

Topdanmark 2008 Results

Highlights

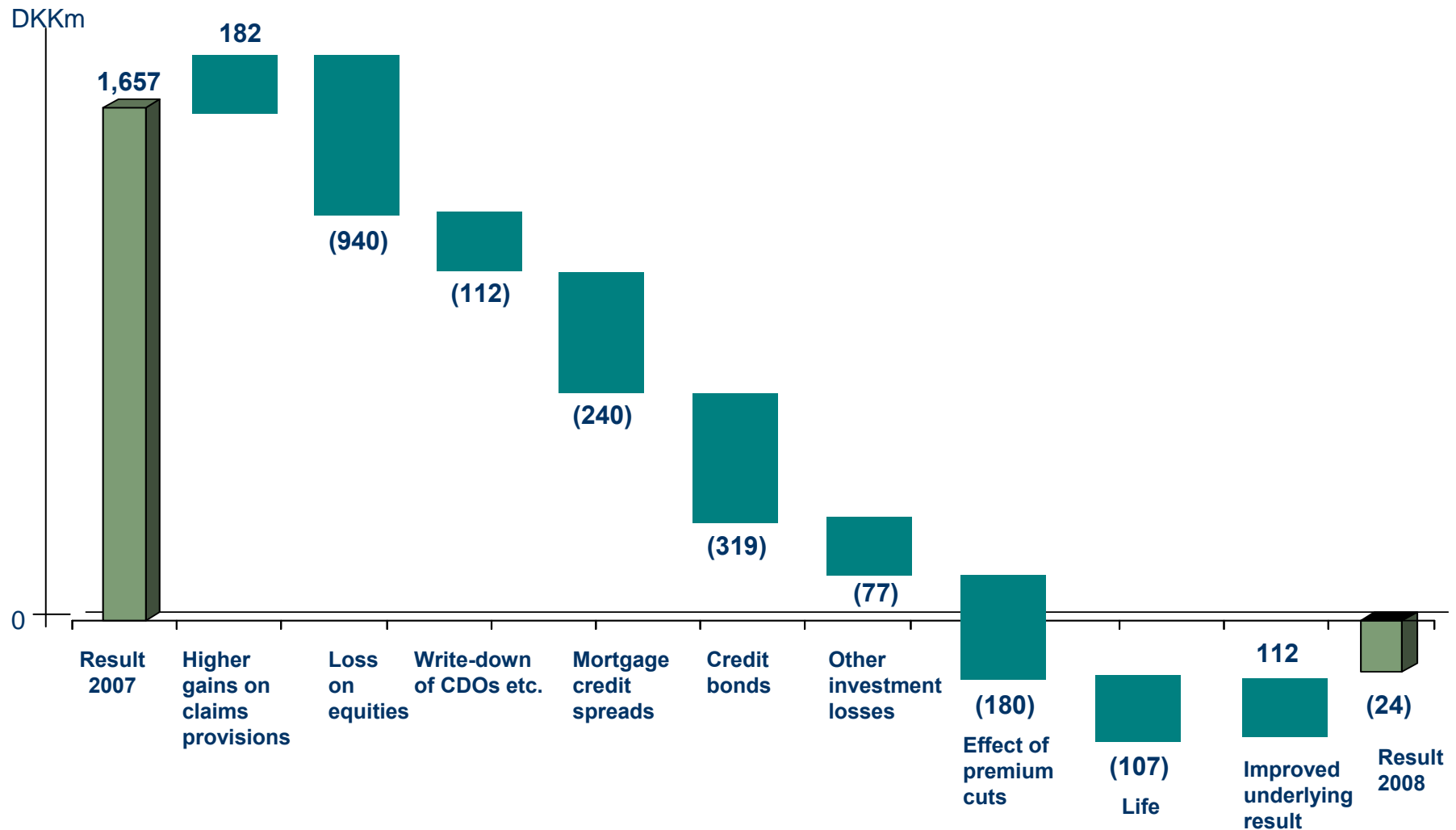
Results for the year :

- **DKK 189m loss in 2008 (2007: DKK 1,271m profit)**
- **14.3% increase in technical result of non-life in 2008, 3.5% excluding gains on claims provisions**
- **CR improved from 84.3 in 2007 to 82.4 in 2008**
 - **Excluding gains on claims provisions CR increased from 88.0 to 88.1**
- **Investment loss of DKK 1,003m**
- **Cash flow from operations improved 3.3% to DKK 4,897m**

