

Topdanmark's 2003 results



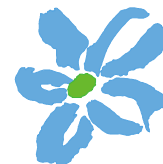
Key features of 2003

- DKK 1,001m post-tax profit after transferring DKK 55m to equalisation provisions
 - 2002 : DKK 184m plus non-recurring income of DKK 112m
- 2003 result represents return on shareholders' funds of 28.1%
- Cash flow increased from DKK 481m in 2002 to DKK 1,191m in 2003
- Cash flow per share increased from DKK 17.8 to DKK 47.9
- Expense ratio declined from 20.2% in 2002 to 19.8% in 2003
- Combined ratio declined from 98.8% to 94.8%
- Provisions strengthened by DKK 206m creating an adverse effect of 2.9 percentage points on combined ratio
- Premium growth
 - Non-life 10.1%
 - Life 22.0%
- 9.4% annual return on investments in Topdanmark Livsforsikring before PAL-tax



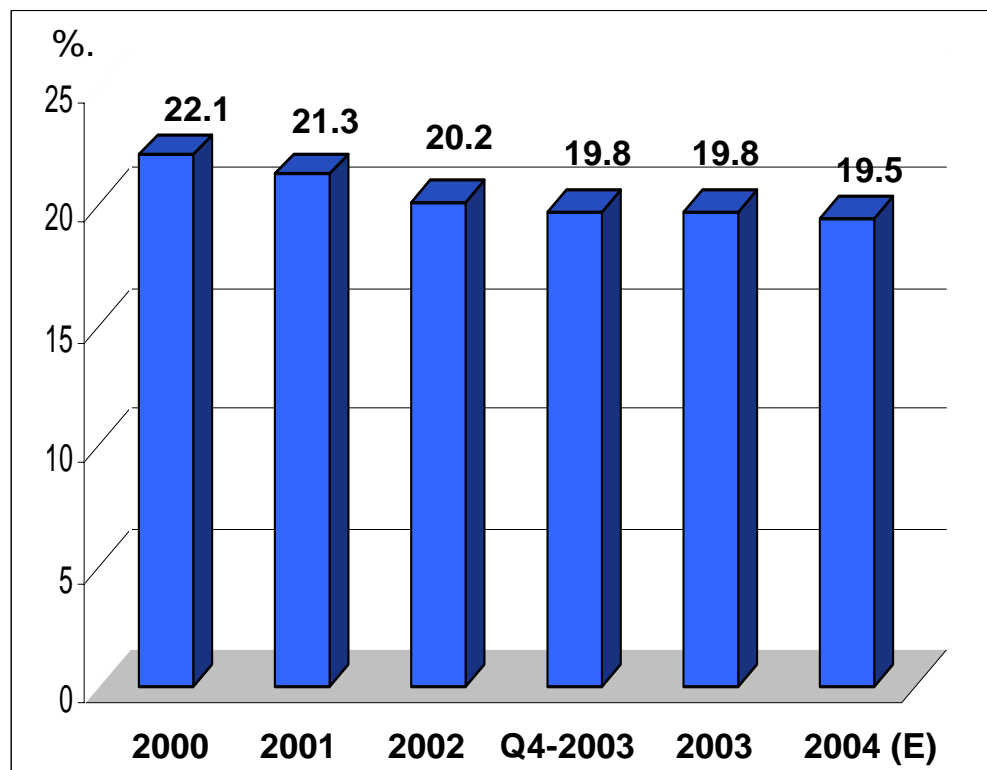
Group

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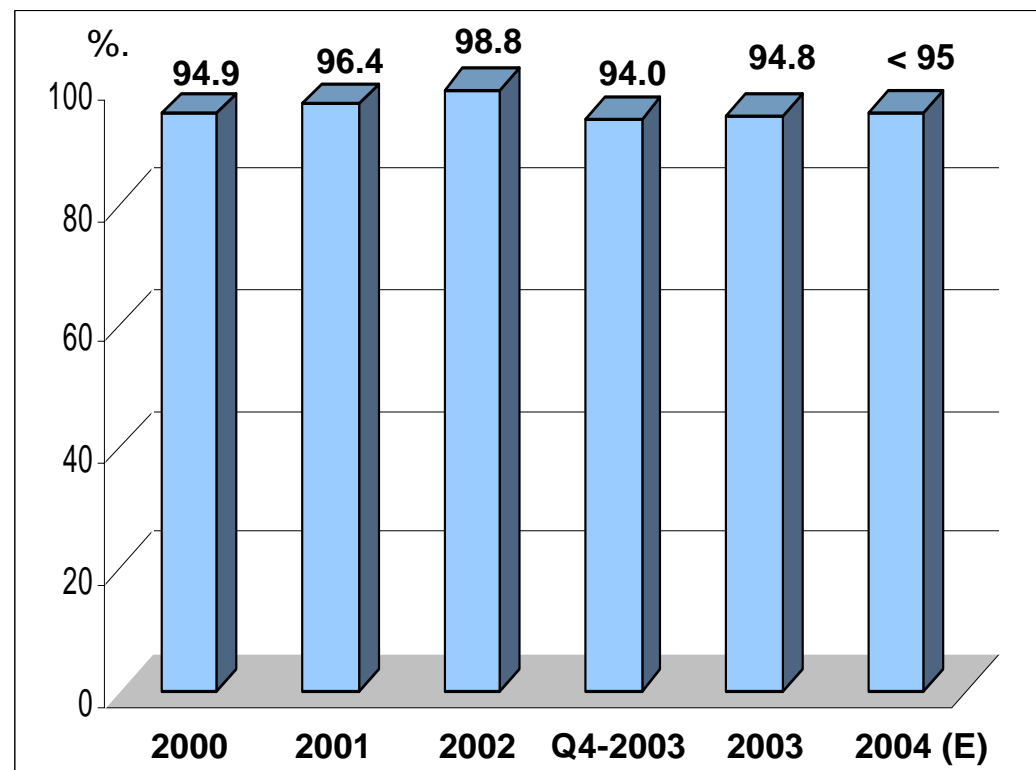


Continued decline in expense ratio

Expense ratio

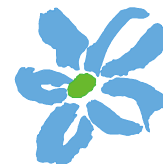


Combined ratio (excl. 1999 hurricane)

