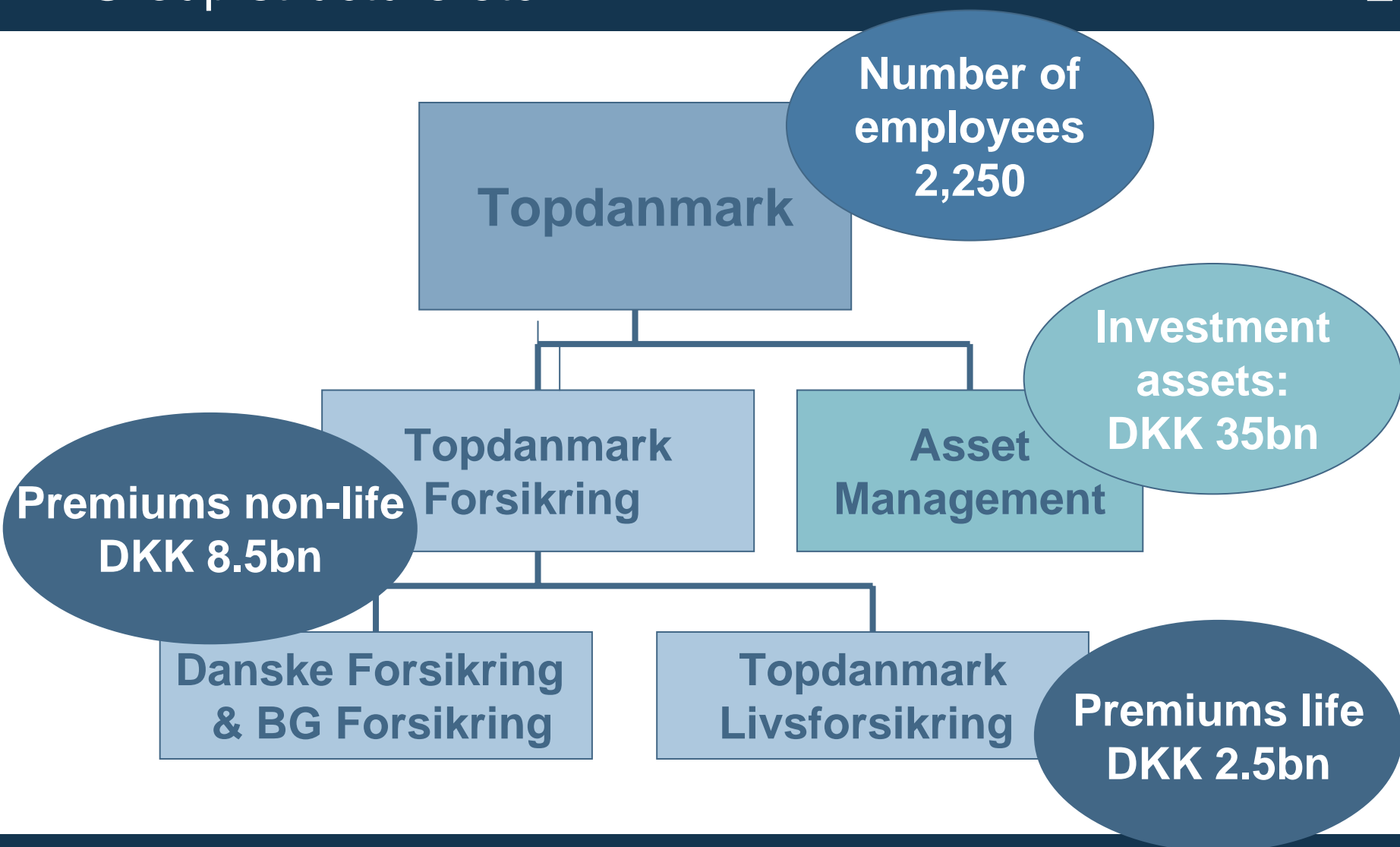


Carnegie Nordic Small Mid Cap Seminar 2006





Clearly focused strategy

- Danish player
- An insurance share - not an investment trust
- Calculated insurance risks
- Relatively limited top line growth in non-life – higher in life
 - But nevertheless in growth index
- High cash flow
- Large share buy-back programme

H1 2006:

