

TOPDANMARK'S Q1 2013 RESULTS

Highlights – Q1 2013

- Q1 2013 profit of DKK 505m (Q1 2012: DKK 561m)
- Profit per share declined from DKK 4.3 to DKK 4.1

- CR improved to 89.6 (Q1 2012: 90.2)
- CR excl. run-off increased to 93.9 (Q1 2012: 92.2)

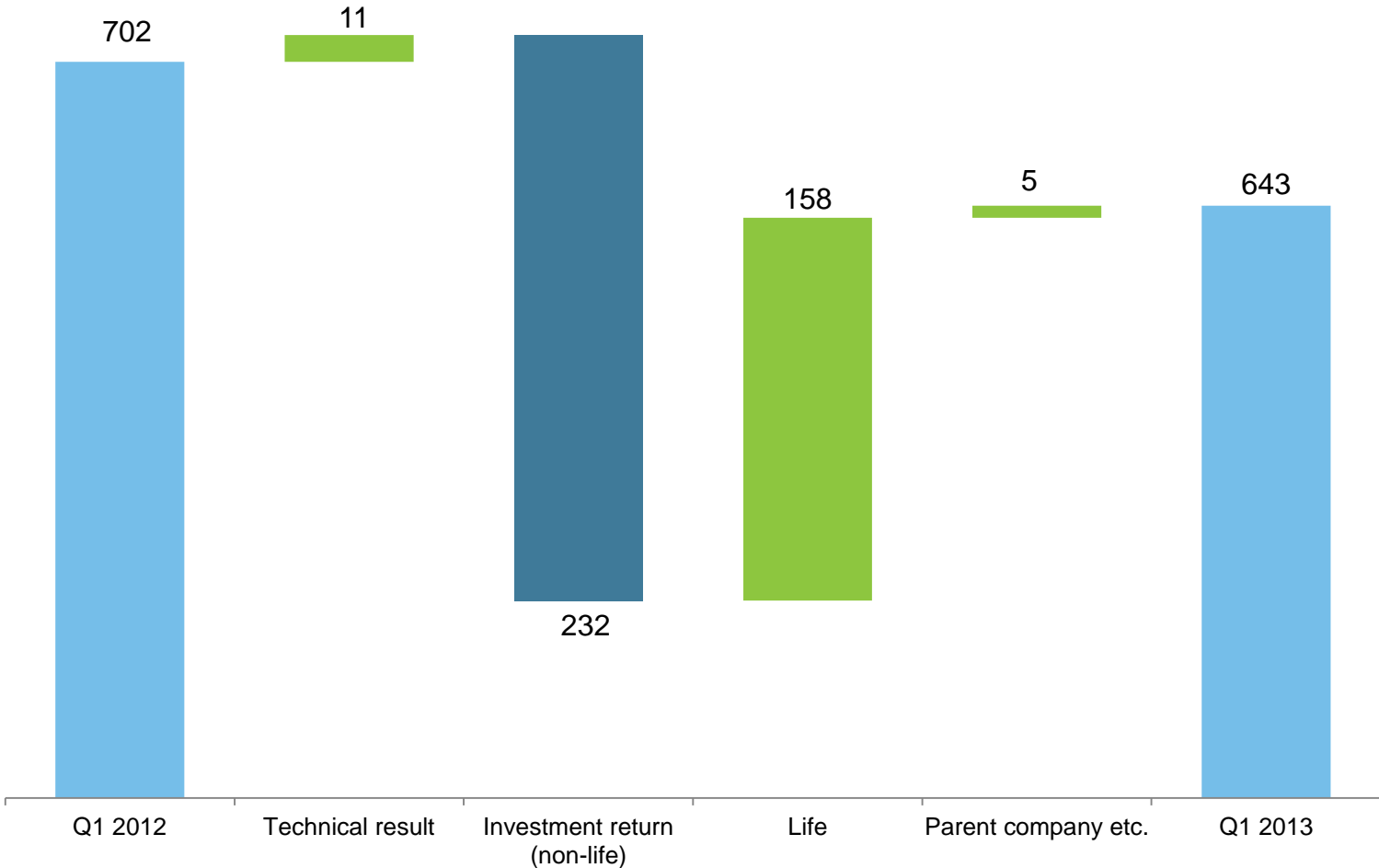
- Premiums increased by 0.8% in non-life insurance and 3.1% in life insurance
- Investment return declined to DKK 251m (Q1 2012: DKK 505m)
- Result of life insurance increased to DKK 209m (Q1 2012: DKK 51m)