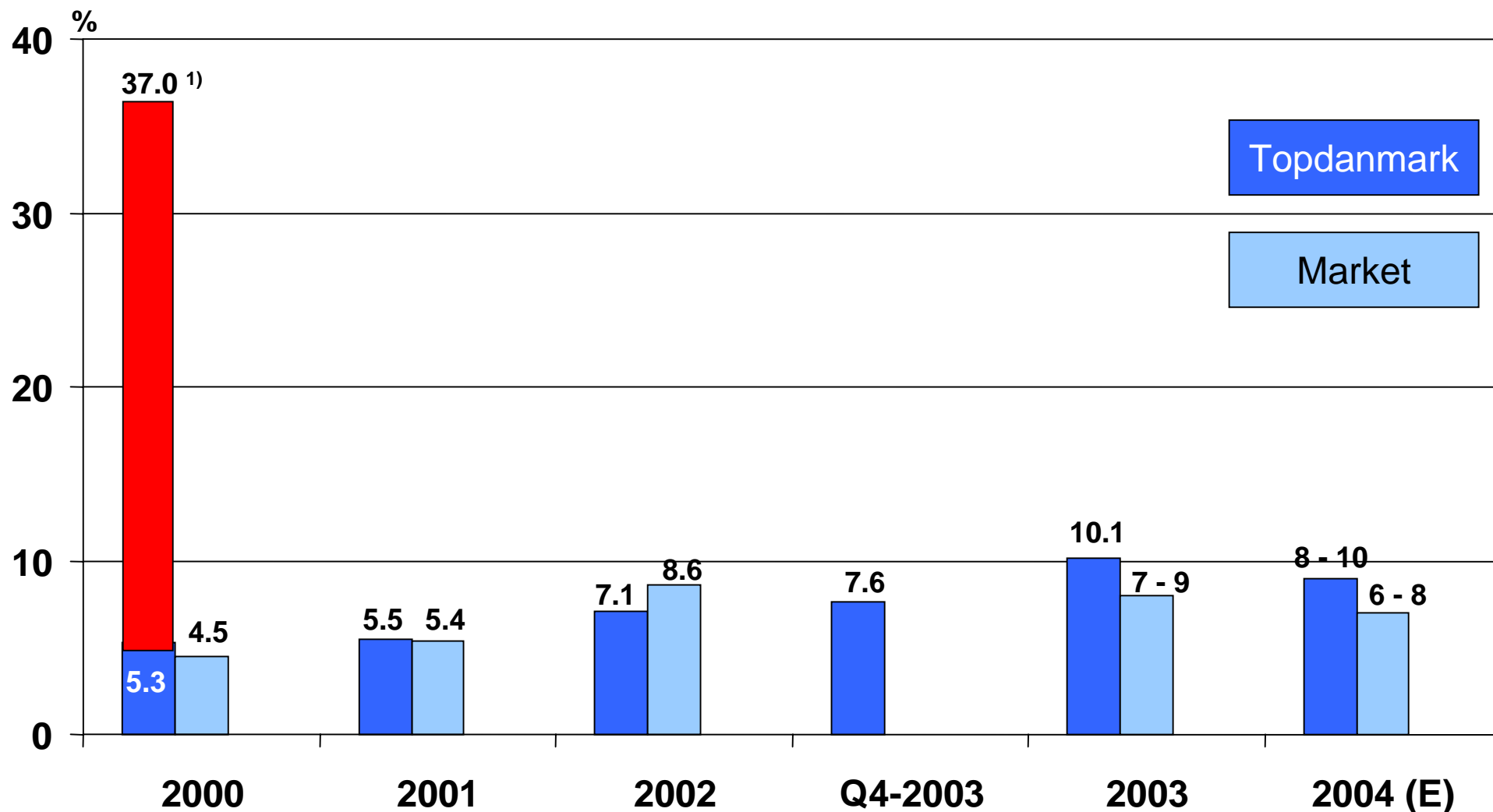


Non-life

Topdanmark



Growth in premiums