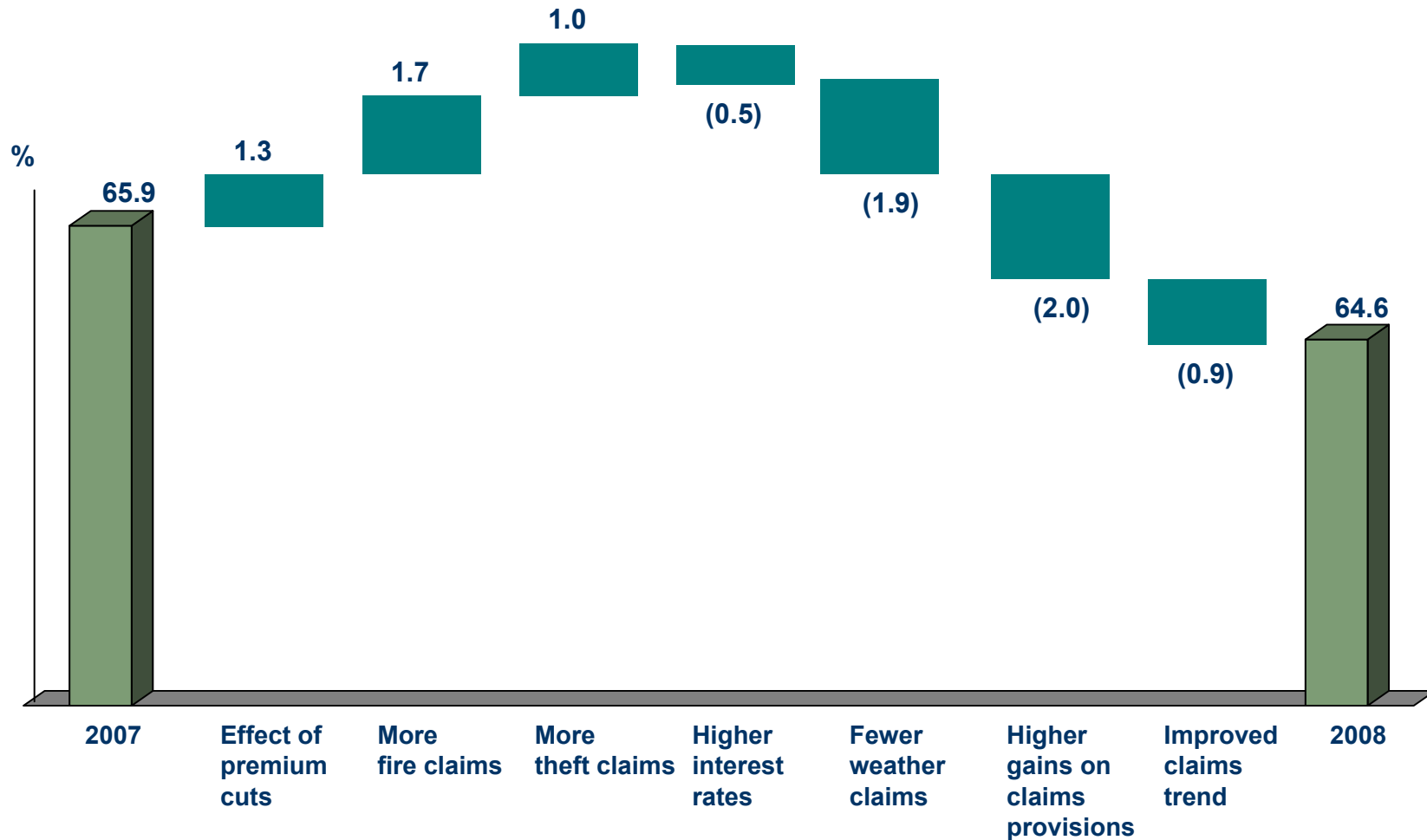
Prospects for 2009

- **Post-tax profit forecast model of DKK 875 - 975m for 2009**
 - **ROE of 25.8%**
- **Cash distribution potential of DKK 500m**
 - **Yield of 4.6%**

