

# The ATP Group

## Quarterly report – Q1 2007

### Financial highlights for Q1 2007:

DKK million	Q1 2007	Q1 2006	Full year 2006
Investment-activity results	2,904	7,355	21,127
Hedging-activity results	(1,847)	3,522	3,610
Pension-activity results (including mortality update)	1,233	700	(1,822)
Transferred to client deposits under the SP and SUPP schemes	(850)	(1,472)	(4,518)
Administration-activity results	47	21	12
Tax	(3)	(2)	(2)
<b>Net profit for the period</b>	<b>1,484</b>	<b>10,124</b>	<b>18,407</b>

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## Financial highlights of the ATP Group

DKK million	Q1 2007	Q1 2006	Full year 2006
<b>Income statement</b>			
<b>Investment activities</b>			
Return on investment	3,509	8,790	24,919
Expenses	(98)	(98)	(359)
Tax on pension-savings returns	(507)	(1,337)	(3,433)
<b>Investment-activity results</b>	<b>2,904</b>	<b>7,355</b>	<b>21,127</b>
<b>Hedging activities</b>			
Return on hedging portfolio, etc.	(7,724)	(23,311)	(14,948)
Change in guaranteed benefits due to change in calculation rate	7,390	25,714	26,195
Change in guaranteed benefits due to declining term to maturity	(2,672)	(2,461)	(9,879)
Tax on pension-savings returns	1,159	3,580	2,242
<b>Hedging-activity results</b>	<b>(1,847)</b>	<b>3,522</b>	<b>3,610</b>
<b>Pension activities</b>			
Contributions	1,996	1,791	7,205
Fee income	22	50	119
Pension benefits	(1,845)	(1,653)	(7,080)
Change in guaranteed benefits due to contributions and pension benefits	1,125	576	2,812
Expenses	(65)	(64)	(224)
<b>Results before change in mortality and bonus, etc.</b>	<b>1,233</b>	<b>700</b>	<b>2,832</b>
Change in guaranteed benefits due to change in mortality	0	0	(3,957)
Bonus for the year	0	0	(697)
<b>Pension-activity results</b>	<b>1,233</b>	<b>700</b>	<b>(1,822)</b>
<b>Transferred to client deposits under the SP and SUPP schemes</b>	<b>(850)</b>	<b>(1,472)</b>	<b>(4,518)</b>
<b>Administration activities</b>			
Income	138	148	502
Expenses	(91)	(127)	(490)
<b>Administration-activity results</b>	<b>47</b>	<b>21</b>	<b>12</b>
<b>Tax</b>	<b>(3)</b>	<b>(2)</b>	<b>(2)</b>
<b>Net profit for the period</b>	<b>1,484</b>	<b>10,124</b>	<b>18,407</b>
Of which minority interests' share	20	46	128
<b>Balance sheet</b>			
<b>Assets</b>			
Investment assets	415,246	414,152	413,864
Other assets	16,235	14,048	12,652
<b>Total assets</b>	<b>431,481</b>	<b>428,200</b>	<b>426,516</b>
<b>Liabilities</b>			
Pension provisions	412,135	396,671	416,099
Other liabilities	19,346	31,529	10,417
<b>Total liabilities</b>	<b>431,481</b>	<b>428,200</b>	<b>426,516</b>

## Report for Q1 2007

- The Group's net profit totals DKK 1.5bn.
- The Group's bonus potential is up by DKK 1.5bn, to a total of DKK 71.8bn, at 31 March 2007.
- The market return on ATP's investment portfolio is DKK 5.4bn, equivalent to 1.5 per cent.
- Administrative expenses amount to DKK 10 for each ATP member and DKK 7 for each SP client.
- Investment expenses total DKK 6 for each ATP member and DKK 2 for each SP client.

### Net profit for the period

The overview 'Financial highlights of the ATP Group' reflects the main activities of the ATP Group. The Group achieved a net profit of DKK 1.5bn, which is satisfactory.

Net profit can be broken down as follows:

Q1 2007 – DKK million	ATP	SP	Other <sup>1</sup>	The Group
Investment-activity results	2,038	848	18	2,904
Hedging-activity results	(1,847)	0	0	(1,847)
Pension-activity results	1,233	0	0	1,233
Transferred to client deposits under the SP and SUPP schemes	0	(850)	0	(850)
Administration-activity results	40	2	5	47
Tax	0	0	(3)	(3)
<b>Net profit for the period</b>	<b>1,464</b>	<b>0</b>	<b>20</b>	<b>1,484</b>

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

### Investment activities

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

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

A hedging portfolio comprised primarily of interest-rate swaps, etc., the aim of which is to ensure optimal hedging of ATP's pension liabilities.

An investment portfolio, the aim of which is to generate an absolute return that is sufficient to ensure growth in the bonus potential, thus making it possible to preserve the long-term purchasing power of pensions.

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

### **Hedging activities**

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

The hedging portfolio may consist of long-dated bonds or similar financial instruments, e.g. interest-rate swaps. In principle, these instruments are subject to an interest-rate risk after tax that is equivalent to the interest-rate risk of the guaranteed benefits. At present, bonds do not form part of the hedging portfolio.