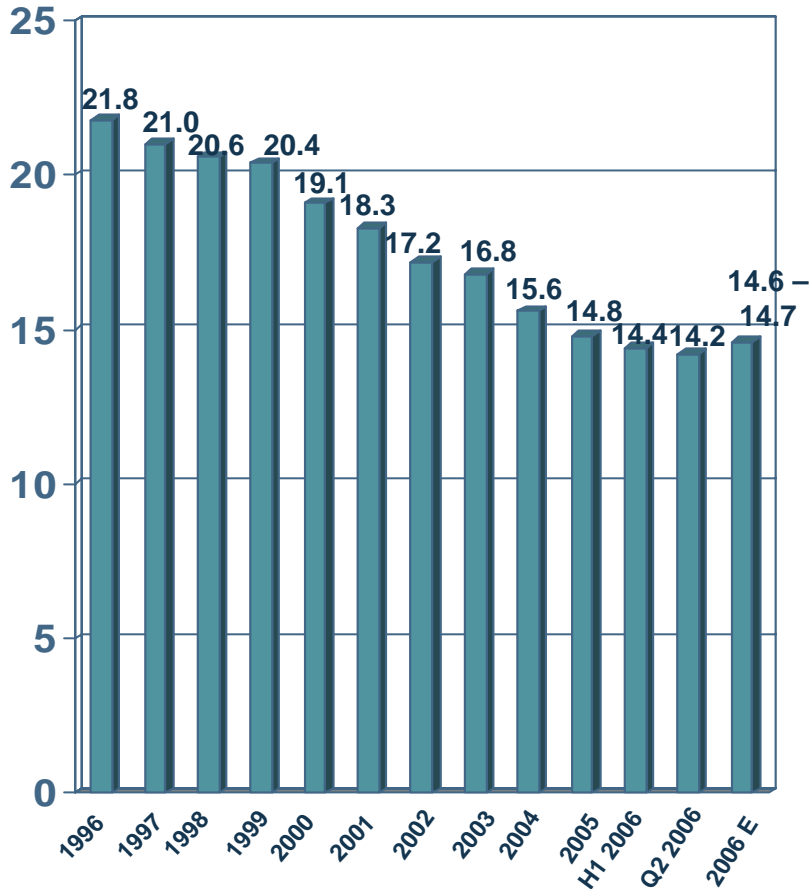
- Post-tax profit increased from DKK 436m to DKK 689m
- Profit per share increased from DKK 21.4 to DKK 35.2
- 5.6% premium growth in non-life and 30.1% in life
- 16.7% post-tax ROE (36.2% annualised)
- Expense ratio declined 0.5 pp to 14.4
- Combined ratio declined from 93.6 to 86.4

Prospects:

- Expected combined ratio for 2006 upgraded from around 89 to just below 88
- Profit forecast for 2006 unchanged at DKK 1,150 – 1,250m
- Share buy-back programme unchanged at DKK 1,350m

