/loss before tax	779	563	3,220
Tax	-171	-118	-748
Profit/loss on continuing business	608	445	2,472
Profit/loss on discontinued and divested business after tax	-3	0	-1
Profit/loss	605	445	2,471
Run-off gains/losses, net of reinsurance	286	369	1,239
Key figures			
Total equity	8,110	9,111	9,437
Return on equity after tax (%)	25.8	18.2	26.2
Number of shares, end of period (1,000)	274,604	282,388	274,595
Earnings per share	2.20	1.58	8.84
Ordinary dividend per share (DKK)	1.60	0.00	6.20
Extraordinary dividend per share (DKK)	0.00	0.00	3.54
Premium growth in local currencies	1.6	-0.5	0.1
Gross claims ratio	67.9	66.3	65.6
Net reinsurance ratio	5.0	5.7	5.4
Claims ratio, net of reinsurance	72.9	72.0	71.0
Gross expense ratio	14.4	15.1	15.7
Combined ratio	87.3	87.1	86.7
Run-off, net of reinsurance (%)	-6.4	-8.6	-7.0
Large claims, net of reinsurance (%)	1.1	1.0	2.2
Weather claims, net of reinsurance (%)	2.3	3.3	2.0
Combined ratio on business areas			
Private	87.9	90.7	83.8
Commercial	81.0	77.8	82.1
Corporate	91.7	84.8	88.8
Sweden	88.1	96.2	90.7

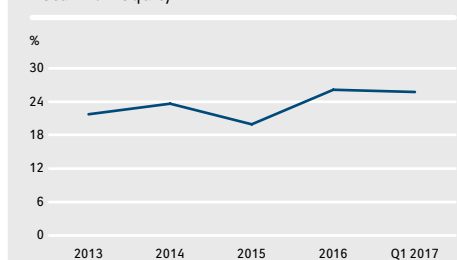
Combined ratio



Expense ratio



Return on equity



Tryg's results

Tryg reported a profit before tax of DKK 779m (DKK 563m). The result was impacted by a low level of large claims and weather claims and by the internal efficiency programme delivering DKK 70m. The underlying claims ratio for both the Group and the Private segment was on a par with Q1 2016. The investment return was very strong at DKK 223m (DKK 17m), driven primarily by favourable equity markets. Tryg will pay out a quarterly dividend of DKK 1.60 per share based on the overall results, Tryg's dividend policy and a strong solvency ratio of 202%.

The combined ratio was 87.3, impacted by a low level of large claims and weather claims and by a relatively high run-off result, although lower than Q1 2016. The underlying claims ratio, adjusted for weather claims and large claims, run-off and interest rate (to discount the claims provisions), was in line with the Q1 2016 level. This development indicates that price adjustments pushed through since the end of 2015 are now fully offsetting any claims inflation.

The combined ratio was 87.3 in Q1 2017

Run-off gains weighed positively by 6.4% (8.6%) of the combined ratio. This level is in line with previous communication and generally reflects Tryg's solid reserving position.

The Net Promoter Score (NPS) improved from 21 in Q1 2016 to 23 in Q1 2017, a positive development driven by Tryg's strong customer focus. The share of private customers with three or more products went up from 56.8% to 57.5%.

TryghedsGruppen, Tryg's majority shareholder, announced a member bonus in 2017 equivalent to 8% of premiums paid for 2016. The bonus should be seen in connection with Tryg's dividend, and will be paid to Tryg's Danish customers in September. Tryg continues to believe that the bonus scheme will be a competitive advantage in the long-term.

The investment return totalled DKK 223m (DKK 17m), which was significantly higher compared to Q1 2016. The free portfolio generated a high return of DKK 212m, driven mainly by equity investments, while the match portfolio also produced a strong result of DKK 98m, driven by narrowing credit spreads. Asset allocation has

remained broadly unchanged as Tryg continues to pursue a low-risk investment strategy.

Premiums

Gross premium income amounted to DKK 4,458m (DKK 4,310m), corresponding to growth of 1.6% when measured in local currencies.

Private lines grew by 0.6% with the Danish business reporting positive growth of just below 3%, while the Norwegian business developed negatively.

Commercial lines declined by 1.8%, driven by a slight fall in the Danish segment and a slightly bigger fall in the Norwegian segment, driven primarily by the challenging macroeconomic situation.

Corporate lines were up 3.5%. The strong growth was driven by a positive renewal season in Denmark, a slight reduction in Norway and a new fronting agreement in Sweden.

In Private Sweden, premiums were up 17.0% including the acquisition of the Skandia child insur-

ance portfolio. Growth totalled 1.6% without the aforementioned portfolio. This is a positive development, indicating that the loss of a number of major distribution agreements in previous years has now been overcome.

The underlying claims ratio was on a par with Q1 2016

Claims

The claims ratio, net of ceded business, was 72.9% (72.0%). The underlying claims ratio excluding run-offs, large claims and weather claims and discounting was 77.0% and on a par with Q1 2016. Tryg has announced price adjustments of 3% for 2017 following a similar move in 2016. These are expected to produce an improvement in the underlying claims ratio for the full year 2017.

Tryg remains focused on developments in the motor insurance segment and more specifically an increase in the number of accidents as this negative trend seems to continue also in 2017. Motor insurance remains a highly profitable business for Tryg, but recent negative developments need

Customer targets

	Q1 2017	Q1 2016	Target 2017
Net Promoter Score (NPS)	23	21	22
Retention rate	87.9	88.1	88.9
Customers with ≥3 products (%)	57.5	56.8	61.3

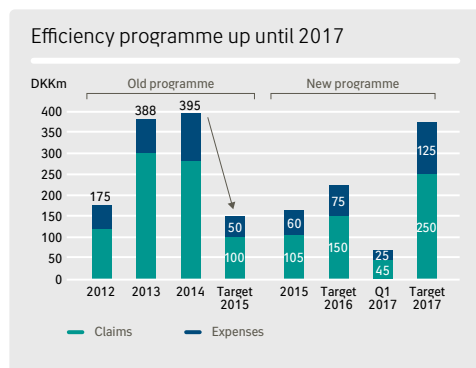
to be monitored closely to ensure a close balance between claims inflation and pricing trends.

In Scandinavia, the winter weather was generally mild apart from some brief snowstorms, which did not create too much damage. Weather claims accounted for 2.3% of the claims ratio compared to 3.3% in Q1 2016. At 1.1% (1.0), the level of large claims was slightly higher than last year, but still at a lower level than the average quarter.

The claims-related part of the efficiency programme is progressing according to plan, and Q1 saw the realisation of efficiency increases of DKK 45m out of a target figure of DKK 250m for 2017. Initiatives include a new large claims handling process using E-auction as well as in-house pre-evaluations of jewellery and precious goods.

Expenses

The expense ratio was 14.4 (15.1). Insurance operating expenses were flat but an improved topline drove the positive development. The efficiency



programme is progressing according to plan and improved results by DKK 25m in Q1 out of a target of DKK 125m for 2017.

Tryg is strongly focused on achieving the target of an expense ratio at or below 14.0 in 2017. Many initiatives were planned and implemented in 2016, especially structural initiatives in Norway, to meet this target, and despite some headwinds, like the introduction of a new finance tax in Norway, Tryg remains confident of achieving the target.

The number of full-time employees was 3,281 at the end of Q1 against 3,264 at the end of 2016.

In 2017, the number of employees is not expected to continue to decline, among other things because 30 trainees have been hired in the integrated customer and claims handling functions and because a number of employees has been hired in the Commercial contact centre.

Investment return

Investment income was DKK 223m (DKK 17m), boosted primarily by positive equity markets. Both the free portfolio and the match portfolio generated overall good returns.

The free portfolio produced a result of DKK 212m based on a return on equities of just below 6%, while emerging-markets debt (a small asset class for Tryg) performed very well.

The match portfolio realised a result of DKK 98m driven by a positive 'regulatory deviation' and also a robust 'performance'. The positive regulatory deviation was driven by narrowing spreads between

Danish and EUR swap rates, while the robust performance was driven by narrowing Nordic covered-bonds spreads.

Profit before and after tax

The profit before tax was DKK 779m (DKK 563m), and the profit for the period after tax and discontinued business was DKK 605m (DKK 445m).

The overall tax item was DKK 171m (DKK 118m), resulting in a tax rate of 22.