### **Pension activities**

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

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

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

### **Administration activities**

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

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

### **Investment-activity results**

The Group's investment-activity results totalled DKK 2.9bn after tax on pension-savings returns of DKK 507m. ATP's investment-activity results totalled DKK 2.0bn after tax. The investment-activity results achieved by the SP and SUPP schemes, totalling DKK 0.9bn after tax, are transferred to client deposits.

### **The ATP investment portfolio**

In Q1, the investment portfolio generated an overall market return of DKK 5.4bn before tax.

The investment portfolio is comprised of two components that are attributable to two different sources of return:

- The return achieved by investing broadly in asset classes subject to a certain amount of investment risk. Experience shows that, over time, most risky assets generate an additional return relative to risk-free investments. This return, which may be seen as compensation to investors for accepting greater risk, is known as "beta".
- The return achieved by investing actively, e.g. by purchasing individual equities that are expected to show the greatest increase within a given time horizon and selling individual equities that are expected to show the smallest increase. The return achieved by active asset management is known as "alpha".

ATP has decided to separate the investment decisions relating to alpha and beta and lodge the portfolio responsibility with a number of independent investment teams – the objective being to ensure that the investment approach is focused and flexible with a clear allocation of responsibilities and an efficient decision-making process. To that end, the investment portfolio has been divided into an alpha and a beta portfolio.

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

In Q1, the investment portfolio generated an overall market return of DKK 5.4bn before tax, equivalent to a rate of return of 1.5 per cent. This figure includes a return of DKK 2.8bn, which has been transferred to the hedging portfolio. The return is transferred to the hedging portfolio because the hedging portfolio makes liquidity available to the investment portfolio. Allowing for financing costs, the return on the investment portfolio thus totals DKK 2.6bn.

The ATP investment portfolio	Portfolio end of Q1		Return Q1	
	DKK billion	per cent	DKK million	per cent <sup>1</sup>
<b>Beta</b>	<b>362.3</b>	<b>100.0</b>	<b>5,300</b>	<b>1.5</b>
<b>Bonds</b>	<b>235.9</b>	<b>65.1</b>	<b>1,902</b>	<b>0.8</b>
- Nominal bonds, etc.	216.0	59.6	1,762	0.8
- Index-linked bonds	19.9	5.5	141	0.6
<b>Listed equities</b>	<b>95.4</b>	<b>26.3</b>	<b>2,602</b>	<b>2.7</b>
- Domestic equities	47.5	13.1	2,251	4.8
- Foreign equities	47.9	13.2	351	0.8
<b>Other assets</b>	<b>31.0</b>	<b>8.6</b>	<b>794</b>	<b>2.7</b>
- Real estate	14.8	4.1	372	2.6
- Private equities	11.8	3.3	197	1.7
- Commodities	4.4	1.2	226	3.6
<b>Alpha</b>	<b>0.3</b>		<b>15</b>	<b>-</b>
<b>Other</b>	<b>4.0</b>		<b>55</b>	<b>-</b>
<b>Total investment portfolio</b>	<b>366.6</b>		<b>5,370</b>	<b>1.5</b>
<b>Transferred to hedging activities<sup>2</sup></b>	<b>(295.3)</b>		<b>(2,794)</b>	<b>1.0</b>
<b>Total investment portfolio after financing</b>			<b>2,576</b>	

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

2) The hedging portfolio is comprised of financial instruments designed to hedge ATP's pension liabilities; the portfolio does not include securities. Funds that are not tied up in the hedging portfolio are available for investment in the investment portfolio. A market rate is paid to hedging activities on these funds. This amount is referred to as "Transferred to hedging activities".

### The beta portfolio's best performers were listed domestic equities and commodities

In Q1, the beta portfolio generated a return of DKK 5.3bn, equivalent to a rate of return of 1.5 per cent.

Listed domestic equities and commodities were the best performers in the portfolio.

- The bond portfolio achieved a return of DKK 1.9bn, equivalent to 0.8 per cent. The portfolio of nominal bonds, etc., produced a return of DKK 1.8bn, or 0.8 per cent. This portfolio comprises global bonds, domestic mortgage bonds, US mortgage bonds and high-yield bonds. The global bond portfolio recorded a return of DKK 1.0bn, or 0.7 per cent. Domestic mortgage bonds produced a return of DKK 0.6bn, equivalent to 1.0 per cent, while US mortgage bonds achieved a return of DKK 12m, or 1.0 per cent. Finally, the portfolio of high-yield bonds produced a return of DKK 0.2bn, or 1.8 per cent.

The beta portfolio's bond allocation also includes index-linked bonds, recording a return of DKK 0.1bn, or 0.6 per cent. The portfolio of domestic index-linked bonds generated a negative return of DKK 1m, equivalent to 0.0 per cent, while the portfolio of foreign index-linked bonds recorded a return of DKK 0.1bn, or 0.9 per cent.

- The portfolio of listed equities obtained an overall return of DKK 2.6bn, or 2.7 per cent. The return was boosted, in particular, by the portfolio of domestic equities, generating a return of DKK 2.3bn, equivalent to 4.8 per cent.