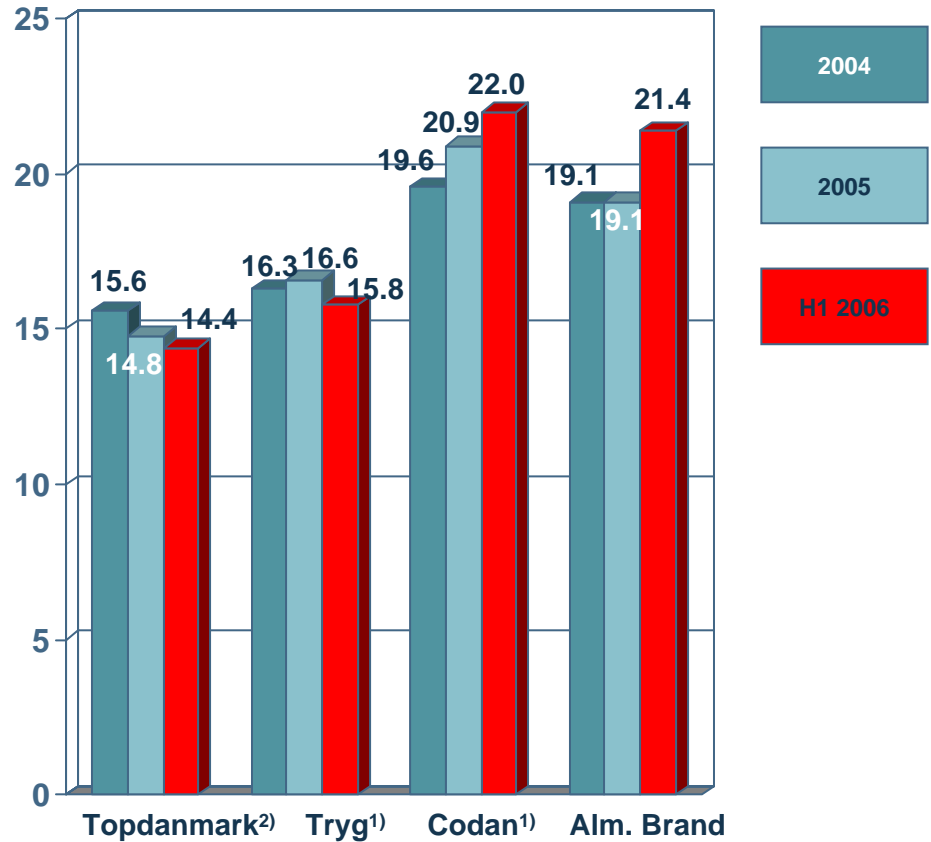
Widening the gap in expense ratio

Topdanmark



Reduced by estimated IFRS effect 1996 - 2003

Danish non-life insurance

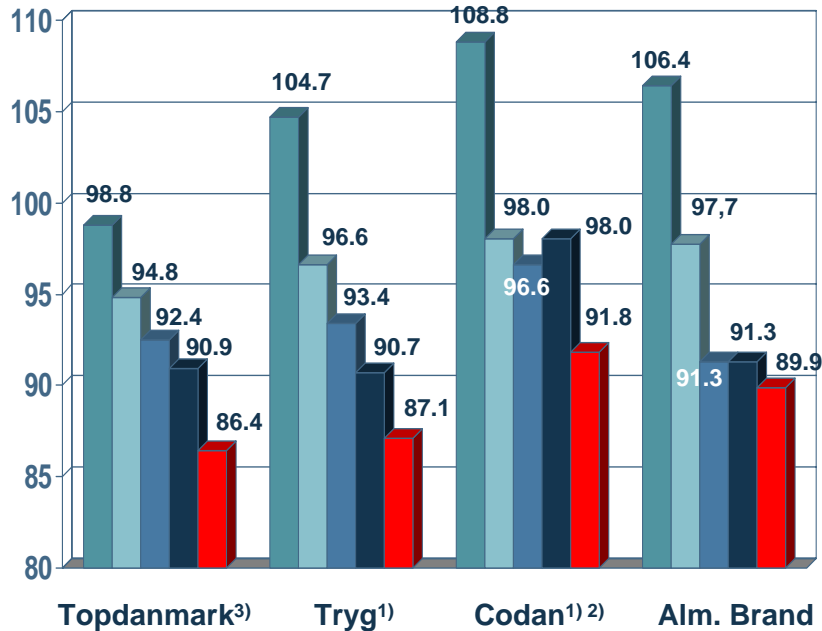


¹⁾Rent from owner-occupied properties not included in expense ratio

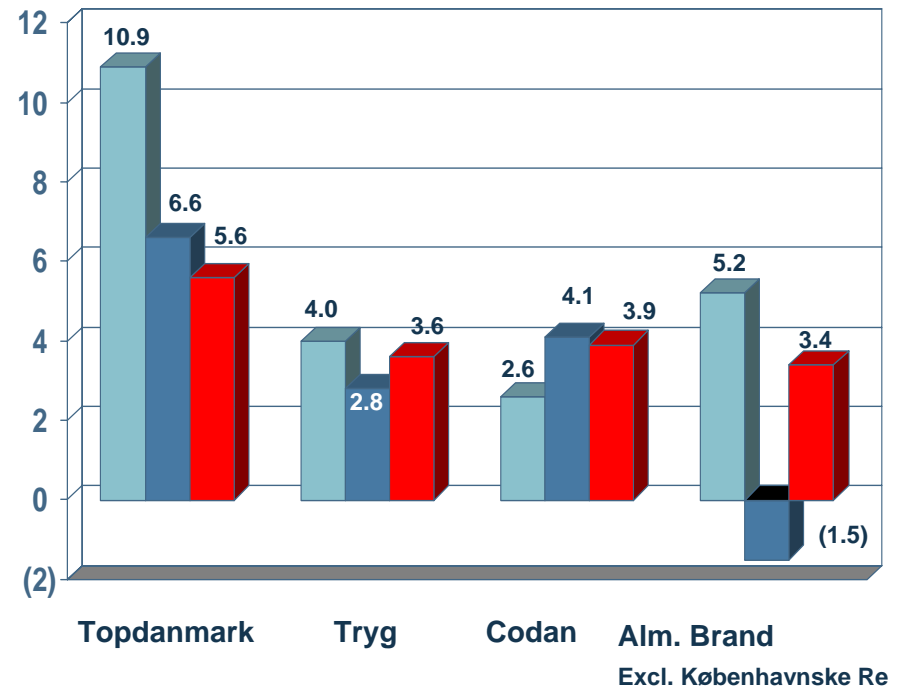
²⁾Excl. rent from owner-occupied properties, the expense ratio would be 0.4 pp lower

