

Topdanmark's First Half 2002 Results



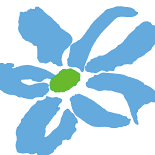
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How Topdanmark intends to create value

Operations

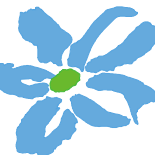
- An increase in premium income higher than the market
- A declining expense ratio



How Topdanmark intends to create value

Capital

- Topdanmark is an insurance company
 - **Not an investment trust**
- Topdanmark intends to avoid unnecessary excess capital
 - **Share buy-back**



Corporate Governance

- Has removed all relevant limitations set out in the Articles of Association
- Lives up to the principles of good Corporate Governance
- No shareholder holds more than 10%
- A high share price is the only protection against uninvited take-over bids
- Revolving stock option scheme for management



Key features of accounts

- DKK 341m post-tax earnings
- DKK 487m pre-tax earnings before goodwill
- Result affected by large expenses on:
 - Storms
 - Cloudbursts
 - Fire claims } of almost DKK 180m
- Growth in premiums:
 - Non-life: 4.2%.
 - Life : 41.4%



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Trend in results - earnings declined in 2002 half-year

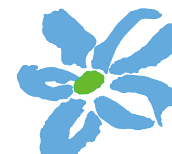
Financial highlights

DKKm	Full year 2001	6 months 2001	6 months 2002
Premiums earned:			
Non-life insurance	6,039	2,991	3,117
Life insurance	1,257	652	923
	7,296	3,643	4,040
Non-life insurance (before goodwill amortisation)	279	375	255
- of which Danske Bank	(28)	249	100
Life insurance	129	64	36
Parent company etc.	105	197	50
Pre-tax profit before goodwill	513	636	341
Goodwill	(79)	(39)	(39)
Tax	(26)	(22)	(73)
Income taken to shareholders' funds	0	0	112
Earnings for the period	408	575	341

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Result of non-life insurance - DKK 255m

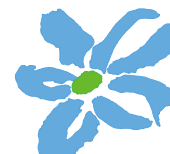
Trend in results - Non-life

DKKm	Full year 2001	6 months 2001	6 months 2002
Gross premiums earned	6,039	2,991	3,117
Technical interest	225	118	54
Claims incurred	(4,518)	(2,260)	(2,394)
Reinsurance ceded	(15)	48	(93)
Expenses	(1,289)	(650)	(650)
Equalisation provision	(81)	(50)	63
Technical result	361	197	97
Other items	(39)	0	0
Investment income excluding Danske Bank	(15)	(71)	58
Non-life insurance before Danske Bank	307	126	155
Danske Bank	(28)	249	100
Non-life insurance	279	375	255