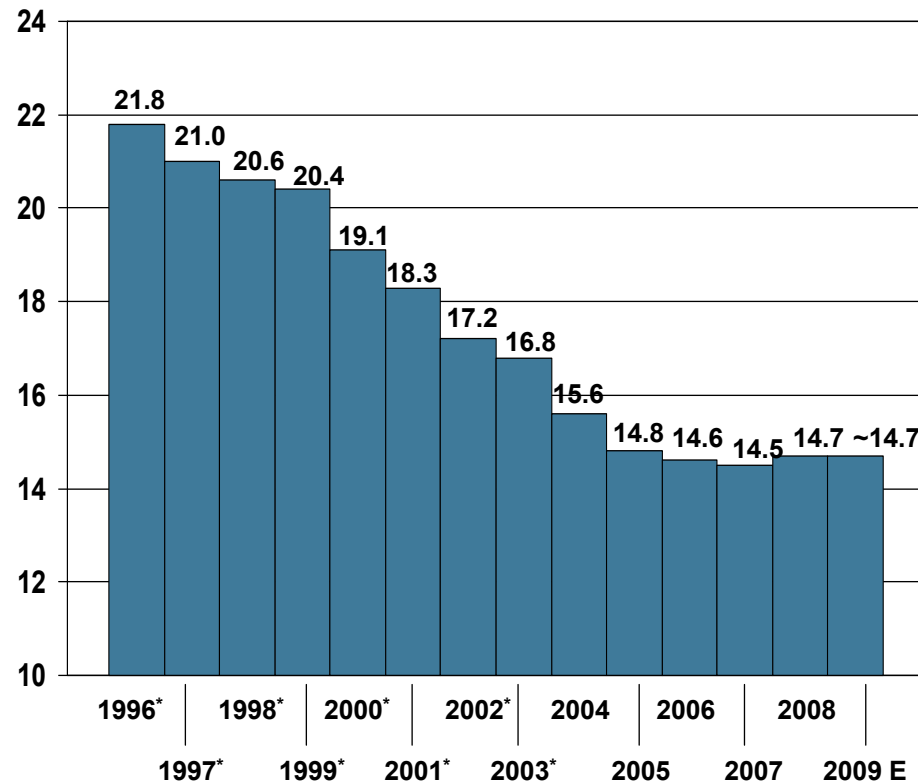
Pre-tax trend in result 2007 - 2008



Trend in loss ratio 2007 – 2008

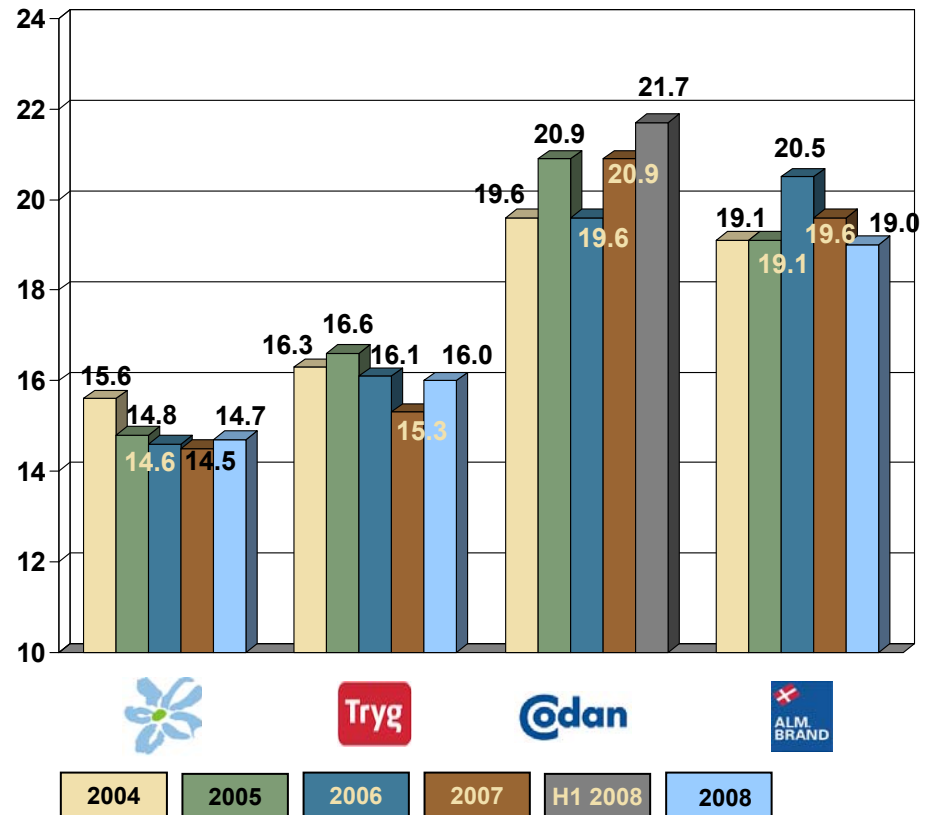