Higher premium growth than market

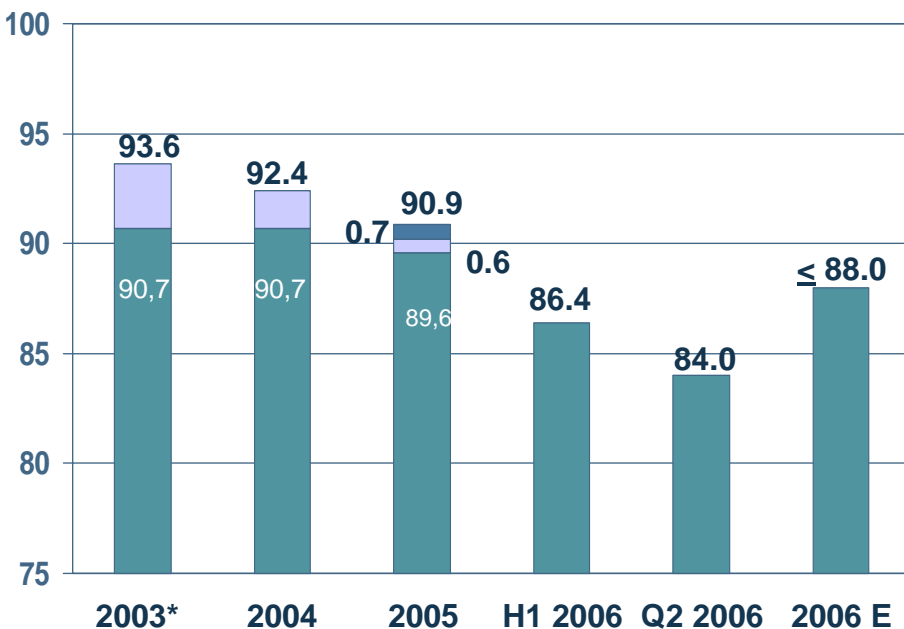
Combined ratio (Danish insurance)



Premium growth (Danish insurance)



- 1) Rent from owner-occupied properties not included in expense and loss ratios
- 2) Excl. discounting of claims provisions
- 3) Excl. rent from owner-occupied properties, the combined ratio would be 0.6 pp lower



- Strengthening of provisions
- January storm adjusted to a normal level
- Combined ratio

* 2003 reduced by estimated IFRS effect

Trend in combined ratio:

- Improvement in workers' compensation
- Declining loss ratio due to increase in interest rates
- Improvement in illness / accident

Providing good opportunities for resisting increased competition

- Intensified competition based on distribution, customer service, staffing and price
- Continued expected premium growth of just below 5% in 2006
- Premium growth expected to gradually decline throughout 2006
- Combined ratio adjusted from around 89 to just below 88
- Unchanged motor claims frequency in H1 2006
 - Trend expected to continue in H2 2006
- If necessary, able to invest in improved competitiveness and still achieve the goal of a profit margin of 10% in future years

Assumptions

- Shareholders' funds 33% of premium income
- Combined ratio 89
- Interest income on provisions (incl. discounting effect) equal to 1.0% of premium income
- Return on shareholders' funds 5%

Return on operations

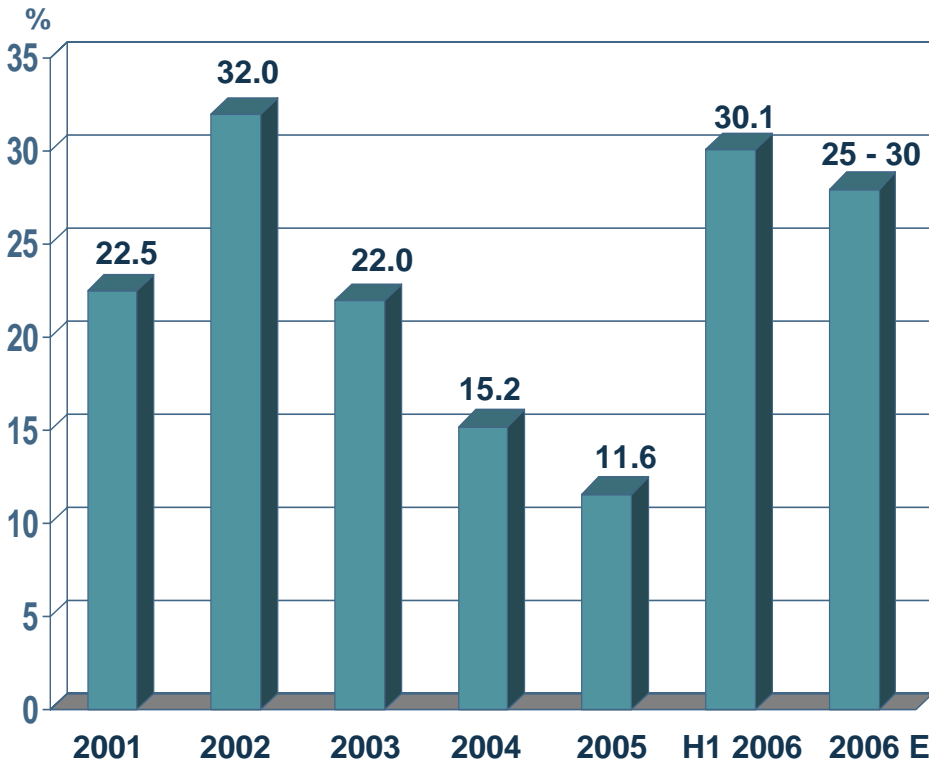
• Income	100.0	
• Interest income	<u>1.0</u>	
	101.0	
• Expenditure	<u>89.0</u>	
	12.0	~ ROE = 36.0%

