



Interim report Q1-Q3 2010



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Webcast and teleconference

Tryg hosts a webcast and teleconference Tuesday 16 November 2010 at 09.00 CET. Follow the webcast on tryg.com/investor. Financial analysts may participate on telephone +44 207 509 5139 or +45 32 71 47 67 for Q&A.

Webcast and teleconference will be held in English and can subsequently be viewed on tryg.co.

This report is unaudited. Historical figures are adjusted for the sale of the Marine Hull business cf. announcement from 11 March 2010. Unless otherwise stated, all comparisons are relative to the third quarter of 2009.

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Photo Frontpage, page 5: Andreas Lind
Page 3: Folio
Page 13: Polfoto
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Highlights

Q1-Q3 2010 result

In the first nine months of 2010, extraordinary weather related and large claims reached DKK 1.5bn, which is approximately DKK 1bn more than in a normal year. A workers' compensation High Court verdict in August 2010 created a need for higher provisions of DKK 200m and claims expenses in Danish workers' compensation and change of ownership insurances grew more than expected during the period. The result of the period has thus been affected by a significant increase in claims expenses and consequently the combined ratio increased from 91.5 to 99.9.

Premiums grew 4.2% in local currency to DKK 14.4bn. Expenses were maintained on a satisfactory level in a period affected by expenses for a new Nordic branding platform.



Q3 2010 result

- Premium growth of 3.6% in local currency. Increased premium provisions for change of ownership insurances in Denmark reduced the reported growth to 1.2% and 5.4% in DKK. Seen in isolation, premium increases improved the gross earned premiums by DKK 250m in the quarter and is expected to amount to around DKK 900m for the full year.
- Combined ratio of 99.2 compared to 92.0 in the same period last year is not satisfactory however, combined ratio was especially impacted by several factors in Denmark such as cloud-bursts and increased provisions for claims. The private business in Norway delivered a strong combined ratio of 88.4 while the underlying development in Commercial Nordic continued to be unsatisfactory.
- Streamlining, efficiency improvements and cost focus absorbed increased expenses for Nordic branding activities.
- Due to the claims development within certain products, claims reducing initiatives have been intensified and ongoing premium increases will be implemented.
- The technical result was DKK 74m and was affected by the above mentioned factors.
- Net investment return (after transfer of technical interest) totalled DKK 308m and supported by a return of 2.6% of the free portfolio. The return was positively affected by a capital gain for equities of DKK 160m.
- For 2010, Tryg reiterates a premium growth forecast 3-4% in local currency. Including winter claims, but before run-off in Q4 2010, combined ratio is expected at 98-100 against previously 96-98. The outlook for the return on investment is upgraded from DKK 100-200m to DKK 300-400m.
- For 2011, Tryg expects a premium growth in line with 2010 and an improved combined ratio and profitability.

Financial highlights

DKKm	2009		Q1	2010		2009 Q1-Q3	2010 Q1-Q3	Change	FY 2009
	Q3	Q4		Q2	Q3				
<i>NOK/DKK, average rate for the period</i>	84.83	88.04	90.87	93.83	93.35	83.44	92.68	11.1%	84.59
<i>SEK/DKK, average rate for the period</i>	71.25	71.88	73.84	77.09	78.83	69.40	76.58	10.3%	70.02
Gross premiums earned	4,637	4,609	4,650	4,890	4,886	13,253	14,426	8.9%	17,862
Gross claims incurred	-3,315	-3,436	-4,135	-3,573	-4,009	-9,446	-11,717	-24.0%	-12,882
Total insurance operating expenses	-731	-824	-789	-848	-796	-2,232	-2,433	-9.0%	-3,056
Profit/loss on gross business	591	349	-274	469	81	1,575	276		1,924
Profit/loss on ceded business	-220	-73	-114	-102	-41	-447	-257		-520
Technical interest, net of reinsurance	26	41	34	27	34	117	95		158
Technical result	397	317	-354	394	74	1,245	114	-91%	1,562
Return on investments after technical interest	332	210	204	-208	308	876	304		1,086
Other income and expenses	-12	0	37	-13	-13	-38	11		-38
Profit/loss before tax	717	527	-113	173	369	2,083	429	-79%	2,610
Tax	-187	-134	28	-44	-105	-491	-121		-625
Profit/loss on continuing business	530	393	-85	129	264	1,592	308		1,985
Profit/loss on discontinued and divested business after tax ^{a)}	0	55	-17	-1	-66	-32	-84		23
Profit/loss for the period	530	448	-102	128	198	1,560	224	-86%	2,008
Run-off gains/losses, net of reinsurance	121	190	158	169	211	493	538		683
Balance sheet									
Total provisions for insurance contracts	29,966	29,042	32,879	32,810	33,220	29,966	33,220		29,042
Total reinsurers' share of provisions for insurance contracts	1,348	1,320	1,625	1,587	1,586	1,348	1,586		1,320
Total shareholders' equity	9,214	9,631	9,462	8,444	8,411	9,214	8,411		9,631
Total assets	45,996	44,740	48,662	48,530	48,889	45,996	48,889		44,740
Key ratios									
Gross claims ratio	71.5	74.5	88.9	73.1	82.1	71.3	81.2		72.1
Business ceded as % of gross premiums	4.7	1.6	2.5	2.1	0.8	3.4	1.8		2.9
Claims ratio, net of ceded business	76.2	76.1	91.4	75.2	82.9	74.7	83.0		75.0
Gross expense ratio	15.8	17.9	17.0	17.3	16.3	16.8	16.9		17.1
Combined ratio	92.0	94.0	108.4	92.5	99.2	91.5	99.9		92.1
Gross expense ratio with adjustment						16.7	16.9		17.2
Return on equity after tax on continuing business (%)						24.4	4.6		22.3
Return on equity after tax (%)						23.9	3.3		22.5
Average prov. for insurance contracts						27,597	31,131		27,100
Average reinsurers' share of provisions for insurance contracts						1,192	1,453		1,178
Share performance									
Earnings per share – continuing business of DKK 25						25.1	4.9		31.3
Earnings per share (DKK)						24.6	3.6		31.7
Average number of shares (1,000)						63,376	62,772		63,334
Diluted average no. of shares (1,000)						63,519	62,854		63,448
Number of shares, end of period (1,000)						63,193	61,791		63,228
Net asset value per share (DKK)						145.8	136.1		152.3
Share price (DKK)						389.0	328.7		342.8

The gross expense ratio is calculated as the ratio of actual gross insurance operating expenses to gross earned premiums. Other key ratios are calculated in accordance with 'Recommendations & Financial Ratios 2010' issued by the Danish Society of Financial Analysts. In the calculation of the gross expense ratio with adjustment, costs are stated exclusive of depreciation and operating costs on the owner-occupied property but including a calculated cost (rent) concerning the owner-occupied property based on a calculated market rent.

a) Profit/loss on discontinued and divested business after tax includes Marine Hull insurance. Comparative figures are restated to reflect Marine Hull insurance.



Group performance

Q1-Q3 2010 result

The Group's gross earned premiums grew 4.2% in local currency to 14.4bn in the first nine months of 2010 and were attributable to growth in the business volume in Sweden and Finland, premium increases in Denmark and Norway. Premiums in Corporate Nordic declined.

The result for the first nine months has been affected by increased claims expenses that rose significantly due to winter claims of DKK 750m, large claims of DKK 518m and cloudburst claims in Denmark of DKK 260m. Added to this is a High Court verdict on workers' compensation that retroactively and given certain conditions allow persons in part-time employment full-time compensation, which has increased provisions by around DKK 200m. In total more than DKK 1.2bn in single events higher than a normal year.

Following a strong focus on efficiency improvements, expenses for sales, marketing and administration have been maintained despite increased expenses for Nordic branding activities.

The technical result was DKK 114m compared to DKK 1,245m in same period last year. Claims expenses amounted to DKK 1bn more than in a normal year. Tryg has launched a number of activities to improve the profitability going forward.

Q3 2010 result

Strong premium growth in a challenging market

The Group's gross earned premiums increased 3.6% in local currency (+ 8.1% in DKK) to DKK 4,886m in the third quarter 2010. Including increased premium provisions for change of ownership insurances 1), growth was 1.2% (5.4% in DKK). Completed premium increases in 2008 and 2009 improved gross earned premiums by DKK 250m in the period and had a positive affect of around 5% compared to the third quarter 2009. Premium growth in the Swedish and Finnish part of the business continued at high levels while Corporate Nordic experienced a decline in earned premiums.

1) According to accounting rules, in case the claims ratio of a product is expected to be more than 100, extra provisions have to be allocated corresponding to the part of the claims ratio above 100.

Combined ratio of 99.2

Combined ratio was 99.2, which is an increase of 7.2 percentage points. Weather related claims and increased provisions for workers' compensation and change of ownership insurances impacted by approximately 10 percentage points.

Claims affected by cloudburst and workers' compensation

Claims expenses totalled DKK 4,009m against DKK 3,315m in the same period 2009. The claims ratio was 82.1 against 71.5 and was positively affected by run-off, but negatively affected by the above mentioned factors.

The underlying development of the claims ratio was satisfactory in Private Nordic. In Commercial Nordic and Corporate Nordic, the period was negatively affected by the before mentioned factors of which the High Court verdict alone impacted by DKK 200m. The annualised effect at the verdict is estimated to be around DKK 20m.

Expenses for large claims were DKK 144m compared to DKK 97m.

Efficiency improvements reduce cost

Insurance operating expenses amounted to DKK 796m. Adjusted for increased premium provisions, the expense ratio was 15.9 in the third quarter 2010.