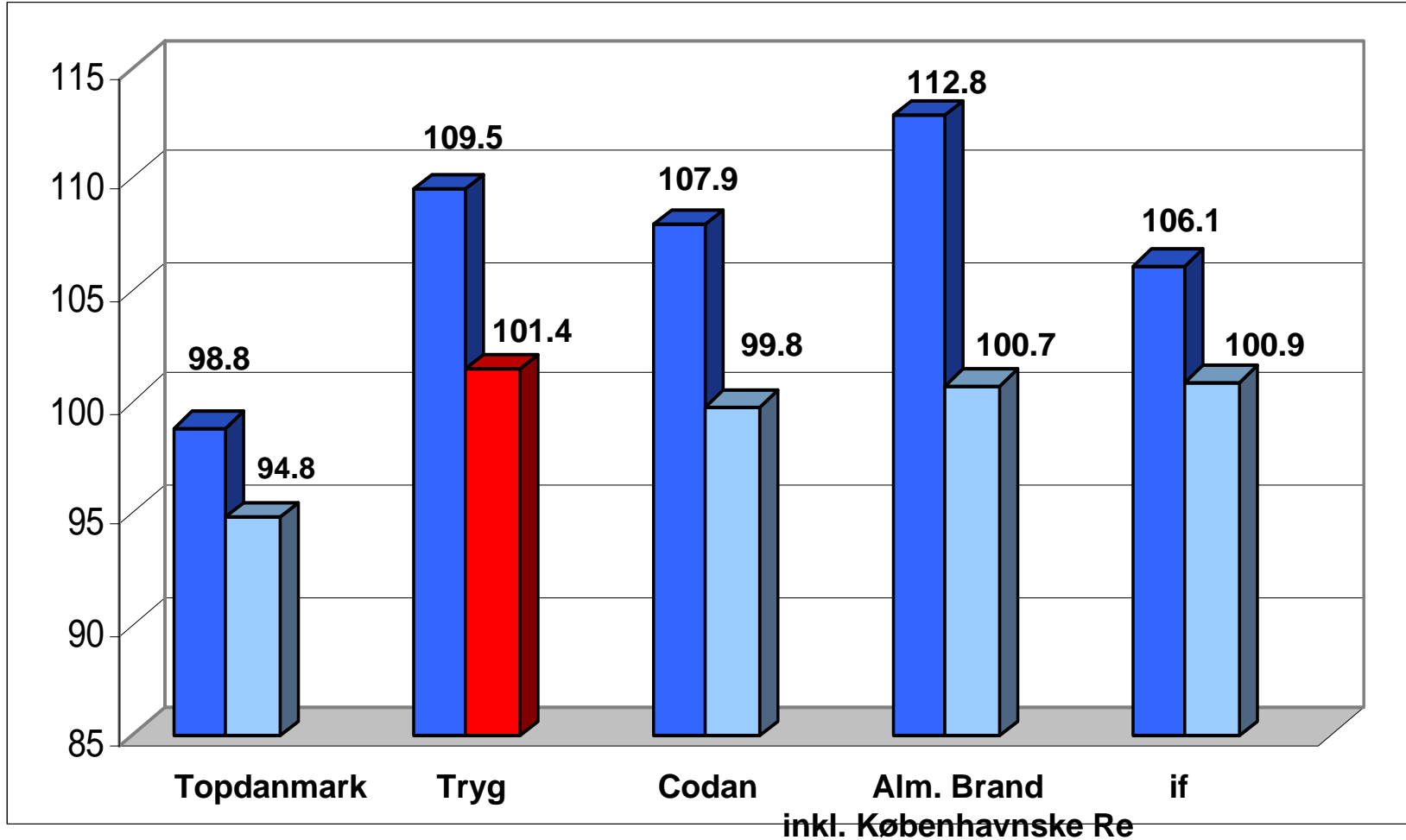
¹⁾ Including the acquisition of Danske Forsikring / Danica Forsikring