The portfolio of foreign equities generated a return of DKK 0.4bn, equivalent to 0.8 per cent. This portfolio comprises European, US, Japanese and Emerging Markets equities. European equities achieved the highest return in DKK terms, totalling DKK 0.8bn.

The portfolio of Emerging Markets equities generated a return of DKK 46m. Japanese equities, for their part, recorded a negative return of DKK 90m, while US equities posted a negative return of DKK 0.4bn.

- The portfolio of other assets generated a return of DKK 0.8bn, or 2.7 per cent. Real estate produced a return of DKK 0.4bn, or 2.6 per cent, while the portfolio of private equities returned DKK 0.2bn, equivalent to 1.7 per cent. The new commodity exposure portfolio is off to a good start, achieving a return of DKK 0.2bn, or 3.6 per cent.

#### **Alpha portfolio achieved positive return**

The alpha portfolio is divided into eight sub-portfolios that are managed independently:

- One sub-portfolio focuses on generating returns on the purchase and sale of exposure to equity and bond asset classes, e.g. through purchase and sale of equity-index futures.
- Four equity-sector portfolios focus on generating returns on the purchase and sale of cyclical equities, technology equities, financial equities and stable growth equities, respectively.
- Three bond portfolios focus on generating returns on the purchase and sale of bonds and other interest-rate instruments.

As a main rule, the alpha portfolio must be self-financing. Accordingly, investments purchased by the alpha portfolio must be financed by a corresponding sale – either through financial instruments or through the sale of securities borrowed from the beta portfolio. This means that the net assets of the alpha portfolio are usually close to zero. In Q1 2007, the alpha portfolio achieved an aggregate return of DKK 15m. Five of the eight sub-portfolios posted positive returns and in two of the three months of Q1, the overall alpha portfolio recorded positive returns.

Since the launch of the alpha portfolio at the end of 2005, the returns of the individual sub-portfolios have exhibited a low degree of covariation.



### SP investment activities

In Q1, SP's total market return on investments was DKK 1.0bn before tax, equivalent to a rate of return 1.9 per cent.

SP's assets are comprised of:

- SP funds invested directly by ATP
- SP funds invested by SP clients
- Funds under the SUPP scheme

SP funds invested by ATP on behalf of the clients – totalling 97.9 per cent of the total portfolio – are invested so as to ensure that the investment risk is adapted to the individual client's age. The portfolio allocation of clients up to age 45 is approximately 60 per cent equities and approximately 40 per cent bonds, while the portfolio allocation of clients aged over 65 is approximately 20 per cent equities and 80 per cent bonds. For clients between 45 and 65, the equity allocation is scaled down gradually from approximately 60 per cent to approximately 20 per cent.

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

	Portfolio end of Q1		Return Q1		
	DKK million	per cent	SP DKK million	SP <sup>1</sup> per cent	Benchmark <sup>1</sup> per cent
<b>SP funds invested directly by ATP</b>	<b>52,619</b>	<b>97.9</b>	<b>983</b>	<b>1.9</b>	
<i>ATP Invest Basis Lav Risiko</i>	6,436	12.0	72	1.2	1.2
<i>ATP Invest Basis Mellem Risiko</i>	13,547	25.2	213	1.6	1.7
<i>ATP Invest Basis Høj Risiko</i>	32,637	60.7	698	2.1	2.2
<b>SP funds invested by SP clients</b>	<b>217</b>	<b>0.4</b>	<b>3</b>	<b>1.5</b>	
<b>The SUPP scheme (Supplementary Labour Market Pension Scheme for Disability Pensioners)</b>	<b>896</b>	<b>1.7</b>	<b>15</b>	<b>1.7</b>	
<b>Total investment assets</b>	<b>53,732</b>		<b>1,000</b>	<b>1.9</b>	

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

SP funds invested directly by ATP produced a return of DKK 1.0bn, equivalent to a rate of return of 1.9 per cent.

Overall, equity markets outperformed bond markets, meaning that the equity allocation has been a key factor in the return achieved. Accordingly, the highest return was achieved by *ATP Invest Basis Høj Risiko* ("ATP Invest Basic High Risk"), the risk of which is higher due to its higher equity allocation.

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

SP funds invested by clients produced a return of DKK 3.0m, equivalent to a rate of return of 1.5 per cent. The return reflects that SP clients primarily opted for equity-based sub-funds.

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

In Q1, the SUPP portfolio achieved a return of DKK 15m, equivalent to 1.7 per cent, thus slightly underperforming the portfolio of SP funds invested directly by ATP. The differential is attributable exclusively to a difference in age distribution. On account of the age distribution, the SUPP portfolio has a significantly lower equity allocation – 38 per cent of its funds are invested in the sub-fund *ATP Invest Basis Høj Risiko*, while the corresponding figure for SP funds invested directly by ATP is 62 per cent.

### **Hedging-activity results**

The Group recorded a DKK 1.8bn loss on hedging activities.

In Q1 2007, the market value of ATP's pension liabilities – guaranteed benefits – dropped by DKK 7.4bn as a result of the interest-rate increases during Q1. At the same time, the value of the liabilities increased by DKK 2.7bn due to the shorter term to maturity of the liabilities. Between them, these changes produced a fall of DKK 4.7bn in guaranteed benefits.

