

Topdanmark 2007 Results

Highlights

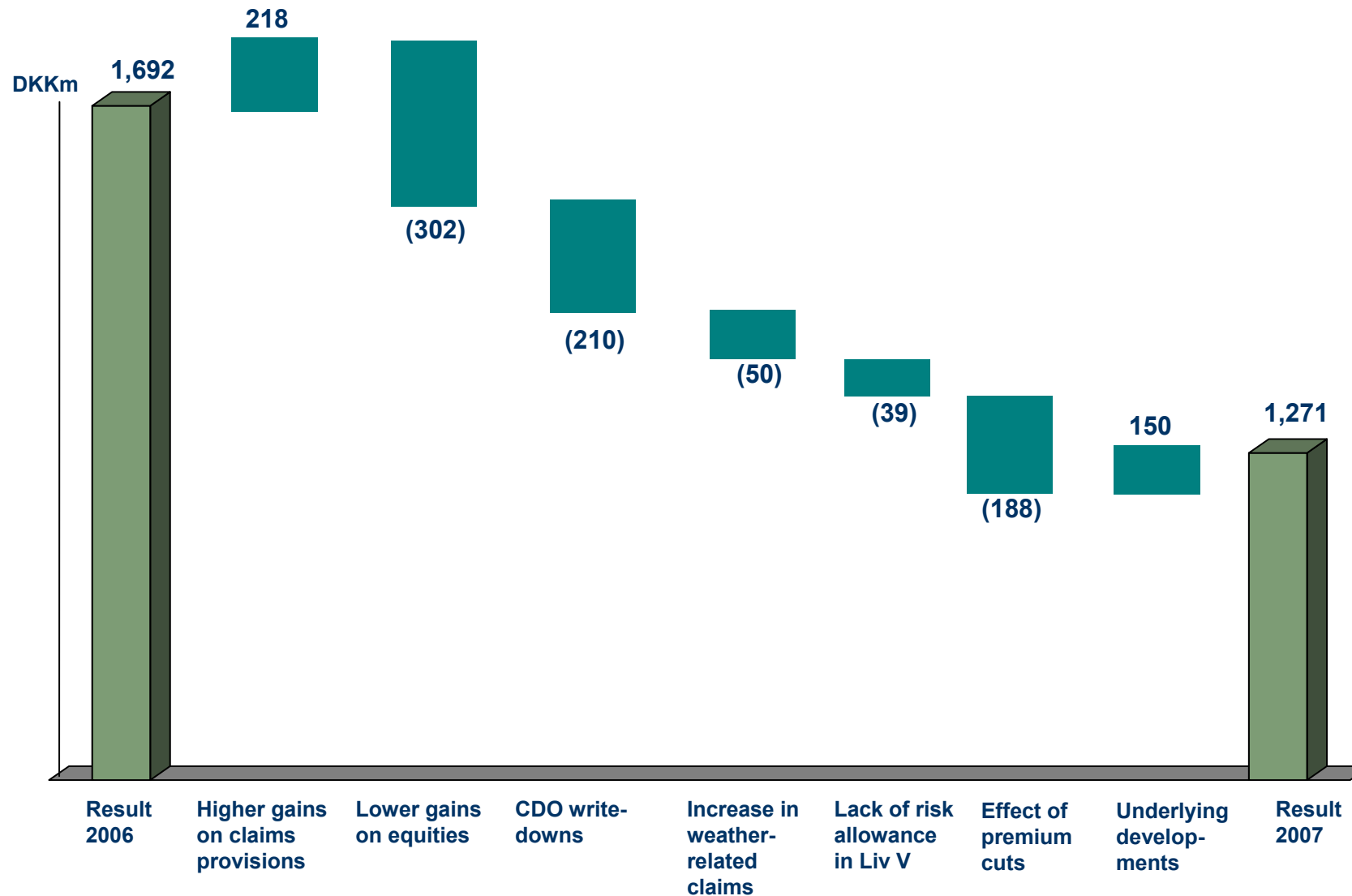
2007:

- Post-tax profit of DKK 1,271m (2006: DKK 1,692m)
- Profit exceeded assumptions of most recent forecast by DKK 71 - 171m
- 31.2% post-tax return on shareholders' equity
- 14.0 increase in operating profit to DKK 1,561m
- 0.9% premium growth in non-life and 12.8% in life
- Expense ratio improved from 14.6 to 14.5
- CR improved from 86.0 to 84.3