Non-life

Comparison of combined ratio

Combined ratio



Combined ratio
2002

Combined ratio
2003

Combined ratio
Q1-3 2003

Non-life

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Prospects for non-life insurance

- Continued strong competitive position
- Expected premium growth of 8 - 10% in 2004
 - includes premium increases in workers' compensation insurance equivalent to just over 3 percentage points at group level
- Emerging interest in unemployment insurance
- Expected combined ratio of just under 95% for 2004 already includes the approximate effect of:
 - social inflation in personal injuries 1 percentage point
 - weather-related claims 1 percentage point
 - normal level of large-scale claims 1.5 percentage pointsTotal 3.5 percentage points
- Continued low investment income
 - risk free interest rate 2.4% in 2003; 2.1% at end of February 2004
- New claims system



Non-life

Topdanmark



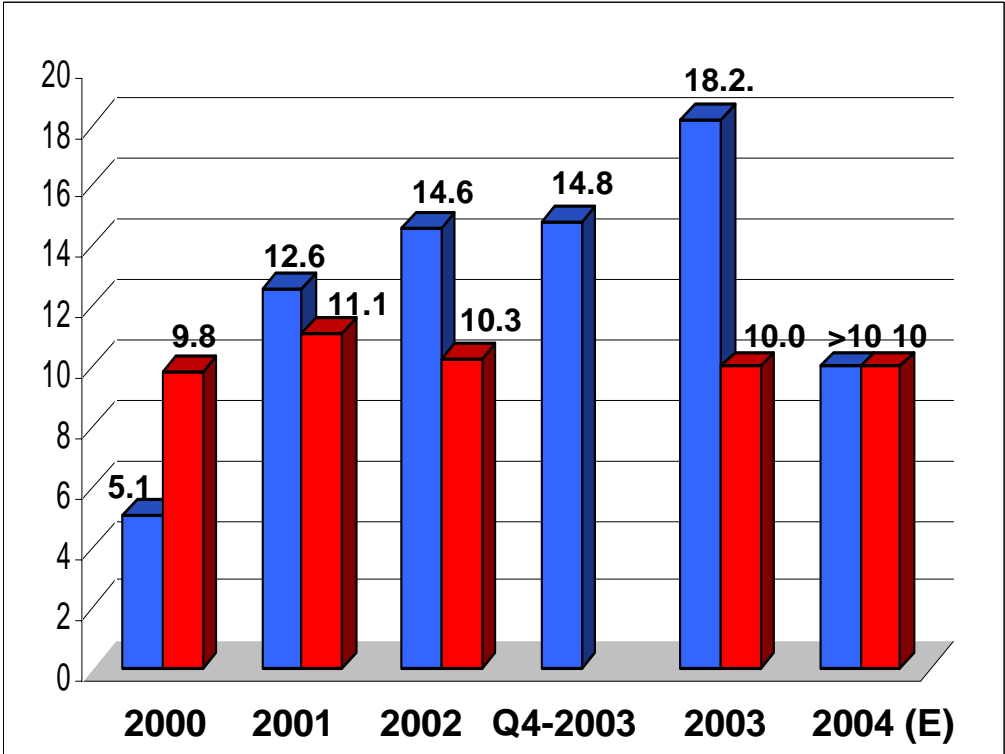
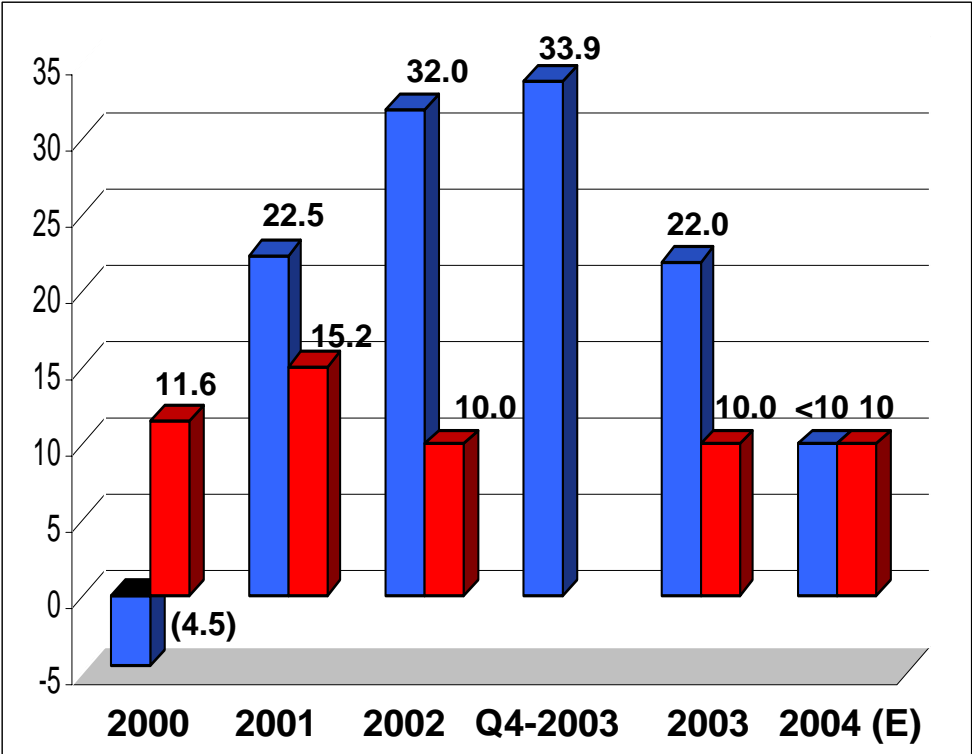
Continued high growth in Topdanmark Livsforsikring