Tryg focuses on reducing the Group's costs. Digitalisation, self-service and investments that improve processes and IT systems are the most important drivers in the longer run.

Tryg's branding campaign had a budget of DKK 80-100m in 2010, which especially impacts the second half of 2010. The combination of efficiency improvements and branding activities balanced each other out in the third quarter.

By the end of the third quarter 2010, the Group had 4,316 full-time employees, which is unchanged compared to the same period 2009. In the combined Danish and Norwegian part of the business, the number fell by 35 full-time employees.

Before additional premium provisions for change of ownership insurances, the expense ratio was 15.9 against 15.8 in the same period last year. The gross expense ratio in Denmark and Norway was at 15.5, while Sweden and Finland had a total expense ratio of 21.5.

Technical result

The technical result was DKK 74m against DKK 397m in the same period last year and is affected by the above mentioned conditions.

Investment return of DKK 308m

Tryg discounts the insurance provisions and matches the payment profile of the provisions to the investment assets (bonds). This means that the interest rate effect of the matched bond portfolio is outweighed by an almost identical change in the discounted insurance provisions. Investment assets besides the match portfolio make up the free portfolio and are invested in equities, bonds and real estate. The two portfolios are described in greater detail in the section 'Investment activities'.

The free investment portfolio amounted to DKK 9.6bn by the end of the third quarter 2010 and yielded a total gross return of DKK 247m equivalent to a return of 2.6% (approximately 10.8% p.a.) on average invested capital. The result was positively impacted by the development in equities with a gain of 9.6% or DKK 160m.

The net return of investment was DKK 308m.

Profit before and after tax

The profit before tax and discontinued business fell from DKK 717m to DKK 369m and was affected by a lower technical result of DKK 323m due to the above mentioned conditions.

The tax charge of continued business was DKK 105m in the third quarter of 2010. The tax rate of 28 is due to a higher proportion of earnings coming from Norway and Norwegian corporate tax being higher, however to some extent positively affected by tax-free income on capital gains on equities.

Profit for the period after tax was DKK 198m compared to DKK 530m in the same period 2009.

Result of divested businesses

The item of DKK -66m is a claims expense in the marine hull business. The renewal rights for the marine hull portfolio were sold to RSA in March 2010 and until the renewal has been completed, Tryg has the risk.

Capital and solvency

Tryg's total capitalisation stood at DKK 10,278m at the end of the third quarter 2010 and has to be seen in relation to a capital requirement of DKK 9,746m. The requirement is based on Tryg's goal to maintain a capital level corresponding to an A- rating at Standard & Poor's. The capital buffer is thus DKK 532m or 5.5%. If the unused part of the share buy back programme is added, the buffer is 8.9%.

EU is preparing a new joint framework for the capital requirement of insurance companies, the so-called Solvency II rules, which will be effective from 1 January 2013. Tryg estimates that the Group will meet the coming solvency requirements that are estimated to be below the Group's current capital level.

Change in management

Group Executive Vice President and member of the Executive Management Peter Falkenham left Tryg as of 6 September 2010. The Executive Management now consists of CEO Stine Bosse and CFO Morten Hübbe.

Private Nordic

Private Nordic sells insurances to private individuals within motor, property, liability, travel, workers' compensation and health insurances in Denmark, Norway, Sweden and Finland. The business area comprises approximately 52% of the Group's total earned premiums.

Q1-Q3 2010 result

Gross earned premiums in Private Nordic totalled DKK 7.5bn compared to DKK 6.6bn and was impacted by growth in the business volume, premium increases and the acquisition of Moderna that was not consolidated in the first quarter of 2009. Premium increases since 2008 spurred a growth of more than 3% in Denmark and Norway in the first nine months of 2010. Sweden and Finland continued strong growth rates of 20.1% and 21,0% respectively.

Combined ratio was 96.9, which was an increase of 5.7 percentage points and affected by weather related claims and increased provisions for Danish change of ownership insurances. The underlying development is on the contrary estimated to be good and is positively affected by the premium increases.

Q3 2010 result

New markets lift growth

Gross earned premiums grew 3.7% (8.3% in DKK) to DKK 2,574m in the third quarter of 2010. The development was attributable to strong growth in Sweden and Finland of 20% and 17% respectively.

The private business in Denmark delivered an adjusted premium growth of 7.8%. Increased premium provisions for change of ownership insurances impacted the growth negatively by 2,0%. As the claims levels exceeded more than 100 %, premium provisions were increased (see note on page 6) by approximately DKK 105m in the period. A change of ownership insurance is valid for five or ten years and is paid for the entire period when the ownership changes. Premium increases thus only affect new change of ownership insurances. Tryg focuses on profitability which is why a premium increase of 40% was implemented in 2010 and further initiatives and stricter insurance criteria have been planned.

Income statement of Private Nordic

DKKm	Q3 2009	Q3 2010	Change	Q1-Q3 2009	Q1-Q3 2010	Change	FY 2009
Gross earned premiums	2,376	2,574	8.3%	6,624	7,527	13.6%	8,962
Gross claims incurred	-1,717	-2,082	-21.3%	-4,910	-6,183	-25.9%	-6,751
Gross expenses	-349	-392	-12.3%	-1,076	-1,179	-9.6%	-1,477
Profit/loss on gross business	310	100		638	165		734
Profit/loss on ceded business	-24	90		-61	64		-87
Technical interest, net of reinsurance	13	21		56	55		85
Technical result	299	211	-29%	633	284	-55%	732
Run-off gains/losses, net of reinsurance	82	177		72	246		134
Key ratios							
Gross claims ratio	72.3	80.9		74.1	82.1		75.3
Business ceded as percentage of gross premiums	1.0	-3.5		0.9	-0.9		1.0
Claims ratio, net of ceded business	73.3	77.4		75.0	81.2		76.3
Gross expense ratio	14.7	15.2		16.2	15.7		16.5
Combined ratio	88.0	92.6		91.2	96.9		92.8

Gross claims ratio in Private Nordic



Premium increases on content insurances in Denmark increased premiums by approximately DKK 21m in the period. The premium increases took effect as of 1 January 2010. During the coming quarters, the premium effect is expected to take further effect and to improve profitability within content insurances significantly.

Premium increases on motor insurances in Finland and house insurances in Norway have already improved profitability in these areas.

The average premium of house insurances grew around 5% in Denmark and cirka 10% in Norway. The average premium of motor insurances increased by around 6% in Norway and 1% in Denmark.

Despite premium increases in Denmark, the renewal rate continued at a high level of 89.8 corresponding to Danish private customers on average stay with Tryg around ten years. In Norway, where premium increases were completed earlier than in Denmark, the renewal rate rose further from 85.5 to 85.7 in the period.

Combined ratio

Combined ratio was 92.6 compared to 88.0. Combined ratio in Private Nordic was affected by the expansion in Sweden and Finland. The Danish and Norwegian parts of the business had

combined ratios of 91.8 and 88.4 respectively and the Swedish and Finnish private businesses were both at approximately 101. Combined ratio in Denmark was impacted by cloudburst claims.

Claims expenses

Claims expenses increased to DKK 2,082m and the claims ratio was 80.9 against 72.3 in the third quarter of 2009. Cloudbursts in August in Denmark impacted the claims ratio by 8.1 percentage points while change of ownership insurances affected by 3.2 percentage points, which was partly counterbalanced by run-off gains of 7.1 percentage points.

In Denmark, the claims ratio was 88.2 against 72.7 with especially cloudbursts and the development of change of ownership insurances impacting the result by 17.4 and 7.9 percentage points respectively.

In Norway, the claims ratio was 73.8 compared to 69.3 in the third quarter of 2009. In Finland, the claims ratio fell from 84.0 to 80.6 as a consequence of the increased efforts to improve profitability since the summer of 2009.

Costs affected by increased premium provisions

Gross costs totalled DKK 392m and the expense ratio fell from 14.7 to 14.6 when adjusted for premium provisions for change of ownership insurances of DKK 105m. Considering the private business contains expansion costs in Sweden and Finland, the development in the expenses is satisfactory.

A new distribution strategy focusing on self-service as well as efficiency improvements and improved processes is an important part of the long term cost reduction strategy.

Technical result of DKK 211m

The technical result fell from DKK 299m to DKK 211m and was impacted by the previously mentioned conditions. Focus in Private Nordic continues to be to create profitable growth especially focusing on change of ownership, house and content insurances.

Commercial Nordic sells insurances to companies within motor, property, liability, travel, workers' compensation and health in Denmark, Norway, Sweden and Finland. The business area comprises around 22% of the Group's gross earned premiums.

Q1-Q3 2010 result

Gross earned premiums were DKK 3.2m, an increase of 9.2% in local currency (12.8% in DKK). The increase is a result of implemented premium increases in 2009 and the transferred portfolio from Corporate Nordic.

Combined ratio was 115.7, an increase of 13.5 percentage points. Compared with a normal year abnormal weather related claims and large claims impacted by 16 percentage points. However, the underlying development is despite the extraordinary claim costs and further improvements not at a satisfactory level.

Q3 2010 result

Premiums

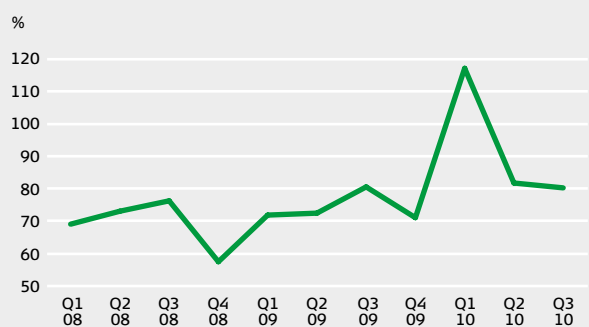
Gross earned premiums were up by 8.4% in local currency (11.9% in DKK) to DKK 1,073m in the third quarter of 2010. The development is partly due to the portfolio change from Corporate Nordic to Commercial Nordic.

