

Announcement no. 12 – 2006

17 August 2006

Half-year 2006 report

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“TrygVesta Conference Call” – 17 August 2006 – 10:00 a.m. CET

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Further information and webcast available at www.trygvesta.com

The interim financial statements are unaudited

Financial highlights and key ratios, the TrygVesta Group

DKKm	Q2 2006	Q2 2005	Q2 2004	Change 2005/2006	H1 2006	H1 2005	H1 2004	Change 2005/2006
TrygVesta								
Gross earned premiums	4,005	3,926	3,859	2.0%	7,965	7,769	7,636	2.5%
Technical result	786	679	616	107	1,179	977	830	202
Profit/loss on investments	-130	26	-114	-156	181	256	15	-75
Profit/loss for the period before tax	651	703	501	-52	1,351	1,227	839	124
Profit for the period	562	537	296	25	1,097	879	569	218
Key ratios								
Claims ratio	62.3	65.9	62.4	3.6	69.1	76.5	68.0	7.4
Business ceded as a percentage of gross premiums	5.1	2.6	8.0	-2.5	2.8	-4.2	5.7	-7.0
Claims ratio, net of ceded business	67.4	68.5	70.4	1.1	71.9	72.3	73.7	0.4
Expense ratio	16.7	16.6	16.5	-0.1	16.9	17.2	17.2	0.3
Combined ratio	84.1	85.1	86.9	1.0	88.8	89.5	90.9	0.7
Private & Commercial Denmark								
Gross earned premiums	1,587	1,567	1,479	1.3%	3,204	3,123	2,937	2.6%
Technical result	295	220	237	75	566	317	343	249
Key ratios								
Claims ratio	63.0	70.6	65.3	7.6	65.5	89.9	69.6	24.4
Business ceded as a percentage of gross premiums	4.9	-1.7	2.0	-6.6	3.2	-16.4	1.8	-19.6
Claims ratio, net of ceded business	67.9	68.9	67.3	1.0	68.7	73.5	71.4	4.8
Expense ratio	16.8	17.7	18.1	0.9	16.9	17.8	18.0	0.9
Combined ratio	84.7	86.6	85.4	1.9	85.6	91.3	89.4	5.7
Private & Commercial Norway								
Gross earned premiums	1,144	1,149	1,132	-0.4%	2,264	2,268	2,198	-0.2%
Technical result	197	305	515	-108	296	432	431	-136
Key ratios								
Claims ratio	63.6	54.1	36.2	-9.5	67.3	60.2	59.9	-7.1
Business ceded as a percentage of gross premiums	2.2	2.3	2.6	0.1	1.7	2.1	2.1	0.4
Claims ratio, net of ceded business	65.8	56.4	38.8	-9.4	69.0	62.3	62.0	-6.7
Expense ratio	20.5	19.1	17.4	-1.4	21.3	20.6	19.7	-0.7
Combined ratio	86.3	75.5	56.2	-10.8	90.3	82.9	81.7	-7.4
Corporate								
Gross earned premiums	1,229	1,181	1,227	4.1%	2,412	2,319	2,461	4.0%
Technical result	312	168	-125	144	342	254	81	88
Key ratios								
Claims ratio	59.2	70.4	83.0	11.2	75.0	74.0	73.1	-1.0
Business ceded as a percentage of gross premiums	8.7	9.1	20.5	0.4	3.7	5.9	13.7	2.2
Claims ratio, net of ceded business	67.9	79.5	103.5	11.6	78.7	79.9	86.8	1.2
Expense ratio	11.2	11.3	12.6	0.1	11.6	11.9	12.8	0.3
Combined ratio	79.1	90.8	116.1	11.7	90.3	91.8	99.6	1.5
Finnish general insurance								
Gross earned premiums	49	33	22	48.5%	90	63	42	42.9%
Technical result	-12	-14	-11	2	-19	-26	-25	7
Key ratios								
Claims ratio	77.6	78.8	63.6	1.2	79.3	82.5	78.6	3.2
Business ceded as a percentage of gross premiums	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Claims ratio, net of ceded business	77.6	78.8	63.6	1.2	79.3	82.5	78.6	3.2
Expense ratio	48.4	63.6	86.4	15.2	44.0	60.3	83.3	16.3
Combined ratio	126.0	142.4	150.0	16.4	123.3	142.8	161.9	19.5

Highlights for the six months ended 30 June 2006

"We consider TrygVesta's performance in the first half of 2006 satisfactory and we reaffirm our full-year forecast despite the lower investment result. The reiteration is backed by strong technical results both in the first and second quarters of the year, the sale of Chevanstell Limited, our UK business in run-off, and a lower actual tax in 2006 after several years of profitable insurance operations. We focus on sustaining our positive performance, and expect the launch of new customer benefits to generate further premium growth in Denmark and Norway. The start-up in Sweden is progressing as planned, and we believe our unique programme providing "peace of mind" and coverage will make us an important player in the Swedish market for private insurance. The new common branding platform we launched in Denmark and Norway has been well received both in-house and externally. The branding platform is the customer-oriented part of a value process, which we will use as a basis for introducing further common work processes, business procedures and forms of collaboration," says Stine Bosse, Group CEO.