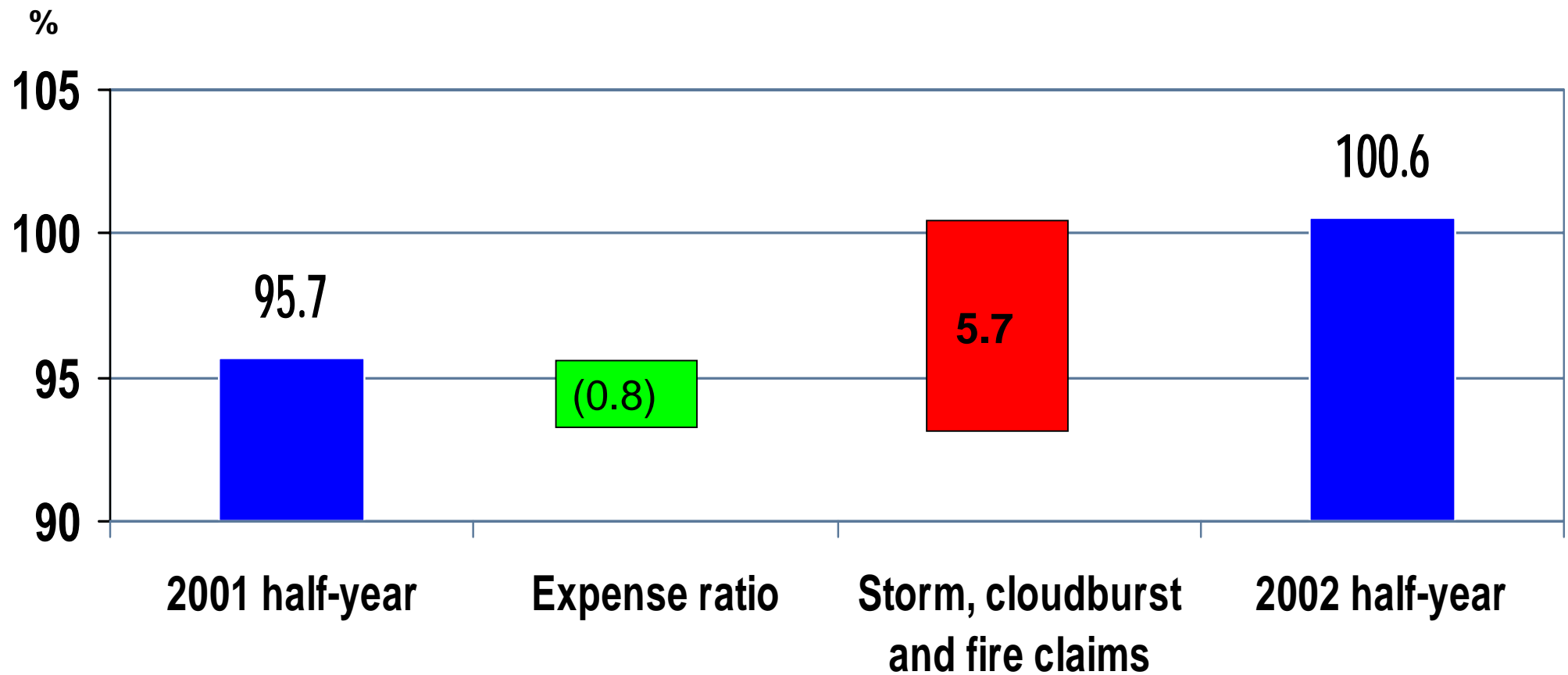
Non-life

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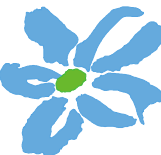
Non-life insurance - trend in combined ratio