In the autumn of 2009, Tryg increased premiums in agriculture insurances, which affected premium growth in Commercial Nordic positively by 15% in the third quarter of 2010. The premium increases will continue to have a positive effect the coming quarters. The profitability on agriculture insurances has improved as planned.

Income statement of Commercial Nordic

DKKm	Q3 2009	Q3 2010	Change	Q1-Q3 2009	Q1-Q3 2010	Change	FY 2009
Gross earned premiums	959	1,073	11.9%	2,816	3,176	12.8%	3,777
Gross claims incurred	-773	-862	-11.5%	-2,116	-2,943	-39.1%	-2,797
Gross expenses	-227	-262	-15.4%	-688	-775	-12.6%	-925
Profit/loss on gross business	-41	-51		12	-542		55
Profit/loss on ceded business	-24	-12		-77	45		-98
Technical interest, net of reinsurance	7	8		32	23		39
Technical result	-58	-55	5%	-33	-474	n/a	-4
Run-off gains/losses, net of reinsurance	16	34		110	54		192
Key ratios							
Gross claims ratio	80.6	80.3		75.1	92.7		74.1
Business ceded as percentage of gross premiums	2.5	1.0		2.7	-1.4		2.6
Claims ratio, net of ceded business	83.1	81.3		77.8	91.3		76.7
Gross expense ratio	23.7	24.4		24.4	24.4		24.5
Combined ratio	106.8	105.7		102.2	115.7		101.2

Gross claims ratio in Commercial Nordic



On 1 October 2010 general premium increases of more than 10% were launched, which will have a positive effect on the profitability in the years ahead.

Customer retention in Commercial Nordic grew from 86.5% to 87.1% in Denmark and from 88.2% to 90.0% in Norway meaning that a customer in average stays with Tryg around 8-10 years.

Combined ratio

Combined ratio was 105.7 against 106.8 in the third quarter of 2009. The development was affected by claims expenses for cloudbursts in Denmark of 5.5 percentage points. However, the underlying combined ratio is still at a level that requires further cost reductions and profitability initiatives.

Claims ratio nearly unchanged

Claims ratio was 80.3 in the third quarter of 2010 against 80.6 in the same period of 2009. The cloud burst in August caused claims costs for property, content and agriculture insurances of DKK 60m. Added to this, is the effect of the High Court verdict on workers' compensation.

In total, the claims ratio was reduced, which is attributable to the effect of reorganisation efforts that increases profitability. In the longer term, already implemented initiatives will increase profitability further.

Expense ratio

Costs amounted to DKK 262m, and the expense ratio rose from 23.7 to 24.4. The expense ratio is higher than the Group's average due to higher sales and process costs than in Private Nordic where several processes are automated and reorganised to more effective sales and service channels. To reduce the expense ratio in Commercial Nordic further, Tryg focuses on automated processes and on reducing sales costs.

Technical result on level with third quarter 2009

The technical result of Commercial Nordic was DKK -55m against DKK -58m. The result was impacted by the cloudburst in August and is expected to improve significantly when premium and cost initiatives come into effect.

Corporate Nordic sells insurances to corporate customers under the brand 'Tryg' in Denmark and Norway and 'Moderna' in Sweden. Corporate sells through own sales force and through insurance brokers. The business area contributes around 26% of the Group's gross earned premiums.

Q1-Q3 2010 result

Gross earned premiums amounted to DKK 3.7bn corresponding to a decline of 6.4% in local currency. The reduction partly reflects Tryg's non-participation in insurance programmes for large businesses where profitability is questionable, and partly that part of the portfolio has been transferred to Commercial Nordic.

Combined ratio was 92.3, which is an increase of 9.2 percentage points, of which approximately 7 percentage points is due to an increase of provisions within workers' compensation. The decline in premiums also affects the cost ratio relatively, which rose by 1.2 percentage point.

Q3 2010 result

Premiums

Gross earned premiums fell 7.9% in local currency (fell 3.9% in DKK) to DKK 1,245m in the third quarter of 2010. Historical

figures are adjusted for the sale of the marine hull business cf. announcement from 11 March 2010. Furthermore, a part of the portfolio has been transferred from Corporate Nordic to Commercial Nordic.

In the Danish part of Corporate Nordic, gross earned premiums fell more than in the Norwegian part, which is due to the market in Denmark since 2008/2009 has been impacted by a larger recession and stagnation. The economic downturn has affected the volume in Denmark and has been further intensified by the tough competition within single products such as workers' compensation.

Combined ratio

Combined ratio rose to 107.1 against 87.5 in the same period of 2009. The development is heavily impacted by strengthening of reserves on workers' compensation.

Claims

Claims ratio was 85.7 against 63.7 in the same period of 2009. The change was strongly impacted by a Supreme Court verdict by approximately 12 percentage points. The verdict from 16 August 2010 on workers' compensation in Denmark retroactively allows persons in part-time employment full-time compensation. This

Income statement of Corporate Nordic

DKKm	Q3 2009	Q3 2010	Change	Q1-Q3 2009	Q1-Q3 2010	Change	FY 2009
Gross earned premiums	1,295	1,245	-3.9%	3,806	3,733	-1.9%	5,127
Gross claims incurred	-825	-1,067	-29.3%	-2,420	-2,593	-7.2%	-3,348
Gross expenses	-144	-142	1.4%	-441	-479	-8.6%	-610
Profit/loss on gross business	326	36		945	661		1,169
Profit/loss on ceded business	-164	-125		-301	-374		-325
Technical interest, net of reinsurance	6	5		29	17		34
Technical result	168	-84	n/a	673	304	-55%	878
Run-off gains/losses, net of reinsurance	25	0		311	238		357
Key ratios							
Gross claims ratio	63.7	85.7		63.6	69.5		65.3
Business ceded as percentage of gross premiums	12.7	10.0		7.9	10.0		6.3
Claims ratio, net of ceded business	76.4	95.7		71.5	79.5		71.6
Gross expense ratio	11.1	11.4		11.6	12.8		11.9
Combined ratio	87.5	107.1		83.1	92.3		83.5



has increased provisions on Group basis for claims by around DKK 200m on previous years' claims and larger provisions on this year's claims. The annualised effect going forward is limited and estimated to be around DKK 20m.

In addition to the Supreme Court verdict workers' compensation insurances have been affected by low economic activity causing higher claims frequency and longer payment/compensation periods. In total, the claims ratio within workers' compensation insurances is estimated to be near 100 and further claim receding and premium Initiatives have been initiated.

Large claims were DKK 77m in the third quarter of 2010 against DKK 50m in the same quarter of 2009. Large claims impacted the claims ratio by 6.2 percentage points against 3.9 percentage points in the same period of 2009. Especially the Norwegian part of Corporate Nordic was impacted by large claims.

Run-off on previous years claims was 0 in the third quarter of 2010. Run-off gains supported the claims ratio by 1.9 per-

centage points in the same quarter of 2009. Additionally, the lower interest rate level caused a negative effect of 1.0 percentage point compared to the same period of 2009 due to the lower discounting rates.

Cost

Nominal costs were at the same level as the third quarter of 2009. However, as a result of a decrease in premiums, the cost ratio rose to 11.4 in the third quarter of 2010 against 11.1 in the same period of 2009. Corporate Nordic has initiated cost savings to maintain the low cost ratio by for example making work processes more efficient and a more effective staff policy.

Technical result

The technical result was DKK -84m against DKK 168m in the same period of 2009. The development is particularly due to an increase in provisions on workers' compensation of around DKK 150m.

Investment activities

Tryg discounts the insurance provisions and matches the payment profile of the provisions to the investment assets (bonds). This means that the interest rate effect on the matched bond portfolio is outweighed by an almost identical change in the discounted insurance provisions. Investment assets, besides the match portfolio, make up the free portfolio and are invested in equities, bonds and real estate.

The bond composition of the match portfolio deviated by DKK 22m compared to the discounting of the insurance provisions in the third quarter of 2010. The total match portfolio was DKK 31.3bn with a deviation of 0.07 percentage points.

The free investment portfolio amounted to DKK 9.6bn by the end of the third quarter 2010 and yielded a total gross return of DKK 247m equivalent to a return of 2.6% (approximately 10.3% p.a.) on average invested capital. The result was positively impacted by equity returns of 9.5% or DKK 160m.

The total return of investments before other financial gains and losses not related to investment was DKK 239m in the third quarter of 2010 against DKK 435m in the same period the year before. The result was positively affected by equity returns of 9.6% or DKK 160m.

The net return of investments was DKK 308m and was better than expected and primarily substantiated by the equity return.

88% of the bond portfolio is placed in AAA rated bonds, 7% in AA rated bonds and the rest in A rated bonds, Norwegian money market certificates with good credit quality and others.

Division of the investment portfolio

In 2010, Tryg divided the Group's investment portfolio into a match portfolio that matches the insurance discounted provisions and a free portfolio that consists of free investments and corresponds in principle to the Group's capital. On the next pages, the principles behind the division are described in greater detail. Due to the division, the table below is divided to correspond to the two portfolios.