Trend in Topdanmark's expense ratio

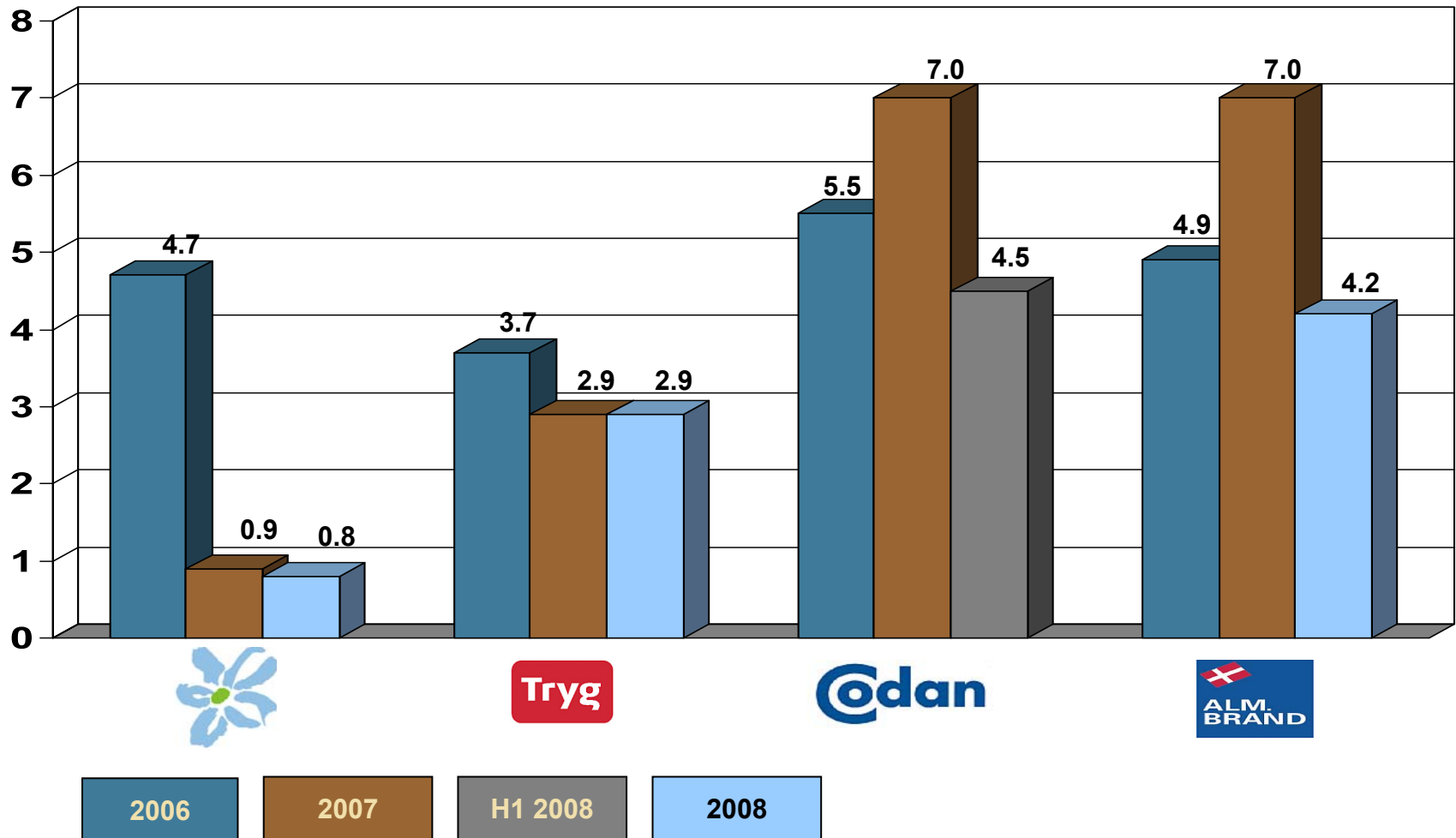


*Reduced by estimated IFRS effect 1996-2003