Tryg pays out a Q1 dividend of DKK 1.60 per share on 12 April 2017

Dividend and capital

Tryg will pay out a quarterly dividend of DKK 1.60 per share corresponding to DKK 452m. The dividend is supported by the overall results, our aim to grow the annual nominal dividend and a robust solvency ratio of 202% after deducting the Q1 2017 dividend. Tryg reported a solvency ratio of 194% at the end of 2016. The difference between Q1 net profit and the dividend is the primary driver of the higher own funds while the solvency capital requirement fell by approximately DKK 100m as actual properties exposure is below targeted level after the sale of properties announced in December 2015.

Tryg's solvency ratio displays low sensitivities to capital market movements. The highest sensitivity is towards spread risk, where a widening/tightening of 100 basis points would impact the solvency ratio by approximately 14 percentage points. Lower sensitivities are displayed towards equity market falls and interest rate movements.

A change in the Ultimate Forward Curve would have a very modest impact as the solvency ratio would fall 1 percentage point. This is unsurprising, considering that Tryg underwrites only non-life risks, and the duration of the business is below four years.

For the first time, Tryg will publish its solvency financial condition report (SFCR) in May. This is in line with European peers. Tryg's disclosure on Solvency II is already relatively high, hence the SFCR report will contain only limited additional information.

Business initiatives

New package concept in Private Denmark

Private Denmark launched a new customer concept, a 'peace-of-mind' package. The package includes Contents, Accident and Travel insurance, and customers are rewarded with an aggregate discount of up to 20% and current Tryg Plus benefits. The new package makes buying insurance from Tryg much easier and simpler and provides a better overview of the customers' insurance. The package concept also supports Tryg's target of increasing the number of customers with three or more products and therefore also customer loyalty.

New employee insurance

Commercial Denmark launched a new product against loss of profit and expenses resulting from sickness or injury of any employee. The product has been developed especially for small enterprises whose earnings depend on one or a small number of key employees. The product has been well-received, and Q1 sales exceeded expectations.

New innovative car insurance in Sweden

Moderna, Tryg's Swedish branch, launched a new and innovative car insurance product together with Greater Than. The insurance price is based

on type of car, mileage and driving style, and is independent of traditional parameters such as age and years of holding a driver's licence. With a plug-in, driving behaviour and mileage are easily registered. A matching App provides the customer with advice on how to improve driving and save fuel. The App also shows the driving logbook and the current car insurance price.

Digitalisation

It is Tryg's ambition that 90% of our customers should be digital by 2017. In Denmark, 88% of our customers have accepted that all future communication will be digital, and in Norway 79% of customers are digital. For 2017, Tryg wants to see a total of 1,000,000 log-ins on the customers' digital insurance overview 'My Page'. From Q1 2016 to Q1 2017, the number of log-ins increased by 28%.

In Q1, we improved claims notifications for eyewear and mobiles/tablets in Denmark.

First fully digitalised claim processed

In Q1, Tryg in Norway processed the first fully digitalised claim. The first product to be fully digitalised was travel insurance. A customer reports a claim

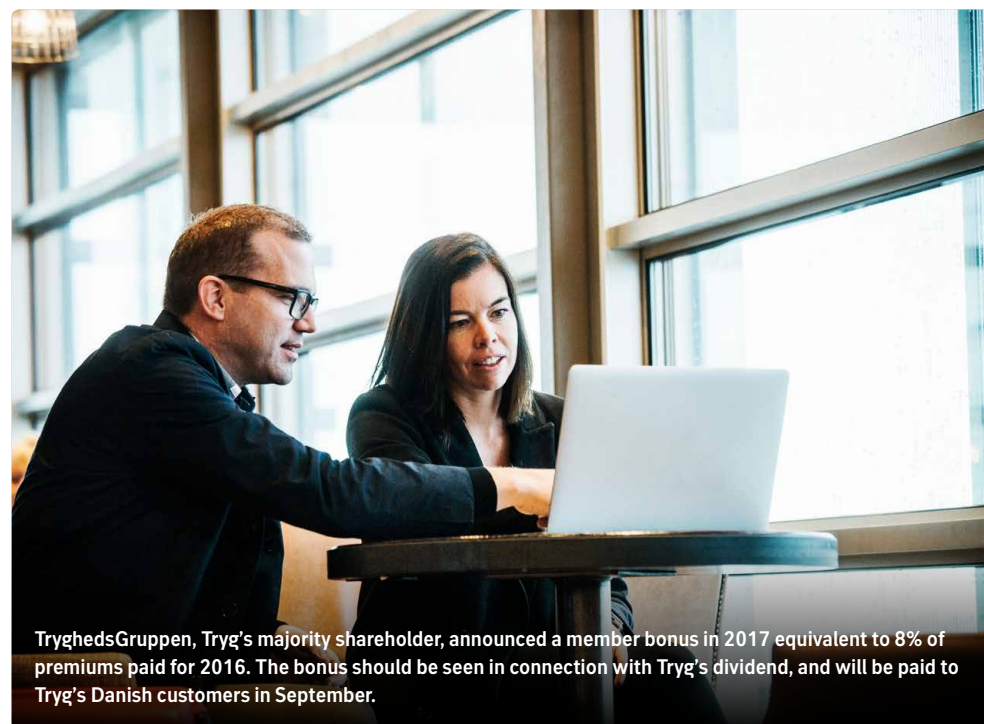
online; the claim is automatically assessed without the involvement of any employees; and the money is transferred to the customer's account within a few seconds. More products will now be included in the fully digitalised claims handling system.

In Denmark, it is now possible to report all types of claims online, and in Q1 2017, 20% of all private claims were reported online.

DNA marking reduced break-ins by 40%

Tryg was the first insurance company to start actively using DNA marking to prevent break-ins.

From the results, it is evident that DNA marking has a preventive effect. The trialling of DNA marking in selected areas in Denmark has previously shown a 40% decline in break-ins. In Q4 2015, Tryg in collaboration with the local police distributed DNA marking kits in Hasleåsen in Sandefjord, a Norwegian neighbourhood plagued by break-ins. One year later, the number of break-ins in that specific area has declined by 40% compared to similar neighbourhoods. The trialling period has been extended, and more houses included.



TryghedsGruppen, Tryg's majority shareholder, announced a member bonus in 2017 equivalent to 8% of premiums paid for 2016. The bonus should be seen in connection with Tryg's dividend, and will be paid to Tryg's Danish customers in September.

Private

Financial highlights Q1 2017

- Technical result of DKK 268m (DKK 198m)
- Combined ratio of 87.9 (90.7)
- Premium growth of 0.6 (0.8)

Results

Private posted a technical result of DKK 268m (DKK 198m) and a combined ratio of 87.9 (90.7). The results are positively affected by Tryg's efficiency programme and a low level of weather claims. The quarter saw a stable underlying claims ratio after a period with a higher underlying claims level.

Premiums

Gross premium income rose by 0.6% (0.8%) when measured in local currencies. The positive development continued in the Danish part of Private with premium growth of 2.8% due to a combination of consistently high sales levels and high retention levels. In the Norwegian part of Private, premiums were down 2.2% due to a

reduction of the portfolio throughout 2016. Additionally, slightly higher churn rates were observed in Q1 2017. This was somewhat offset by an improved sales performance in Q1 and going forward by an increased sales force in the franchise channel. In Denmark, developments were positively affected by TryghedsGruppen's bonus model, and we also saw a positive development in sales in the integrated sales and claims handling departments.

The retention rate was 89.8 (90.0) for the Danish part of the business. In Norway, the retention rate was 86.1 (86.5).

Claims

The gross claims ratio was 71.8 (74.2). The claims ratio, net of ceded business, constituted 73.7 (76.4) and was influenced by a lower level of weather claims, but also a higher level of run-off gains of 4.5 (3.4).

The underlying claims level was unchanged compared to Q1 2016. The primary reason for the improved development compared to previous quarters was the impact of the efficiency programme, pricing adjustments and claims reduction initiatives.

Expenses

The expense ratio for Private was 14.2 (14.3), which represents a satisfactory development and one that supports Tryg's target of an expense ratio at or below 14 in 2017. The development was supported by the efficiency initiatives in Norway in 2016 and the positive premium development in Denmark.

The number of employees totalled 934 at the end of the quarter against 929 at the end of 2016, reflecting a reduction in Norway due to the structural initiatives in 2016 and an increase in Denmark primarily due to the hiring of trainees in the integrated customer and claims handling functions.

Private encompasses the sale of insurance products to private customers in Denmark and Norway. Sales are effected via call centres, the Internet, 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.