The match portfolio

The match portfolio solely consisting of bonds and deposits yielded a return of DKK 375m. This return should be compared to the DKK -353m regarding transfer to technical interest and exchange rate adjustments following the changed discounting rate. It is not possible to invest precisely as the authorities' discounting curve, which is why Tryg has a tolerance threshold of

Income statement of investment activities

DKKm	Match	Q3 2010 Free	Total	Match	Q1-Q3 2010 Free	Total
Bonds, cash deposits, etc.	375	32	407	1,135	212	1,347
Equities ^{a)}		160	160		90	90
Real estate ^{b)}		55	55		177	177
Total	375	247	622	1,135	479	1,614
Value adjustment, changed discount rate	-172		-172	-607		-607
Transferred to technical interest	-181		-181	-564		-564
Total return, investment activities	22	247	269	-36	479	443
Other financial income and expenses, investment ^{c)}			-4			-27
Other financial income and expenses, non-investment ^{c)}			43			-112
Return on investment activities			308			304

a) DKK 124m bought on futures contracts has been added to the equity portfolio

b) Return on properties includes a calculated return on owner-occupied property (excl. cost concerning "The Living House"). The balancing item is recognised in "Other financial income and expenses" to the effect that the total return shown corresponds to the investment return according to the income statement which does not include return on owner-occupied property.

c) The item comprises interest on operating assets, bank debt and reinsurance deposits, exchange rate adjustment of insurance items, costs of investment activities and offsetting of return on owner-occupied property.

plus/minus DKK 50m per quarter equivalent to a fluctuation of approximately 0.15% of the match portfolio. In the third quarter of 2010, this difference was DKK 22m.

2.6% return in the free portfolio

The free portfolio consists of equities, real estate and bonds and produced a total gross return of DKK 247m in the third quarter of 2010 corresponding to 2.6% on average invested capital.

The free portfolio was approximately DKK 9.6bn by the end of the period. The equity portfolio is globally diversified and produced a return of DKK 160m or 9.6% primarily due to an increase in the global financial markets.

The real estate portfolio that consists of Danish and Norwegian real estate yielded a return of DKK 55m or 1.4%, which is in line with expectations. The return on real estate is calculated on the basis of current net rental income, gains on sales and possible revaluations. A return is calculated for head office buildings based on market rent for similar buildings, but this amount is deducted in the item 'Other financial income and expenses'.

The bond portfolio yielded a return of DKK 32m corresponding to 0.9%. The bond portfolio has an average maturity of around two years.

Other financial income and expenses

The item 'Other financial income and expenses' consists of a string of elements that are included in the investment result. Some of these elements are comparatively predictable and covers for instance interest expenses on the loan portfolio. Included rent on head office buildings and interest income on liquid assets are expected to amount to around DKK 250m on an annual basis. Besides these, are several less predictable items such as exchange rate adjustments, mismatch on inflation hedge related to workers' compensation provisions etc. Tryg expects a variation on these items plus/minus DKK 100m per year and plus/minus DKK 50m per quarter.

Income statement of match and free portfolio

DKKm	Q3 2009	Q3 2010	Change	Q1-Q3 2009	Q1-Q3 2010	Change	FY 2009	Investment assets 31.12.09	30.09.10
Bonds, cash deposits, etc.	540	407	-133	1,524	1,347	-177	1,850	34,248	35,045
Equities ^{a)}	177	160	-17	313	90	-223	405	1,589	1,927
Real estate ^{b)}	53	55	2	175	177	2	258	3,893	3,981
Total	770	622	-148	2,012	1,614	-398	2,513	39,730	40,953
Value adjustment, changed discount rate	-98	-172	-74	-279	-607	-328	-294		
Transferred to technical interest	-192	-181	11	-640	-564	76	-845		
Total return, investment activities	480	269	-211	1,093	443	-650	1,374		
Other financial income and expenses, investment ^{c)}	-19	-4	15	-53	-27	26	-85		
Other financial income and expenses, non-investment ^{c)}	-129	43	172	-164	-112	52	-203		
Return on investment activities	332	308	-24	876	304	-572	1,086		

a) DKK 124m bought on futures contracts has been added to the equity portfolio.

b) Return on properties includes a calculated return on owner-occupied property (excl. cost concerning "The Living House"). The balancing item is recognised in "Other financial income and expenses" to the effect that the total return shown corresponds to the investment return according to the income statement which does not include return on owner-occupied property.

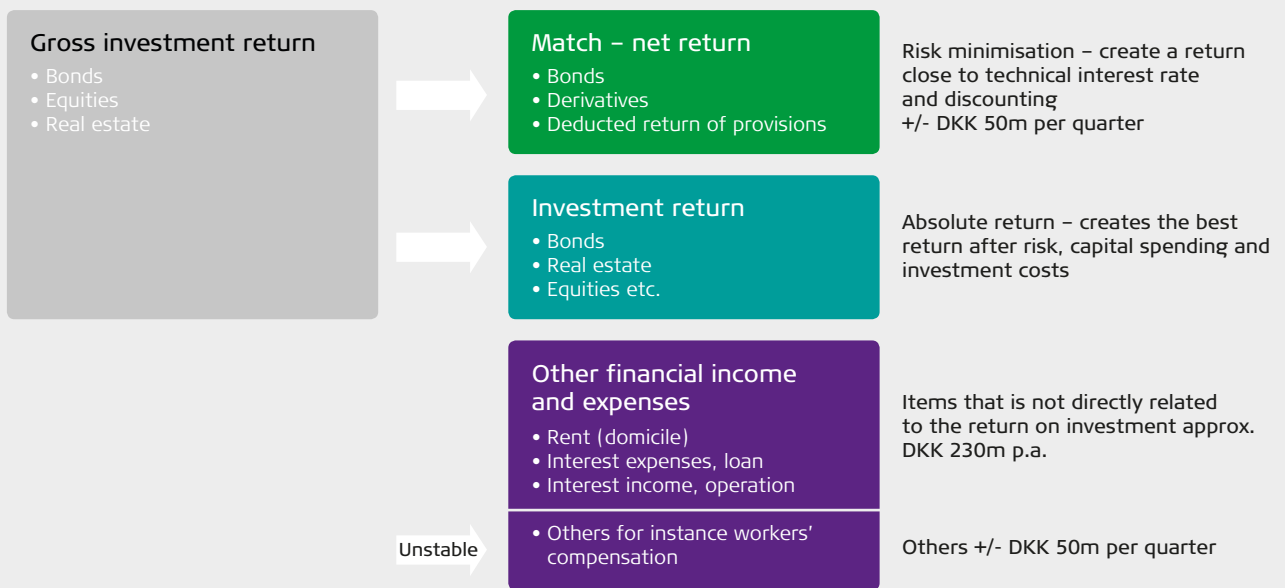
c) The item comprises interest on operating assets, bank debt and reinsurance deposits, exchange rate adjustment of insurance items, costs of investment activities and offsetting of return on owner-occupied property.

Principles for the match and free portfolio

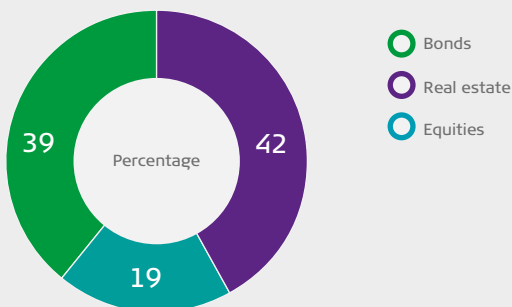
As one of the only countries in the world, Denmark requires insurance companies to discount their insurance provisions. The Danish Financial Supervisory Authority uses a discounting curve all companies have to follow. Therefore, countries where insurance provisions are not discounted develop and structure assets and liabilities differently and their asset portfolios are often structured independent of the liability side (insurances provisions).

The new Solvency II rules expected effective as of 2013 will change the rules so that all European companies will have to discount their provisions. Under the current solvency rules and in countries where discounting is not used, an insurance company will usually have more volatile asset portfolios and thus larger fluctuations in earnings. Under the coming Solvency II rules, high fluctuations in earnings will require a higher capital basis and vice versa. Discounting of provisions clarifies the