Financial highlights:

- **Gross premiums** were 2.5% or DKK 196m higher in the first half of 2006 than in the year-earlier period, primarily driven by growth rates of 4.0% in Corporate, 2.6% in Private & Commercial Denmark and 42.9% in Finland.
- **The technical result** at DKK 1,179m was an increase of DKK 202m relative to the year-earlier period. The expense ratio was 0.3 percentage point lower.
- **The combined ratio** for the first half of 2006 was 88.8, an improvement from 89.5 in the first half of 2005.
- After transfer of technical interest, the Group's **investments** yielded a return of DKK 181m in the first half of 2006, which was DKK 75m lower than in the year-earlier period due to equity and bond market trends. Discounting of technical provisions impacted results positively in the amount of DKK 271m due to the higher discount rate.
- **The pre-tax profit** was DKK 1,351m in the first six months of 2006, an improvement of DKK 124m compared with the same period of 2005. Tax in the period was affected by a reversed tax provision detailed on page 7.
- The **profit for the period after tax** and discontinued business equals an annualised **return on equity** of 27%.

Operational highlights:

- In August, TrygVesta signed an agreement to divest Chevanstell Limited, the UK business in run-off, as a natural step in the Group's strategy of focusing on the Nordic markets. The divestment has an effect of DKK 80m on the full-year results, which is included in the forecast, but not in the half-year results.
- In mid-June, as planned, Vesta Skadeförsäkring started selling private insurance through Nordea's 250 branches in Sweden.
- TrygVesta intends to begin selling commercial insurance in Finland in early 2007. Distribution will take place in a partnership with Nordea, which as bankers has contact to a large part of the Finnish commercial market.

- TrygVesta has launched a new common branding platform in Denmark and Norway designed to strengthen the Group's Nordic synergies.
- For Corporate customers, a new risk consultancy concept will be launched in August, which will create a strong platform for our future performance.
- Effective 1 October 2006, TrygVesta has appointed Kjerstin Fyllingen as a new member of the Group Executive Management in charge of Private & Commercial Norway.
- TrygVesta intends to introduce new customer benefits and price adjustments to selected segments of the private and commercial market in Denmark during the autumn of 2006.

Outlook for 2006

Despite the lower investment return, TrygVesta reaffirm the Outlook for profit after tax.

DKKm	Actual 2005	Forecast 28 Feb. 2006	Forecast 11 May 2006	Forecast 17 August 2006	Favourable scenario	Adverse scenario
Premium growth	2.9 %	4 %	4 %	3 %		
Technical result	2,053	1,800	2,100	2,300	2,550	2,050
Investment result	888	400	730	350		
Profit before tax and discontinued business	2,913	2,200	2,800	2,650		
Profit after tax and discontinued business	2,097	1,650	2,150	2,200	2,400	2,000
Combined ratio (%)	89	91	89	89	87.5	90.5

The Outlook for profit after tax is reaffirmed. The Outlook comprises an increase of DKK 200m in the technical result, a decrease in investment income of DKK 380m, a reduced tax charge of DKK 150m, and a gain of DKK 80m on the sale of Chevanstell Limited.

TrygVesta expects to strengthen its position in the Nordic market. However, the more competitive market and developments in Norway in the first half of 2006 cause us to lower the expected increase in gross premiums from 4% to 3% relative to 2005.

The technical result is expected to be DKK 2,300m against the previous forecast of DKK 2,100m. The increase is due to the satisfactory underlying performance of claims in the second quarter of 2006. Run-off for the remainder of 2006 is assumed to be zero. Large claims performed slightly better than expected in the second quarter, and expectations for the remaining quarters are unchanged at a gross amount of DKK 100m per quarter. The higher level of interest rates in the second quarter also had a positive impact on the technical result as it triggered an increase in the technical interest transferred from investment income.

The combined ratio is expected to be unchanged in the range of 87.5 - 90.5 with an expectation of 89.0.

The 2006 investment result is expected to be DKK 350m, a decrease of DKK 380m relative to the guidance provided in the second quarter 2006 announcement. The steep decrease is primarily due to capital losses on equities in the second quarter. The forecast investment result for 2006 is based on the investment result at 30 June 2006 and assuming annualised equity returns of 7.0%, real estate returns of 6.0% and bond returns of 3.7% in the remaining six months of 2006.

The divestment of Chevanstell Limited is expected to have a favourable impact of DKK 80m on TrygVesta's consolidated profit after tax for 2006. This is reflected in the forecast full-year profit after tax and discontinued business. The transaction is subject to approval by the UK regulatory authorities and is expected to be

completed in the third quarter of 2006. The profit of DKK 80m comprises a gain on the sale of the shares in Chevanstell Limited, a gain from settlement of a reinsurance contract with Chevanstell Limited and tax deductions. The company is sold net of general reserve guarantees. At 30 June 2006, Chevanstell Limited had provisions for insurance contracts of DKK 1.2bn and equity amounting to DKK 78m.

The effective tax rate for 2006 is expected to be 19% relative to the previous forecast of 25%. The reduction is due to a one-off adjustment of deferred tax to cover the risk that gains on shares become taxable in the event of unprofitable insurance operations. This provision for deferred tax is not required in light of TrygVesta's sustained positive technical performance.

Results for the first half of 2006 – The Group's overall performance

2.5% growth in premiums

Gross earned premiums amounted to DKK 7,965m in the first six months of 2006, equivalent to 2.5% growth relative to the same period of 2005. The growth in premiums was composed of growth of 2.6% in Private & Commercial Denmark, a fall of 0.2% in Private & Commercial Norway, growth of 4.0% in Corporate, and growth of 42.9% in Finnish general insurance.

The performance was in line with TrygVesta's market strategies and expectations. The growth in Private & Commercial Denmark was affected by a higher bonus in relation to agreements with a number of affinity groups, which is set-off against earned premiums. Premiums grew 3.4% when adjusted for this bonus. Private & Commercial Norway reported an unchanged premium level in Danish kroner, but a fall of 3.1% in local currency. Growth in Finland continued in line with expectations.