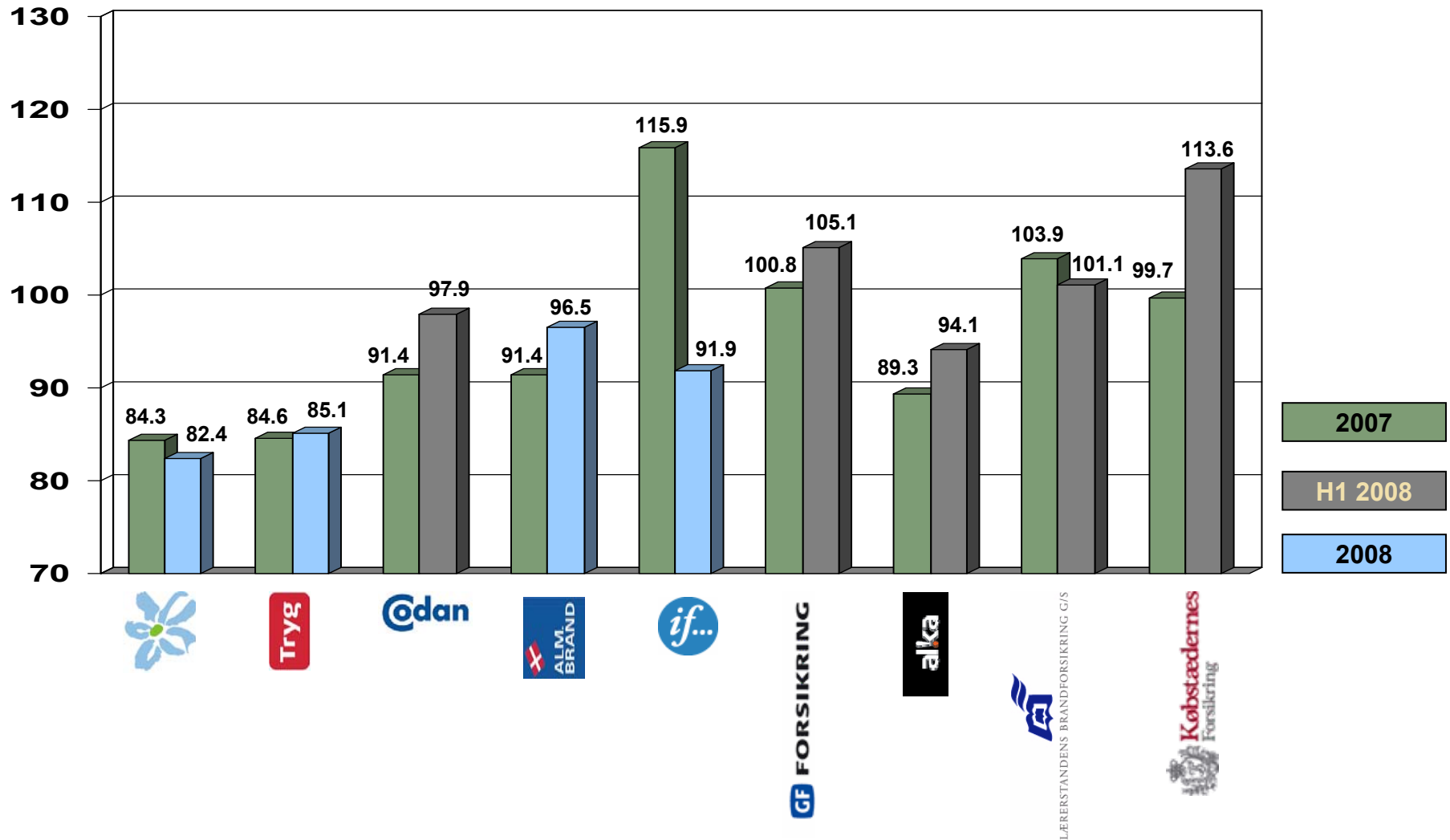
Topdanmark has the lowest expense ratio among the major Danish insurance companies