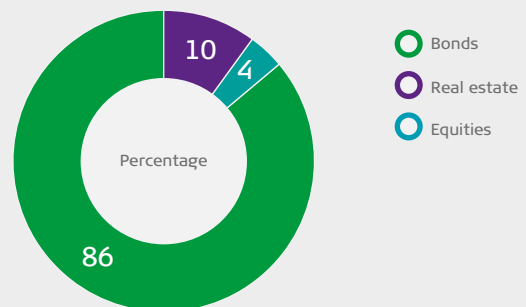
Division of the investment portfolio



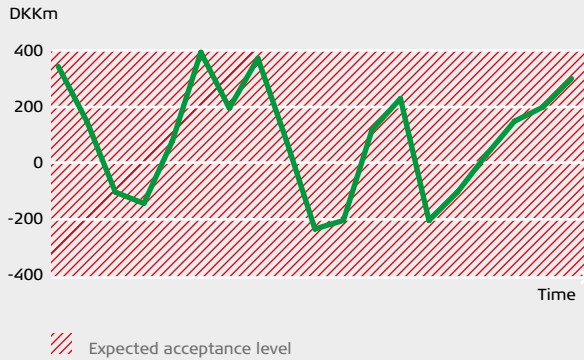
The free portfolio



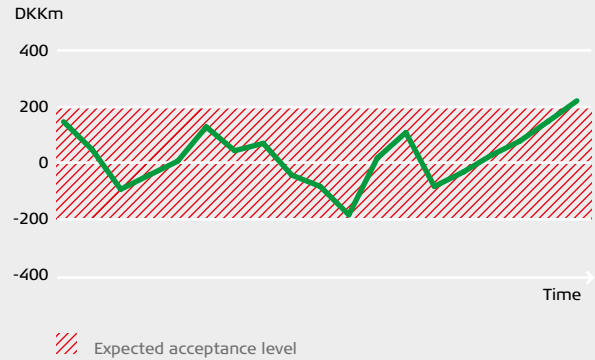
The total investment portfolio



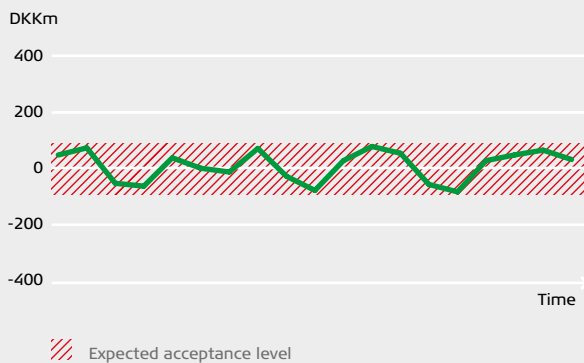
Unmatched



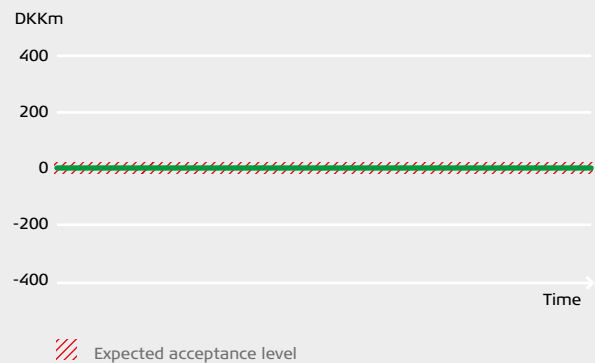
Duration matched



Fully matched



Theoretically perfect match



deviation between the return of assets and liabilities. To reduce fluctuations and risks in the total return, insurance companies are expected to match assets and liabilities or explain why they have chosen different risk profiles for the assets and liabilities.

Tryg discounts insurance obligations and adjusts the bond portfolio on an ongoing basis in order to maintain the net interest rate risk (currency fluctuations due to interest rate changes) at the lowest level possible. Provisions are discounted using an interest curve determined by the Financial Supervisory Authority. This interest curve is constructed and investments cannot be matched precisely to this curve. To accommodate this, Tryg has developed a model portfolio that matches the Supervisory Authorities' curves in each country as close as possible. In the model portfolio, future interest payments are placed as close to the insurance provisions as

possible. This construction eliminates the majority of market risks affecting the match portfolio. However, the difference between the Supervisory Authority's return and the return of our model portfolio can still vary. Deviations can also occur due to reorganisation, investment cost or ongoing changes in the size, time and cover of the provisions.

A perfect match means that the return of the match portfolio (coupon and exchange rate adjustment) is identical to the return of provisions (exchange rate adjustment of provisions stemming from interest changes plus technical interest). Above is an example of a perfect match showing how far that is from ideal situation, which is zero variation between return of provisions on one side and the realised return of the asset portfolio on the other side. It is clear that the variety – the yield factor – declines significantly.

Capitalisation

Tryg's equity stood at DKK 8.4m at 31 October 2010. Including hybrid capital of DKK 1.6bn, the total capitalisation amounted to DKK 10,0bn at the end of the third quarter 2010.

During the third quarter the Group repurchased shares for an amount of DKK 270m. Since the initiation of the share buy back programme in April 2010, repurchased shares amount to DKK 449m corresponding to 56% of the total programme at the end of the third quarter. Until the day before the release of annual report for 2010 (9 February 2011) total share buy backs of DKK 799m has been planned. Adjusted for the total share buy back programme, the equity stood at DKK 8,061m at the end of the third quarter of 2010.

Tryg's target capital is determined based on Standard & Poor's model corresponding to the level of an A- rating plus a buffer of 5%.

Tryg's available capital amounted to DKK 10,278m at 31 October, deducted the non-executed part of the share buy back programme. The available capital should be considered relative to a capital requirement of DKK 9,746m. The excess capital corresponds to a buffer of DKK 532m or 5.5% of the capital requirement. Including the non-executed part of the share buy back programme, the buffer amounts to 8.9%. The statement is based on the latest version of Standard & Poor's capital model.



A simplified capital model updated to include third quarter 2010 financial data is available at tryg.com under Investor/key figures.

In the capital planning, Tryg takes the future Solvency II requirements expected to be effective as of the beginning of 2013, into consideration. In October Tryg made the final QIS5 calculations. Tryg estimates that the buffer will be in the level of 20- 25 % of the capital requirement under Solvency II. Please note that the capital included in Solvency II is lower than Standard & Poor's capital model.

Equity as of 30 September 2010

DKKm

30.09.2010

Equity at the beginning of 2010	9,631
Cash dividend paid during 2009	991
Completed share buy backs during the period	449
Equity at the end of third quarter 2010	8,411
Equity at the end of third quarter 2010 adjusted for planned share buy backs	8,061

Outlook

Premium outlook maintained

Tryg reiterates the outlook for gross earned premiums at 3-4% in local currency. Moderna was consolidated as from the second quarter of 2009, and the consolidation lifts the growth in 2010 by approximately 1 percentage points. The continued customer influx in Sweden and Finland increases the Group's total premium growth. In Corporate Nordic, premiums are falling due to lower volumes and increased competition. Launched premium increases proceed as planned and lift the topline by DKK 0.9bn as expected in 2010. Implemented and planned premium increases are expected to contribute by a further approximately DKK 1.0bn in 2011 and approximately DKK 0.6bn in 2012.

In the annual report for 2010, the expected premium growth in 2011 will be further explained.

The economic state of the market and price competition on certain products entail that a higher uncertainty than normally applies to the outlook of the premium growth.

Combined ratio impacted by extraordinary expenses

Outlook for combined ratio before run-off for the rest of the year and extraordinary winter claims are changed from 93-95 to 95-97. The change is especially due to increased provisions following a new High Court verdict on workers' compensation, an unsatisfactory progress in change of ownership insurances

and as well a higher claims frequency. The extraordinary winter claims in 2010 are estimated to DKK 700m corresponding to 3.8 percentage points on combined ratio. The actual combined ratio including expenses for winter claims is thus expected in the interval 98-100 for the full-year 2010. Outlook for combined ratio does not contain run-off for the fourth quarter of 2010. Run-off has in the last four years affected combined ratio positively by 3.5-4.6 percentage points.

Claims

2010 was impacted by several extraordinary events:

- Gross DKK 750m for extraordinary winter claims in the first quarter
- DKK 266m for cloudbursts in August (net DKK 135m)
- DKK 200m for strengthening of reserves for workers' compensation insurances after High Court verdict

Expenses for large claims were at the beginning of the year expected to be DKK 0.5-0.6bn for 2010. In the first nine months, large claims amounted to gross DKK 518m. For the rest of 2010 large claims are expected to be DKK 125-150m.

Expenses for weather related claims were expected to be DKK 200-300m at the beginning of the year. In the first nine months, weather related claims were gross around DKK 1bn. For the rest of 2010 weather related claims are expected to be DKK 100m.

Outlook

DKKm	Actual 2009	Expected feb. 2010	Expected aug. 2010 ^{a)}	Expected nov. 2010 ^{a)}
Premium growth ^{b)} (%)	4.7	3-4	3-4	3-4
Technical result	1,562	1,200-1,600	400-800	300-400
Investment return	1,086	200-300	100-200	300-400
Profit before tax	2,610	1,400-1,800	600-1,000	600-700
Profit after tax	2,008			400-500
Combined ratio ^{c)}	92.1	93-95	96-98	98-100

a) Including extraordinary winter claims of approximately DKK 700m.

b) In local currency.

c) Outlook for 2010 contains run-off from the first nine months of 2010. Outlook for combined ratio does not contain run-off for the rest of 2010.

Run-off

Run-off, which is changes in the provisions for claims, was net DKK 538m year to date 2010. The outlook does not contain run-off for the remainder of 2010.

Cost

The expense ratio was positively affected by tight cost control and ongoing efficiency and rationalisation measures. The expense ratio was negatively influenced by increased cost in connection with a multi year improvement of business processes and IT systems, increased cost in connection with the preparation and implementation of Solvency II as well as cost relating to branding activities. Branding activities will especially affect cost in the second half of 2010.

Technical result

The technical result including winter claims is expected to be DKK 300-400m in 2010 before run-off in the fourth quarter of 2010 compared to DKK 1.55bn in 2009. 2010 earnings are significantly impacted by single events, which has resulted in claims being more than DKK 1.2bn above a normal year.

On 15 October 2010, Tryg published a market update where a number of factors affecting the development in the third quarter 2010 by approximately DKK 500m was mentioned.

Compared to the second quarter of 2010 and the market update the outlook is unchanged due to the total effect of run-off in the third quarter of 2010 and increased outlook for weather related claims.

Investment activities

The development in the financial markets until 30 September 2010 entails an upgrade of the outlook for the return on investments for 2010. After transfer of technical interest the investment return is now expected to be DKK 300-400m against previously DKK 100-200m. A positive development of equities primarily substantiates the upgrade.

The outlook for the investment result for the remainder of 2010 is based on the investment result up to and including 30 September 2010 and assuming annualised bond return of 2.2%, equity return of 7.0% and estate return of 6.0%.

Due to volatility and insecurity in the financial markets prompted by national debt issues in southern Europe as well as a gradual economic recovery, the assumptions for the investment return are subject to considerable uncertainty.



See a sensitivity analysis of gains/losses of Tryg's portfolio of investment assets in the annual report on page 61.

Tax

For 2010 Tryg expects an effective tax rate of 28, depending, however, on the amount of tax-exempt or non-deductible gains or losses on equities.