Gross earned premiums performed satisfactorily in Corporate. Growth was primarily generated in the Danish part of the business.

Improved technical result

While the technical result in the first half of 2005 was strongly impacted by the January storm in Denmark, the first half of 2006 was affected by significantly larger costs related to large claims as compared with a normal half-year. Moreover, the first six months saw continuing positive trends in the claims frequency in both Denmark and Norway and falling average claims in the Danish motor business.

TrygVesta reported an aggregate profit before tax and discontinued business of DKK 1,351m for the first six months of 2006, which was an improvement of DKK 124m relative to the same period of 2005. The increase was driven by an improvement of the technical result of DKK 202m and a reduction in investment income of DKK 75m relative to the first six months of 2005.

Investment returns were affected by higher interest rates and losses on equities in the second quarter. While the investment result thus fell to DKK 466m in the first half of 2006 from DKK 782m in the year-earlier period, the higher interest rates will generate higher future current returns.

In the first six months of 2006, the annualised return on equity was 27% after tax and discontinued business, compared with 25% in the year-earlier period.

Claims ratio of 69

TrygVesta's gross claims ratio was 69.1 in the six-month period, which was satisfactory considering the performance of large claims in the first half of 2006 and the storm in January 2005.

Large claims in the first six months totalled a gross amount of DKK 420m, which largely represents the level for a 'full normal year'. By way of comparison, large claims in the first six months of 2005 totalled DKK 250m. The gross expense in connection with large claims was DKK 78m in the second quarter compared with DKK 342m in the first quarter of 2006. As there were relatively many large claims in the first quarter, any large claims

incurred in the remainder of 2006 will be covered by the reinsurance programme after deduction of a DKK 50m retention per claim because the reinsurance programme provides for TrygVesta to pay DKK 100m in relation to the first large claim and DKK 50m in relation to any subsequent claims.

In addition, the first half of the year was favourably affected by run-off gains in a net amount of DKK 191m, equivalent to an improvement of 2.4 percentage points of the combined ratio. Property and motor had a positive effect, while the impact from liability and workers' compensation was negative. Run-off gains amounted to DKK 122m in the second quarter of 2006, which was on a level with the year-earlier period.

Sustained low expense level

Nominal costs were maintained at the level prevailing in the first half of 2005 by our continued focus on making processes more efficient and achieving Nordic synergies, and despite investments in Sweden. TrygVesta's expense ratio was 16.9 in the first six months of 2006, which was an improvement of 0.3 percentage point relative to the same period of 2005.

Investment result

TrygVesta generated an overall profit on investment activities of DKK 466m before other financial income and expenses and before transfer to technical interest, equal to a return of 1.3% for the first six months of 2006. Equities yielded a negative total return of DKK 108m in the second quarter.

In addition to the profit of DKK 466m, the higher interest rates in the first half of 2006 increased profits through discounting of provisions for claims in the amount of DKK 271m, which should be seen in the light of the negative impact on bond yields. After transfer of technical interest, the profit on investment activities amounted to DKK 181m in the first half of 2006 as compared with DKK 256m in the first half of 2005.

Discontinued and divested business

Business in run-off generated a profit of DKK 8m against a loss of DKK 31m in the year-earlier period. In 2006, business in run-off in Chevanstell Limited performed in line with expectations, generating close to break-even. In addition, other business in run-off generated moderate run-off gains. In August, TrygVesta signed an agreement to divest Chevanstell Limited as a natural step in the Group's strategy of focusing on the Nordic markets. The divestment of Chevanstell Limited is expected to involve a gain for TrygVesta of DKK 80m, which will probably be recognised in the third quarter of 2006. As of 30 June 2006, assets and liabilities related to Chevanstell Limited are no longer consolidated in the balance sheet, but stated as separate line items under assets and liabilities, respectively.

Tax

The effective tax rate for 2006 is expected to be 19% relative to the previous forecast of 25%. The reduction is due to a one-off adjustment of deferred tax to cover the risk that gains on shares become taxable in the event of unprofitable insurance operations. This provision for deferred tax is no longer required in light of TrygVesta's sustained positive technical results.

Private & Commercial Denmark

DKKm	Q2 2006	Q2 2005	Q2 2004	Change 2005/2006	H1 2006	H1 2005	H1 2004	Change 2005/2006	FY 2005
Gross earned premiums	1,587	1,567	1,479	20	3,204	3,123	2,937	81	6,276
Gross claims incurred	-1,000	-1,107	-966	107	-2,100	-2,809	-2,045	709	-4,987
Gross expenses	-267	-278	-267	11	-542	-555	-529	13	-1,113
Profit/loss on gross business	320	182	246	138	562	-241	363	803	176
Profit/loss on ceded business	-78	27	-29	-105	-101	511	-53	-612	467
Technical interest, net of reinsurance	53	11	20	42	105	47	33	58	113
Technical result	295	220	237	75	566	317	343	249	756
Key ratios									
Claims ratio	63.0	70.6	65.3	7.6	65.5	89.9	69.6	24.4	79.5
Business ceded as a percentage of gross premiums	4.9	-1.7	2.0	-6.6	3.2	-16.4	1.8	-19.6	-7.4
Claims ratio, net of ceded business	67.9	68.9	67.3	1.0	68.7	73.5	71.4	4.8	72.1
Expense ratio	16.8	17.7	18.1	0.9	16.9	17.8	18.0	0.9	17.7
Combined ratio	84.7	86.6	85.4	1.9	85.6	91.3	89.4	5.7	89.8

Gross earned premiums totalled DKK 3,204m in the first half of 2006 against DKK 3,123m in the same period of last year, corresponding to premium growth of 2.6%. Growth in the second quarter was 1.3%. One factor affecting the growth rate adversely was the higher bonus in relation to agreements with a number of affinity groups, because bonus is set-off against gross premiums. Bonus amounted to DKK 52m in the first half of 2006 against DKK 28m in the same period of last year. When adjusted for this bonus, premiums grew 2.2% in the second quarter and 3.4% in the six-month period. Private & Commercial Denmark reported strong growth in new business, but lower renewal rates. TrygVesta intends to launch new customer benefits in the autumn in order to boost retention rates and hence market position. A bigger-than-expected fall in average claims and a more positive trend in claim frequencies will result in price adjustments in some segments of the motor business.