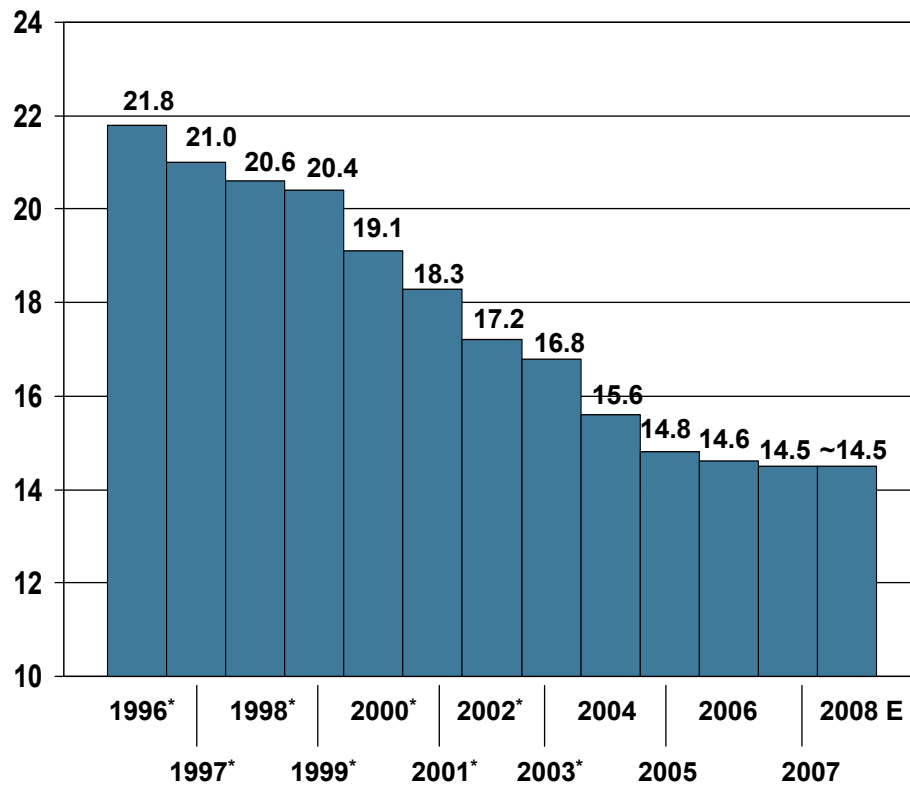
Prospects for 2008

- Expected post-tax profit of DKK 750 – 850m
- Representing a ROE of 23%
- Expected premium growth unchanged in line with or just over market growth of 2 - 3%
- Expected CR just under 89 assuming a 2.6 pp adverse effect on the claims trend due to weather-related claims and unforeseen events and excluding any gains on claims provisions
- Expected share-buy back of DKK 1,050m
 - Representing a 8.9% buy-back yield