Return on equity

If the above mentioned outlook is met, Tryg expects to generate a return on equity after tax of approximately 5%.

Disclaimer

Certain statements in this report are based on the beliefs of management as well as assumptions made by and information currently available to management. Statements regarding Tryg's future results of operations, financial condition, cash flows, business strategy, plans and future objectives other than statements of historical fact can generally be identified by terminology such as "targets", "believes", "expects", "aims", "intends", "plans", "seeks", "will", "may", "anticipates", "could", "continues" or similar expressions.

A number of different factors may cause the actual performance to deviate significantly from the forward-looking statements in this report, including but not limited to general economic developments, changes in the competitive environment, developments in the financial markets, extraordinary events such as natural disasters or terrorist attacks, changes in legislation or case law and reinsurance.



Tryg urges readers to refer to the section on risk management available in the annual report or on www.tryg.com for a description of some of the factors that could affect the Group's future performance or the insurance industry.

Should one or more of these risks or uncertainties materialise or should any underlying assumptions prove to be incorrect, Tryg's actual financial condition or results of operations could materially differ from that described as anticipated, believed, estimated or expected in this report. Tryg is not under any duty to update any of the forward-looking statements or to confirm such statements to actual results, except as may be required by law.

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Statement by the Supervisory Board and the Executive Management

The Supervisory Board and the Executive Management have today considered and adopted the interim report for the first to third quarter of 2010.

The report, which is unaudited and has not been reviewed by the company's auditors, is presented in accordance with IAS 34 Interim Financial Reporting, the Danish Financial Business Act and the requirements of the Nasdaq OMX Copenhagen for the presentation of financial statements of listed companies.

In our opinion, the report gives a true and fair view of the Group's assets, liabilities and financial position at 30 September 2010 and of the results of the Group's activities and cash flows for the period. We are furthermore of the opinion that the management's report includes a fair review of the developments in the activities and financial position of the Group, the results for the period and of the Group's financial position in general and describes the principal risks and uncertainties that the Group faces.

Ballerup, 15 November 2010.

Executive management

Christine Bosse
Group CEO

Morten Hübbe
Group CFO

Supervisory Board

Mikael Olufsen
Chairman

Bodil Nyboe Andersen
Deputy chairman

Jørn Wendel Andersen

Paul Bergqvist

Christian Brinch

Lene Skole

Bill-Owe Johansson

John R. Frederiksen

Rune Torgeir Joensen

Tina Snebjerg

Jesper Hjulmand

Berit Torm

Income statement

DKKm	Q1-Q3 2009	Q1-Q3 2010	FY 2009
Notes General insurance			
Gross premiums written	14,345	15,918	17,883
Ceded insurance premiums	-661	-900	-824
Change in provisions for unearned premiums	-975	-1,400	91
Change in reinsurers' share of provisions for unearned premiums	-15	133	-62
2 Earned premiums, net of reinsurance	12,694	13,751	17,088
3 Technical interest, net of reinsurance	117	95	158
Claims paid	-9,538	-10,754	-13,148
Reinsurance recoveries	144	284	253
Change in provisions for claims	92	-963	266
Change in the reinsurers' share of provisions for claims	37	172	32
4 Claims incurred, net of reinsurance	-9,265	-11,261	-12,597
Bonus and premium rebates	-117	-92	-112
Acquisition costs	-1,640	-1,776	-2,214
Administrative expenses	-592	-657	-842
Acquisition costs and administrative expenses	-2,232	-2,433	-3,056
Commission and profit commission from the reinsurers	48	54	81
5 Insurance operating expenses, net of reinsurance	-2,184	-2,379	-2,975
9 Technical result	1,245	114	1,562
Investment activities			
Income from associates	0	-5	0
Income from investment properties	102	100	136
6 Interest income and dividends	1,027	842	1,287
7 Value adjustment	547	49	734
6 Interest expenses	-89	-64	-116
Investment management charges	-71	-54	-110
Total return on investment activities	1,516	868	1,931
3 Interest on insurance provisions	-640	-564	-845
Total return on investment activities after technical interest	876	304	1,086
Other income	91	138	123
Other expenses	-129	-127	-161
Profit/loss before tax	2,083	429	2,610
Tax	-491	-121	-625
Profit/loss on continuing business	1,592	308	1,985
8 Profit/loss on discontinued and divested business	-32	-84	23
Profit/loss for the period	1,560	224	2,008
Earnings per share – continuing business of DKK 25	25.1	4.9	31.3
Earnings per share of DKK 25	24.6	3.6	31.7
Diluted earnings per share (DKK)	24.6	3.6	31.7

Total comprehensive income

DKKm	Q1-Q3 2009	Q1-Q3 2010	FY 2009
Note			
Adjustment beginning of year cf note 1	-35	0	-35
Revaluation of owner-occupied properties for the period	0	0	9
Tax on owner-occupied properties	0	0	-2
Exchange rate adjustment of foreign entities for the period	497	256	505
Hedging of currency exposure in foreign entities for the period	-438	-251	-474
Tax on hedging of currency exposure in foreign entities for the period	109	63	119
Actuarial gains/losses on defined benefit pension plans	76	-92	28
Tax on actuarial gains/losses on defined benefit pension plans	-22	26	-7
Net income/expense recognised in equity	187	2	143
Profit for the period	1,560	224	2,008
Total comprehensive income for the period	1,747	226	2,151

Balance sheet

DKKm		30.09.2009	30.09.2010	31.12.2009
Notes	Assets			
	Intangible assets	942	967	934
	Operating equipment	68	106	83
	Owner-occupied property	1,345	1,365	1,358
	Assets under construction	80	313	172
	Total property, plant and equipment	1,493	1,784	1,613
	Investment property	2,330	2,304	2,364
	Investments in associates	16	13	17
	Total investments in associates	16	13	17
	Equity investments	366	191	381
	Unit trust units	1,610	2,122	2,143
	Bonds	32,663	34,094	29,410
	Deposits in credit institutions	2,115	1,668	2,938
	Total other financial investment assets	36,754	38,075	34,872
	Deposits with ceding undertakings, receivable	33	16	15
	Total investment assets	39,133	40,408	37,268
	Reinsurers' share of provisions for unearned premiums	229	202	195
	Reinsurers' share of provisions for claims	1,119	1,384	1,125
	Total reinsurers' share of provisions for insurance contracts	1,348	1,586	1,320
	Receivables from policyholders	1,405	1,444	967
	Total receivables in relation to direct insurance contracts	1,405	1,444	967
	Receivables from insurance enterprises	333	166	271
	Other receivables	135	687	1,190
	Total receivables	1,873	2,297	2,428
	Current tax assets	48	37	0
	Deferred tax assets	76	116	86
	Cash in hand and at bank	500	994	512
	Other	5	2	4
	Total other assets	629	1,149	602
	Accrued interest and rent earned	371	482	417
	Other prepayments and accrued income	207	216	158
	Total prepayments and accrued income	578	698	575
	Total assets	45,996	48,889	44,740

DKKm		30.09.2009	30.09.2010	31.12.2009
Notes	Liabilities			
	Shareholders' equity	9,214	8,411	9,631
	Subordinated loan capital	1,586	1,590	1,586
	Provisions for unearned premiums	7,196	7,833	6,208
	Provisions for claims	22,392	25,034	22,470
	Provisions for bonuses and premium rebates	378	353	364
	Total provisions for insurance contracts	29,966	33,220	29,042
	Pensions and similar obligations	459	564	531
	Deferred tax liability	1,206	1,292	1,330
	Other provisions	15	1	6
	Total provisions	1,680	1,857	1,867
	Debt related to direct insurance	376	363	383
	Debt related to reinsurance	327	233	168
	Debt to credit institutions	700	3	611
	Current tax liabilities	431	178	303
	Other debt	1,547	2,841	954
	Total debt	3,381	3,618	2,419
	Accruals and deferred income	169	193	195
	Total liabilities and equity	45,996	48,889	44,740

1 Accounting policies

Statement of changes in equity

DKKm	Share-capital	Revaluation-reserves	Reserve for exchange rate adj.	Equalisation-reserve	Other reserves	Retained earnings	Proposed dividends	Total
Shareholders' equity at 31 Dec. 2008	1,700	7	-134	58	749	5,422	442	8,244
Q1-Q3 2009								
Adjustment beginning of year cf note 1						-35		-35
Profit for the period					170	1,390		1,560
Exchange rate adjustment of foreign entities			460			37		497
Hedge of foreign currency risk in foreign entities			-438					-438
Actuarial gains and losses on pension obligation						76		76
Tax on equity entries			109			-22		87
Total comprehensive income	0	0	131	0	170	1,446	0	1,747
Nullification of own shares	-102					102		0
Distributed dividend							-442	-442
Dividend own shares						32		32
Purchase of own shares						-411		-411
Exercise of share options						11		11
Issue of employee shares						21		21
Issue of share options						12		12
Total equity entries in Q1-Q3 2009	-102	0	131	0	170	1,213	-442	970
Shareholders' equity at 30 Sep. 2009	1,598	7	-3	58	919	6,635	0	9,214
Shareholders' equity at 31 Dec. 2008	1,700	7	-134	58	749	5,422	442	8,244
2009								
Adjustment beginning of year cf note 1						-35		-35
Profit for the year					201	816	991	2,008
Revaluation of owner-occupied properties		9						9
Exchange rate adjustment of foreign entities			487			18		505
Hedge of foreign currency risk in foreign entities			-474					-474
Actuarial gains and losses on pension obligation						28		28
Tax on equity entries		-2	119			-7		110
Total comprehensive income	0	7	132	0	201	820	991	2,151
Nullification of own shares	-102					102		0
Distributed dividend							-442	-442
Dividend own shares						32		32
Purchase of own shares						-418		-418
Exercise of share options						19		19
Issue of employee shares						30		30
Issue of share options						15		15
Total equity entries in 2009	-102	7	132	0	201	600	549	1,387
Shareholders' equity at 31 Dec. 2009	1,598	14	-2	58	950	6,022	991	9,631