The technical result of Private & Commercial Denmark was a profit of DKK 566m in the first six months of 2006 against a profit of DKK 317m in the same period of 2005. For the second quarter, the technical result was DKK 295m against DKK 220m in the same period of 2005. The satisfactory technical result was primarily attributable to an extremely favourable claims performance and continued cost restraints.

The claims ratio was 65.5 in the first half of 2006, driven by a favourable performance in the second quarter as reflected by the claims ratio of 63.0 compared with 70.6 in the year-earlier period. Adding the net reinsurance ratio, the second quarter saw a claims ratio net of ceded business of 67.9 against 68.9 in the same period of 2005.

The average motor claim fell in the second quarter of 2006. One reason was that about 50% of all motor claims are now being repaired through partner garages under the *Tryg Reparation* concept which reduces the average repair cost. Similarly, *Tryg Bygning* had a favourable impact on repair costs despite the higher cost of builders due to strong demand and shortage of labour in the building sector.

The second quarter of 2006 saw a reduced claims frequency for building insurance, while the frequency in motor insurance was a few percentage points higher, however lower than expected. The performance in the

first six months of the year was also favourably affected by run-off gains, which improved the combined ratio by 0.7 percentage point.

The expense ratio decreased to 16.8 in the second quarter of 2006, which was 0.9 percentage point lower than in the same period of last year. Nominal costs also fell in the second quarter of 2006.

Private & Commercial Norway

DKKm	Q2 2006	Q2 2005	Q2 2004	Change 2005/2006	H1 2006	H1 2005	H1 2004	Change 2005/2006	FY 2005
<i>NOK/DKK, rate quarterly / semiannual / annual average</i>	<i>95.09</i>	<i>91.99</i>	<i>89.78</i>	<i>3.1</i>	<i>93.99</i>	<i>91.14</i>	<i>88.08</i>	<i>2.85</i>	<i>92.85</i>
Gross earned premiums	1,144	1,149	1,132	-5	2,264	2,268	2,198	-4	4,632
Gross claims incurred	-728	-622	-410	-106	-1,523	-1,365	-1,317	-158	-2,844
Gross expenses	-235	-219	-197	-16	-482	-468	-433	-14	-945
Profit/loss on gross business	181	308	525	-127	259	435	448	-176	843
Profit/loss on ceded business	-25	-26	-29	1	-39	-47	-47	8	-62
Technical interest, net of reinsurance	41	23	19	18	76	44	30	32	93
Technical result	197	305	515	-108	296	432	431	-136	874
Key ratios									
Claims ratio	63.6	54.1	36.2	-9.5	67.3	60.2	59.9	-7.1	61.4
Business ceded as a percentage of gross premiums	2.2	2.3	2.6	0.1	1.7	2.1	2.1	0.4	1.3
Claims ratio, net of ceded business	65.8	56.4	38.8	-9.4	69.0	62.3	62.0	-6.7	62.7
Expense ratio	20.5	19.1	17.4	-1.4	21.3	20.6	19.7	-0.7	20.4
Combined ratio	86.3	75.5	56.2	-10.8	90.3	82.9	81.7	-7.4	83.1

Gross earned premiums at DKK 2,264m in the first six months of 2006 were in line with the same period of last year. Gross earned premiums in the second quarter of 2006 amounted to DKK 1,144m, which was also in line with the same period of last year. In local currency, the half-year performance was negative at 3.1% relative to the first half of 2005.

In May 2005, TrygVesta launched new price structures in Norway abolishing the introductory discounts. This measure improved renewal rates and thus customer retention. However, as explained in the first quarter 2006 report, the initiative reduced sales of new policies for a period of time, but we are now seeing an increased inflow of new customers. The implementation of new IT sales systems supports developments. TrygVesta has implemented other new initiatives at 1 July 2006, which include increasing the product offering to small commercial customers, with a view to boosting sales and enhancing our market position further.

The technical result of Private & Commercial Norway in the first six months of 2006 was a profit of DKK 296m compared with DKK 432m in the same period of 2005. The result for the second quarter of 2006 was DKK 197m against DKK 305m in the year-earlier period. The level of claims incurred was satisfactory and in line with expectations, although higher than in the same period of last year, which was significantly below normal for the period.

The gross claims ratio was 63.6 in the second quarter of 2006, which was 9.5 percentage points higher than in the same period of last year. Claims incurred were in line with expectations in the second quarter. The claims frequency in building and motor continued at low and very satisfactory levels, and the frequency in motor fell in the second quarter of 2006 relative to the year-earlier period.

The average building claim fell approximately 6% in the second quarter of 2006 relative to the same period last year, while the average motor claim increased 5%. The performance in the first six months of the year was also favourably affected by run-off gains, which improved the combined ratio by 1 percentage point.

The expense ratio increased to 21.3 in the first half of 2006 against 20.6 in the same period of 2005. The increase was triggered by a decrease in earned premiums, while expenses were unchanged. The expense ratio was also impacted by investments to increase the sales force.

