

Topdanmark's H1 2006 results



H1 2006:

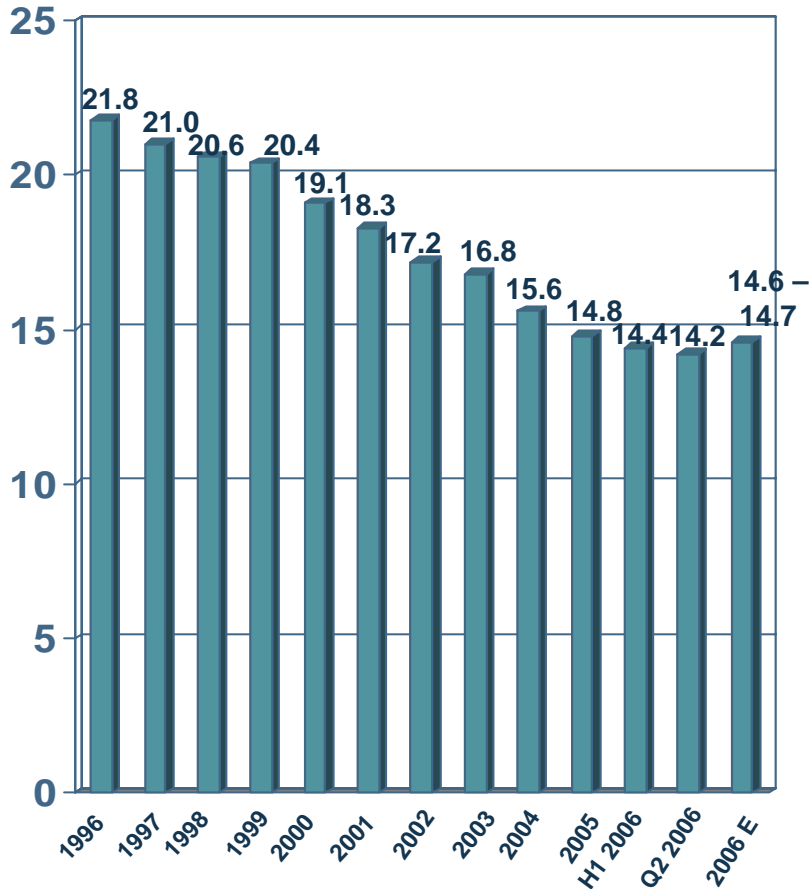
- Post-tax profit increased from DKK 436m to DKK 689m
- Profit per share increased from DKK 21.4 to DKK 35.2
- 5.6% premium growth in non-life and 30.1% in life
- 16.7% post-tax ROE (36.2% annualised)
- Expense ratio declined 0.5 pp to 14.4
- Combined ratio declined from 93.6 to 86.4