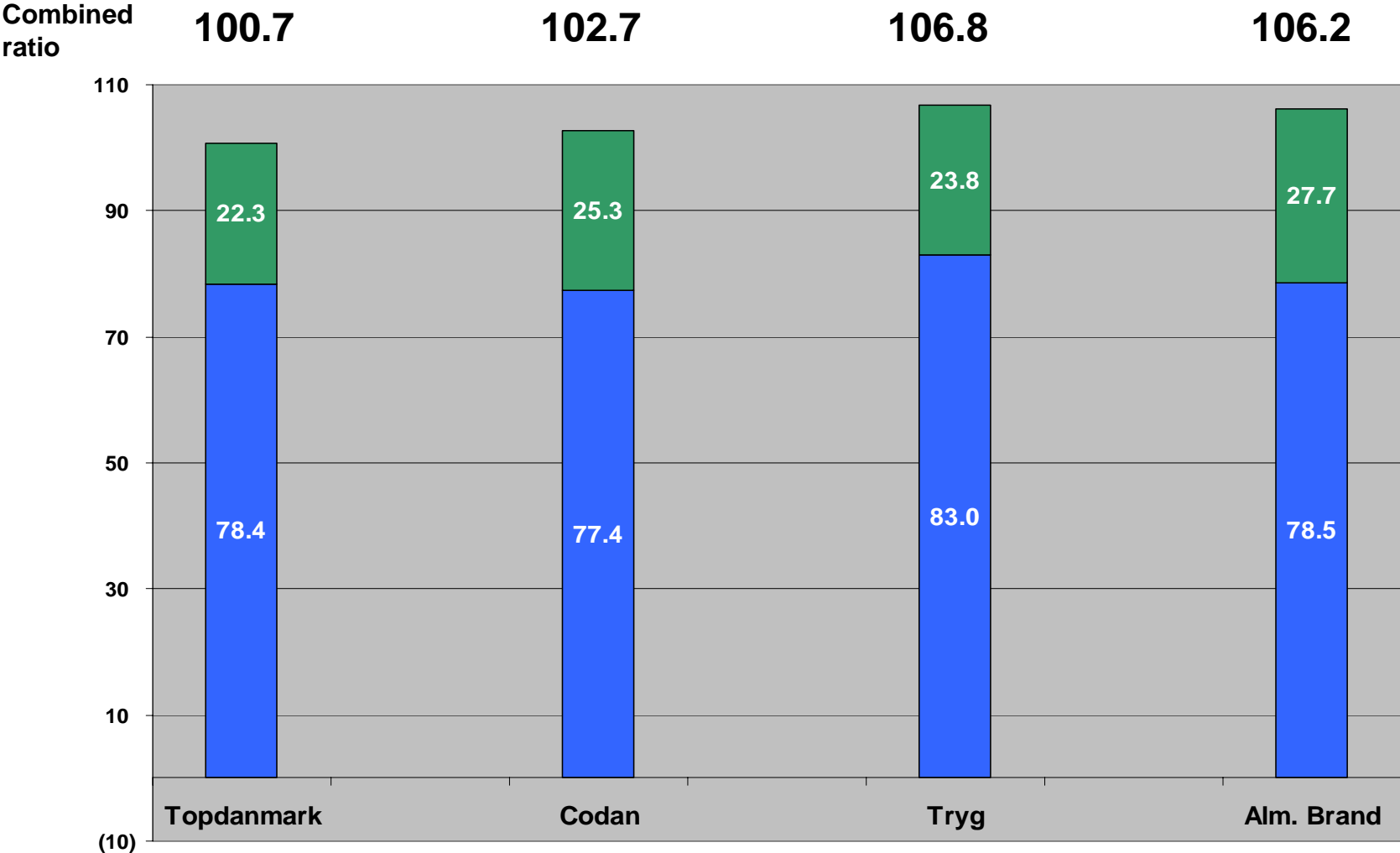
Non-life

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Most efficient insurance company in Denmark



Comparison of combined ratio - 2002 half-year

Expense ratio

Loss ratio

Non-life

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Necessary initiatives already implemented

- The Danish Act on civil liability provided increase in premiums at 1 July 2002
- Distribution through "home" going well
- 7 - 8% growth in premiums expected in 2002
- More claims to be expected in future due to more unstable weather
- Sufficient increases in premium rates to be implemented
- Combined ratio about 96% expected in 2003



Non-life

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Continued growth in life insurance

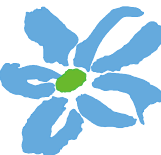
- Improved competitive position
- Relatively satisfactory return on investments
- In Danish Financial Supervisory Authority's green classification throughout recent months
- Lower result in life insurance due to new definition of profit
- Continued development of new products
- Business relationship initiated with Association of Danish Savings Banks (about 300 branches)
- Expected premium growth higher than market in 2002