Premium growth
(excl. BG Pension)

Topdanmark

Market

Trend in regular premiums
(excl. BG Pension)

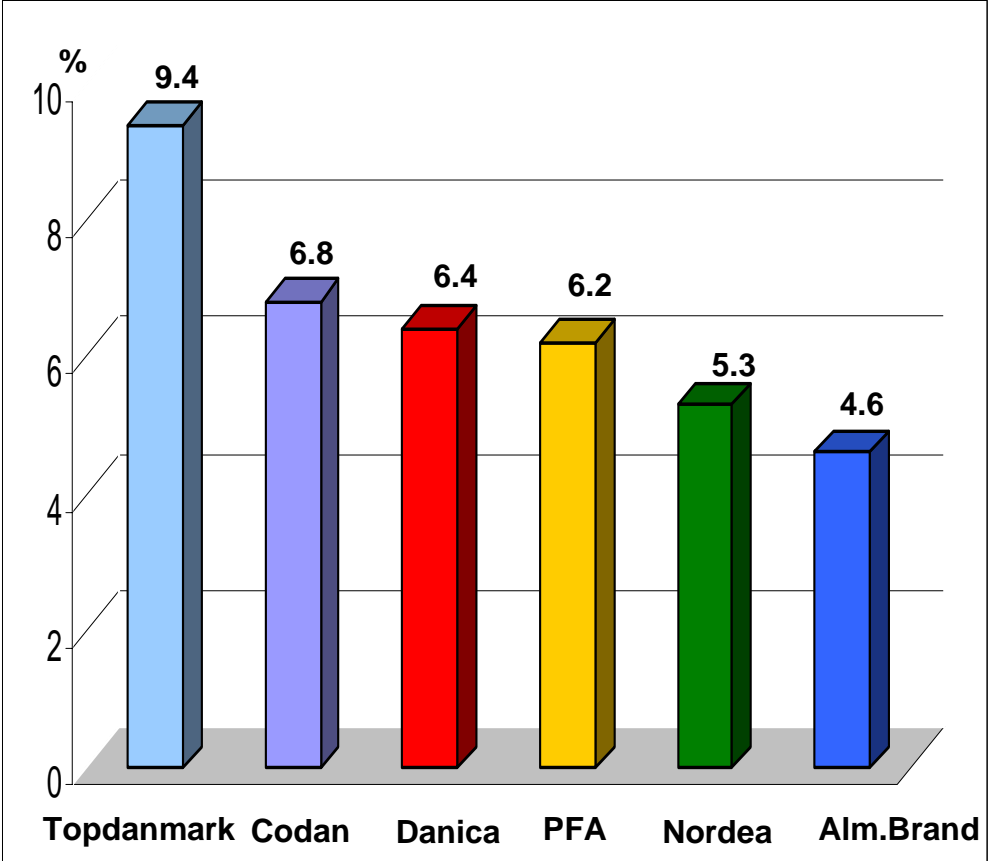


Life

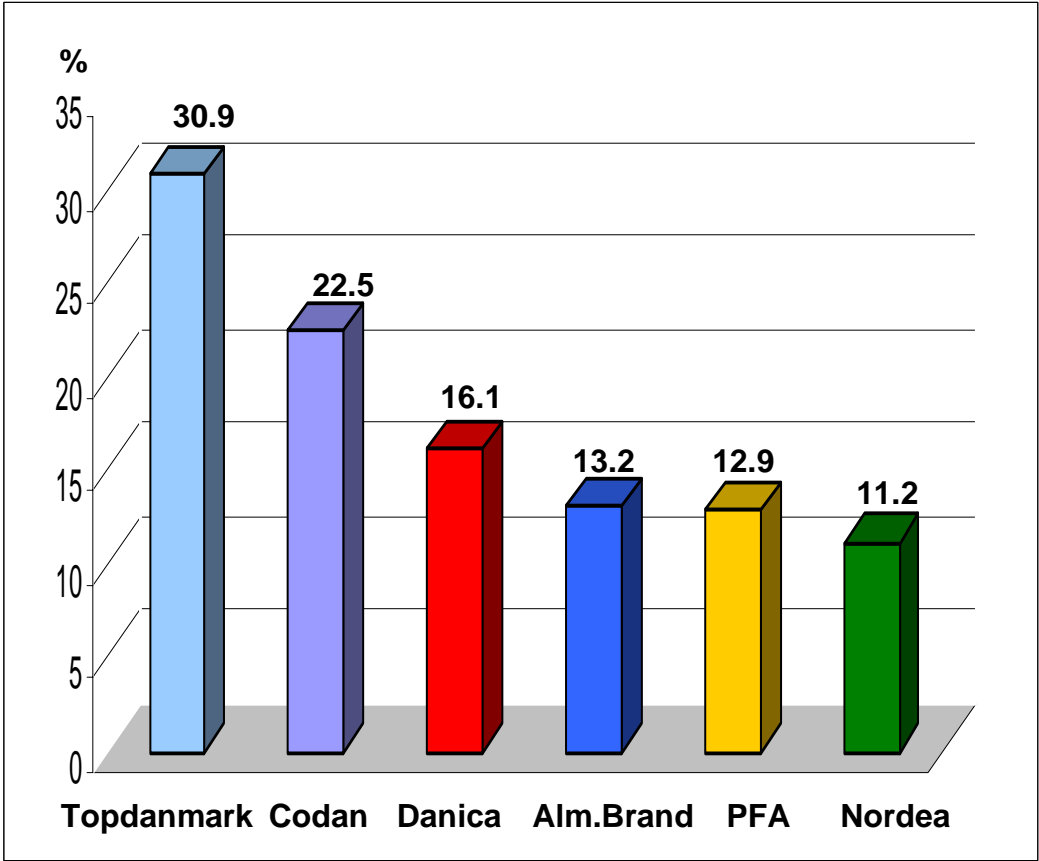


Comparison of investment return before PAL-tax

Investment return 2003



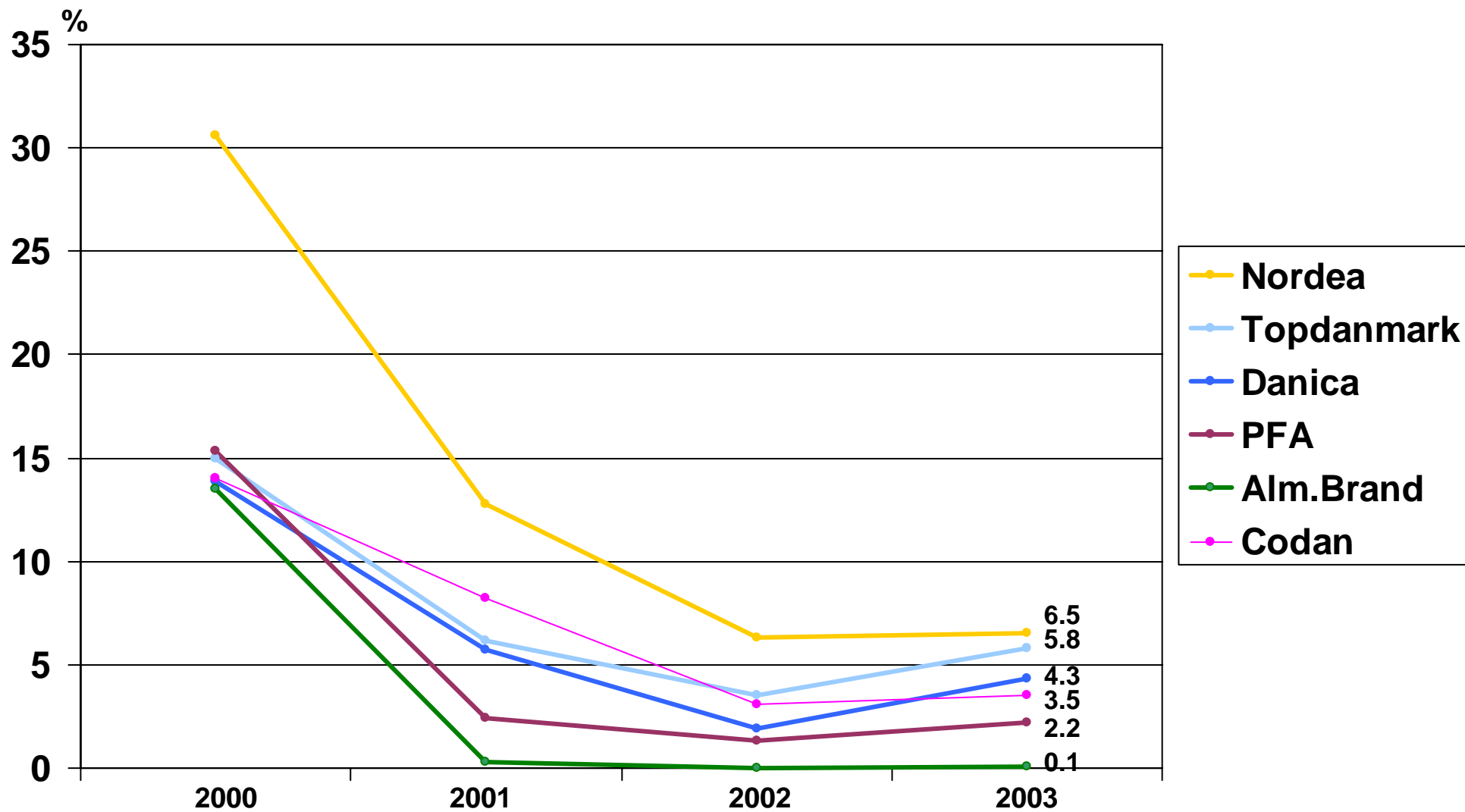
Accumulated investment return 2000-2003



Life