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

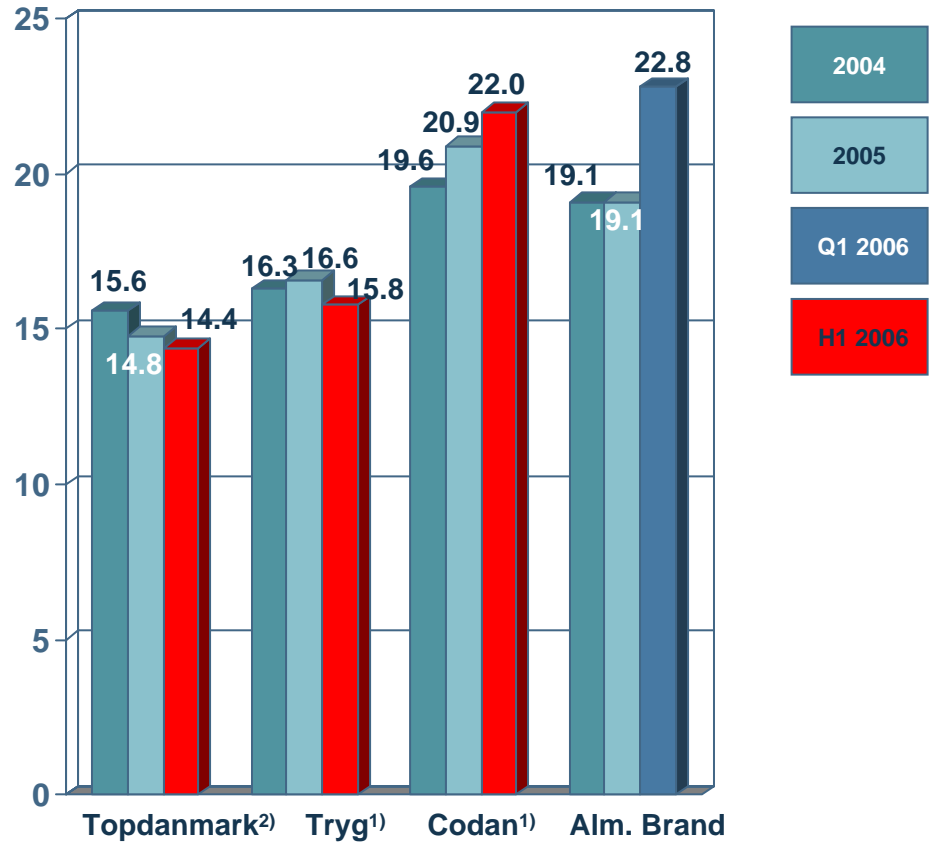
Widening the gap in expense ratio

Topdanmark



Reduced by estimated IFRS effect 1996 - 2003

Danish non-life insurance

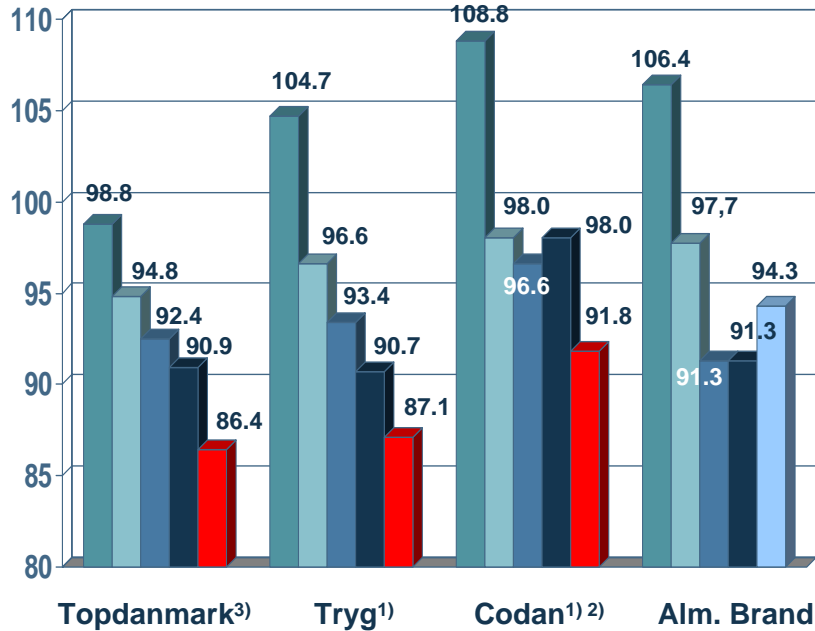


¹⁾Rent from owner-occupied properties not included in expense ratio