Return on shareholders' funds

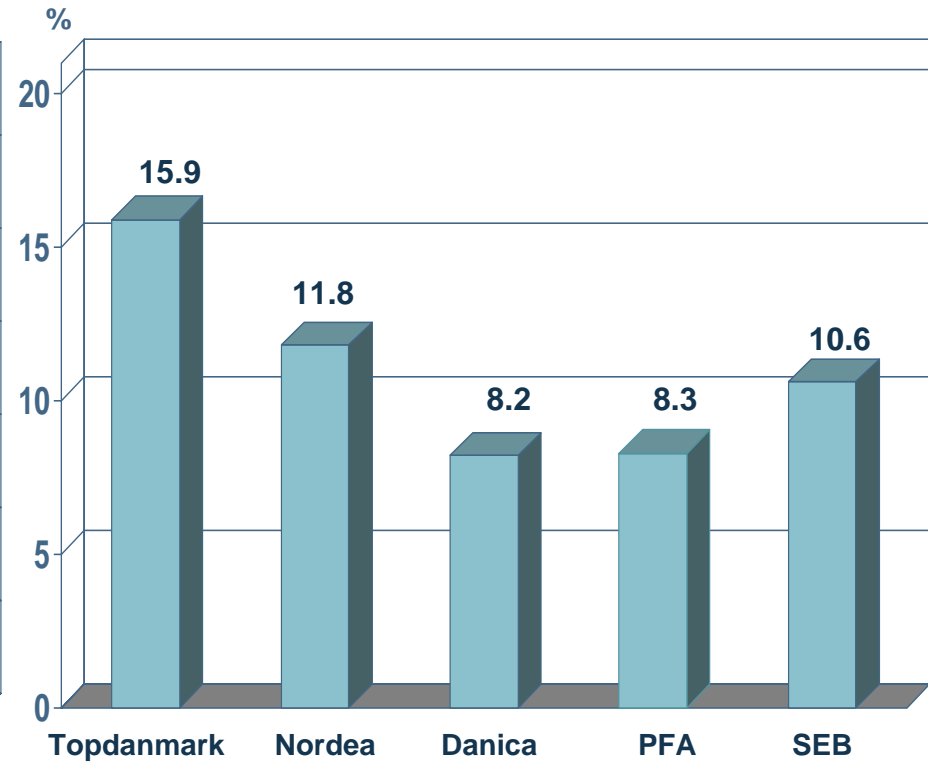
• ROE before taxation	<u>5.0%</u>
	41.0%