Key figures – Private

DKKm	Q1 2017	Q1 2016	2016
Gross premium income	2,206	2,137	8,710
Gross claims	-1,583	-1,586	-5,904
Gross expenses	-313	-305	-1,240
Profit/loss on gross business	310	246	1,566
Profit/loss on ceded business	-43	-47	-158
Insurance technical interest, net of reinsurance	1	-1	-4
Technical result	268	198	1,404
Run-off gains/losses, net of reinsurance	99	73	312
Key ratios			
Premium growth in local currency (%)	0.6	0.8	0.8
Gross claims ratio	71.8	74.2	67.8
Net reinsurance ratio	1.9	2.2	1.8
Claims ratio, net of reinsurance	73.7	76.4	69.6
Gross expense ratio	14.2	14.3	14.2
Combined ratio	87.9	90.7	83.8
Combined ratio exclusive of run-off	92.4	94.1	87.4
Run-off, net of reinsurance (%)	-4.5	-3.4	-3.6
Large claims, net of reinsurance (%)	0.0	0.0	0.0
Weather claims, net of reinsurance (%)	3.0	4.5	2.8

Commercial

Financial highlights Q1 2017

- Technical result of DKK 183m (DKK 215m)
- Combined ratio of 81.0 (77.8)
- Premium growth of -1.8 (-1.5)

Results

Commercial posted a technical result of DKK 183m (DKK 215m) and a combined ratio of 81.0 (77.8). The results are positively impacted by a somewhat lower level of weather claims, large claims and run-offs.

Premiums

Gross premium income totalled DKK 965m (DKK 967m), which represents a 1.8% decline when measured in local currencies. The Danish part of Commercial reported a decline of 0.7% against a drop of 2.9% in Q1 2016. In Norway, premiums dropped by 4.8% compared with the prior-year period. This reflects the fact that the

portfolio was much lower at the beginning of 2017 than at the beginning of 2016 due to a drop in premiums for each quarter in 2016. For Q1 2017 in isolation, there was an increase in the Commercial portfolio in Norway, fuelling expectations of an improvement in the coming quarters.

The retention ratio for Denmark dropped while we saw an unchanged level for Norway. Sales were lower in Denmark, but at a somewhat higher level in Norway. The higher level in Norway was due to the increase in distribution power, especially in the franchise channel as a result of the restructuring of Commercial Norway in 2016.

Claims

The gross claims ratio was 60.6 (56.6), and the claims ratio, net of ceded business, was 63.3 (60.3). The higher level is mainly attributable to a slightly higher level of medium-sized claims and a lower level of run-off. The claims level was positively affected by the claims efficiency programme and price adjustments.

Expenses

The expense ratio was 17.7 (17.5), which is too high. Going forward, the structural initiatives implemented in 2016 in both Denmark and Norway will have a positive impact on the expense level.

At the end of Q1 2017, Commercial had 490 employees, up from 474 at the end of Q4 2016, primarily due to employment of trainees in Commercial Denmark.

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) and customer centres, and under group agreements. The business area accounts for 23% of the Group's total premium income.

Key figures – Commercial

DKKm	Q1 2017	Q1 2016	2016
Gross premium income	965	967	3,893
Gross claims	-585	-547	-2,380
Gross expenses	-171	-169	-663
Profit/loss on gross business	209	251	850
Profit/loss on ceded business	-26	-36	-154
Insurance technical interest, net of reinsurance	0	0	-1
Technical result	183	215	695
Run-off gains/losses, net of reinsurance	82	120	304
Key ratios			
Premium growth in local currency (%)	-1.8	-1.5	-1.3
Gross claims ratio	60.6	56.6	61.1
Net reinsurance ratio	2.7	3.7	4.0
Claims ratio, net of reinsurance	63.3	60.3	65.1
Gross expense ratio	17.7	17.5	17.0
Combined ratio	81.0	77.8	82.1
Combined ratio exclusive of run-off	89.5	90.2	89.9
Run-off, net of reinsurance (%)	-8.5	-12.4	-7.8
Large claims, net of reinsurance (%)	0.7	1.8	2.2
Weather claims, net of reinsurance (%)	1.8	2.0	1.6

Financial highlights Q1 2017

- Technical result of DKK 79m (DKK 139m)
- Combined ratio of 91.7 (84.8)
- Premium growth of 3.5 (-2.1)

Results

The technical result amounted to DKK 79m (DKK 139m), and the combined ratio stood at 91.7 (84.8). The lower technical result is due to a lower level of run-off and a higher level of large claims.

Premiums

Gross premium income totalled DKK 970m (DKK 920m), an increase of 3.5% when measured in local currencies. The development is attributable to a good renewal process in Denmark, where customers appreciate TryghedsGruppen's bonus model.

Corporate was also impacted by a very positive premium development in the profitable guarantee product area. In Norway, there was a slight drop of

1.7% in premiums, reflecting an increase in prices and the loss of a number of large customers due to the price increases.

In Sweden, growth was almost 19%, mainly due to a number of fronting agreements and consequently with very low risk but also price increases.

Claims

The gross claims ratio stood at 67.2 (55.2), while the claims ratio, net of ceded business, was 81.6 (73.2). The total level of large claims and weather claims was somewhat higher than last year, but at the same time, the run-off level was significantly lower.

Expenses

The expense ratio was 10.1 (11.6), which represents a strong improvement in support of Corporate's competitive position.

The number of employees in Corporate stood at 252 against 257 at the end of 2016. The reduction of five employees was mainly due to a reduction in the Danish part of 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 21% of the Group's total premium income.

Key figures – Corporate

DKKm	Q1 2017	Q1 2016	2016
Gross premium income	970	920	3,775
Gross claims	-652	-508	-2,295
Gross expenses	-98	-107	-416
Profit/loss on gross business	220	305	1,064
Profit/loss on ceded business	-140	-166	-643
Insurance technical interest, net of reinsurance	-1	0	0
Technical result	79	139	421
Run-off gains/losses, net of reinsurance	68	148	506
Key ratios			
Premium growth in local currency (%)	3.5	-2.1	-1.2
Gross claims ratio	67.2	55.2	60.8
Net reinsurance ratio	14.4	18.0	17.0
Claims ratio, net of reinsurance	81.6	73.2	77.8
Gross expense ratio	10.1	11.6	11.0
Combined ratio	91.7	84.8	88.8
Combined ratio exclusive of run-off	98.7	100.9	102.2
Run-off, net of reinsurance (%)	-7.0	-16.1	-13.4
Large claims, net of reinsurance (%)	4.5	2.7	8.1
Weather claims, net of reinsurance (%)	1.3	2.3	1.0

Sweden

Financial highlights Q1 2017

- Technical result of DKK 38m (DKK 10m)
- Combined ratio of 88.1 (96.2)
- Premium growth of 17.0 (-1.4)

Results

Sweden posted a technical result of DKK 38m (DKK 10m) and a combined ratio of 88.1 (96.2). The stronger result can be ascribed partly to the inclusion of the profitable child insurance portfolio acquired from Skandia and partly to price adjustments within targeted areas such as our extended warranty insurance of electronics.

Premiums

Premium income totalled DKK 329m (DKK 289m), equating to an increase of 17.0% when measured in local currencies. The child insurance portfolio acquired from Skandia accounts for 15.4 percentage points of this growth, which means that the rest of the business grew by 1.6%.

This a positive development, meaning that the Swedish Private business has now been able to fully overcome the cancellation of the sales agreement with Nordea and the loss of a number of large affinity agreements in previous years.

Claims

The gross claims ratio totalled 69.6 (75.1), while the claims ratio, net of ceded business, was 69.6 (75.1). The improved claims level is due to the acquisition of the profitable child insurance portfolio and the implemented price adjustments to improve profitability.

Expenses

The expense ratio was 18.5 (21.1), which is an acceptable development, considering also the integration of the child insurance portfolio.

The number of employees was 337 at the end of the quarter, which was unchanged from year-end 2016.

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, intermediaries and the Internet. The business area accounts for 7% of the Group's total premium income.