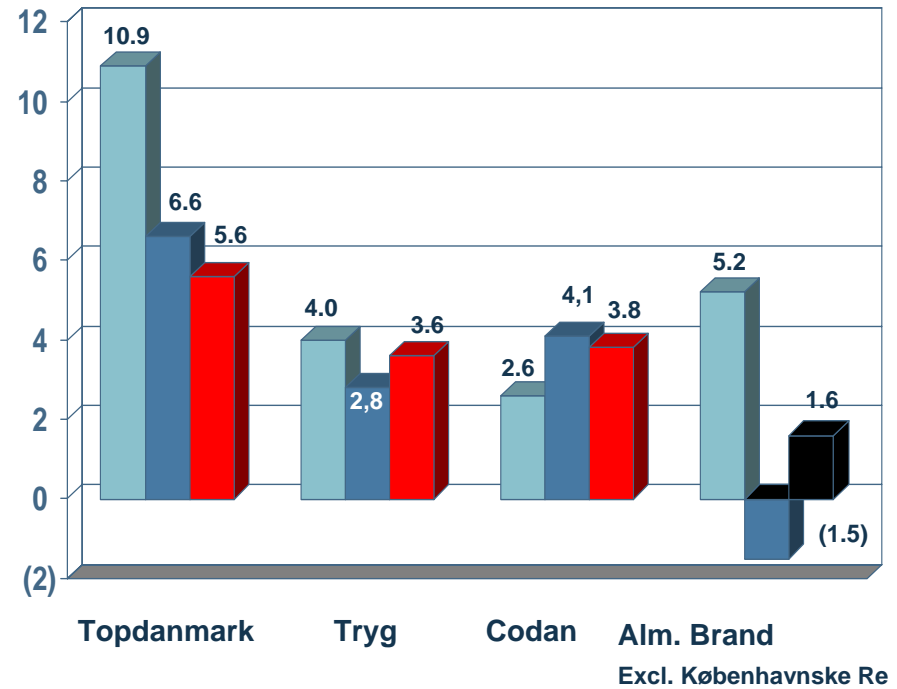
²⁾Excl. rent from owner-occupied properties, the expense ratio would be 0.4 pp lower

Higher premium growth than market

Combined ratio (Danish insurance)



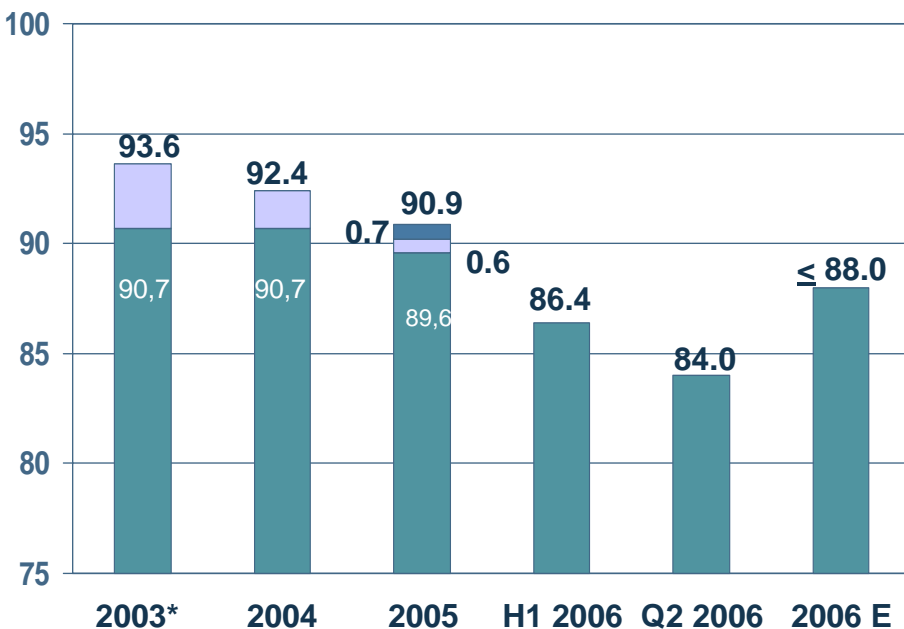
Premium growth (Danish insurance)