Life

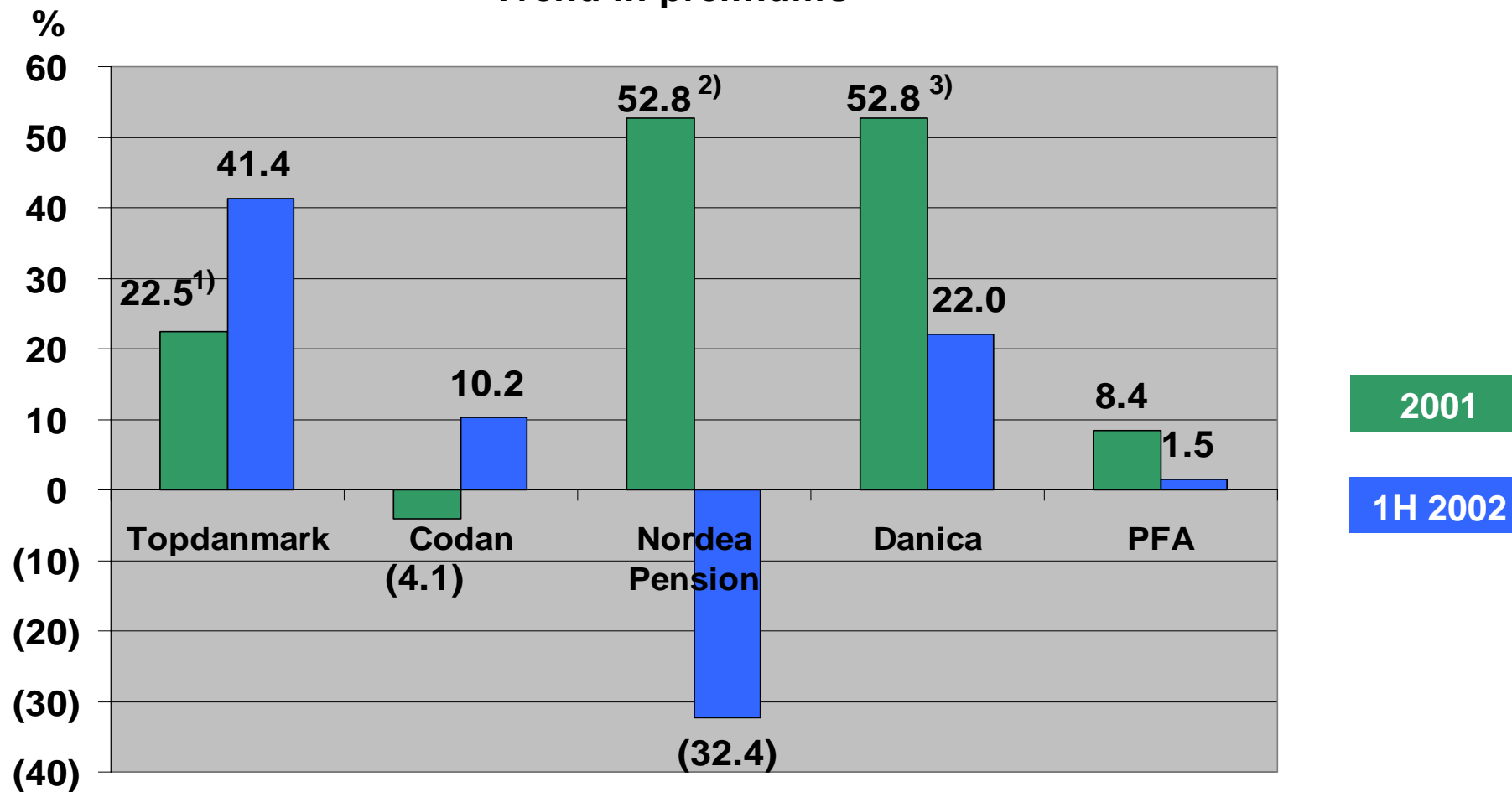
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Excellent improvement in life insurance premiums

Trend in premiums



1) Excl. BG Pension

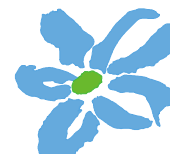
2) 22% excl. take-over of NESA's og IFV's pension fund