Corporate

DKKm	Q2 2006	Q2 2005	Q2 2004	Change 2005/2006	H1 2006	H1 2005	H1 2004	Change 2005/2006	FY 2005
<i>NOK/DKK, rate quarterly / semiannual / annual average</i>	<i>95.09</i>	<i>91.99</i>	<i>89.78</i>	<i>3.1</i>	<i>93.99</i>	<i>91.14</i>	<i>88.08</i>	<i>2.85</i>	<i>92.85</i>
Gross earned premiums	1,229	1,181	1,227	48	2,412	2,319	2,461	93	4,666
Gross claims incurred	-728	-831	-1,018	103	-1,809	-1,715	-1,798	-94	-3,361
Gross expenses	-138	-133	-154	-5	-280	-275	-314	-5	-534
Profit/loss on gross business	363	217	55	146	323	329	349	-6	771
Profit/loss on ceded business	-107	-108	-251	1	-89	-137	-336	48	-421
Technical interest, net of reinsurance	56	59	71	-3	108	62	68	46	114
Technical result	312	168	-125	144	342	254	81	88	464
Key ratios									
Claims ratio	59.2	70.4	83.0	11.2	75.0	74.0	73.1	-1.0	72.0
Business ceded as a percentage of gross premiums	8.7	9.1	20.5	0.4	3.7	5.9	13.7	2.2	9.0
Claims ratio, net of ceded business	67.9	79.5	103.5	11.6	78.7	79.9	86.8	1.2	81.0
Expense ratio	11.2	11.3	12.6	0.1	11.6	11.9	12.8	0.3	11.4
Combined ratio	79.1	90.8	116.1	11.7	90.3	91.8	99.6	1.5	92.4

Gross earned premiums totalled DKK 2,412m in the first half of 2006 against DKK 2,319m in the same period of last year, corresponding to a satisfactory growth rate of 4.0%. Growth in the second quarter was 4.1% relative to the year-earlier period. Premiums were favourably affected by movements in the Danish kroner-Norwegian kroner exchange rate. Adjusted for exchange rate movements, premiums grew 2.5% relative to the same period of last year, including 14% in workers' compensation, primarily attributable to adjustment of premiums relative to the social index. The higher earned premiums originated from direct sales in Denmark and sales through brokers in Denmark and Norway.

The Corporate business is changing in its relationship with customers from being an insurance provider to also providing advice on risk issues. In order to meet individual customer requirements, TrygVesta teams up staff with the relevant competencies to handle and optimise targeted customer solutions.

Corporate reported a technical result of DKK 342m in the first six months of 2006 against DKK 254m in the same period of 2005. The second quarter of 2006 contributed DKK 312m compared with DKK 168m in the second quarter of 2005. The satisfactory technical result was generated by the combined effect of a favourable claims performance and higher technical interest.

The claims ratio was 75.0 in the first half of 2006 compared with 74.0 in the same period of last year. The claims ratio saw a favourable trend in the second quarter, amounting to 59.2 against 70.4 in the second quarter of 2005. The claims ratio for the first six months of 2006 was also favourably affected by run-off gains of DKK 145m, corresponding to 6 percentage points.

Large claims incurred in the second quarter of 2006 amounted to DKK 78m against DKK 321m in the first quarter of 2006. The positive second quarter performance was attributable to a generally good portfolio performance and a low level of large claims.

The expense ratio was 11.6 in the first half of 2006 against 11.9 in the same period of 2005. The expense ratio for the second quarter was 11.2, which was in line with the same period of last year. Nominal costs were

largely maintained at the level prevailing in the first half of 2005, reflecting our focused cost management approach.

Finland

DKKm	Q2 2006	Q2 2005	Q2 2004	Change 2005/2006	H1 2006	H1 2005	H1 2004	Change 2005/2006	FY 2005
<i>EUR/DKK, rate quarterly / semiannual / annual average</i>	746.03	744.87	744.09	1.16	746.11	743.99	744.50	2.12	745.07
Gross earned premiums	49	33	22	16	90	63	42	27	140
Gross claims incurred	-39	-26	-14	-13	-72	-52	-33	-20	-113
Gross expenses	-24	-21	-19	-3	-40	-38	-35	-2	-70
Profit/loss on gross business	-14	-14	-11	0	-22	-27	-26	5	-43
Profit/loss on ceded business	0	0	0	0	0	0	0	0	-1
Technical interest, net of reinsurance	2	0	0	2	3	1	1	2	3
Technical result	-12	-14	-11	2	-19	-26	-25	7	-41
Key ratios									
Claims ratio	77.6	78.8	63.6	1.2	79.3	82.5	78.6	3.2	80.9
Business ceded as a percentage of gross premiums	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2
Claims ratio, net of ceded business	77.6	78.8	63.6	1.2	79.3	82.5	78.6	3.2	81.1
Expense ratio	48.4	63.6	86.4	15.2	44.0	60.3	83.3	16.3	50.2
Combined ratio	126.0	142.4	150.0	16.4	123.3	142.8	161.9	19.5	131.3

Gross earned premiums totalled DKK 90m in the first half of 2006 against DKK 63m in the same period of last year, corresponding to premium growth of 42.9%. Growth in the second quarter was satisfactory at 48.5%. Some 40,000 new policies were issued in the first six months of 2006, and the number is expected to grow in the second half of the year driven by new agreements with car dealers.

As was expected, the Finnish business reported a negative technical result of DKK 19m in the first six months of 2006, which was an improvement of DKK 7m relative to the same period of 2005.

Profitability in the Finnish business continued to improve, and the gross claims ratio was 79.3 in the first half of 2006, an improvement of 3.2 percentage points relative to the same period of last year.