Comparison of premium growth (Danish insurance)



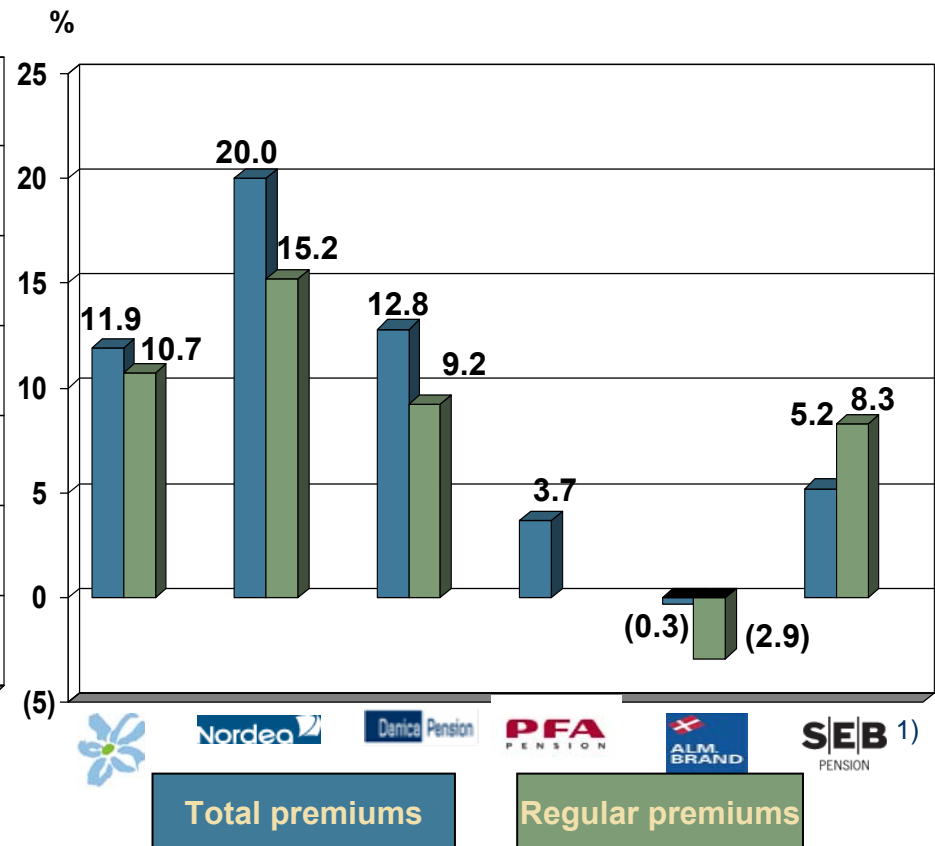
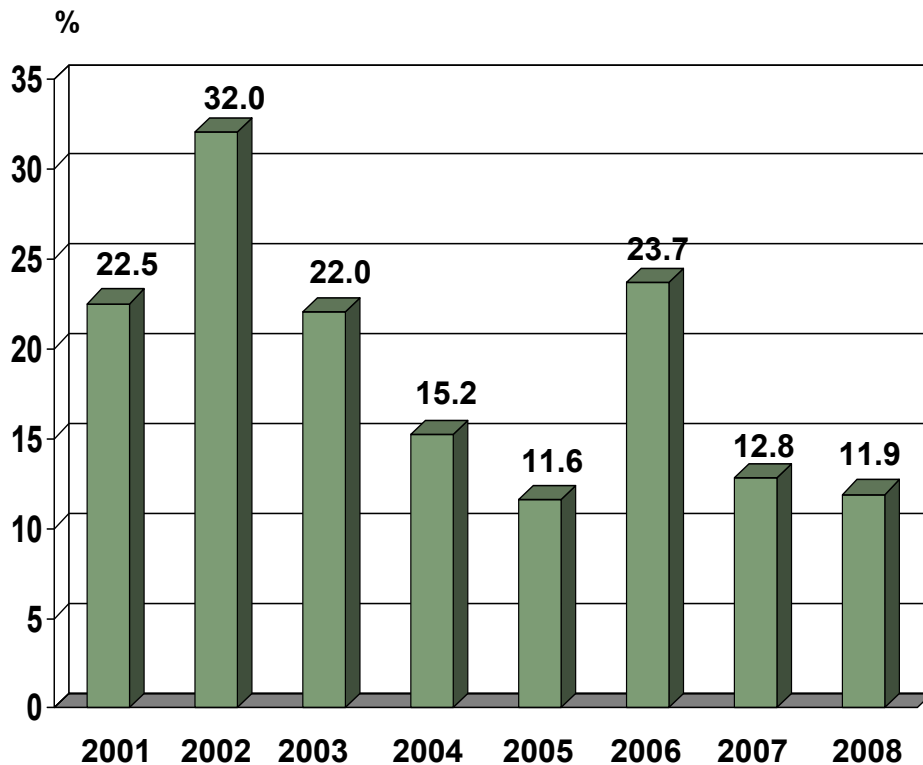
Comparison of CR (Danish insurance)