Trend in result 2006 - 2007

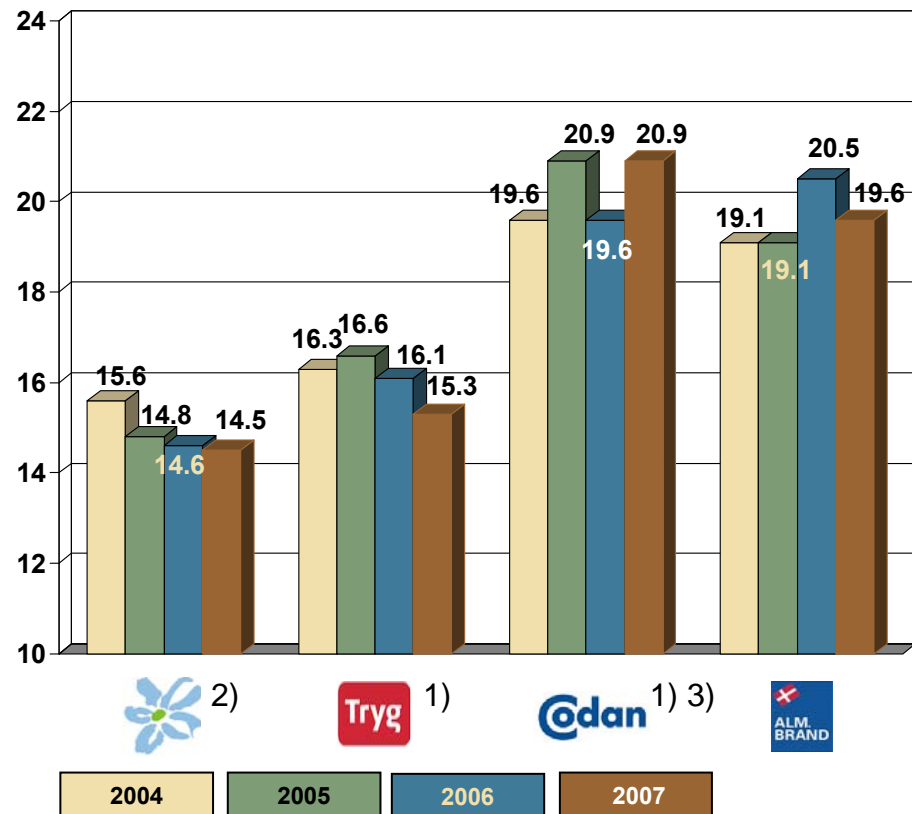


Trend in Topdanmark's expense ratio



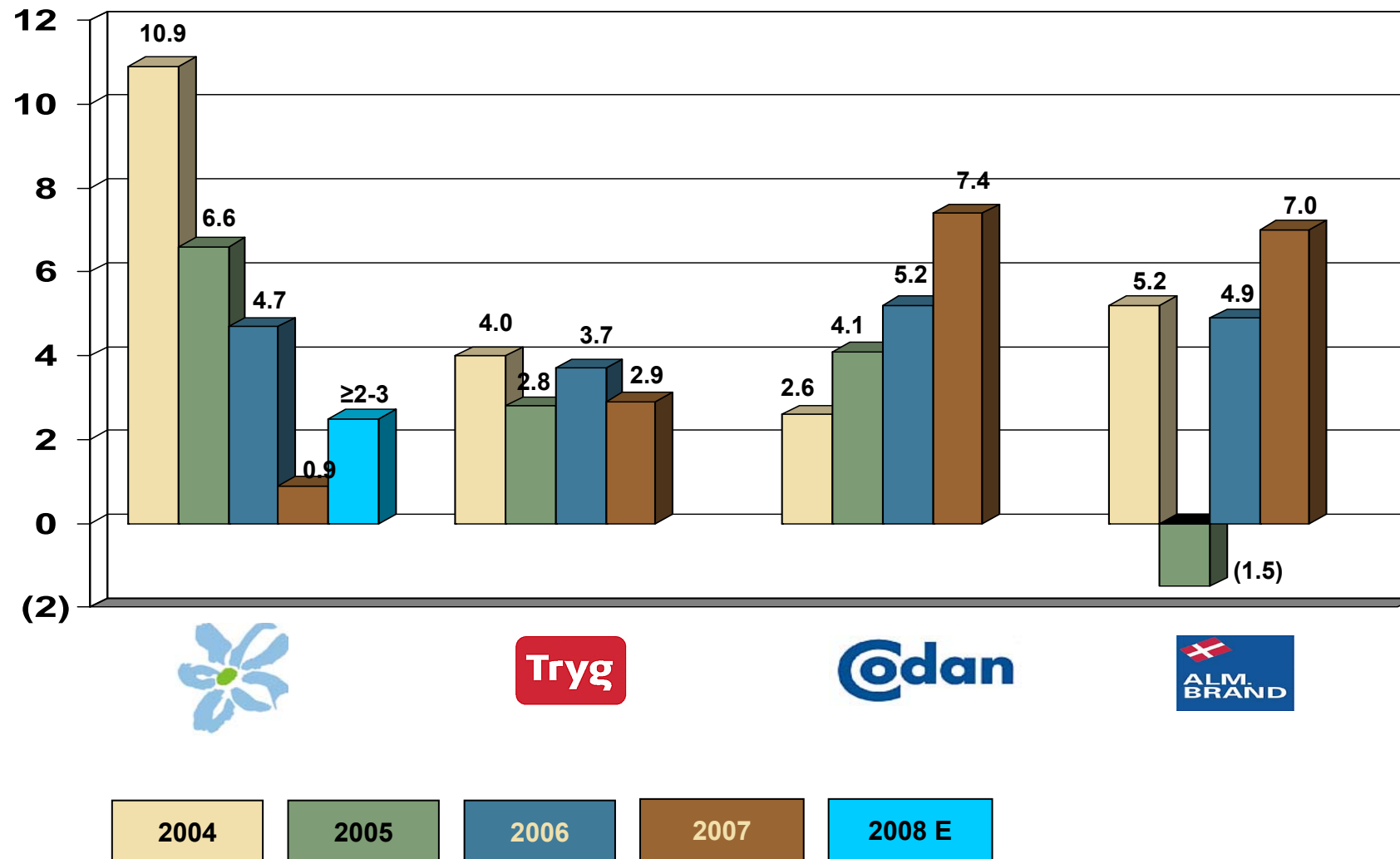
*Reduced by estimated IFRS effect 1996-2003