The expense ratio was 44.0 in the first half of 2006, down from 60.3 in the same period of 2005. The high growth was achieved while nominal costs remained flat.

Sales of commercial insurance to small businesses in Finland will begin in early 2007. Distribution will take place in a close partnership with Nordea, which has a share of around 60% of the commercial market.

Sweden

The Swedish insurance business started up in mid-June 2006 and is thus not subject to independent reporting. The current scope of the business is of no material importance to the Group's financial results.

At 30 June 2006, our Swedish insurance business was fully operational, selling to, servicing and advising Swedish private customers through the partnership with Nordea. Our share of the Swedish market for private insurance is expected to grow steadily over time.

Investment return and capital structure

Investment return

DKKm	Q2	Q2	Q2	Change	H1	H1	H1	Change	FY	Investment assets	
	2006	2005	2004	2005/2006	2006	2005	2004	2005/2006	2005	30.06.2006	31.12.2005
Tryg	19	284	35	-265	197	485	265	-288	1,064	20,216	19,426
Vesta	27	196	70	-169	264	295	179	-31	615	15,389	14,950
TrygVesta A/S	0	1	0	-1	5	2	1	3	2	5	34
Total	46	481	105	-435	466	782	445	-316	1,681	35,610	34,410
Other financial income and expenses *)	85	-273	-34	358	206	-190	-115	396	-86		
Total investments activities	131	208	71	-77	672	592	330	80	1,595		
Transferred to technical interest	-261	-182	-185	-79	-491	-336	-315	-155	-707		
Return on investment activities	-130	26	-114	-156	181	256	15	-75	888		
Discontinued and divested business	3	2	-22	1	0	-1	-17	1	-6	542	578

*) The item comprises gains and losses as a result of a changed discounting rate, interest on operating assets, bank debt and reinsurance deposits, exchange rate adjustment of insurance items and costs of investment activities.

TrygVesta generated an overall profit on investment activities of DKK 466m before other financial income and expenses and before transfer of technical interest, equal to a return of 1.3% in the first six months of 2006. This was DKK 316m less than in the year-earlier period. The overall profit on investment activities was DKK 75m higher than in the first half of 2005 when taken net of the item 'Other financial income and expenses', which includes the effect of changes in the interest rate applied for discounting technical provisions.

Increasing interest rates during the first six months of 2006 had a favourable impact of DKK 271m through discounting of provisions for claims, which should be seen against the backdrop of the negative impact on bond returns. The return on the overall bond portfolio was DKK 154m in the first half of the year, equal to 0.5%, while equities and real estate yielded returns of DKK 244m and DKK 67m, respectively, equal to 4.6% and 3.2%.

The overall return before other financial income and expenses was DKK 46m in the second quarter of 2006, substantially lower than in the same period of last year. The return on bonds was adversely affected by higher interest rates in the second quarter, but the overall return was reduced, in particular, by capital losses on equities. For the half-year as a whole, however, the return on equities and the overall return after other financial items exceeded expectations due, among other factors, to high returns on Norwegian equities. Bonds account for some 81% of total investments, while equities and real estate make up the rest.

Capital structure

Shareholders' equity stood at DKK 7,960m at 30 June 2006, which was DKK 945m higher than at the same time last year and DKK 255m less than at 31 December 2005. The fall was attributable to the fact that dividends in respect of the 2005 financial year amounting to DKK 1,428m were paid out in 2006 and thus deducted from equity.

Net of dividends, shareholders' equity plus subordinated loan capital amounted to DKK 9,059m at 30 June 2006, an increase of DKK 1,344m from DKK 7,715m at the same date last year. Relative to the total net premium over the past four quarters, equity plus subordinated loan capital accounted for 59.8% at 30 June 2006 against 54.1% a year earlier.

TrygVesta's website shows a simplified capital model updated as of 30 June 2006.

Statement by the Supervisory Board and the Executive Management

The Supervisory Board and the Executive Management have today considered and adopted the unaudited interim report for the six months ended 30 June 2006.

The interim report has been prepared in accordance with the International Financial Reporting Standards (IFRS) and the financial reporting requirements for Danish listed companies of the Danish Financial Business Act and the Copenhagen Stock Exchange.

In our opinion, the accounting policies applied are appropriate, and the interim report gives a true and fair view of the Group's and the company's assets, liabilities, and financial position at 30 June 2006 and of the results of the Group's activities for the first six months of 2006.

Ballerup, 17 August 2006

Executive Management:

Christine Bosse Morten Hübbe

Supervisory Board:

Mikael Olufsen (Chairman)	Bodil Nyboe Andersen (Deputy Chairman)	Paul Bergqvist
Per Skov	Jørn Wendel Andersen	Niels Bjørn Christiansen
John R. Frederiksen	Håkon J. Huseklepp (employee representative)	Trond Christiansen (employee representative)
Peter Wagner Mollerup (employee representative)	Birthe Petersen (employee representative)	