3) Incl. BG Pension

Life

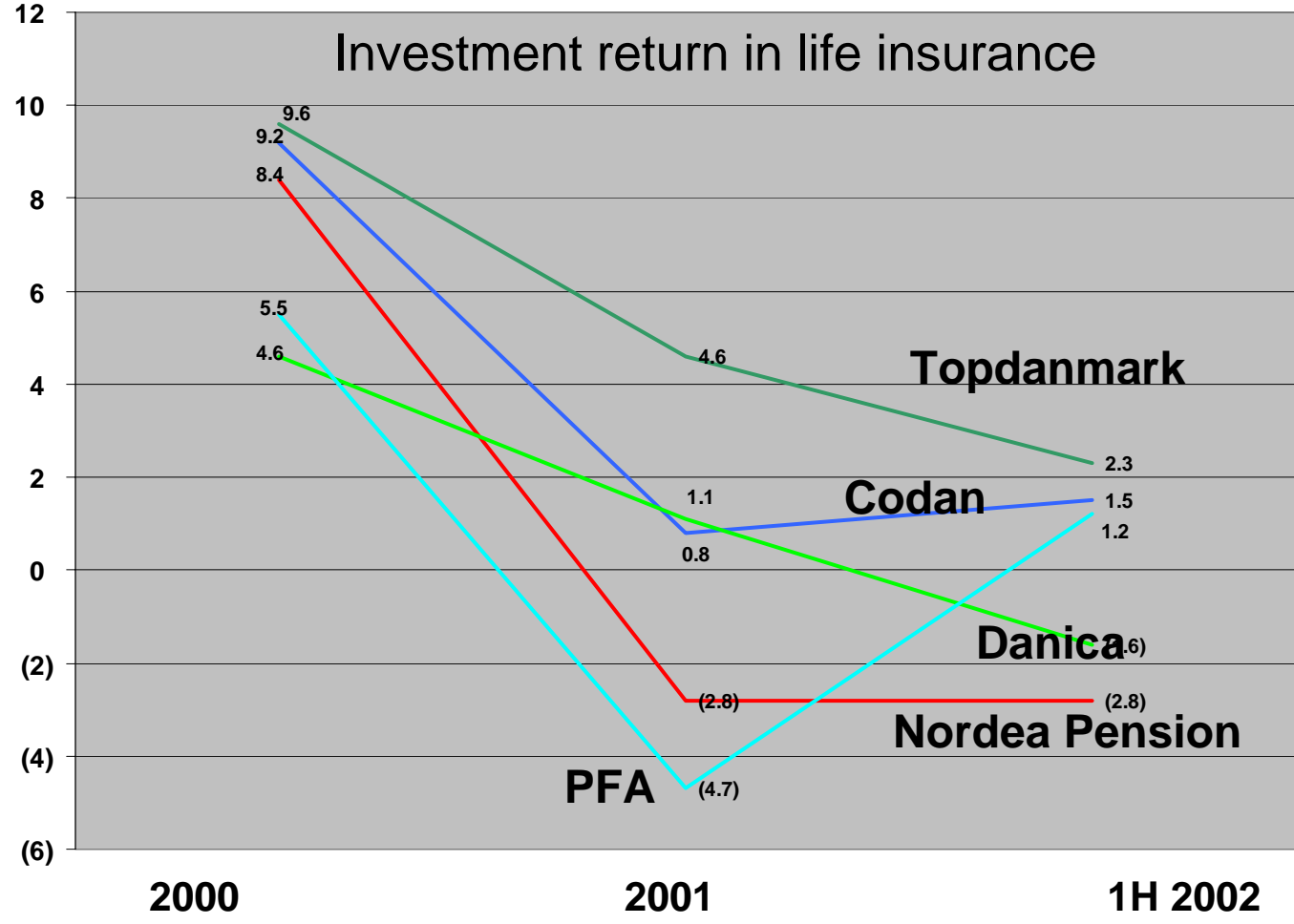
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Difficult market - but satisfied ... relatively

%



Life

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Share buy-back to continue unchanged

- Since 1998, 37% reduction in share capital due to share buy-back programme.
- Share buy-back of DKK 498m in 2002 to date
- Expected share buy-back for 2002 continues to be DKK 600 - 700m
- Continued high level of share buy-back expected for 2003



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Return on equity - ROE

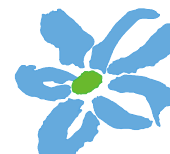
Example

Business

Premiums	100
Technical interest	<u>4</u>
Total income	104
Combined ratio	<u>96</u>
Profit from business	<u><u>8</u></u>

ROE

Premiums = 2 x equity	
Profit from equity	6%
Profit from business (2x8)	<u>16%</u>
ROE	<u><u>22%</u></u>



Downgraded forecast for 2002

- Expected post-tax earnings of DKK 325 - 425m in 2002
- Assumed profit of DKK 45m from shareholding in Danske Bank

Assumptions:

- Unchanged foreign exchange rates
- Stable interest rates
- An annual 8.5% return on equities.

as compared with level on 20 August 2002



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More claims and lower investment return

DKKm

Profit forecast for 2002 at Q1 2002

545 - 645

Revisions at Q2 2002

Lower investment return excl. Danske Bank (80)

Deteriorated claims trend in 2002 (270)
of which expected 90
of which covered by equalisation 90 (90)

Lower profit forecast for life insurance (50)
(220)

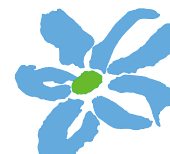
Downgraded profit forecast for 2002
at Q2 2002

325 - 425



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