Key figures – Sweden

DKKm	Q1 2017	Q1 2016	2016
Gross premium income	329	289	1,348
Gross claims	-229	-217	-964
Gross expenses	-61	-61	-256
Profit/loss on gross business	39	11	128
Profit/loss on ceded business	0	0	-3
Insurance technical interest, net of reinsurance	-1	-1	-5
Technical result	38	10	120
Run-off gains/losses, net of reinsurance	37	28	117
Key ratios			
Premium growth in local currency (%)	17.0	-1.4	3.4
Gross claims ratio	69.6	75.1	71.5
Net reinsurance ratio	0.0	0.0	0.2
Claims ratio, net of reinsurance	69.6	75.1	71.7
Gross expense ratio	18.5	21.1	19.0
Combined ratio	88.1	96.2	90.7
Combined ratio exclusive of run-off	99.3	105.9	99.4
Run-off, net of reinsurance (%)	-11.2	-9.7	-8.7
Weather claims, net of reinsurance (%)	1.2	2.4	0.8

Investment activities

Financial highlights Q1 2017

- Strong investment return of DKK 223m (DKK 17m)
- Free portfolio benefitted from positive equity markets, but emerging-market debt (a small asset class for Tryg) also posted strong returns
- Match portfolio result boosted by a good performance result driven by narrowing covered-bond spreads

Q1 2017 was a strong quarter for Tryg's investment activities. The investment result totalled DKK 223m (DKK 17m), which was generated by a return of DKK 212m (DKK 65m) on the free portfolio, a return of DKK 98m (DKK 2m) on the match portfolio and other financial income and expenses of DKK -87m (DKK -50m).

The total market value of Tryg's investment portfolio was DKK 42.1bn (DKK 40.0bn) at 31 March 2017. The investment portfolio consists of a match portfolio of DKK 29.5bn and a free portfolio of DKK 12.6bn. The match portfolio is composed of

fixed-income assets that match the Group's insurance liabilities, so that fluctuations resulting from interest rate changes are offset to the greatest possible extent. The free portfolio is the Group's capital, which is predominantly invested in fixed-income securities with a short duration, but also in equities and properties.

Free portfolio

In Q1, financial markets continued to develop positively in line with the trend seen after the US presidential election. Hopes of a US fiscal stimulus and a cut to US corporate tax are still high, and the prolonged level of very low interest rates continues to support equities as an asset class. Tryg's equity portfolio posted a return of DKK 128m (DKK -22m) or 5.5%, while overall, the free portfolio was also helped by good returns on emerging-market debt (a small asset class for Tryg) and to a lesser extent also by good returns on high-yield bonds. Emerging-market debt and high-yield bonds totalled approximately DKK 1.4bn of investments at the end of Q1, equating to around 3% of total investments. The return on the investment property portfolio was DKK 27m (DKK 30m) or 1.6%. Tryg is in the process of reinvesting the proceeds from the property sales announced in December 2016. This

Return – investments

DKKm	Q1 2017	Q1 2016	2016
Free portfolio, gross return	212	65	939
Match portfolio, regulatory deviation and performance	98	2	210
Other financial income and expenses	-87	-50	-162
Total investment return	223	17	987


Return – match portfolio

DKKm	Q1 2017	Q1 2016	2016
Return, match portfolio	93	427	547
Value adjustments, changed discount rate	42	-383	-188
Transferred to insurance technical interest	-37	-42	-149
Match, regulatory deviation and performance	98	2	210
Hereof:			
Match, regulatory deviation	31	-39	47
Match, performance	67	41	163

is likely to result in a slightly lower, and more diversified, exposure to properties as an asset class concurrently with a slightly increased exposure to other asset classes. All in all, the return of the free portfolio was DKK 212m or 1.7% in Q1.

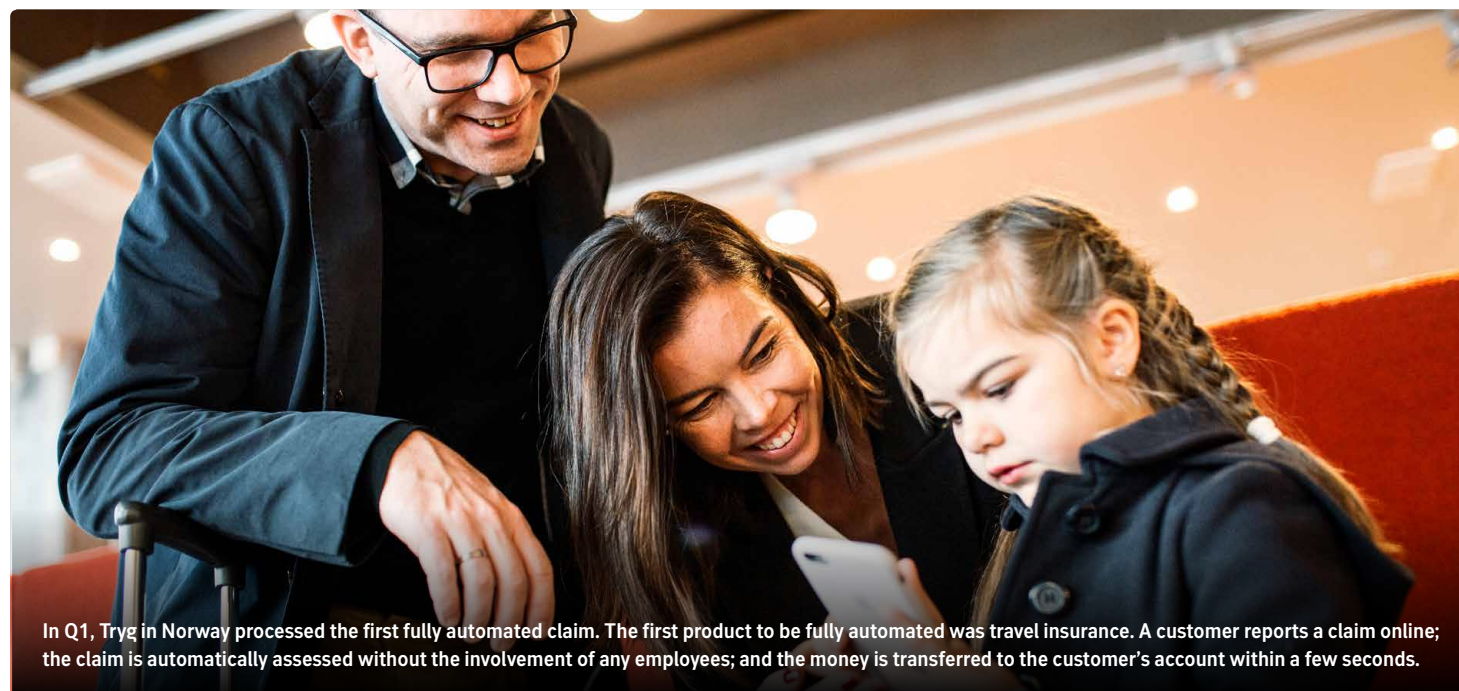
Match portfolio

The result of the match portfolio is the difference between the return of the match portfolio and the amount transferred to the insurance business. The result can be split into a 'regulatory deviation' and

a 'performance result'. The 'performance result' was strong at DKK 67m as, for example, Danish covered-bond spreads (three-year duration) versus the swap curves have narrowed by approximately 20 basis points, boosting our performance substantially. The 'regulatory deviation' also posted a good result at DKK 31m as the yield difference between Danish and Euro swap rates decreased and boosted the overall return. Tryg's IR team published a newsletter in August 2016 focusing on how to model the investment income line.  [The newsletter is available at Tryg.com](http://Tryg.com)

Other financial income and expenses

Other financial income and expenses totalled DKK -87m in Q1 2017. This item consists of a number of elements, the largest being the expenses from hedging the foreign currency exposure of Tryg's equity, as well as expenses associated with Tryg's subordinated loans.



Return – free portfolio

DKKm	Q1 2017	Q1 2017(%)	Q1 2016	Q1 2016(%)	Investment assets	
					31.03.2017	31.12.2016
Government bonds	1	0.4	2	0.8	263	322
Covered bonds	18	0.3	17	0.5	5,350	4,464
Inflation linked bonds	1	0.3	20	3.9	541	539
Investment grade credit	6	1.0	0	0.0	746	546
Emerging-market bonds	20	4.0	17	4.1	568	447
High-yield bonds	7	1.0	12	1.4	841	730
Other ^{a)}	4	-	-11	-	372	220
Interest rate and credit exposure	57	0.7	57	0.8	8,681	7,268
Equity exposure	128	5.5	-22	-0.9	2,397	2,187
Investment property	27	1.6	30	1.5	1,527	2,540
Total gross return	212	1.7	65	0.4	12,605	11,995

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

Capital

The solvency ratio (based on Tryg's partial internal model) was 202% at the end of Q1 against 194% at the end of 2016. The solvency ratio increase was driven primarily by the reported net profit of DKK 605m and the announced dividend of DKK 452m, corresponding to DKK 1.60 per share in Q1, which are both impacting the own funds. At the same time, the market risk in the solvency capital requirement fell by approximately DKK 100m driven by the fact that actual properties exposure in the free portfolio is lower than targeted level, following the properties transaction announced in December. This impact will be almost fully reversed during the next months when properties exposure will be increased again.