Trend in bonus ratio adjusted for shadow account



Life

Prospects for life insurance

- Continued strong competitive position
- Lower transfer charges possible
- Expected growth of at least 10% in regular premiums in 2004
- Single premiums expected to decline in 2004
 - many large schemes written in 2003
- Investment policy maintained
 - about 18% exposure in equities at 31 December 2003
- Topdanmark Livsforsikring split into two companies



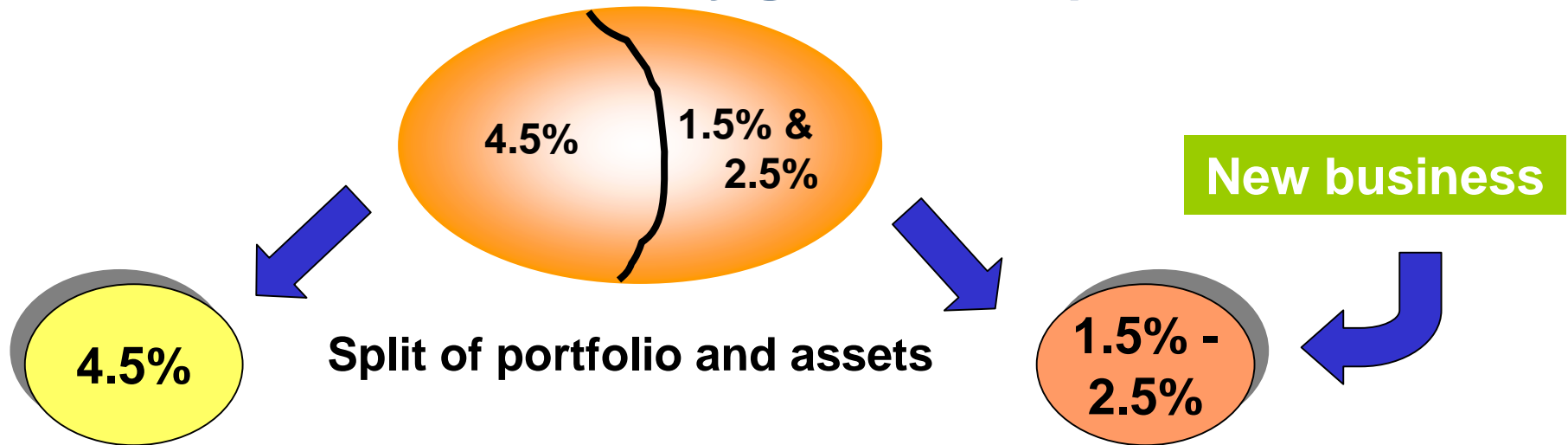
Life

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Splitting up Topdanmark Livsforsikring into two companies

- by guaranteed pension benefits



- Hedging by options
- Small equity proportion
- Large bond proportion
- Properties