Continued high growth in regular premiums

Premium growth, gross premiums

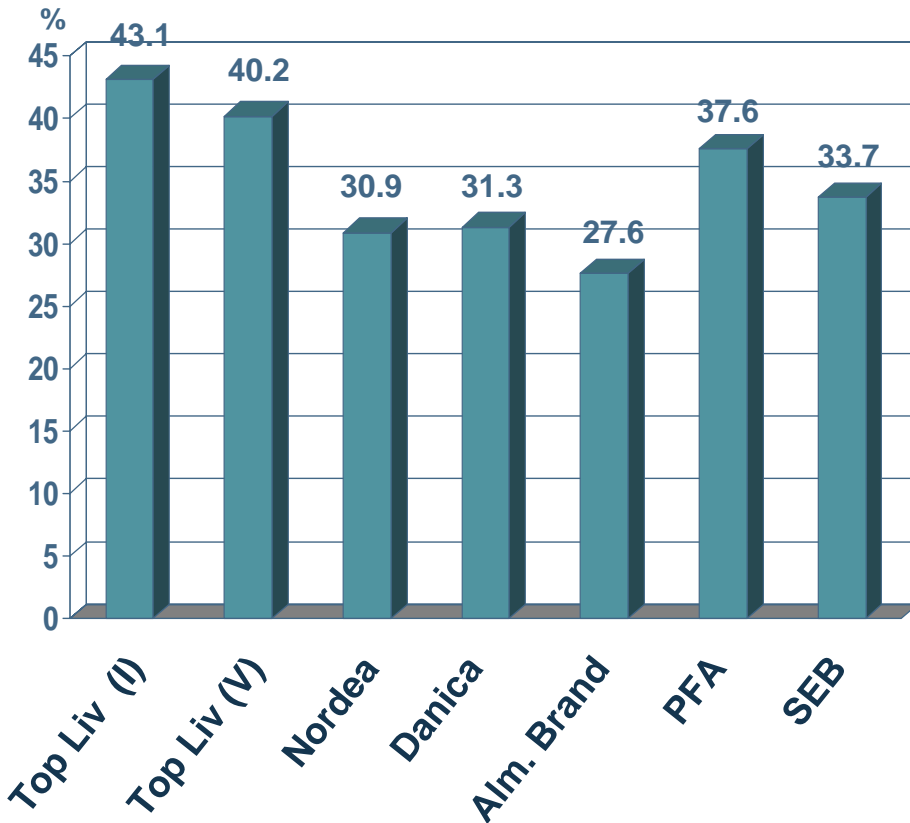


Comparison of premium growth in regular premiums in H1 2006

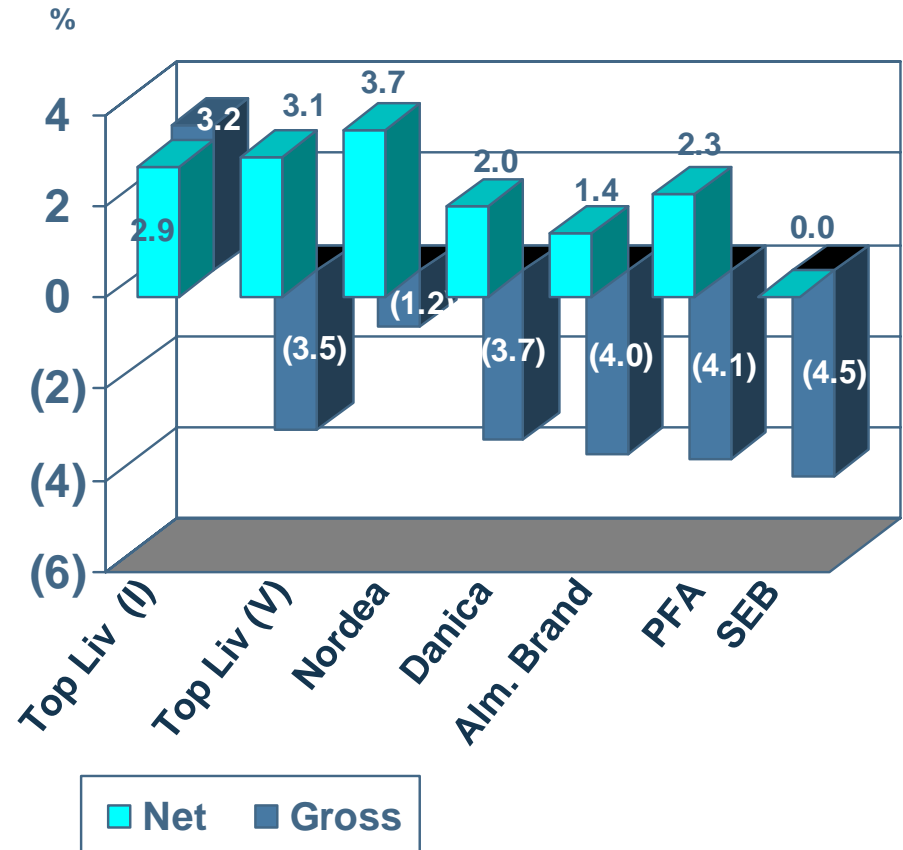


High net return for Topdanmark's pension customers 12

Accumulated investment return 2002 - H1 2006



Comparison of net and gross returns H1 2006



- Expected overall premium growth in 2006 increased from 15% to 25 – 30%
- Expected growth in regular premiums in 2006 increased from over 10% to 10 – 15%
- Bonus ratio of 10.1% in Liv I, one of the highest of the market
- 5% rate of interest on policyholders' savings in Liv I in 2006
 - Most other market players: 4.5%
- No. 1 in customer satisfaction
- Increased customer mobility
- Increased penetration into large businesses
- New market interest rate product introduced – Profile Pension
 - Expecting increasing proportion of new business in Profile Pension
 - Lower solvency requirement on Profile Pension than on guaranteed products

Unchanged profit forecast for 2006

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- 2006 post-tax profit forecast upgraded by DKK 150m to DKK 1,150 – 1,250m in Q1 2006 report
- Lower than assumed investment result in Q2 2006
- Better than assumed claims trend in Q2
- Overall 2006 post-tax profit unchanged at DKK 1,150 – 1,250m
- Forecast corresponds to a post-tax ROE of 30%

Forecast assumptions for 2006 are based on equity prices at 18 August 2006

- Expected share buy-back for 2006 also unchanged at DKK 1,350m
- Corresponds to a yield of 8%
- 2006 to date DKK 784m shares bought back
- Since 1998 Topdanmark has bought back 52.8% of the outstanding shares
 - Average price per share: DKK 240

www.topdanmark.com

- a source of up-to-date
information on Topdanmark

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 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 trend in reinsurance market. Also see “Risk factors” in the H1 2006 interim report.

The above description of potential risks 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 H1 2006 interim report.

This publication is a translation. In case of any divergence, the original Danish text shall prevail.