DKKm	Share-capital	Revaluation-reserves	Reserve for exchange rate adj.	Equalisation-reserve	Other reserves	Retained earnings	Proposed dividends	Total
Shareholders' equity at 31 Dec. 2009	1,598	14	-2	58	950	6,022	991	9,631
Q1-Q3 2010								
Profit for the period					96	128		224
Exchange rate adjustment of foreign entities			256					256
Hedge of foreign currency risk in foreign entities			-251					-251
Actuarial gains and losses on pension obligation						-92		-92
Tax on equity entries			63			26		89
Total comprehensive income	0	0	68	0	96	62	0	226
Distributed dividend							-991	-991
Dividend own shares						14		14
Purchase of own shares						-493		-493
Exercise of share options						11		11
Issue of share options						13		13
Total equity entries Q1-Q3	0	0	68	0	96	-393	-991	-1,220
Shareholders' equity at 30 Sep. 2010	1,598	14	66	58	1,046	5,629	0	8,411

Cash flow statement

DKKm		Q1-Q3 2009	Q1-Q3 2010	FY 2009
Note	Cash generated from operations			
	Premiums	13,962	15,458	18,011
	Claims paid	-9,524	-10,851	-13,170
	Ceded business	-398	-460	-529
	Expenses	-2,316	-2,406	-2,946
	Change in other payables and other amounts receivable	-63	-71	-191
	Cash flow from insurance operations	1,661	1,670	1,175
	Interest income	1,334	807	1,573
	Interest expenses	-127	-52	-173
	Dividend received	12	9	14
	Taxes	-257	-269	-349
	Other items	-41	11	-42
	Cash generated from operations, continuing business	2,582	2,176	2,198
	Cash generated from operations, discontinued and divested business	42	28	-2
	Total cash generated from operations	2,624	2,204	2,196
	Investments			
	Acquisition and refurbishment of real property	-90	-148	-203
	Sale of real property	2	105	1
	Acquisition of equity investments and unit trust units (net)	-225	442	14
	Purchase/Sale of bonds (net)	-1,487	-1,162	1,411
	Deposits in Credit institutions	631	1,342	-1,850
	Purchase/sale of operating equipment (net)	-148	-20	-166
	Acquisition of subsidiaries	-939	0	-939
	Acquisition of subsidiaries, cash and cash equivalents	605	0	605
	Foreign currency hedging	-438	-251	-474
	Investments, continuing business	-2,089	308	-1,601
	Total investments	-2,089	308	-1,601
	Funding			
	Purchase of own shares	-379	-468	-334
	Subordinated loan capital	485	0	485
	Dividend paid	-442	-991	-442
	Change in debt to credit institutions	-10	-608	-98
	Funding, continuing business	-346	-2,067	-389
	Total funding	-346	-2,067	-389
	Change in cash and cash equivalents, net	189	445	206
	Price adjustment of cash and cash equivalents, beginning of period	29	37	24
	Change in cash and cash equivalents, gross	218	482	230
	Cash and cash equivalents, beginning of period	282	512	282
	Cash and cash equivalents, end of period	500	994	512

DKKm

1 Accounting policies

Tryg's first to third quarter 2010 report is presented in accordance with IAS 34 Interim Financial Reporting and the financial reporting requirements for Danish listed companies of the Danish Financial Business Act and OMX.

The application of IAS 34 means that the report is limited relative to the presentation of a full annual report and that the valuation principles are in accordance with International Financial Reporting Standards (IFRS).

From 1 January 2010 the Group implemented the following standards:

- IAS 1 'Presentation of Financial Statements'
- IFRS 2 'Share-based Payments'
- IAS 17 'Leases'
- IAS 36 'Impairment of Assets'
- Amendments to IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'

The implementation of the new standards has not affected recognition and measurement in 2010.

From 1 January 2010, the operating business segments in Tryg are Private Nordic, Commercial Nordic and Corporate Nordic.

The comparative figures are restated to reflect the disposal of the renewal rights of the Marine Hull portfolio. The total result of the Marine Hull portfolio is presented in Profit/loss on discontinued and divested business.

The method to calculate holiday-pay obligations, etc., under IFRS has been adjusted over the recent years and Tryg has decided to adopt the latest and most generally accepted method. This has resulted in a DKK 35m increase in holiday-pay obligations and recognised in equity.

Change in accounting estimate

In 2010, the effective tax rate for the year is expected to be 28. The increase of the expected tax rate from 27 in the first half year is mainly due to a combination of the reduced profit and increased capital gains on shares.

In addition, the accounting policies are unchanged from the annual report 2009. The annual report 2009 contains the full description of the accounting policies.

Notes

DKKm	Q1-Q3 2009	Q1-Q3 2010	FY 2009
2 Earned premiums, net of reinsurance			
Direct insurance	13,333	14,598	17,925
Indirect insurance	30	30	31
	13,363	14,628	17,956
Unexpired risk provision	7	-110	18
	13,370	14,518	17,974
Ceded direct insurance	-652	-717	-852
Ceded indirect insurance	-24	-50	-34
	12,694	13,751	17,088
3 Technical interest, net of reinsurance			
Interest on insurance provisions	640	564	845
Transferred from provisions for claims concerning discounting	-523	-469	-687
	117	95	158
4 Claims incurred, net of insurance			
Claims incurred	-9,960	-12,304	-13,534
Run-off previous years, gross	514	587	652
	-9,446	-11,717	-12,882
Reinsurance recoveries	202	505	254
Run-off previous years, reinsurers' share	-21	-49	31
	-9,265	-11,261	-12,597
Under claims incurred, the value adjustment of inflation swaps to hedge the inflation risk concerning annuities on workers' compensation insurance totals DKK -132m (in Q1-Q3 2009 DKK 55m.)			
5 Insurance operating expenses, net of reinsurance			
Commission regarding direct business	-337	-359	-439
Other acquisition costs	-1,303	-1,417	-1,775
	-1,640	-1,776	-2,214
Total acquisition costs	-592	-657	-842
Administrative expenses	-2,232	-2,433	-3,056
Insurance operating expenses, gross	48	54	81
Commission from reinsurers	-2,184	-2,379	-2,975

Notes

DKKm	Q1-Q3 2009	Q1-Q3 2010	FY 2009
6 Interest and dividends			
Dividends	12	10	14
Interest income cash in hand and at bank	44	32	67
Interest income bonds	962	787	1,197
Interest income other	9	13	9
	1,027	842	1,287
<i>Interest expenses</i>			
Interest expenses subordinated loan capital and credit institutions	-67	-64	-90
Interest expenses other	-22	0	-26
	-89	-64	-116
	938	778	1,171
7 Market value adjustment			
Equity investments	27	-8	62
Unit trust units	343	158	485
Share derivatives	-27	-14	-38
Bonds	501	224	532
Interest derivatives	-14	267	-23
	830	627	1,018
Investment property	5	5	19
Owner-occupied property	0	0	1
Discounting	-279	-607	-294
Other balance sheet items	-9	24	-10
	-283	-578	-284
	547	49	734
Market value gains	1,211	796	1,606
Market value losses	-664	-747	-872
Market value adjustment, net	547	49	734
Under market value adjustment the adjustment of inflation swaps totals DKK 23m (in Q1-Q3 2009 DKK 0m).			
8 Profit/loss on discontinued and divested business			
Earned premiums, net of reinsurance	250	180	333
Technical interest, net of reinsurance	-1	0	0
Claims incurred, net of reinsurance	-266	-254	-265
Insurance operating expenses, net of reinsurance	-27	-38	-37
Technical result	-44	-112	31
Profit/loss before tax	-44	-112	31
Tax	12	28	-8
Profit/loss on discontinued and divested business	-32	-84	23

Notes

DKKm	Private Nordic	Commercial Nordic	Corporate Nordic	Other	Group
9 Operating segments					
Q1-Q3 2010					
Gross premiums earned	7,527	3,176	3,733	-10	14,426
Gross claims	-6,183	-2,943	-2,593	2	-11,717
Gross operating expenses	-1,179	-775	-479	0	-2,433
Profit/loss on business ceded	64	45	-374	8	-257
Technical interest, net of reinsurance	55	23	17	0	95
Technical result	284	-474	304	0	114
Total return on investment activities after technical interest					304
Other income and expenses					11
Profit before tax					429
Tax					-121
Profit on continuing business					308
Profit/loss on discontinued and divested business					-84
Profit					224
Run-off gains/losses, net of reinsurance	246	54	238	0	538
Investments in associates				13	13
Reinsurers' share of provision for unearned premiums	13	23	166	0	202
Reinsurers' share of provision for claims	247	304	833	0	1,384
Other assets				47,290	47,290
Total assets					48,889
Provisions for unearned premiums	4,075	1,713	2,045	0	7,833
Provisions for claims	6,823	6,398	11,803	10	25,034
Provisions for bonuses and premium rebates	199	19	135	0	353
Other liabilities				7,258	7,258
Total liabilities					40,478

Notes

DKKm	Private Nordic	Commercial Nordic	Corporate Nordic	Other	Group
9 Operating segments					
Q1-Q3 2009					
Gross premiums earned	6,624	2,816	3,806	7	13,253
Gross claims	-4,910	-2,116	-2,420	0	-9,446
Gross operating expenses	-1,076	-688	-441	-27	-2,232
Profit/loss on business ceded	-61	-77	-301	-8	-447
Technical interest, net of reinsurance	56	32	29	0	117
Technical result	633	-33	673	-28	1,245
Total return on investment activities after technical interest					876
Other income and expenses					-38
Profit before tax					2,083
Tax					-491
Profit on continuing business					1,592
Profit/loss on discontinued and divested business					-32
Profit					1,560
Run-off gains/losses, net of reinsurance	72	110	311	0	493
Investments in associates				16	16
Reinsurers' share of provision for unearned premiums	75	25	129	0	229
Reinsurers' share of provision for claims	89	134	896	0	1,119
Other assets				44,632	44,632
Total assets					45,996
Provisions for unearned premiums	3,663	1,570	1,963	0	7,196
Provisions for claims	6,104	5,483	10,739	66	22,392
Provisions for bonuses and premium rebates	219	19	140	0	378
Other liabilities				6,816	6,816
Total liabilities					36,782

Description of segments

Amounts relating to Tryg A/S, Tryg Ejendomme A/S and eliminations are included in 'Other'. Other assets and liabilities are managed at Group level and are therefore not allocated to the individual segments. These amounts are thus included under 'Other'.