Income statement and balance sheet for TrygVesta

Income statement

DKKm	H1 2006	H1 2005	FY 2005
Notes			
General insurance			
Gross premiums written	9,671	9,555	15,908
Ceded insurance premiums	-520	-507	-892
Change in provisions for unearned premiums	-1,627	-1,738	-42
Change in reinsurers' share of provisions for unearned premiums	29	-5	-74
1 Earned premiums, net of reinsurance	7,553	7,305	14,900
2 Technical interest, net of reinsurance	292	154	323
Claims paid	-5,114	-5,346	-10,256
Reinsurance recoveries	279	909	1,373
Change in provisions for claims	-390	-595	-1,048
Change in the reinsurers' share of provisions for claims	-48	-95	-487
3 Claims incurred, net of reinsurance	-5,273	-5,127	-10,418
Bonus and premium rebates	-79	-48	-161
Acquisition costs	-861	-796	-1,514
Administrative expenses	-489	-540	-1,148
Acquisition costs and administrative expenses	-1,350	-1,336	-2,662
Commission and profit commission from the reinsurers	36	29	71
4 Total insurance operating expenses, net of reinsurance	-1,314	-1,307	-2,591
Technical result	1,179	977	2,053
Investment activities			
Income from associates	5	0	2
Income from investment properties	51	54	101
5 Interest income and dividends, etc.	583	519	1,035
6 Value adjustment	102	83	588
5 Interest expenses	-34	-36	-68
Investment management charges	-35	-28	-63
Total return on investment activities	672	592	1,595
2 Interest on insurance provisions	-491	-336	-707
Total return on investment activities after technical interest	181	256	888
Other income	61	56	126
Other expenses	-70	-62	-154
Profit before tax	1,351	1,227	2,913
Tax	-262	-317	-788
Profit on continuing business	1,089	910	2,125
Profit/loss on discontinued and divested business	8	-31	-28
Profit for the year	1,097	879	2,097

Balance sheet

DKKm	30 June 2006	30 June 2005	31 Dec. 2005
Notes			
Assets			
Intangible assets	164	147	135
Operating equipment	113	138	109
Owner-occupied property	335	306	329
Total property, plant and equipment	448	444	438
Investment property	1,745	1,698	1,726
Investments in associates	69	28	30
Total investments in associates	69	28	30
Equity investments	4,736	3,941	4,707
Unit trust units	285	264	280
Bonds	28,404	27,308	27,763
Deposits with credit institutions	0	73	120
Cash in hand and at bank	341	392	543
Total other financial investment assets	33,766	31,978	33,413
Deposits with ceding undertakings, receivable	20	22	27
7 Total investment assets	35,600	33,726	35,196
Reinsurers' share of provisions for unearned premiums	179	215	146
8 Reinsurers' share of provisions for claims	1,645	2,983	2,484
Total reinsurers' share of provisions for insurance contracts	1,824	3,198	2,630
Receivables from policyholders	1,146	1,353	819
Receivables from insurance brokers	43	56	85
Total receivables in relation to direct insurance contracts	1,189	1,409	904
Receivables from insurance enterprises	802	826	722
Receivables from subsidiaries	20	0	44
Other receivables	265	122	145
Total receivables	2,276	2,357	1,815
Temporarily acquired assets	9	0	9
Current tax assets	64	0	106
Assets held for sale	1,460	0	0
Other	4	12	8
Total other assets	1,537	12	123
Accrued interest and rent earned	315	337	423
Other prepayments and accrued income	44	54	51
Total receivables	359	391	474
Total assets	42,208	40,275	40,811

Balance sheet

DKKm	30 June 2006	30 June 2005	31 Dec. 2005
Notes			
Liabilities			
Shareholders' equity	7,960	7,015	8,215
Subordinate loan capital	1,099	700	1,098
Provisions for unearned premiums	6,831	6,806	5,183
8 Provisions for claims	20,413	21,015	21,261
Provisions for bonuses and premium rebates	287	211	313
Total provisions for insurance contracts	27,531	28,032	26,757
Pensions and similar obligations	478	625	669
Deferred tax liability	956	865	939
Other provisions	47	39	41
Total provisions	1,481	1,529	1,649
Debt related to direct insurance	356	301	342
Debt related to reinsurance	250	395	143
Debt to credit institutions	596	645	786
Debt to subsidiaries	0	23	0
Current tax liabilities	477	7	385
Liabilities held for sale	1,382	0	0
Other debt	969	1,451	1,186
Total debt	4,030	2,822	2,842
Accruals and deferred income	107	177	250
Total liabilities and equity	42,208	40,275	40,811

DKKm

Statement of changes in equity									
	Share capital	Own shares	Revaluation reserves	Reserve for exchange rate adj.	Equalisation reserve	Other reserves	Retained earnings	Proposed dividends	Total
Shareholders' equity at 1 January 2005	1,700	0	0	0	189	736	3,527	650	6,802
Equity entries in 2005									
Profit for the year						64	605	1,428	2,097
Change in equalisation provision					-126		126		
Revaluation of owner-occupied properties			7						7
Exchange rate adjustment of foreign entities				132					132
Hedge of foreign currency risk in foreign entities				-119					-119
Actuarial gains and losses on pension obligation							-118		-118
Tax on equity entries			-2	33			33		64
Total comprehensive income	0	0	5	46	-126	64	646	1,428	2,063
Dividend paid								-650	-650
Total equity entries in 2005	0	0	5	46	-126	64	646	778	1,413
Shareholders' equity at 31 December 2005	1,700	0	5	46	63	800	4,173	1,428	8,215
Shareholders' equity at 1 January 2006	1,700	0	5	46	63	800	4,173	1,428	8,215
Equity entries in the first half of 2006									
Profit for the period						6	1,091		1,097
Purchase of own shares		-88							-88
Sale of own shares		13							13
Granting of share options							7		7
Adjustment of transfer to guarantee fund						16			16
Guarantee fund transferred to retained earnings						-16	16		0
Exchange rate adjustment of foreign entities				29					29
Hedge of foreign currency risk in foreign entities				-31					-31
Actuarial gains and losses on pension obligation							162		162
Tax on equity entries				8			-45		-37
Total comprehensive income	0	-75	0	6	0	6	1,231	0	1,168
Dividend paid								-1,428	-1,428
Dividend own shares							5		5
Total equity entries in 2006	0	-75	0	6	0	6	1,236	-1,428	-255
Shareholders' equity at 30 June 2006	1,700	-75	5	52	63	806	5,409	0	7,960