- 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

Downward trend in combined ratio

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

* 2003 reduced by estimated IFRS effect

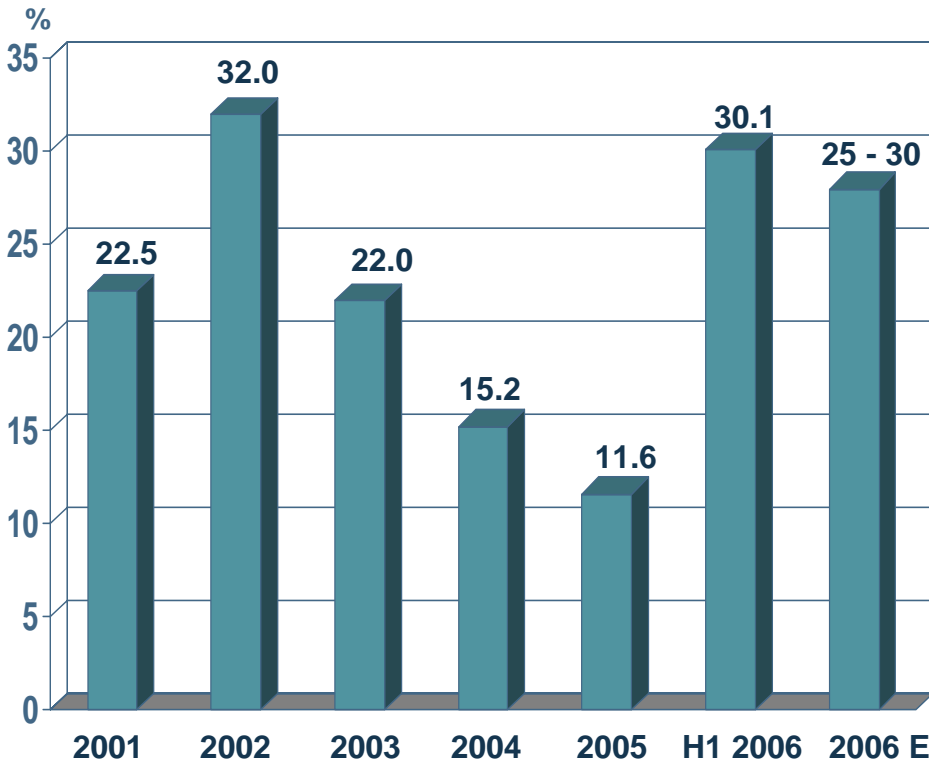
Trend in combined ratio:

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

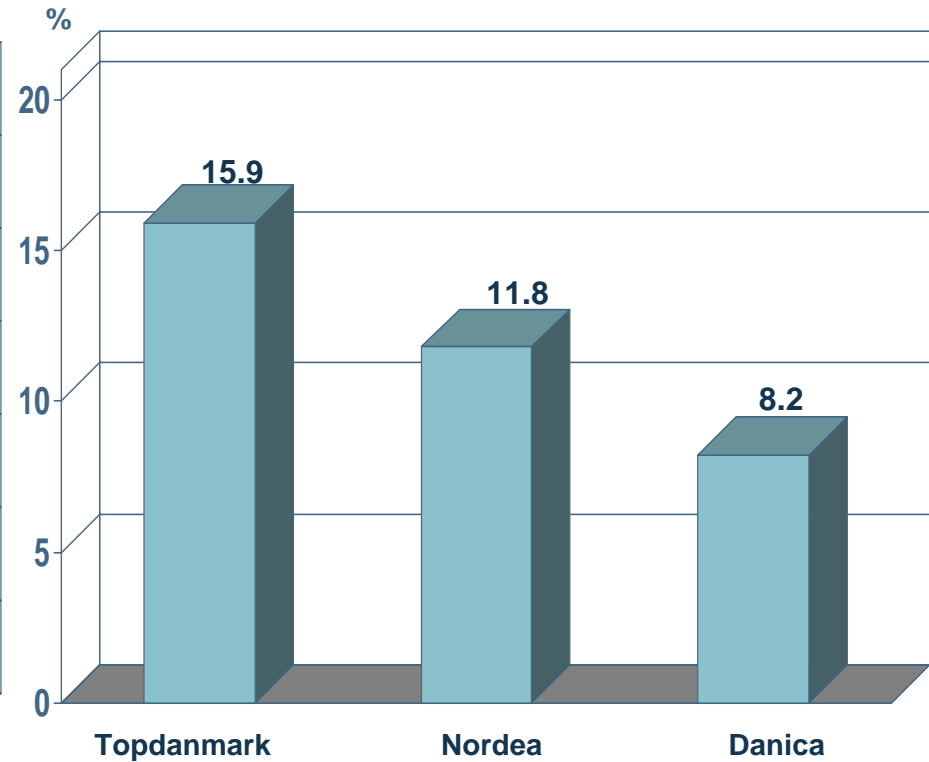
Providing good opportunities for resisting increased competition

Continued high growth in regular premiums

Premium growth, gross premiums



Comparison of premium growth in regular premiums in 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%
- 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 2006
- 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

Share buy-back corresponding to a yield of 8%

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- 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.

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