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## **Topdanmark upgrades its earnings forecast for 2017**

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On the basis of the preliminary profits for Q3 2017 of DKK 464m, Topdanmark's post-tax profit forecast model for 2017 is upgraded by DKK 250m to DKK 1.5 — 1.6bn excl. run-off for Q4 2017. The upgrade is primarily due to recognition of run-off profits, higher financial returns and a more favourable level of weather-related claims than assumed.

The profit forecast model for 2017 is based on a number of assumptions, including:

- | A combined ratio of around 85 for the whole year excl. run-off in Q4 2017. In the latest profit forecast model (Half-Year Report for 2017), the assumed combined ratio for 2017 was around 87 excl. run-off in H2 2017
- | A return on equity of 7% per annum and unchanged exchange rates compared to the level on 29 September 2017.

Furthermore, it is assumed that the return on interest-bearing assets, hedging the discounted provisions, is just sufficient to cover return and revaluation of the insurance provisions, while the return on the remaining interest-bearing assets is assumed to be the risk-free interest rate plus 2.0pp.

According to Topdanmark's financial calendar, the company's Interim Report for Q1-Q3 2017 is published on 26 October 2017.

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