Continued high premium growth

18.8% CAGR in Topdanmark (2001 - 2008)

Comparison of premium growth 2008



1) Incl. payments into investments contracts

Result of life insurance

(DKKm)	Liv I	Liv V	2007 Group	Liv I	Liv V	2008 Group
Investment return	7	9	16	(4)	(1)	(5)
Risk allowance	56	52	108	60	52	112
Transferred to shadow account		(52)	(52)	(60)	(52)	(112)
Loss in Topdanmark Link			(14)			(26)
Financing charges Liv Holding			(11)			(14)
Other			3			(12)
Profit / (loss) on life insurance			50			(57)
Shadow account at 31 December	0	52	52	60	104	164

Investment return for Topdanmark Group excluding life insurance

	Portfolio				
	31 Dec	Return Q4		Return 2008	
	DKKbn	DKKm	%	DKKm	%
Danish equities	0.3	(114)	(27.2)	(245)	(42.3)
Foreign equities	0.7	(175)	(18.5)	(486)	(38.3)
Government and mortgage bonds	9.1	116	1.4	148	1.8
Credit bonds	0.8	(49)	(5.1)	(309)	(23.7)
CDOs	1.0	26	2.5	(243)	(17.7)
Properties	1.3	11	1.3	55	6.5
Assets rel. to I/A	1.3	2	0.2	(7)	(0.6)
Money market etc.	5.2	7	0.0	80	2.8
Interest-bear. debt	(5.3)	(37)	(1.4)	(82)	(6.3)
Total	14.4	(213)	(1.5)	(1,089)	(6.9)

2009 profit forecast model

(DKKm)	Forecast after Q3 for			
	2007	2008	2009	2009
Non-life insurance				
- Technical result	1,572	1,796	1,220	1,100 - 1,140
- Investment return after transfer to technical result etc.	8	(1,705)	170	(100) - (60)
Life insurance	50	(57)	220	230 - 250
Parent company etc.	27	(58)	(40)	(40) - (20)
Pre-tax profit	1,657	(24)	1,570	1,190 - 1,310
Taxation	(386)	(165)	(370)	(315) - (335)
Profit / (loss) for the year	1,271	(189)	1,200	875 - 975

Forecast assumptions for 2009 are based on equity prices at 6 March 2009

Yield of 4.6% for 2009

- Share buy-back programme for 2008 exceeded by DKK 366m
- 2008 result DKK 111m better than assumed
- Therefore 2008 buy-back deficit of DKK 255m
- Ordinary cash distribution for 2009 DKK 750m
- Deficit from 2008 DKK (255)m
- Cash distribution potential 2009 ~ DKK 500m

- Distribution in 2009 represents a yield of 4.6%

- Distribution for 2009 expected to commence no earlier than after announcement of H1 report on 25 August

- Topdanmark is considering its future method of cash distribution
 - Share buy-back
 - Dividend payment
 - A combination of buy-back and dividend payment

www.topdanmark.dk/ir

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

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 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 management” on our website www.topdanmark.com → [Risk management](#) .

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 2008 Annual Report.

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