The hedging portfolio posted a negative return of DKK 7.7bn before tax. As a result of this loss, tax on pension-savings returns amounted to an income of DKK 1.2bn. The hedging portfolio thus recorded a negative return of DKK 6.5bn after tax.

Hedging activities produced an overall loss of DKK 1.8bn, which is included in the overall results for Q1.

The loss recorded on hedging activities is attributable, in particular, to the tightening of the interest-rate spread between euro-denominated claims and DKK-denominated claims during the first few months of the year.

### **Pension-activity results**

The Group's pension-activity results totalled DKK 1.2bn.

In Q1, the Group received contributions totalling DKK 2.0bn and fee income of DKK 22m.

During the period, pension benefits totalling DKK 1.8bn were paid to members, up DKK 192m on Q1 2006. At the end of Q1 2007, upwards of 659,000 pensioners received a current pension from ATP – an increase of close to 35,000 pensioners relative to the same period last year.

Overall pension-activity results include a change in guaranteed benefits of DKK 1.1bn due mainly to the impact of the purchase of new pension rights for the contributions paid into the schemes and the benefit payouts under the schemes during the period under review.

In Q1, the Group received fee income of DKK 22m. Fees to cover expenses are collected directly from the individual SP client. As at 31 March 2007, the number of clients was 3,182,185.

Some 7,300 clients opted to take advantage of the option provided by free SP choice to invest their SP savings themselves. In Q1 2007, about 13,400 clients chose to transfer their SP deposits to external pension providers. Since 1 January 2005, a total of 176,000 clients have transferred their SP deposits to different pension providers. However, ATP still manages almost 94 per cent of all SP funds.

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

The Group's administration-activity results, totalling DKK 47m, comprise sale of administrative services to external clients and other related parties, as well as expenses incurred for the sale of administrative services.

#### **Accounting policies**

The preliminary announcement of financial statements of the ATP Group for Q1 2007 has been prepared in accordance with International Financial Reporting Standards (IFRS), as approved by the EU, and in accordance with additional Danish disclosure requirements as set out in *Executive Order on Financial Reporting by the Danish Labour Market Supplementary Pension Scheme and the Special Pension Savings Scheme* (available in Danish only).

The accounting policies are consistent with those applied in the latest annual report (2006).

## Outlook for 2007

Based on the interest-rate and price levels prevailing at the end of Q1 2007, ATP has calculated an expected market return on the investment portfolio of 4.9 per cent for 2007. It should be emphasised that this is a purely technical projection. It is based on the assumptions, on the one hand, that interest rates will remain unchanged from the levels prevailing at the end of Q1 2007 and, on the other, that the normal return on equities is approximately 2 percentage points higher per annum than the yield on a 10-year government bond.

ATP's hedging activities are not, *per se*, designed to generate a return. At the beginning of the year, a break-even result is thus, in principle, expected for the hedging activities, assuming that the interest-rate spread between euro interest rates and Danish kroner remains unchanged. In Q1 2007, hedging activities generated a loss of DKK 1.8bn, however, as a result of changes in the interest-rate spread between swaps in euros and Danish kroner. In case of a tightening of, say, 0.1 percentage points, hedging activities will suffer a loss of DKK 4.0bn relative to the result achieved in Q1 2007.

Global bond yields ended a volatile Q1 relatively unchanged. The Supervisory and Executive Boards believe that, in general, prospects are for only small bond yields in Q2 due to lower risk aversion and a recovery in the US economy. Q1 as a whole saw moderate equity price rises. In the opinion of the Supervisory and Executive Boards, a continued favourable economic environment and the relative pricing indicate that Q2 will also generate moderate, but positive returns.

ATP expects the Group's total administrative expenses to decrease slightly in 2007.

Administrative expenses for the ATP scheme are expected to come to an unchanged DKK 33 for each member, while average administrative expenses for the SP scheme are expected to rise from DKK 24 to DKK 26 per client.

ATP's investment-activity expenses are expected to increase from DKK 22 to DKK 27 for each member, due to expanded activities. SP's investment-activity expenses are, however, expected to remain at an average of DKK 6 per client.