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

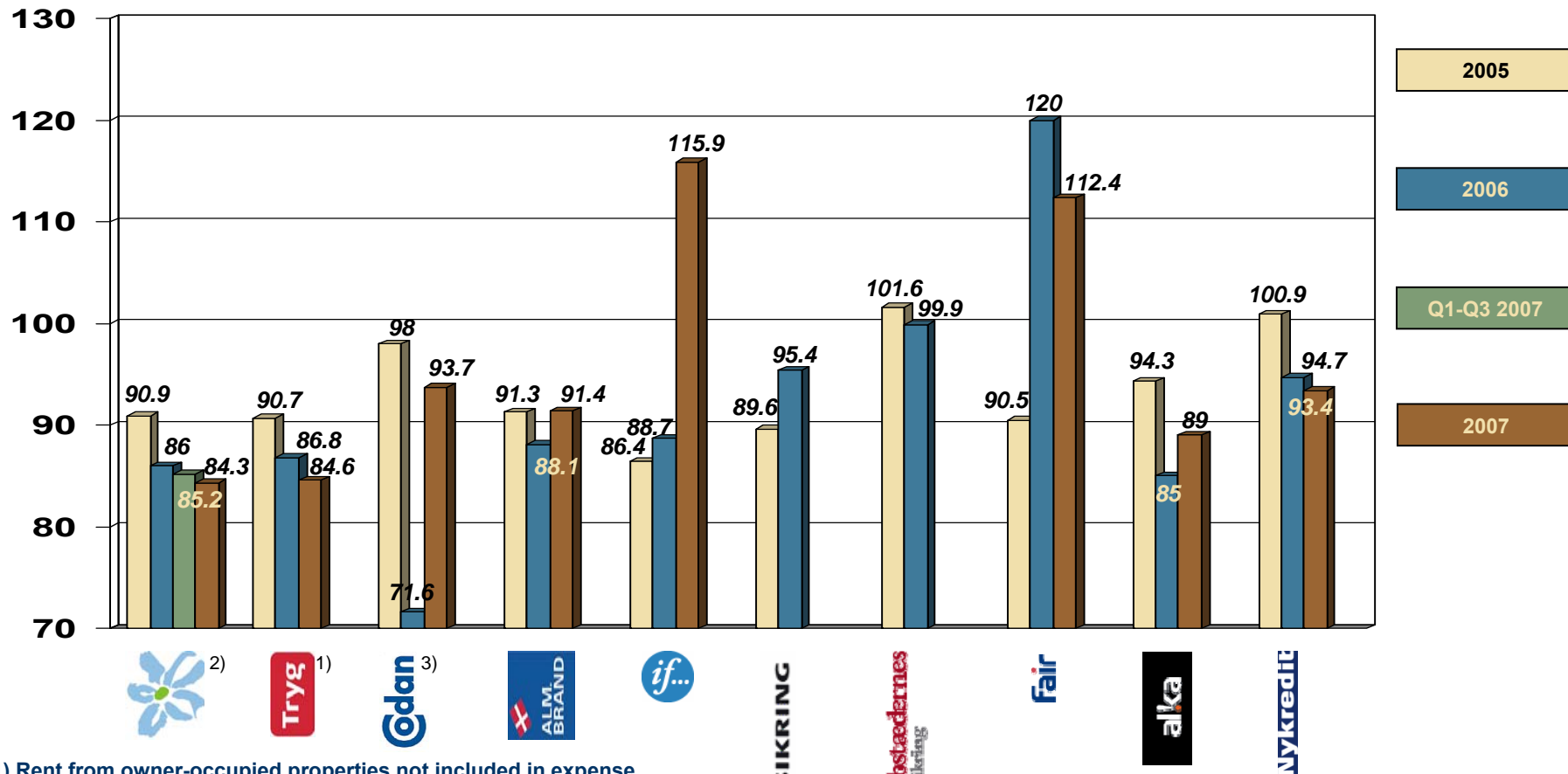


- 1) Rent from owner-occupied properties not included in expense ratio
- 2) Excl. rent from owner-occupied properties, the expense ratio would be 0.2 pp lower
- 3) Separate figures no longer disclosed for Denmark

Comparison of premium growth (Danish insurance)



Comparison of CR in the Danish market



- 1) Rent from owner-occupied properties not included in expense and loss ratios
- 2) Excl. rent from owner-occupied properties, the CR would be 0.3 pp lower
- 3) CR after excluding any gains on / strengthening of provisions:
2006: 90.8, 2007: 96.9

Result of life insurance

(DKKm)	Liv I	Liv V	2006 Group	Liv I	Liv V	2007 Group
Investment return	26	39	65	7	9	16
Risk allowance	39	44	83	56	52	108
Transferred to shadow account			0		(52)	(52)
Profit in Topdanmark Link	10		10	(14)		(14)
Financing charges Liv Holding			(8)			(11)
Calculated compensation etc.			(32)			3
Profit on life insurance			118			50

Prospects in life insurance

- **Intensified competition on moving existing pension schemes**
 - **Growth but also severe competition in illness and accident insurance**
- **8-10% expected market growth in 2008**
- **Topdanmark expects 8 - 10% growth in regular premiums in 2008**
- **Profile Pension expected to account for an increasing share of new business**
 - **39% in 2007**
 - **Lower tied-up capital**
- **Topdanmark has Denmark's most satisfied life customers**
- **DKK 52m transferred to the shadow account**
 - **Will be included in income in future years when the investment return is sufficiently high**

Investment return for Topdanmark Group excluding life insurance

DKK m	Portfolio DKK bn	Return DKK m	% return