Own funds

Own funds totalled DKK 10,037m at the end of Q1 2017 against DKK 9,850m at the end of 2016. Own funds were positively impacted by the net profit for the quarter and negatively impacted by the announced quarterly dividend. Tryg's own funds are predominantly made up by shareholders' equity and subordinated loans.

Solvency capital requirement

Tryg calculates the individual solvency requirement based on a partial internal model in accordance 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, and Tryg is using an internal model to evaluate insurance risks, while other risks are calculated using the standard model components. The solvency capital requirement calculated using the partial internal model was DKK 4,975m at Q1 2017 versus 5,077m at Q4 2016. The solvency requirement based on the standard formula was DKK 6,181m at Q1 2017 versus DKK 6,259m at the end of Q4 2016.

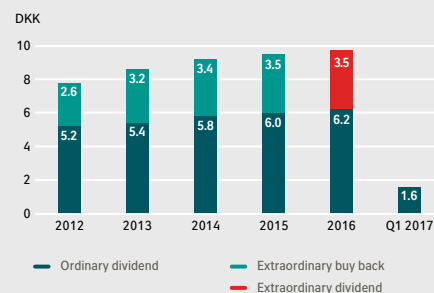
Rating

Tryg has an 'A1' (stable outlook) insurance financial strength rating (IFSR) from Moody's. The rating agency highlights Tryg's strong position in the Nordic P&C market, strong profitability, very good asset quality and relatively low financial leverage. The rating was upgraded from A2 to A1 in December 2016.

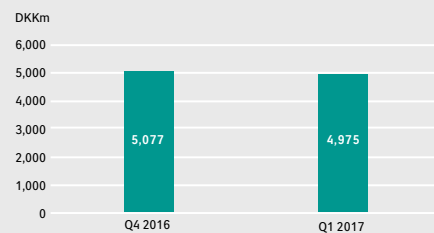
Moderna, Tryg's Swedish branch, launched a new and innovative car insurance product together with Greater Than. The insurance price is based on type of car, mileage and driving style, and independent of traditional parameters such as age and years of holding a driver's licence.



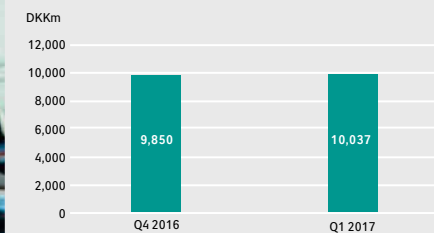
Shareholder remuneration



Solvency capital requirement



Own funds



Outlook

The overall economic situation in Denmark and Norway has not changed much since the end of 2016. The Danish economy is expected to grow 1.5% in 2017 following growth of 1.0% in 2016. Unemployment is expected to fall from 4.2% to 3.9%, while house prices are likely to continue to rise, driven by historically low interest rates and rising employment. Car sales remain dominated by small cars as car tax remains one of the highest in the world. Total car sales were up 15% in Q1 2017 on Q1 2016.

The Norwegian economy bottomed out in 2016 with expected GDP (mainland) growth of 0.8% and an expected stable unemployment rate of 4.8% in 2017. A continued drop in oil investments is likely to be partly offset by a growth in construction activity. As mentioned previously, the turbulence in the oil sector has far-reaching implications in Norway. Tryg is mostly impacted indirectly as some industries serving the oil sector are feeling the current difficult situation. The direct impact is minimal due to Tryg's very limited exposure to the oil sector. The economic troubles in Norway are mostly affecting the overall level of premiums in our Norwegian business, which remains under some pressure. Car sales in Norway were up 3%.

In the annual report for 2016, Tryg communicated an expected growth in premium income between 0% and 2% for 2017. On 14 February 2017, Tryg announced the acquisition of OBOS Forsikring in Norway, which has a portfolio of approximately NOK 170m (approximately DKK 140m). TryghedsGruppen's member bonus scheme is also expected to support the long-term development in premium income.

Tryg has a solid reserving position underpinned by positive run-off results since 2005. At the Capital Markets Day in November 2014, Tryg announced that the run-off level in the period between 2015 and 2017 was likely to be higher than in the previous period. Tryg expects this to be the case until the end of 2017, after which we expect a gradual fall in the level of the run-off result towards a long-term level of 2.5-3.0%.

In 2017, weather claims and large claims, net of reinsurance, are expected to be DKK 500m and DKK 550m, respectively, which is unchanged relative to 2016.

At the Capital Markets Day in November 2014, Tryg announced the following 2017 financial

targets: a return on equity of 21% or above after tax, a combined ratio at or below 87 and an expense ratio at or below 14. Tryg has therefore launched an efficiency programme aimed at realising savings of DKK 750m, with DKK 500m relating to the procurement of claims services and administration, and DKK 250m relating to expenses. Half of the targeted savings or DKK 375m pertain to 2017.

The investment portfolio is divided into a match portfolio corresponding to the technical provisions, and a free portfolio corresponding to the capital of the company. 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 given current interest rate levels, a low return is expected. For shares, the expected return is around 7% with the MSCI world index as the benchmark, while the expected return for property is around 6%. Investment activities also include other types of investment income and expenses, especially the cost of managing investments, the cost of currency hedges and interest expenses on the subordinated loans.

There has been a gradual lowering of corporate tax rates in Denmark, Norway and Sweden in recent years. In Denmark, the tax rate is expected to be 22% in 2017. In Norway, the tax rate is expected to be 25%, and in Sweden 22%. When calculating the total tax payable, it has to be remembered that gains and losses on shares are not taxed in Norway. All in all, this causes the expected tax payable for 2017 to be around 22-23%. The Swedish Government has dropped the proposed payroll tax for financial services companies which was due to be introduced in 2018. Tryg had previously estimated annual costs of SEK 40m related to this.

Financial targets 2017

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

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

Statement by the Supervisory Board and the Executive Board

The Supervisory Board and the Executive Board have today considered and adopted the interim report for Q1 2017 for 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 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 2017 and of the results of the Group's activities and cash flows for the period for the Group.

We are furthermore of the opinion that the management's report includes a fair review of the 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 the principal risks and uncertainties that the Group faces.

Ballerup, 7 April 2017

Executive Board

Morten Hübbe
Group CEO

Christian Baltzer
Group CFO

Lars Bonde
Group COO

Supervisory Board

Jørgen Huno Rasmussen
Chairman

Torben Nielsen
Deputy Chairman

Jukka Pertola
Deputy Chairman

Elias Bakk

Tom Eileng

Lone Hansen

Anders Hjulmand

Jesper Hjulmand

Ida Sofie Jensen

Lene Skole

Tina Snebjerg

Mari Thjømmøe

Carl-Viggo Östlund

Financial highlights

DKK m	Q1 2017	Q1 2016	2016
NOK/DKK, average rate for the period	83.13	78.26	80.09
SEK/DKK, average rate for the period	78.10	80.36	78.93
Gross premium income	4,458	4,310	17,707
Gross claims	-3,025	-2,858	-11,619
Total insurance operating costs	-643	-642	-2,737
Profit/loss on gross business	790	810	3,351
Profit/loss on ceded business	-221	-246	-951
Insurance technical interest, net of reinsurance	-1	-2	-10
Technical result	568	562	2,390
Investment return after insurance technical interest	223	17	987
Other income and costs	-12	-16	-157
Profit/loss before tax	779	563	3,220
Tax	-171	-118	-748
Profit/loss, continuing business	608	445	2,472
Profit/loss on discontinued and divested business after tax	-3	0	-1
Profit/loss for the period	605	445	2,471
Other comprehensive income			
Other comprehensive income which cannot subsequently be reclassified as profit or loss	44	1	20
Other comprehensive income which can subsequently be reclassified as profit or loss	3	7	12
Other comprehensive income	47	8	32
Comprehensive income	652	453	2,503
Run-off gains/losses, net of reinsurance	286	369	1,239
Statement of financial position			
Total provisions for insurance contracts	33,195	34,094	31,527
Total reinsurers' share of provisions for insurance contracts	1,786	3,115	2,034
Total equity	8,110	9,111	9,437
Total assets	49,377	54,092	49,861
Key ratios			
Gross claims ratio	67.9	66.3	65.6
Net reinsurance ratio	5.0	5.7	5.4
Claims ratio, net of reinsurance	72.9	72.0	71.0
Gross expense ratio *	14.4	15.1	15.7
Combined ratio	87.3	87.1	86.7

*) The gross expense ratio is calculated as the ratio of actual gross insurance operating costs to gross premium income. Uptill 2017 the gross expense ratio is inclusive 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. After the sale of the owner-occupied property end of 2016 market rent is already part of the gross expense ratio.