Hillerød, 3 May 2007

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## The ATP Group

### Income statement

DKK million	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
<b>Contributions</b>	<b>1,996</b>	<b>1,780</b>	<b>1,831</b>	<b>1,803</b>	<b>1,791</b>
<b>Fees</b>	<b>22</b>	<b>22</b>	<b>24</b>	<b>23</b>	<b>50</b>
Income from associates	1	1	(96)	0	8
Income from investment properties	146	130	133	136	125
Interest income and dividends, etc.	4,129	3,759	4,173	7,508	5,348
Fee income	24	10	0	0	0
Market-value adjustments	(8,514)	1,583	33,427	(26,260)	(20,000)
Interest expenses	(1)	(5)	(1)	0	(2)
Fee expenses	0	(6)	0	0	0
Investment-activity expenses	(98)	(79)	(85)	(97)	(98)
Total investment return	<u>(4,313)</u>	<u>5,393</u>	<u>37,551</u>	<u>(18,713)</u>	<u>(14,619)</u>
Tax on pension-savings returns	652	(707)	(5,645)	2,918	2,243
<b>Investment return after tax on pension-savings returns</b>	<b>(3,661)</b>	<b>4,686</b>	<b>31,906</b>	<b>(15,795)</b>	<b>(12,376)</b>
Benefit payouts	(1,847)	(1,907)	(1,777)	(1,730)	(1,655)
Change in claims-outstanding provisions	2	(13)	0	0	2
Total pension benefits	<u>(1,845)</u>	<u>(1,920)</u>	<u>(1,777)</u>	<u>(1,730)</u>	<u>(1,653)</u>
Change in guaranteed benefits	5,843	4,870	(22,721)	9,193	23,829
Bonus addition for the year	0	(697)	0	0	0
Change in provisions for unit-linked contracts	(850)	(1,986)	(1,981)	921	(1,472)
Pension-activity expenses	<u>(65)</u>	<u>(75)</u>	<u>(47)</u>	<u>(38)</u>	<u>(64)</u>
<b>Technical profit</b>	<b>1,440</b>	<b>6,680</b>	<b>7,235</b>	<b>(5,623)</b>	<b>10,105</b>
<b>Other income</b>	<b>138</b>	<b>165</b>	<b>88</b>	<b>101</b>	<b>148</b>
<b>Other expenses</b>	<b>(91)</b>	<b>(210)</b>	<b>(72)</b>	<b>(81)</b>	<b>(127)</b>
<b>Profit before tax</b>	<b>1,487</b>	<b>6,635</b>	<b>7,251</b>	<b>(5,603)</b>	<b>10,126</b>
Tax	(3)	6	(3)	(3)	(2)
<b>Net profit for the period</b>	<b>1,484</b>	<b>6,641</b>	<b>7,248</b>	<b>(5,606)</b>	<b>10,124</b>
Minority interests' share of the net profit for the period	20	63	45	(26)	46
The ATP Group's share of the net profit for the period	<u>1,464</u>	<u>6,578</u>	<u>7,203</u>	<u>(5,580)</u>	<u>10,078</u>
<b>Allocated profit</b>	<b>1,484</b>	<b>6,641</b>	<b>7,248</b>	<b>(5,606)</b>	<b>10,124</b>

## The ATP Group

### Balance sheet

DKK million	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
<b>ASSETS</b>					
<b>Total intangible assets</b>	<b>475</b>	<b>407</b>	<b>395</b>	<b>309</b>	<b>242</b>
Operating equipment	13	13	9	10	11
Owner-occupied properties	364	359	333	332	329
<b>Total property, plant and equipment</b>	<b>377</b>	<b>372</b>	<b>342</b>	<b>342</b>	<b>340</b>
Investment properties	9,401	8,888	8,064	8,033	7,977
Investments in associates	558	534	240	281	260
Equity investments	114,479	112,851	102,677	95,331	97,296
Mutual-fund units	8	10	141	133	11
Bonds	227,243	222,432	216,253	212,242	214,697
Derivative-financial instruments	9,805	16,058	24,436	14,440	42,309
Other loans	20	20	20	20	20
<b>Total other financial investment assets</b>	<b>351,555</b>	<b>351,371</b>	<b>343,527</b>	<b>322,166</b>	<b>354,333</b>
<b>Total investment assets</b>	<b>361,514</b>	<b>360,793</b>	<b>351,831</b>	<b>330,480</b>	<b>362,570</b>
<b>Investment assets related to unit-linked Contracts</b>					
	<b>53,732</b>	<b>53,071</b>	<b>52,050</b>	<b>50,038</b>	<b>51,582</b>
Deferred tax on pension-savings returns	802	6	0	5,139	2,491
Contributions receivable	2,169	1,999	2,027	2,028	2,027
Other receivables	665	768	1,250	838	540
Interest receivable and accrued rent	3,490	3,316	3,833	4,109	3,223
Other prepayments	37	234	5	71	7
Tax on pension-savings returns	1,244	1,244	0	0	0
Cash in hand and demand deposits	6,976	4,306	4,220	5,274	5,178
<b>Total receivables and other assets</b>	<b>15,383</b>	<b>11,873</b>	<b>11,335</b>	<b>17,459</b>	<b>13,466</b>
<b>Total assets</b>	<b>431,481</b>	<b>426,516</b>	<b>415,953</b>	<b>398,628</b>	<b>428,200</b>
<b>LIABILITIES</b>					
<b>Total minority interests</b>	<b>903</b>	<b>772</b>	<b>789</b>	<b>682</b>	<b>700</b>
Guaranteed benefits	286,711	292,554	296,727	274,006	283,199
Claims-outstanding provisions	37	39	26	26	26
Bonus potential	71,828	70,362	63,778	56,575	62,157
Revaluation reserve	4	4	4	4	4
<b>Total bonus potential</b>	<b>71,832</b>	<b>70,366</b>	<b>63,782</b>	<b>56,579</b>	<b>62,161</b>
Provisions for unit-linked contracts	52,626	52,284	50,801	49,347	50,643
Provisions for the SUPP scheme	929	856	763	686	642
<b>Total pension provisions</b>	<b>412,135</b>	<b>416,099</b>	<b>412,099</b>	<b>380,644</b>	<b>396,671</b>
Short-term loans	43	44	43	42	40
Amounts owed to credit institutions	20	20	20	20	20
Derivative-financial instruments	13,587	5,952	934	12,733	25,470
Payable tax on pension-savings returns	286	135	672	2,567	2,583
Other payables	4,507	3,494	1,396	1,940	2,716
<b>Total payables</b>	<b>18,443</b>	<b>9,645</b>	<b>3,065</b>	<b>17,302</b>	<b>30,829</b>
<b>Total liabilities</b>	<b>431,481</b>	<b>426,516</b>	<b>415,953</b>	<b>398,628</b>	<b>428,200</b>