Costs are allocated according to specific keys, which are believed to provide the best estimate of assessed resource consumption. The distribution on segments in Moderna has been altered during Q3 as to medium sized enterprise. Comparative figures have been restated accordingly.

A presentation of segments broken down by geography is provided in 'Financial highlights and key ratios by geography'.

Geographical segments

DKKm	Q3 2009	Q3 2010	Q1-Q3 2009	Q1-Q3 2010	Change	FY 2009
Danish general insurance						
Gross premiums earned	2,366	2,312	7,098	7,114	0.2%	9,525
Technical result	121	-34	799	54	-745	1,178
Run-off gains/losses, net of reinsurance	71	190	268	419	151	421
Key ratios						
Gross claims ratio	74.3	86.5	72.4	83.6	-11.2	71.6
Business ceded as % of gross premiums	5.5	-1.5	2.5	0.2	2.3	2.5
Claims ratio, net of ceded business	79.8	85.0	74.9	83.8	-8.9	74.1
Gross expense ratio	15.8	16.8	15.0	16.0	-1.0	14.5
Combined ratio	95.6	101.8	89.9	99.8	-9.9	88.6
Full-time employees, end of period			2,316	2,341	25	2,293
Norwegian general insurance						
Gross premiums earned	1,726	1,905	4,991	5,576	11.7%	6,750
Technical result	296	123	584	198	-386	618
Run-off gains/losses, net of reinsurance	65	8	221	93	-128	277
Key ratios						
Gross claims ratio	65.6	76.1	67.7	77.3	-9.6	70.8
Business ceded as % of gross premiums	4.3	4.5	5.0	4.4	0.6	3.7
Claims ratio, net of ceded business	69.9	80.6	72.7	81.7	-9.0	74.5
Gross expense ratio	13.6	13.8	16.2	15.6	0.6	17.0
Combined ratio	83.5	94.4	88.9	97.3	-8.4	91.5
Full-time employees, end of period			1,413	1,353	-60	1,398
Swedish general insurance						
Gross premiums earned	407	525	805	1,306	62.2%	1,111
Technical result	26	-3	-15	-94	-79	-75
Run-off gains/losses, net of reinsurance	-7	13	10	26	16	-8
Key ratios						
Gross claims ratio	76.4	83.2	77.9	84.9	-7.0	80.6
Business ceded as % of gross premiums	1.7	-1.3	1.2	0.4	0.8	1.8
Claims ratio, net of ceded business	78.1	81.9	79.1	85.3	-6.2	82.4
Gross expense ratio	16.0	19.4	23.4	22.5	0.9	25.1
Combined ratio	94.1	101.3	102.5	107.8	-5.3	107.5
Full-time employees, end of period			371	428	57	425

DKKm	Q3 2009	Q3 2010	Q1-Q3 2009	Q1-Q3 2010	Change	FY 2009
Finnish general insurance						
Gross premiums earned	131	150	352	440	25.0%	480
Technical result	-34	-14	-95	-44	51	-115
Run-off gains/losses, net of reinsurance	-6	0	-6	0	6	-7
Key ratios						
Gross claims ratio	87.0	82.7	85.5	80.9	4.6	84.2
Business ceded as % of gross premiums	1.5	0.7	0.9	1.1	-0.2	0.6
Claims ratio, net of ceded business	88.5	83.4	86.4	82.0	4.4	84.8
Gross expense ratio	34.4	28.7	39.5	29.8	9.7	41.7
Combined ratio	122.9	112.1	125.9	111.8	14.1	126.5
Full-time employees, end of period			190	194	4	194
Other*						
Gross premiums earned	7	-6	7	-10	-17	-4
Technical result	-12	2	-28	0	28	-44
Tryg						
Gross premiums earned	4,637	4,886	13,253	14,426	8.9%	17,862
Technical result	397	74	1,245	114	-1,131	1,562
Run-off gains/losses, net of reinsurance	121	211	493	538	45	683
Key ratios						
Gross claims ratio	71.5	82.1	71.3	81.2	-9.9	72.1
Business ceded as % of gross premiums	4.7	0.8	3.4	1.8	1.6	2.9
Claims ratio, net of ceded business	76.2	82.9	74.7	83.0	-8.3	75.0
Gross expense ratio	15.8	16.3	16.8	16.9	-0.1	17.1
Combined ratio	92.0	99.2	91.5	99.9	-8.4	92.1
Full-time employees, end of period			4,290	4,316	26	4,310

* Amounts relating to Tryg A/S, Tryg Ejendomme A/S and eliminations are included in 'Other'.

Quarterly outline

DKKm	Q3 2008	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010
Private Nordic									
Gross premiums earned	2,068	2,022	1,987	2,261	2,376	2,338	2,391	2,562	2,574
Technical result	272	112	138	196	299	99	-167	240	211
Key ratios									
Gross claims ratio	70.1	74.6	76.1	74.3	72.3	78.7	92.2	74.0	80.9
Business ceded, % of gross premiums	1.3	0.8	1.2	0.6	1.0	1.1	-0.7	1.7	-3.5
Claims ratio, net of ceded business	71.4	75.4	77.3	74.9	73.3	79.8	91.5	75.7	77.4
Gross expense ratio	18.6	21.4	17.0	17.2	14.7	17.2	16.3	15.5	15.2
Combined ratio	90.0	96.8	94.3	92.1	88.0	97.0	107.8	91.2	92.6
Commercial Nordic									
Gross premiums earned	949	913	910	947	959	961	1,019	1,084	1,073
Technical result	38	172	14	11	-58	29	-376	-44	-55
Key ratios									
Gross claims ratio	76.3	57.4	71.9	72.8	80.6	70.9	117.2	81.8	80.3
Business ceded, % of gross premiums	2.2	1.0	4.2	1.6	2.5	2.2	-2.5	-2.9	1.0
Claims ratio, net of ceded business	78.5	58.4	76.1	74.4	83.1	73.1	114.7	78.9	81.3
Gross expense ratio	20.9	24.6	24.1	25.6	23.7	24.7	23.0	25.7	24.4
Combined ratio	99.4	83.0	100.2	100.0	106.8	97.8	137.7	104.6	105.7
Corporate Nordic									
Gross premiums earned	1,321	1,310	1,220	1,291	1,295	1,321	1,240	1,248	1,245
Technical result	230	249	293	212	168	205	188	201	-84
Key ratios									
Gross claims ratio	71.8	59.2	56.7	69.9	63.7	70.2	59.4	63.2	85.7
Business ceded, % of gross premiums	4.2	12.1	9.5	1.6	12.7	1.8	12.7	7.2	10.0
Claims ratio, net of ceded business	76.0	71.3	66.2	71.5	76.4	72.0	72.1	70.4	95.7
Gross expense ratio	9.9	11.9	11.6	12.0	11.1	12.8	13.2	13.9	11.4
Combined ratio	85.9	83.2	77.8	83.5	87.5	84.8	85.3	84.3	107.1
Other*									
Gross premiums earned	0	-5	0	0	7	-11	0	-4	-6
Technical result	18	-4	-8	-8	-12	-16	1	-3	2

DKKm	Q3 2008	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010
Tryg									
Gross premiums earned	4,338	4,240	4,117	4,499	4,637	4,609	4,650	4,890	4,886
Technical result	558	529	437	411	397	317	-354	394	74
Return on investment activities	-331	-157	46	498	332	210	204	-208	308
Profit/loss before tax	210	360	470	896	717	527	-113	173	369
Profit/loss	232	80	320	710	530	448	-102	128	198
Key ratios									
Gross claims ratio	72.0	66.0	69.4	72.7	71.5	74.5	88.9	73.1	82.1
Business ceded, % of gross premiums	2.4	4.2	4.3	1.1	4.7	1.6	2.5	2.1	0.8
Claims ratio, net of ceded business	74.4	70.2	73.7	73.8	76.2	76.1	91.4	75.2	82.9
Gross expense ratio	16.0	19.5	17.2	17.6	15.8	17.9	17.0	17.3	16.3
Combined ratio	90.4	89.7	90.9	91.4	92.0	94.0	108.4	92.5	99.2

* Amounts relating to Tryg A/S, Tryg Ejendomme A/S and eliminations are included in 'Other'.

Further information

Financial calendar

9 February 2011	Annual report 2010 and Interim report Q4 2010
14 April 2011	Annual general meeting
11 May 2011	Interim report Q1 2011
17 August 2011	Interim report Q2 and H1 2011
9 November 2011	Interim report Q3 2011



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