Danish equities	0.5	41	5.9
Foreign equities	1.0	168	12.0
Government and mortgage bonds	6.9	444	5.6
Credit bonds	1.6	10	0.3
CDOs	1.5	(131)	(6.5)
Other	2.4	62	3.1
Total	13.9	594	3.7

The exposure in foreign equities has 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 DKK 594m investment return deviates from the DKK 685m return in the text as the table excludes illness/accident (the return of which is included in the ratios for life insurance) and income in Topdanmark Kapitalforvaltning. The return on government and mortgage bonds includes revaluations of claims provisions.

Profit forecast for 2008

(DKKm)	2006	2007	2008	
Non-life insurance	2,047	1,580	1,015	- 1,095
Life insurance	118	50	70	- 90
Parent company etc.	58	27	(60)	- (40)
Pre-tax profit	2,223	1,657	1,025	- 1,145
Taxation	(531)	(386)	(275)	- (295)
Profit for the year	1,692	1,271	750	- 850

The profit forecast is based on the assumptions described in the 2007 Annual Report
 The expected profit represents a ROE of 23%

Forecast assumptions for 2008 are based on equity prices on 6 March 2008

Expected share buy-back for 2008 represents a buy-back yield of 8.9%

- Expected ordinary share buy-back DKK 680m
- Transferred from 2007 DKK 121m
- Lower solvency margin around DKK 250m
- Expected share buy-back for 2008 DKK 1,050m
representing a buy-back yield of 8.9%
- To date in 2008, 281m shares bought back
- Leaving a buy-back of DKK 769m for the remainder of the year
- Since 1998 Topdanmark has bought back 59% of the outstanding shares
 - Average price per share: DKK 320

www.topdanmark.com

- 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 2007 Annual Report.

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