## The ATP Group

### Note 1 – Cash flow statement

DKK million	<u>Q1 2007</u>	<u>Q4 2006</u>	<u>Q3 2006</u>	<u>Q2 2006</u>	<u>Q1 2006</u>
<b>Cash flows from operating activities</b>					
Received in respect of pension activities	(429)	(1,049)	421	(294)	(215)
Management income received	6,409	9,958	4,585	5,711	8,983
Tax on pension-savings returns paid	0	(2,216)	(2,436)	0	0
Other operating activities	(85)	721	(2,076)	(204)	678
Total	<u>5,895</u>	<u>7,414</u>	<u>494</u>	<u>5,213</u>	<u>9,446</u>
<b>Net cash flow from investing activities</b>					
Purchase and sale of investment assets	(3,157)	(7,143)	(1,460)	(5,053)	(9,647)
Intangible assets	(68)	(16)	(86)	(65)	(15)
Property, plant and equipment	0	(169)	(2)	1	1
Total	<u>(3,225)</u>	<u>(7,328)</u>	<u>(1,548)</u>	<u>(5,117)</u>	<u>(9,661)</u>
Change in cash at bank and in hand	2,670	86	(1,054)	96	(215)
Cash and cash equivalents, beginning of period	<u>4,306</u>	<u>4,220</u>	<u>5,274</u>	<u>5,178</u>	<u>5,393</u>
<b>Cash and cash equivalents, end of period</b>	<u><b>6,976</b></u>	<u><b>4,306</b></u>	<u><b>4,220</b></u>	<u><b>5,274</b></u>	<u><b>5,178</b></u>

## The ATP Group

### Note 2 – Contingent liabilities

DKK million	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Collateral security in respect of derivatives	3,796	3,257	3,049	7,944	1,999
Rental/lease obligations	122	128	146	149	157
Investment commitments, investments in group enterprises and associates and commitments made by ATP Private Equity Partners	13,343	13,338	12,532	11,609	10,470
Investment commitments, domestic real estate	0	143	143	143	143
Investment commitments, real-estate funds	2,061	1,643	2,039	1,755	1,591
Investment commitments, infrastructure funds	3,407	4,317	-	-	-
Agreements concluded on supply of IT systems	427	533	433	485	719

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



## The ATP Group

### Note 3 – Pension provisions

DKK million	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
<b>Guaranteed benefits</b>					
Market value, beginning of period	292,554	296,727	274,006	283,199	307,028
Change in provisions for the period	(5,843)	(4,870)	22,721	(9,193)	(23,829)
Bonus provisions	0	697	0	0	0
Market value, end of period	<u>286,711</u>	<u>292,554</u>	<u>296,727</u>	<u>274,006</u>	<u>283,199</u>
Guaranteed benefits comprise Scheme 1 (pension rights accrued on the basis of contribution payments up until and including 31 December 2001) and Scheme II (pension rights accrued on the basis of contribution payments made after 31 December 2001).					
Change in provisions for the period:					
Contributions	1,995	1,780	1,831	1,803	1,791
Pension benefits	(1,847)	(1,918)	(1,777)	(1,730)	(1,655)
Change in mortality	0	21	22	3,914	0
Change in calculation rate	(7,390)	(6,420)	20,774	(14,835)	(25,714)
Other changes	1,399	1,667	1,871	1,655	1,749
Total	<u>(5,843)</u>	<u>(4,870)</u>	<u>22,721</u>	<u>(9,193)</u>	<u>(23,829)</u>
<b>Claims-outstanding provisions</b>					
Balance, beginning of period	39	26	26	26	28
Change in provisions for the period	(2)	13	0	0	(2)
Balance, end of period	<u>37</u>	<u>39</u>	<u>26</u>	<u>26</u>	<u>26</u>
<b>Bonus potential</b>					
Bonus potential:					
Balance, beginning of period	70,097	63,554	56,390	61,967	51,921
Changes during the period	1,464	6,543	7,164	(5,577)	10,046
Balance, end of period	<u>71,561</u>	<u>70,097</u>	<u>63,554</u>	<u>56,390</u>	<u>61,967</u>
Adjustment pool:					
Balance, beginning of period	265	224	185	190	158
Changes during the period	2	41	39	(5)	32
Balance, end of period	<u>267</u>	<u>265</u>	<u>224</u>	<u>185</u>	<u>190</u>
Revaluation reserve:					
Balance, beginning of period	4	4	4	4	4
Changes during the period	0	0	0	0	0
Balance, end of period	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
Total bonus potential	<u>71,832</u>	<u>70,366</u>	<u>63,782</u>	<u>56,579</u>	<u>62,161</u>
<b>Provisions for unit-linked contracts</b>					
Balance, beginning of period	52,284	50,801	49,347	50,643	49,760
Changes during the period	342	1,483	1,454	(1,296)	883
Balance, end of period	<u>52,626</u>	<u>52,284</u>	<u>50,801</u>	<u>49,347</u>	<u>50,643</u>
<b>Provisions for the SUPP scheme</b>					
Balance, beginning of period	856	763	686	642	594
Changes during the period	73	93	77	44	48
Balance, end of period	<u>929</u>	<u>856</u>	<u>763</u>	<u>686</u>	<u>642</u>
<b>Total pension provisions</b>	<u><b>412,135</b></u>	<u><b>416,099</b></u>	<u><b>412,099</b></u>	<u><b>380,644</b></u>	<u><b>396,671</b></u>