Profit forecast model for 2013

- Unchanged assumed growth in premiums of 1-2% for 2013
 - Assumed CR adjusted from 91-92 to 90-91 for the full year 2013, excl. run-off profits / losses in Q2-Q4 2013
 - Profit forecast model for 2013 upgraded by DKK 150m to DKK 1,200-1,300m, excl. run-off profits / losses in Q2-Q4 2013
- Buy-back programme for 2013 increased by DKK 150m to DKK 2,150m
 - Buy-back yield of 12.2%

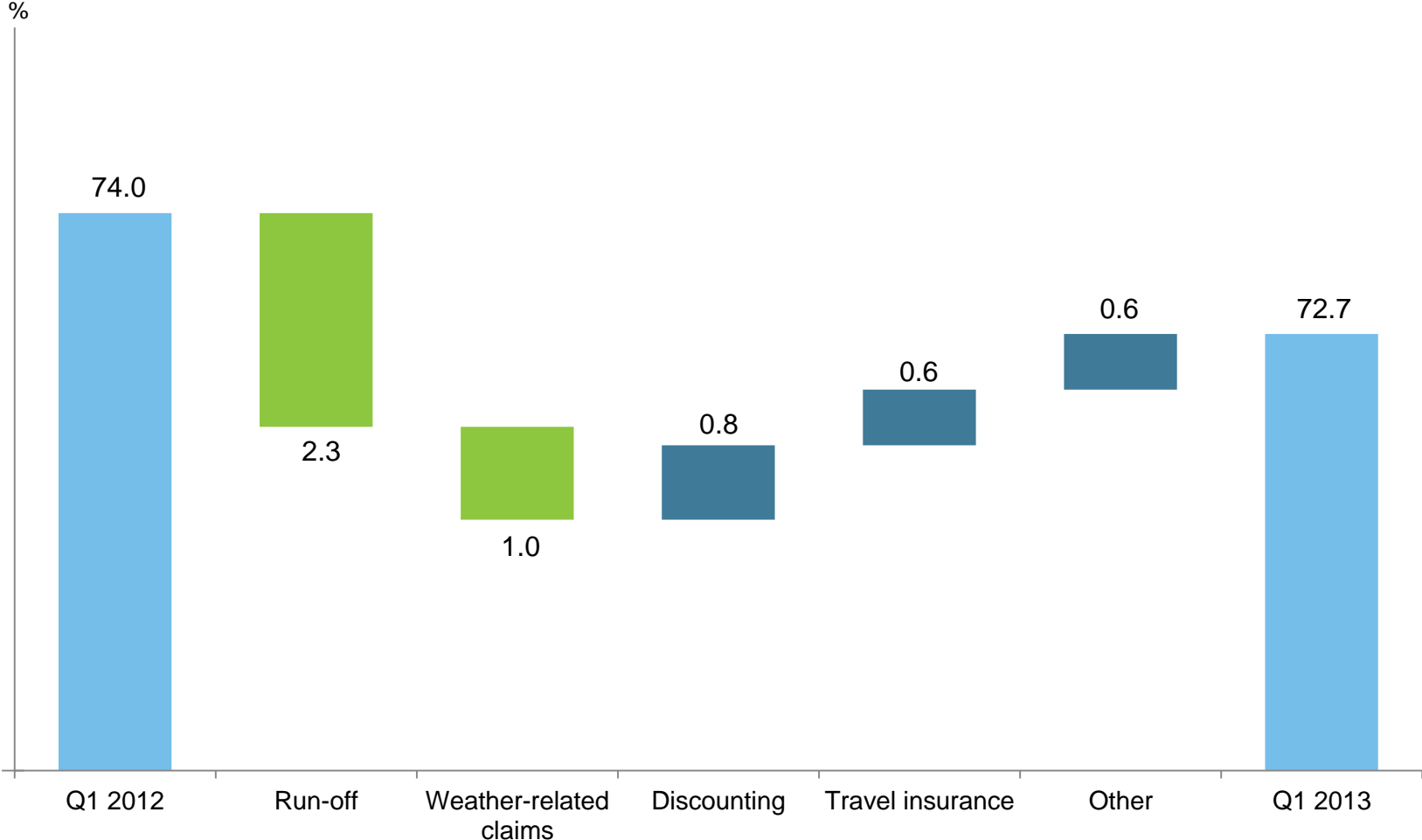
TREND IN PRE-TAX RESULTS

Q1 2012-Q1 2013



CLAIMS TREND

Q1 2012-Q1 2013



ASSUMED PREMIUM GROWTH CONTINUES TO BE 1-2 % IN 2013

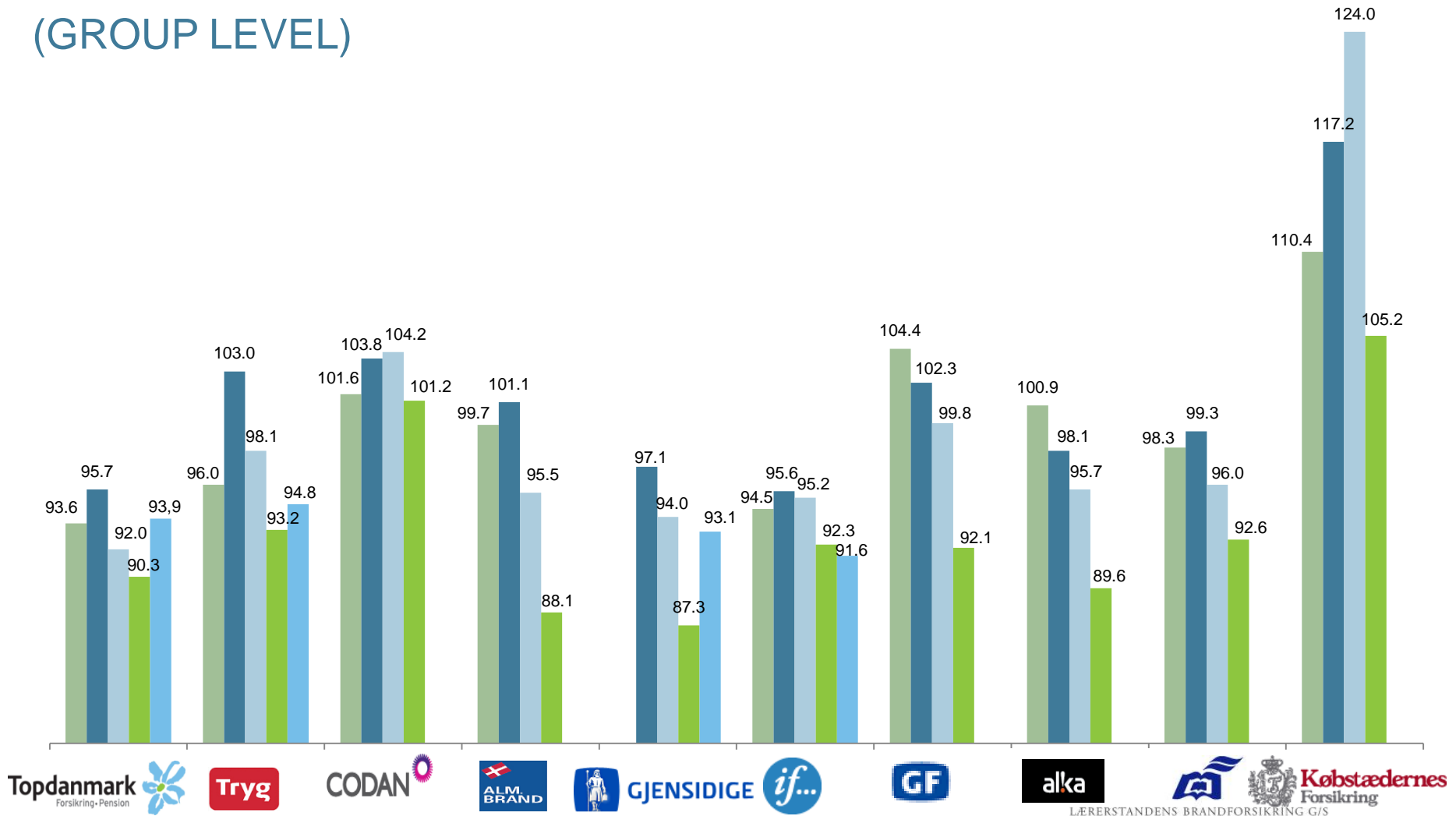
Personal

- + Growing customer portfolio will have no effect on premiums until the end of 2013
- Declining average premium in motor insurance
- I / A

SME and Industrial

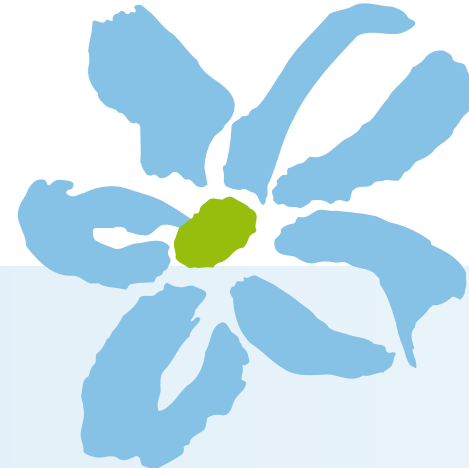