Other key ratios are calculated in accordance with 'Recommendations & Financial Ratios 2015' issued by the Danish Society of Financial Analysts.

Income statement

DKKm	Q1 2017	Q1 2016	2016
Notes General insurance			
Gross premiums written	6,726	6,461	17,842
Ceded insurance premiums	-525	-552	-1,210
Change in premium provisions	-2,191	-2,065	151
Change in reinsurers' share of premium provisions	249	286	13
2 Premium income, net of reinsurance	4,259	4,130	16,796
3 Insurance technical interest, net of reinsurance	-1	-2	-10
Claims paid	-3,438	-3,309	-13,947
Reinsurance cover received	547	358	1,260
Change in claims provisions	413	451	2,328
Change in the reinsurers' share of claims provisions	-524	-363	-1,164
4 Claims, net of reinsurance	-3,002	-2,863	-11,523
Bonus and premium discounts	-77	-86	-286
Acquisition costs	-497	-486	-2,029
Administration expenses	-146	-156	-708
Acquisition costs and administration expenses	-643	-642	-2,737
Reinsurance commissions and profit participation from reinsurers	32	25	150
Insurance operating costs, net of reinsurance	-611	-617	-2,587
1 Technical result	568	562	2,390

DKKm	Q1 2017	Q1 2016	2016
Notes Investment activities			
Income from associates	3	3	42
Income from investment property	28	27	105
Interest income and dividends	161	176	671
5 Value adjustments	125	-105	518
Interest expenses	-28	-25	-113
Administration expenses in connection with investment activities	-29	-17	-87
Total investment return	260	59	1,136
3 Return on insurance provisions	-37	-42	-149
Total Investment return after insurance technical interest	223	17	987
Other income	30	30	104
Other costs	-42	-46	-261
Profit/loss before tax	779	563	3,220
Tax	-171	-118	-748
Profit/loss on continuing business	608	445	2,472
Profit/loss on discontinued and divested business	-3	0	-1
Profit/loss for the period	605	445	2,471
Earnings/diluted earnings per share - continuing business	2.20	1.58	8.84
Earnings/ diluted earnings per share	2.20	1.58	8.84

Statement of comprehensive income

DKKm	Q1 2017	Q1 2016	2016
Profit/loss for the period	605	445	2,471
Other comprehensive income			
Other comprehensive income which cannot subsequently be reclassified as profit or loss			
Change in equalisation reserve	0	0	15
Sale of owner-occupied property	0	0	215
Revaluation of owner-occupied property	0	1	-115
Tax on sale of owner-occupied property	0	0	-53
Tax on revaluation of owner-occupied property	0	0	29
Actuarial gains/losses on defined-benefit pension plans	58	0	-95
Tax on actuarial gains/losses on defined-benefit pension plans	-14	0	24
	44	1	20
Other comprehensive income which can subsequently be reclassified as profit or loss			
Exchange rate adjustments of foreign entities	-6	33	51
Hedging of currency risk in foreign entities	12	-33	-50
Tax on hedging of currency risk in foreign entities	-3	7	11
	3	7	12
Total other comprehensive income	47	8	32
Comprehensive income	652	453	2,503

Statement of financial position

DKKm	31.03.2017	31.03.2016	31.12.2016
Notes			
Assets			
Intangible assets	886	1,026	884
Operating equipment	60	59	49
Owner-occupied property	0	1,153	0
Total property, plant and equipment	60	1,212	49
Investment property	1,303	1,854	2,323
Equity investments in associates	221	232	218
Total investments in associates	221	232	218
Equity investments	35	123	48
Unit trust units	4,614	3,513	3,950
Bonds	35,980	36,920	35,254
Deposits with credit institutions	0	500	0
Derivative financial instruments	972	1,383	1,000
Total other financial investment assets	41,601	42,439	40,252
Total investment assets	43,125	44,525	42,793
Reinsurers' share of premium provisions	458	459	214
Reinsurers' share of claims provisions	1,328	2,656	1,820
Total reinsurers' share of provisions for insurance contracts	1,786	3,115	2,034
Receivables from policyholders	1,992	2,096	1,108
Total receivables in connection with direct insurance contracts	1,992	2,096	1,108
Receivables from insurance enterprises	292	397	183
Other receivables	328	508	1,646
Total receivables	2,612	3,001	2,937
Current tax assets	0	119	0
Cash at bank and in hand	281	431	475
Total other assets	281	550	475
Interest and rent receivable	220	268	224
Other prepayments and accrued income	407	395	465
Total prepayments and accrued income	627	663	689
Total assets	49,377	54,092	49,861

DKKm	31.03.2017	31.03.2016	31.12.2016
Notes			
Equity and liabilities			
Equity	8,110	9,111	9,437
Subordinated loan capital	2,553	1,733	2,567
Premium provisions	7,682	7,676	5,487
Claims provisions	24,975	25,832	25,452
Provisions for bonuses and premium discounts	538	586	588
Total provisions for insurance contracts	33,195	34,094	31,527
Pensions and similar liabilities	236	231	345
Deferred tax liability	713	649	702
Other provisions	97	124	125
Total provisions	1,046	1,004	1,172
Debt relating to direct insurance	361	354	555
Debt relating to reinsurance	610	452	426
Amounts owed to credit institutions	255	315	178
Debt relating to unsettled funds transactions and repos	965	4,737	1,732
Derivative financial instruments	685	723	702
Current tax liabilities	317	228	317
Other debt	1,256	1,315	1,203
Total debt	4,449	8,124	5,113
Accruals and deferred income	24	26	45
Total equity and liabilities	49,377	54,092	49,861
6	Acquisition of activities		
7	Related parties		
8	Sale of properties		
9	Accounting policies		

Statement of changes in equity

DKKm	Share capital	Revaluation reserves	Reserve for exchange rate adjustment	Equalisation reserve	Other reserves a)	Retained earnings	Proposed dividend	Total
Equity at 31 December 2016	1,413	0	3	0	822	5,182	2,017	9,437
Q1 2017								
Profit/loss for the period					-7	160	452	605
Other comprehensive income		0	3			44		47
Total comprehensive income	0	0	3	0	-7	204	452	652
Dividend paid							-2,017	-2,017
Dividend, treasury shares						57		57
Issue of share options and matching shares						1		1
Total changes in equity in Q1 2017	0	0	3	0	-7	242	-1,565	-1,327
Equity at 31 March 2017	1,413	0	6	0	815	5,424	452	8,110
The possible payment of dividend from Tryg Forsikring A/S to Tryg A/S is influenced by contingency fund provisions of DKK 1,628m (DKK 1,774m as at 31 December 2016). The contingency fund provisions can be used to cover losses in connection with the settlement of insurance provisions or otherwise for the benefit of the insured.								
Equity at 31 December 2015	1,448	86	-9	127	766	6,213	1,013	9,644
Q1 2016								
Adjustment 1.1.2016 ^{b)}				-127		127		0
Profit/loss for the period					-9	454	0	445
Other comprehensive income		1	7			0		8
Total comprehensive income	0	1	7	-127	-9	581	0	453
Dividend paid							-1,013	-1,013
Dividend, treasury shares						25		25
Exercise of share options						1		1
Issue of share options and matching shares						1		1
Total changes in equity in Q1 2016	0	1	7	-127	-9	608	-1,013	-533
Equity at 31 March 2016	1,448	87	-2	0	757	6,821	0	9,111

Statement of changes in equity

DKKm	Share capital	Revaluation reserves	Reserve for exchange rate adjustment	Equalisation reserve	Other reserves a)	Retained earnings	Proposed dividend	Total
Equity at 31 December 2015	1,448	86	-9	127	766	6,213	1,013	9,644
2016								
Adjustment 1.1.2016 ^{b)}				-127		127		0
Profit/loss for the year					56	-355	2,770	2,471
Other comprehensive income		-86	12			106		32
Total comprehensive income	0	-86	12	-127	56	-122	2,770	2,503
Nullification of treasury shares	-35					35		0
Dividend paid							-1,766	-1,766
Dividend, treasury shares						52		52
Purchase and sale of treasury shares						-1,000		-1,000
Exercise of share options						1		1
Issue of share options and matching shares						3		3
Total changes in equity in 2016	-35	-86	12	-127	56	-1,031	1,004	-207
Equity at 31 December 2016	1,413	0	3	0	822	5,182	2,017	9,437

a) Other reserves contains Norwegian Natural Perils Pool.

b) A New executive order from the Danish FSA from 1 January 2016 has abolished the requirements of equalisation reserves in credit and guarantee insurance