## ATP

### Income statement

DKK million	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
<b>Contributions</b>	<b>1,996</b>	<b>1,780</b>	<b>1,831</b>	<b>1,803</b>	<b>1,791</b>
Income from group enterprises	315	2,639	1,553	(1,000)	1,328
Income from associates	1	(6)	1	0	0
Income from investment properties	92	84	80	76	86
Interest income and dividends, etc.	3,335	3,689	2,748	6,246	4,476
Fee income	24	10	0	0	0
Market-value adjustments	(9,068)	(3,440)	30,819	(22,900)	(22,251)
Interest expenses	0	0	0	0	0
Fee expenses	(1)	(6)	0	0	0
Investment-activity expenses	(27)	(24)	(21)	(23)	(27)
Total investment return	<u>(5,329)</u>	<u>2,946</u>	<u>35,180</u>	<u>(17,601)</u>	<u>(16,388)</u>
Tax on pension-savings returns	802	(342)	(5,333)	2,766	2,491
<b>Investment return after tax on pension-savings returns</b>	<b>(4,527)</b>	<b>2,604</b>	<b>29,847</b>	<b>(14,835)</b>	<b>(13,897)</b>
Benefit payouts	(1,847)	(1,907)	(1,777)	(1,730)	(1,655)
Change in claims-outstanding provisions	2	(13)	0	0	2
Total pension benefits	<u>(1,845)</u>	<u>(1,920)</u>	<u>(1,777)</u>	<u>(1,730)</u>	<u>(1,653)</u>
Change in guaranteed benefits	5,843	4,870	(22,721)	9,193	23,829
Bonus addition for the year	0	(697)	0	0	0
Pension-activity expenses	(43)	(53)	(30)	(24)	(39)
<b>Technical profit</b>	<b>1,424</b>	<b>6,584</b>	<b>7,150</b>	<b>(5,593)</b>	<b>10,031</b>
<b>Other income</b>	<b>180</b>	<b>109</b>	<b>120</b>	<b>172</b>	<b>155</b>
<b>Other expenses</b>	<b>(140)</b>	<b>(150)</b>	<b>(106)</b>	<b>(156)</b>	<b>(140)</b>
<b>Net profit for the period</b>	<b>1,464</b>	<b>6,543</b>	<b>7,164</b>	<b>(5,577)</b>	<b>10,046</b>
<b>Allocation of profit</b>					
Transferred to/from bonus potential	1,464	6,543	7,164	(5,577)	10,046
<b>Ratios</b>					
Return before tax on pension-savings returns (per cent)	(1.5)	0.2	10.7	(5.1)	(4.6)
Return after tax on pension-savings returns (per cent)	(1.2)	0.2	9.0	(4.3)	(3.9)
Members (number in thousands)	4,452	4,442	4,431	4,421	4,401
<b>Expenses</b>					
Pension-activity expenses per member (DKK)	10	12	7	5	9
Investment-activity expenses per member (DKK)	6	6	5	5	6