- + Small and medium-sized businesses
- + Farms
- Workers' comp
- Large businesses
- Profitability improving initiatives
- Payment of premium bonus in a captive

COMPARISON – COMBINED RATIO EXCL. RUN-OFF (GROUP LEVEL)



2009 2010 2011 2012 Q1 2013

RESULTS – LIFE INSURANCE



(DKKm)	Q1 2012			Q1 2013		
	Life I	Life V	Group	Life I	Life V	Group
Investment return	17	13	31	12	9	22
Risk allowance	28	15	43	25	15	40
Transferred, shadow account	(31)	(0)	(31)	136	(1)	136
Other			8			12
Profit on life insurance			51			209
Maximum shadow account end of period	144	2	146	98	4	103

Expected future recognition of shadow account as income at 31 March 2013

60-70

PROSPECTS FOR LIFE INSURANCE 2013

Forecast for regular premiums adjusted from a decline of around 5% to a decline of 0-3%

Assuming recognition as income of shadow account of DKK 90m

- Balance of maximum shadow account at the end of 2013 is DKK 150m

New rules for calculation of individual solvency requirement at 1 January 2014

- Concept of shadow account will be removed
- New rules not yet known
- One possibility is that the amount of the shadow account balance that is reasonably expected to be recognised as income in keeping with the relevant rules will be posted to shareholders' equity on 1 January 2014
 - In this case Topdanmark estimates that DKK 50-60m of the shadow account would be written off. In that case, the shadow account balance will subsequently be DKK 90-100m at the end of 2013

The new rules will have no effect on Topdanmark's return requirements for life insurance

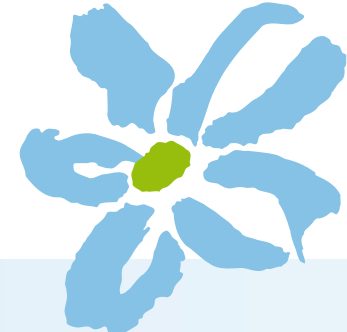
Results are highly sensitive to fluctuations in the investment return