Cash flow statement

DKKm	Q1 2017	Q1 2016	2016
Cash from operating activities			
Premiums	5,689	5,555	17,729
Claims	-3,719	-3,354	-13,744
Ceded business	108	-244	340
Costs	-746	-640	-2,699
Change in other debt and other amounts receivable	150	207	-129
Cash flow from insurance activities	1,482	1,524	1,497
Interest income	157	196	723
Interest expenses	-28	-25	-113
Dividend received	7	4	25
Taxes	-181	-249	-529
Other income and costs	88	-17	-56
Cash from operating activities, continuing business	1,525	1,433	1,547
Cash from operating activities, discontinued and divested business	-1	0	-1
Total cash flow from operating activities	1,524	1,433	1,546
Investments			
Acquisition and refurbishment of real property	0	-10	-122
Sale of real property	2,313	0	6
Acquisition and sale of equity investments and unit trust units (net)	-539	40	147
Purchase/sale of bonds (net)	-1,598	-234	413
Deposits with credit institutions	0	-500	0
Purchase/sale of operating equipment (net)	-2	-1	-1
Acquisition of intangible assets	0	0	-135
Hedging of currency risk	12	-33	-50
Total investments	186	-738	258

DKKm	Q1 2017	Q1 2016	2016
Financing			
Exercise of share options/purchase of treasury shares (net)	-20	1	-999
Subordinated loan capital	0	0	800
Dividend paid	-1,960	-988	-1,714
Change in amounts owed to credit institutions	77	251	115
Total financing	-1,903	-736	-1,798
Change in cash and cash equivalents, net	-193	-41	6
Exchange rate adjustment of cash and cash equivalents beginning of year	-1	1	-2
Change in cash and cash equivalents, gross	-194	-40	4
Cash and cash equivalents, beginning of year	475	471	471
Cash and cash equivalents, end of period	281	431	475

Notes

DKKm	Private	Commercial	Corporate	Sweden	Other a)	Group
1 Operating segments						
Q1 2017						
Gross premium income	2,206	965	970	329	-12	4,458
Gross claims	-1,583	-585	-652	-229	24	-3,025
Gross operating expenses	-313	-171	-98	-61	0	-643
Profit/loss on ceded business	-43	-26	-140	0	-12	-221
Insurance technical interest, net of reinsurance	1	0	-1	-1	0	-1
Technical result	268	183	79	38	0	568
Other items	0	0	0	0	37	37
Profit						605
Run-off gains/losses, net of reinsurance	99	82	68	37	0	286
Intangible assets	0	28	0	590	268	886
Equity investments in associates	0	0	0	0	221	221
Reinsurers' share of premium provisions	95	74	287	2	0	458
Reinsurers' share of claims provisions	65	260	973	30	0	1,328
Other assets	0	0	0	0	46,484	46,484
Total assets						49,377
Premium provisions	2,885	1,982	1,955	860	0	7,682
Claims provisions	5,634	6,531	9,930	2,880	0	24,975
Provisions for bonuses and premium discounts	435	52	44	7	0	538
Other liabilities	0	0	0	0	8,072	8,072
Total liabilities						41,267

a) Amounts relating to eliminations and one-off items are included under 'Other'. Other assets and liabilities are managed at Group level and are 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 a)	Group
1 Operating segments						
Q1 2016						
Gross premium income	2,137	967	920	289	-3	4,310
Gross claims	-1,586	-547	-508	-217	0	-2,858
Gross operating expenses	-305	-169	-107	-61	0	-642
Profit/loss on ceded business	-47	-36	-166	0	3	-246
Insurance technical interest, net of reinsurance	-1	0	0	-1	0	-2
Technical result	198	215	139	10	0	562
Other items	0	0	0	0	-117	-117
Profit						445
Run-off gains/losses, net of reinsurance	73	120	148	28	0	369
Intangible assets	0	32	0	590	404	1,026
Equity investments in associates	0	0	0	0	232	232
Reinsurers' share of premium provisions	86	85	286	2	0	459
Reinsurers' share of claims provisions	64	334	2,227	31	0	2,656
Other assets	0	0	0	0	49,719	49,719
Total assets						54,092
Premium provisions	2,902	2,038	1,907	829	0	7,676
Claims provisions	5,902	6,784	11,468	1,678	0	25,832
Provisions for bonuses and premium discounts	465	51	52	18	0	586
Other liabilities	0	0	0	0	10,887	10,887
Total liabilities						44,981

a) Amounts relating to eliminations and one-off items are included under 'Other'. Other assets and liabilities are managed at Group level and are 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 a)	Group
1 Operating segments						
2016						
Gross premium income	8,710	3,893	3,775	1,348	-19	17,707
Gross claims	-5,904	-2,380	-2,295	-964	-76	-11,619
Gross operating expenses	-1,240	-663	-416	-256	-162	-2,737
Profit/loss on ceded business	-158	-154	-643	-3	7	-951
Insurance technical interest, net of reinsurance	-4	-1	0	-5	0	-10
Technical result	1,404	695	421	120	-250	2,390
Other items	0	0	0	0	81	81
Profit						2,471
Run-off gains/losses, net of reinsurance	312	304	506	117	0	1,239
Intangible assets	0	29	0	596	259	884
Equity investments in associates	0	0	0	0	218	218
Reinsurers' share of premium provisions	16	24	174	0	0	214
Reinsurers' share of claims provisions	67	247	1,476	30	0	1,820
Other assets	0	0	0	0	46,725	46,725
Total assets						49,861
Premium provisions	2,236	1,292	1,092	867	0	5,487
Claims provisions	5,655	6,637	10,255	2,905	0	25,452
Provisions for bonuses and premium discounts	461	61	53	13	0	588
Other liabilities	0	0	0	0	8,897	8,897
Total liabilities						40,424

a) Amounts relating to eliminations and one-off items are included under 'Other'. Other assets and liabilities are managed at Group level and are 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	Q1 2017	Q1 2016	2016
1 Geographical segments			
Danish general insurance^{a)}			
Gross premium income	2,382	2,334	9,467
Technical result	349	387	1,587
Run-off gains/losses, net of reinsurance	104	205	509
Key ratios			
Gross claims ratio	68.3	64.3	63.7
Net reinsurance ratio	3.7	5.6	6.0
Claims ratio, net of reinsurance	72.0	69.9	69.7
Gross expense ratio	13.2	13.4	13.4
Combined ratio	85.2	83.3	83.1
Run-off, net of reinsurance (%)	-4.4	-8.8	-5.4
Number of full-time employees, end of period	1,875	1,847	1,839
Norwegian general insurance			
Gross premium income	1,606	1,550	6,371
Technical result	152	151	1,013
Run-off gains/losses, net of reinsurance	130	134	678
Key ratios			
Gross claims ratio	68.8	68.1	63.9
Net reinsurance ratio	6.4	6.5	5.1
Claims ratio, net of reinsurance	75.2	74.6	69.0
Gross expense ratio	15.6	15.9	15.2
Combined ratio	90.8	90.5	84.2
Run-off, net of reinsurance (%)	-8.1	-8.6	-10.6
Number of full-time employees, end of period	1,015	1,107	1,040

^{a)} Comprises Danish general insurance and Finnish guarantee insurance.

Notes

DKKm	Q1 2017	Q1 2016	2016
1 Geographical segments			
Swedish general insurance			
Gross premium income	482	429	1,888
Technical result	67	24	40
Run-off gains/losses, net of reinsurance	52	30	52
Key ratios			
Gross claims ratio	65.6	70.4	76.4
Net reinsurance ratio	3.7	4.2	3.3
Claims ratio, net of reinsurance	69.3	74.6	79.7
Gross expense ratio	16.4	19.6	17.8
Combined ratio	85.7	94.2	97.5
Run-off, net of reinsurance (%)	-10.8	-7.0	-2.8
Number of full-time employees, end of period	391	379	385
Other ^{a)}			
Gross premium income	-12	-3	-19
Technical result	0	0	-250
Tryg			
Gross premium income	4,458	4,310	17,707
Technical result	568	562	2,390
Investment return activities	223	17	987
Other income and costs	-12	-16	-157
Profit/loss before tax	779	563	3,220
Run-off gains/losses, net of reinsurance	286	369	1,239
Key ratios			
Gross claims ratio	67.9	66.3	65.6
Net reinsurance ratio	5.0	5.7	5.4
Claims ratio, net of reinsurance	72.9	72.0	71.0
Gross expense ratio ^{b)}	14.4	15.1	15.7
Combined ratio	87.3	87.1	86.7
Run-off, net of reinsurance (%)	-6.4	-8.6	-7.0
Number of full-time employees, end of period	3,281	3,333	3,264

a) Amounts relating to eliminations and one-off items.