Appendix

Effect of a 1 pp increase in interest rates

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Immediate effect

DKKm	Post-tax
Revaluation of investment assets	(281)
Revaluation of claims provisions	269
Non-recurring effect of increase in interest rates	(12)

First year effect

DKKm	Post-tax
Excess return on interest-bearing assets	27
0.9 percentage point decline in loss ratio	59
Ongoing effect of increase in interest rates	86
Non-recurring effect of increase in interest rates	(12)
Total effect on results	74

	DKKm	DKKm
2 x required solvency in non-life (premium based)	2,435	
1.5 x required solvency in life	1,293	
1 year's growth in required solvency	261	
0.3 x equity exposure (Group excl. life)	407	
1 x interest rate exposure (Group excl. life)	<u>12</u>	
		4,407
financed by subordinated loan capital, long-term loan capital or committed lines to parent company (20% of DKK 4,515m)		<u>(881)</u>
Total shareholders' funds		3,526

DKKm

Shareholders' funds 1 Jan 2006		3,973	
Less: tax asset	(132)		
goodwill	(441)		
Value of own shares on exercise of share options / warrants	128		
Value of own shares to hedge warrant scheme	336		
		<u>(109)</u>	
Capital cover		3,864	
Expected profit and movements in shareholders' funds after cash-impacting tax 2006 (average value)		<u>1,255</u>	
Expected capital cover 31 Dec			5,119
Reasonable level of capital cover at Jan 1 2006		3,526	
80% of 1 year's normal growth in required solvency		<u>160</u>	
Expected reasonable level of capital cover 31 Dec			<u>(3,685)</u>
Share buy-back potential 2006			1,434

Assumptions:

- Solvency minimum: DKK 893m
- Minimum capital requirement: $120\% \times \text{solvency minimum} = \text{DKK } 1,072\text{m}$
- Investment return on shareholders' funds: 4.5%
- Risk and administrative result: 0.5% of premiums = DKK 16m
- Insurance technical result before bonus contribution being in profit
- Customers' savings: Liv I : DKK 9.8bn.
 Liv V : DKK 8.0bn

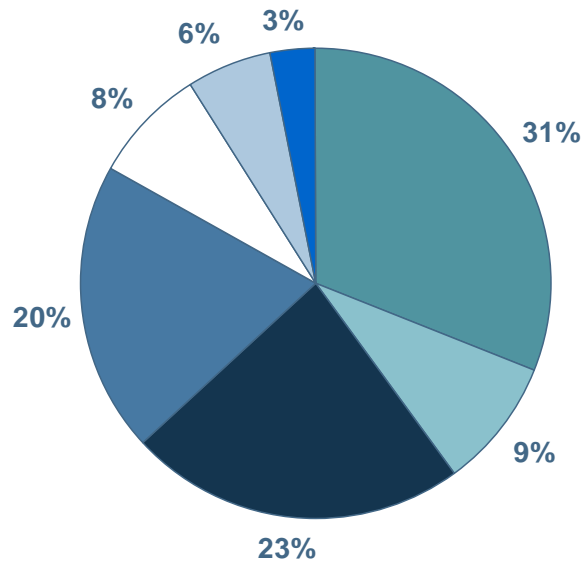
Return on life insurance:

	DKKm	
Investment return on minimum capital requirement 4.5%	48	
Risk allowance : 0.40% / 0.55% of customers' savings	83	
25% of risk and administrative result	4	
	<hr/>	135 ~ ROE = 12.6%

Other life-related result:

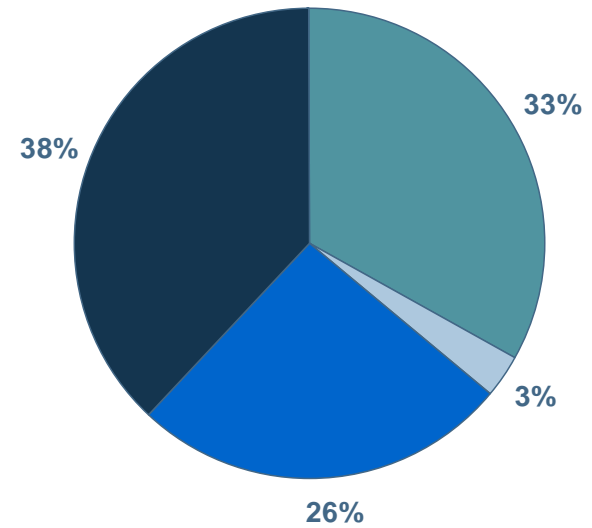
Life-related non-life (health insurance and critical illness insurance etc.)	13	
Asset management	18	
Other synergies within, among others, distribution	37	
	<hr/>	68
		<hr/>
		203 ~ ROE = 19.0%

Non-life 2005



- Certified insurance sales reps
- Danske Bank/BG Bank
- Others (Telephone sales etc.)
- Car dealers
- Sales centres
- Danica Pension
- Brokers

Life 2005



- Certified insurance sales reps
- Others (banks etc.)
- Brokers
- Head office

Investment assets at 30 June 2006

(DKKm)	Group excl. life insurance	Life insurance group
Interest bearing investment assets	12,700	15,086
Equities	1,152	3,938
Index-linked bonds	0	1,605
Investment properties	271	2,238
Associated companies	35	446
Other	0	544
Investment assets	14,158	23,857
Intra-group balances	1,127	(1,127)
Investment assets corresponding to illness / accident provisions	784	(784)
Investments	16,069	21,946
Interest earned	147	198
Interest-bearing debt / derivatives	(815)	(1,015)
Net investment assets	15,401	21,129