Risk allowance and shadow account will be considered when finalising the 2013 Annual Report



Investment return

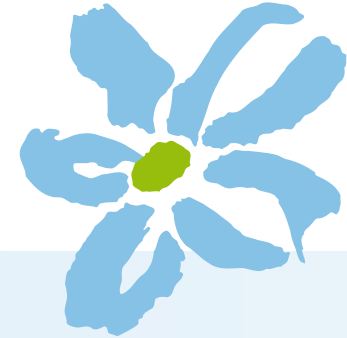
- for Topdanmark Group excl. life insurance



	Portfolio 31 March		Return Q1 2012		Return Q1 2013	
	2012 (DKKbn)	2013	(DKKbn)	%	(DKKbn)	%
Danish equities	0.4	0.4	37	11.2	36	9.9
Foreign equities	0.8	0.8	81	11.0	41	4.9
Government and mortgage bonds	12.7	11.0	213	1.7	52	0.5
Credit bonds	0.5	0.5	35	7.3	13	2.3
CDOs	0.7	0.8	89	13.3	53	6.8
Properties	1.4	1.4	17	1.2	19	1.4
Assets related to I/A	2.0	2.2	25	1.3	42	2.0
Money market etc.	3.8	4.5	14	0.4	(3)	(0.1)
Subordinated loan capital	(1.2)	(1.2)	(16)	(1.4)	(15)	(1.3)
Interest-bearing debt	(2.1)	(0.6)	(4)	(0.2)	(1)	(0.2)
	19.0	19.8	491	2.7	235	1.2
Asset management			14		15	
Total investment return			505		251	
Transferred return technical provisions						
Discounting			(58)		(37)	
Technical interest			(10)		(6)	

The exposure in foreign equities and credit bonds have been adjusted by the use of derivatives. The return percentages are calculated as the ratio between the return on financial instruments and the size of the exposure of the underlying asset. The return on government and mortgage bonds and assets related to I/A (illness/accident) includes revaluations of claims provisions.

PROFIT FORECAST MODEL FOR 2013



Profit forecast 2013

(DKKm)	2012	Forecast for 2013		Forecast for 2013	
		22 February 2013		7 May 2013	
Non-life insurance					
- Technical result	1,068	740	- 790	820	- 870
- Investment return after transfer to technical result etc.	1,036	220	- 270	360	- 410
Profit on non-life insurance	2,103	960	- 1,060	1,180	- 1,280
Life insurance	210	390	- 420	340	- 370
Parent company etc.	22	30	- 40	30	- 40
Pre-tax profit	2,335	1,380	- 1,520	1,550	- 1,690
Taxation	(512)	(330)	- (370)	(350)	- (390)
Profit for the year	1,823	1,050	- 1,150	1,200	- 1,300

Representing a profit per share of DKK 11

BUY-BACK FOR 2013

- Increase from DKK 2,000m to DKK 2,150m
- Buy-back yield of 12.2 %
- To date in 2013 shares of DKK 704m bought back
- Leaving a balance of DKK 1,446m of buy-back for 2013
- Since 1998 Topdanmark has cancelled 69.7% of outstanding shares
 - Average price per share: DKK 41
- From 2000 to 2012 average buy-back yield has been 9.3%

Disclaimer

This presentation includes statements relating to the future. Such statements are uncertain and involve both general and specific risks.

Many factors may cause a significant deviation from the forecasts and assumptions set out in the presentation. Such factors could be, for example, cyclical movements, changes in the financial markets, the financial effect of non-anticipated events like acts of terror or exceptional weather conditions, changes in Danish and EU rules, competitive factors in the insurance industry and the trends in the reinsurance market. Also see www.topdanmark.com → [Investor](#) → [Risk management](#).

The above description of risk factors is not exhaustive. Investors and others, who may base decisions relating to Topdanmark on statements relating to the future, should make their own careful considerations on these and other factors of uncertainty.

Topdanmark's statements relating to the future are solely based on information known at the time of the preparation of the interim report for Q1 2013.

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