In 2016 costs and claims were negatively affected by DKK 162m and DKK 88m respectively, mainly due to impairment of software.

b) The gross expense ratio is calculated as the ratio of actual gross insurance operating costs to gross premium income. Uptill 2017 the gross expense ratio is inclusive 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. After the sale of the owner-occupied property end of 2016 market rent is already part of the gross expense.

Notes

DKKkm	Q1 2017	Q1 2016	2016
2 Premium income, net of reinsurance			
Direct insurance	4,534	4,380	17,949
Indirect insurance	0	14	43
	4,534	4,394	17,992
Unexpired risk provision	1	2	1
	4,535	4,396	17,993
Ceded direct insurance	-276	-275	-1,178
Ceded indirect insurance	0	9	-19
	4,259	4,130	16,796
3 Insurance technical interest, net of reinsurance			
Return on insurance provisions	37	42	149
Discounting transferred from claims provisions	-38	-44	-159
	-1	-2	-10
4 Claims, net of reinsurance			
Claims	-3,302	-3,249	-13,048
Run-off gains/losses, gross	277	391	1,429
	-3,025	-2,858	-11,619
Reinsurance cover received	14	17	286
Run-off gains/losses, reinsurers' share	9	-22	-190
	-3,002	-2,863	-11,523

DKKkm	Q1 2017	Q1 2016	2016
5 Value adjustments			
<i>Value adjustments concerning financial assets or liabilities at fair value with value adjustment in the income statement:</i>			
Equity investments	-13	25	78
Unit trust units	161	0	190
Share derivatives	7	-23	-19
Bonds	1	27	-83
Interest derivatives	-37	258	81
Other loans	0	0	0
	119	287	247
<i>Value adjustments concerning assets or liabilities that cannot be attributed to IAS 39:</i>			
Investment property	-4	0	431
Owner-occupied property	-1	0	93
Discounting	42	-383	-188
Other statement of financial position items	-31	-9	-65
	6	-392	271
	125	-105	518
6 Acquisition of activities			
In February 2017 Tryg and OBOS BBL has made a declaration of intent whereby Tryg will acquire OBOS Forsikring AS. The agreement means that Tryg will acquire the production and distribution of the insurances sold to OBOS's members. The agreements has been signed end March and the acquisition is expected to be approved by the Danish and Norwegian FSA and affect the financial statement during Q2 2017.			
Tryg will 1st January 2018 acquire FDM's insurance portfolio from LB Forsikring. The acquisition will have no effect to the financial statement before 2018.			

Notes

7 Related parties

In Q1 2017 Tryg Forsikring A/S paid Tryg A/S DKK 2,700m and Tryg A/S paid TryghedsGruppen smba DKK 1,177m in dividends (in Q1 2016 Tryg Forsikring A/S paid Tryg A/S DKK 1,450m and Tryg A/S paid TryghedsGruppen smba DKK 593m in dividends).

There have been no other material transactions with related parties.

8 Sale of properties

The sale of three investment properties in December 2016 (carrying amount 2016 DKK 1,017m) has been closed in Q1 2017.

9 Accounting policies

Tryg's interim report for Q1 2017 report is presented in accordance with IAS 34 Interim Financial Reporting and the requirements of the NASDAQ Copenhagen for the presentation of financial statements of listed companies.

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).

Changes in accounting estimates

There have been no changes to the accounting estimates in Q1 2017.

Quarterly outline

DKKm	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Private									
Gross premium income	2,206	2,235	2,190	2,148	2,137	2,172	2,211	2,226	2,194
Technical result	268	366	447	393	198	285	398	434	181
Key ratios									
Gross claims ratio	71.8	67.9	63.2	65.9	74.2	71.3	65.1	63.3	76.5
Net reinsurance ratio	1.9	1.8	2.1	1.2	2.2	2.3	2.3	2.1	0.0
Claims ratio, net of reinsurance	73.7	69.7	65.3	67.1	76.4	73.6	67.4	65.4	76.5
Gross expense ratio	14.2	13.9	14.3	14.5	14.3	13.4	14.7	15.3	15.3
Combined ratio	87.9	83.6	79.6	81.6	90.7	87.0	82.1	80.7	91.8
Combined ratio exclusive of run-off	92.4	86.3	84.5	84.9	94.1	89.3	86.5	83.7	96.8
Commercial									
Gross premium income	965	972	977	977	967	970	1,022	997	1,003
Technical result	183	166	142	172	215	147	136	220	155
Key ratios									
Gross claims ratio	60.6	58.3	65.5	64.1	56.6	62.3	77.1	55.7	66.3
Net reinsurance ratio	2.7	8.0	3.4	0.7	3.7	5.5	-6.8	5.2	0.9
Claims ratio, net of reinsurance	63.3	66.3	68.9	64.8	60.3	67.8	70.3	60.9	67.2
Gross expense ratio	17.7	16.5	16.6	17.6	17.5	17.2	16.6	17.2	17.4
Combined ratio	81.0	82.8	85.5	82.4	77.8	85.0	86.9	78.1	84.6
Combined ratio exclusive of run-off	89.5	92.2	92.8	84.7	90.2	91.3	98.6	84.5	98.9
Corporate									
Gross premium income	970	966	968	921	920	949	984	993	968
Technical result	79	9	117	156	139	5	195	99	70
Key ratios									
Gross claims ratio	67.2	84.3	42.9	60.6	55.2	69.2	99.9	170.5	67.6
Net reinsurance ratio	14.4	4.2	34.0	11.6	18.0	20.5	-30.1	-91.2	13.4
Claims ratio, net of reinsurance	81.6	88.5	76.9	72.2	73.2	89.7	69.8	79.3	81.0
Gross expense ratio	10.1	10.6	11.1	10.9	11.6	9.7	10.6	11.0	11.9
Combined ratio	91.7	99.1	88.0	83.1	84.8	99.4	80.4	90.3	92.9
Combined ratio exclusive of run-off	98.7	111.6	98.3	98.0	100.9	106.2	98.1	94.5	100.1

A further detailed version of the presentation can be downloaded from tryg.com/uk>investor>Downloads>tables

Quarterly outline

DKKm	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Sweden									
Gross premium income	329	337	384	338	289	313	373	342	289
Technical result	38	23	38	49	10	85	38	72	23
Key ratios									
Gross claims ratio	69.6	72.7	72.9	65.7	75.1	51.8	73.2	61.1	72.0
Net reinsurance ratio	0.0	0.0	0.5	0.3	0.0	0.3	0.5	0.0	-0.7
Claims ratio, net of reinsurance	69.6	72.7	73.4	66.0	75.1	52.1	73.7	61.1	71.3
Gross expense ratio	18.5	20.2	16.1	19.2	21.1	21.1	15.8	17.8	20.8
Combined ratio	88.1	92.9	89.5	85.2	96.2	73.2	89.5	78.9	92.1
Combined ratio exclusive of run-off	99.3	101.2	92.1	100.3	105.9	94.3	92.4	93.2	100.1
Other^{a)}									
Gross premium income	-12	-6	-5	-5	-3	-11	-7	-8	-3
Technical result	0	-250	0	0	0	0	-120	0	0
Tryg									
Gross premium income	4,458	4,504	4,514	4,379	4,310	4,393	4,583	4,550	4,451
Technical result	568	314	744	770	562	522	647	825	429
Investment return	223	598	191	181	17	242	-441	-84	261
Profit/loss before tax	779	800	923	934	563	745	186	714	665
Profit/loss	605	560	732	734	445	754	110	580	525
Key ratios									
Gross claims ratio	67.9	72.0	59.7	64.5	66.3	68.0	76.6	84.8	72.0
Net reinsurance ratio	5.0	3.1	9.5	3.1	5.7	6.2	-6.8	-17.8	3.1
Claims ratio, net of reinsurance	72.9	75.1	69.2	67.6	72.0	74.2	69.8	67.0	75.1
Gross expense ratio	14.4	18.0	14.5	15.0	15.1	14.2	16.3	15.2	15.6
Combined ratio	87.3	93.1	83.7	82.6	87.1	88.4	86.1	82.2	90.7
Combined ratio exclusive of run-off	93.7	99.8	90.1	89.0	95.7	93.9	94.9	87.1	98.5

^{a)} Amounts relating to eliminations and one-off items are included under 'Other'.

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 25-26, and in Note 1 on page 50, for a description of some of the factors which may affect the Group's performance or the insurance industry.](#)