Comparison of ratios for Q2 2006 (Danish insurance)

26

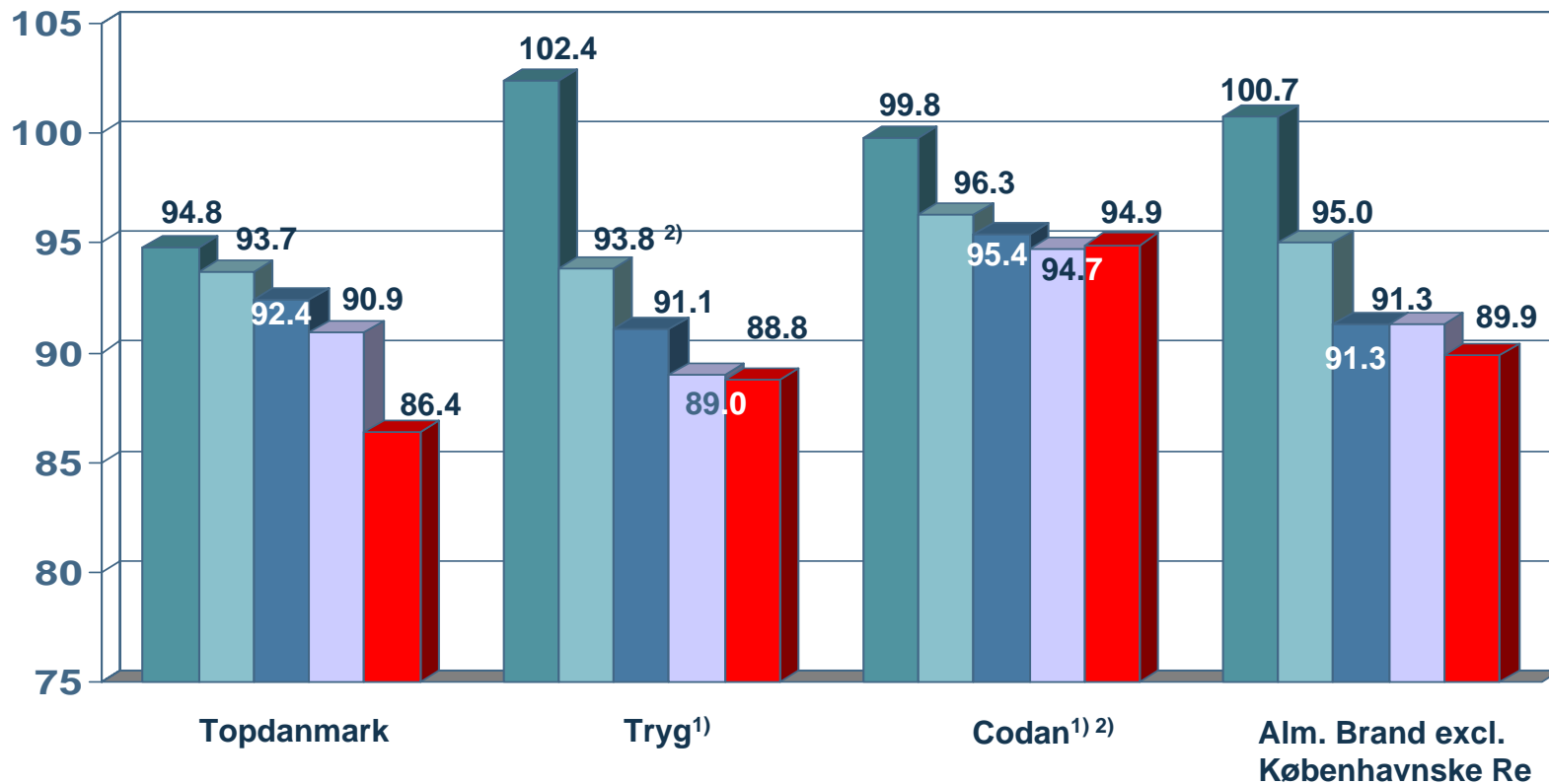
	Topdanmark ³⁾	Codan ^{1) 2)}	Tryg ¹⁾	Alm. Brand
Loss ratio	64.8	67.7	60.3	62.9
Net reinsurance ratio	<u>5.0</u>	<u>(3.3)</u>	<u>4.9</u>	<u>2.8</u>
Claims trend	69.8	64.4	65.2	65.7
Expense ratio	<u>14.2</u>	<u>19.8</u>	<u>15.7</u>	<u>20.0</u>
Combined ratio	84.0	84.2	80.9	85.7

1) Rent from owner-occupied properties not included in expense and loss ratios

2) Excl. discounting of claims provisions

3) Excl. rent from owner-occupied properties, the combined ratio would be 0.6 pp lower

Combined ratios at a group level



1) Rent from owner-occupied properties not included in expense and loss ratios

2) Excl. discounting of claims provisions



Comparison of bonus ratios