Investment strategy

- Not hedging by options
- Larger equity proportion
- Smaller bond proportion
- Properties

Offer of cost free transfer to company writing new business

Life



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Profit forecast for 2004

Profit forecast for 2004

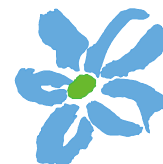
(DKKm)	2003	2004	
Non-life insurance excluding Danske Bank shares	653	650	- 730
Life insurance	149	130	- 150
Parent company etc.	221	(15)	- 5
Profit before goodwill and taxation	1,023	765	- 885
Goodwill amortisation	(79)	(79)	- (79)
Taxation	(111)	(111)	- (131)
Result on Danske Bank	168	0	- 0
Profit for the year	1,001	575	- 675
Cash flow	1,191	765	- 885
Cash flow per share (DKK)	48	34	- 39 *

*Assuming buy-back of 2,500,000 shares evenly distributed over the year



Group

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Share buy-back 2004

Announced for 2003

DKK 700 - 800m

Actual for 2003

DKK 601m

DKK 99 - 199m

Ordinary for 2004

DKK 650m

Transferred from 2003

DKK 150m

Expected total share buy-back

DKK 800m

- The share buy-back of around DKK 800m represents 10% of Topdanmark's market value
- To date in 2004 Topdanmark has bought back own shares of DKK 78m



www.topdanmark.com

a source of up-to-date information on
Topdanmark



Appendix



“Normal” profit in life insurance

Minimum capital requirements according to policy for calculation of profit:

- 80% of 1.5 x solvency minimum: DKK 805m
- Shareholders' funds: DKK 1,350m
- Excess capital which could be reallocated as capital in non-life insurance: DKK 545m

Return in life insurance

	DKKm
Investment return on minimum capital requirements 5%	40
Risk premium 1 5% of 1.5 x solvency minimum, 5% of DKK 1,006m	50
Risk premium 2 1% of DKK 1,350 m - 1,006m	3
25% of risk and administrative result	10
Profit on asset management	15
Total return	<hr/> 118
Interest on minimum capital requirement	15%

Additionally there will be synergies of about DKK 25m



Life

Can profit be made on non-life insurance?

Assumptions

- Shareholders' funds 33% of premium income
- Combined ratio 95%
- Interest rate 2.5%
- Return on shareholders' funds 5%

Return on operations

• Income	100.0	
• Technical interest	<u>2.5</u>	
	102.5	
• Expenditure	<u>95.0</u>	
	7.5	~ ROE = 22.5%

Return on shareholders' funds

- | | |
|-----------------------|-------------|
| • ROE before taxation | <u>5.0%</u> |
| | 27.5% |



Non-life

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Share buy-back model 1/2

	DKKm	DKKm
2 x required solvency in non-life (premium based)	2,161	
1.5 x required solvency in life	1,007	
1 year's growth in required solvency	222	
0.3 x equity exposure (Group excl. life)	261	
1 x interest rate exposure (Group excl. life)	<u>51</u>	
		3,702
less equalisation provisions in Group excluding life and workers' compensation insurance and		(148)
financed by long-term loan capital or committed lines to parent company (20% of DKK 3,702m plus expected proceeds on redemption of warrants at strike price)		<u>(933)</u>
Total shareholders' funds		<u>2,621</u>



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Share buy-back model 2/2

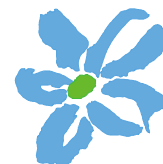
DKKm

Shareholders' funds 1 Jan 2003		3,612	
Less: tax asset	(296)		
intangible assets	<u>(506)</u>		
		<u>(802)</u>	
Capital cover		2,810	
Expected pre-tax profit before goodwill 2004 (average value)		<u>825</u>	
Expected capital cover 31 Dec			3,635
Reasonable level of capital cover		2,621	
80% of 1 year's normal growth in required solvency		<u>136</u>	
Expected reasonable level of capital cover 31 Dec			<u>2,757</u>
Share buy-back potential 2004			878



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New claims system

- Existing claims system worn out
- Decision to buy new claims system
- External development costs of about DKK 150m
 - Will be depreciated over five years from 2006 in line with implementation
- Expected to be operational in personal lines from 2006
- Fully implemented in 2008
- Expected impact on expense ratio of up to 0.4 percentage points per annum
- Expected positive impact on combined ratio in 2007



Non-life

Topdanmark



Advantages of new claims system

- Faster and more accurate claims handling
- Facility for improving claims service
- Electronic communication with alliance partners
- Effective measures against insurance fraud
- More detailed information available for pricing and risk management



Non-life

Topdanmark