## ATP

### Balance sheet

DKK million	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
<b>ASSETS</b>					
<b>Total intangible assets</b>	<b>475</b>	<b>407</b>	<b>394</b>	<b>308</b>	<b>242</b>
Operating equipment	11	13	9	10	11
Owner-occupied properties	342	339	313	312	310
<b>Total property, plant and equipment</b>	<b>353</b>	<b>352</b>	<b>322</b>	<b>322</b>	<b>321</b>
Investment properties	6,261	5,768	5,219	5,214	5,183
Investments in group enterprises	37,608	40,697	36,817	35,101	32,297
Loans to group enterprises	33	33	33	33	33
Investments in associates	11	10	17	16	18
<i>Total investments in group enterprises and associates</i>	<i>37,652</i>	<i>40,740</i>	<i>36,867</i>	<i>35,150</i>	<i>32,348</i>
Equity investments	91,187	87,531	80,369	74,703	78,453
Bonds	216,766	211,106	205,476	201,857	204,691
Derivative-financial instruments	9,723	15,784	24,298	14,062	42,209
Other loans	20	20	20	20	20
<i>Total other financial investment assets</i>	<i>317,696</i>	<i>314,441</i>	<i>310,163</i>	<i>290,642</i>	<i>325,373</i>
<b>Total investment assets</b>	<b>361,609</b>	<b>360,949</b>	<b>352,249</b>	<b>331,006</b>	<b>362,904</b>
Deferred tax on pension-savings returns	802	0	0	5,142	2,491
Contributions receivable	2,145	1,975	2,008	2,008	2,007
Receivables from group enterprises	183	111	45	64	0
Other receivables	554	662	1,042	619	333
Interest receivable and accrued rent	3,294	3,151	3,630	3,888	3,013
Tax on pension-savings returns	1,244	1,244	0	0	0
Cash in hand and demand deposits	5,376	2,830	2,974	3,493	3,730
<b>Total receivables and other assets</b>	<b>13,598</b>	<b>9,973</b>	<b>9,699</b>	<b>15,214</b>	<b>11,574</b>
<b>Total assets</b>	<b>376,035</b>	<b>371,681</b>	<b>362,664</b>	<b>346,850</b>	<b>375,041</b>
<b>LIABILITIES</b>					
Guaranteed benefits	286,711	292,554	296,727	274,006	283,199
Claims-outstanding provisions	37	39	26	26	26
Bonus potential	71,565	70,101	63,558	56,394	61,971
<b>Total pension provisions</b>	<b>358,313</b>	<b>362,694</b>	<b>360,311</b>	<b>330,426</b>	<b>345,196</b>
Short-term loans	43	44	43	42	40
Amounts owed to credit institutions	20	20	20	20	20
Payables to group enterprises	13	293	0	0	0
Derivative-financial instruments	13,583	5,900	867	12,717	25,453
Payable tax on pension-savings returns	0	0	190	2,260	2,374
Other payables	4,063	2,730	1,233	1,385	1,958
<b>Total payables</b>	<b>17,722</b>	<b>8,987</b>	<b>2,353</b>	<b>16,424</b>	<b>29,845</b>
<b>Total liabilities</b>	<b>376,035</b>	<b>371,681</b>	<b>362,664</b>	<b>346,850</b>	<b>375,041</b>

## SP

### Income statement

DKK million	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
<b>Fees</b>	<b>22</b>	<b>22</b>	<b>24</b>	<b>23</b>	<b>50</b>
Interest income and dividends, etc.	21	5	(1)	10	0
Market-value adjustments	983	2,384	2,331	(1,091)	1,731
Investment-activity expenses	(6)	(3)	(5)	(4)	(6)
Total investment return	998	2,386	2,325	(1,085)	1,725
Tax on pension-savings returns	(150)	(365)	(312)	152	(248)
<b>Investment return after tax on pension-savings returns</b>	<b>848</b>	<b>2,021</b>	<b>2,013</b>	<b>(933)</b>	<b>1,477</b>
Change in provisions for unit-linked contracts	(839)	(1,959)	(1,956)	908	(1,455)
Change in provisions for the SUPP scheme	(11)	(27)	(25)	13	(17)
Pension-activity expenses	(22)	(22)	(17)	(14)	(25)
<b>Technical profit</b>	<b>(2)</b>	<b>35</b>	<b>39</b>	<b>(3)</b>	<b>30</b>
<b>Other income</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>
<b>Net profit for the period</b>	<b>0</b>	<b>35</b>	<b>39</b>	<b>(3)</b>	<b>32</b>
<b>Ratios</b>					
Return before tax on pension-savings returns (per cent)	1.9	5.1	4.6	(2.2)	3.4
Return after tax on pension-savings returns (per cent)	1.6	4.2	4.0	(1.9)	2.9
Clients (number in thousands)	3,182	3,210	3,239	3,273	3,297
<b>Expenses</b>					
Pension-activity expenses per client (DKK)	7	6	5	5	8
Investment-activity costs per client (DKK)	2	1	2	1	2

## SP

### Balance sheet

DKK million	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
<b>ASSETS</b>					
Mutual-fund units	53,732	53,071	52,050	50,038	51,582
<b>Investment assets related to unit-linked contracts</b>	<b>53,732</b>	<b>53,071</b>	<b>52,050</b>	<b>50,038</b>	<b>51,582</b>
Contributions receivable	24	24	19	21	19
Other receivables	3	1	13	0	24
Other prepayments	13	70	0	0	0
Demand deposits	360	389	179	509	328
<b>Total receivables and other assets</b>	<b>400</b>	<b>484</b>	<b>211</b>	<b>530</b>	<b>371</b>
<b>Total assets</b>	<b>54,132</b>	<b>53,555</b>	<b>52,261</b>	<b>50,568</b>	<b>51,953</b>
<b>LIABILITIES</b>					
Adjustment pool	267	265	224	185	190
Provisions for unit-linked contracts	52,626	52,284	50,801	49,347	50,643
Provisions for the SUPP scheme	929	856	763	686	642
<b>Total pension provisions</b>	<b>53,822</b>	<b>53,405</b>	<b>51,788</b>	<b>50,218</b>	<b>51,475</b>
Payables to group enterprises	11	14	11	27	8
Other payables	299	136	462	323	470
<b>Total payables</b>	<b>310</b>	<b>150</b>	<b>473</b>	<b>350</b>	<b>478</b>
<b>Total liabilities</b>	<b>54,132</b>	<b>53,555</b>	<b>52,261</b>	<b>50,568</b>	<b>51,953</b>