Notes

DKKm	H1 2006	H1 2005	FY 2005
1 Earned premiums, net of reinsurance			
Direct insurance	7,967	7,795	15,833
Indirect insurance	33	19	33
	8,000	7,814	15,866
Unexpired risk provisions	44	3	0
	8,044	7,817	15,866
Ceded direct insurance	-467	-516	-974
Ceded indirect insurance	-24	4	8
	7,553	7,305	14,900
2 Technical interest			
Interest on insurance provisions	491	336	707
Transferred from provisions for claims concerning discounting	-188	-178	-378
Technical interest concerning discontinued business	-11	-4	-6
	292	154	323
3 Claims incurred, net of insurance			
Claims incurred	-5,695	-6,137	-11,567
Run-off previous years, gross	191	196	263
	-5,504	-5,941	-11,304
Reinsurance recoveries	257	858	968
Run-off previous years, reinsurers' share	-26	-44	-82
	-5,273	-5,127	-10,418
4 Insurance operating expenses, net of reinsurance			
Commission regarding direct business	-184	-159	-270
Other acquisition costs	-677	-637	-1,244
Total acquisition costs	-861	-796	-1,514
Administrative expenses	-489	-540	-1,148
Insurance operating expenses, gross	-1,350	-1,336	-2,662
Commission, etc. from reinsurers	36	29	71
	-1,314	-1,307	-2,591
5 Interest and dividends, etc.			
Dividends	124	79	126
Interest expenses	-34	-36	-68
Interest income	459	440	909
	549	483	967
6 Market value adjustment			
Investment property	3	5	43
Equity investments	115	233	682
Unit trust units	5	18	34
Share derivatives	0	-10	-10
Bonds	-283	-33	-204
Interest derivatives	-1	-7	-7
Other loans	0	-1	-7
Other balance sheet items	-8	14	14
Discounting	271	-136	43
	102	83	588
Market value gains	778	678	1,356
Market value losses	-676	-595	-768
Market value adjustment, net	102	83	588
7 Derivative financial instruments			
Market values			
Interest derivatives	8,023	7,777	6,104
Exchange rate derivatives	10,471	10,088	10,473
Sensitivity information			
Interest rate increase of 0.7 point	-32		-4
Interest rate fall of 0.7 pct. point	60		54
Equity price fall of 12 %	574		572
Fall in property prices of 8 %	168		166
Exchange rate risk (VaR 99.5)	8		12
Loss on counterparties of 8 %	229		175

Notes

DKKm 30 June 2006 30 June 2005 31 Dec. 2005

8 Provisions for claims			
Gross			
Total at beginning of period	19,788	18,157	18,157
Market value adjustment of provisions at beginning of period	51	351	290
	<u>19,839</u>	<u>18,508</u>	<u>18,447</u>
Paid in the financial year in respect of the current year	-1,959	-2,332	-5,325
Paid in the financial year in respect of prior years	-3,044	-3,021	-4,811
	<u>-5,003</u>	<u>-5,353</u>	<u>-10,136</u>
Change in claims in the financial year in respect of the current year	5,528	5,985	11,329
Change in claims in the financial year in respect of prior years	-146	-149	-203
	<u>5,382</u>	<u>5,836</u>	<u>11,126</u>
Discounting 3)	-115	407	351
Provisions for claims, end of period 1)	20,103	19,398	19,788
Other 2)	310	1,617	1,473
	<u>20,413</u>	<u>21,015</u>	<u>21,261</u>
Ceded business			
Reinsurers' shares of provisions for claims at beginning of period	1,644	2,095	2,096
Market value adjustment of provisions at beginning of period	8	82	67
	<u>1,652</u>	<u>2,177</u>	<u>2,163</u>
Paid in the financial year in respect of the current year	-20	-367	-562
Paid in the financial year in respect of prior years	-237	-553	-805
	<u>-257</u>	<u>-920</u>	<u>-1,367</u>
Change in claims in the financial year in respect of the current year	233	832	925
Change in claims in the financial year in respect of prior years	-20	-33	-66
	<u>213</u>	<u>799</u>	<u>859</u>
Discounting 3)	-20	-19	-11
Provisions for claims, end of period 1)	1,588	2,037	1,644
Other 2)	57	946	840
	<u>1,645</u>	<u>2,983</u>	<u>2,484</u>
Net of reinsurance			
Provisions for claims at beginning of period	18,144	16,062	16,061
Market value adjustment of provisions at beginning of period	43	269	223
	<u>18,187</u>	<u>16,331</u>	<u>16,284</u>
Paid in the financial year in respect of the current year	-1,939	-1,965	-4,763
Paid in the financial year in respect of prior years	-2,807	-2,468	-4,006
	<u>-4,746</u>	<u>-4,433</u>	<u>-8,769</u>
Change in claims in the financial year in respect of the current year	5,295	5,153	10,404
Change in claims in the financial year in respect of prior years	-126	-116	-137
	<u>5,169</u>	<u>5,037</u>	<u>10,267</u>
Discounting 3)	-95	426	362
Provisions for claims, end of period 1)	18,515	17,361	18,144
Other 2)	253	671	633
	<u>18,768</u>	<u>18,032</u>	<u>18,777</u>

1) The table consists of figures for Tryg Forsikring A/S and Vesta Forsikring AS. Other companies in the Group are included in "Other".

2) Comprises provisions for claims for Dansk Kaution, travel and health and our Finnish business unit.

3) Discounting also includes exchange rate adjustments.

Financial highlights and key ratios by geography

DKKm	Q2 2006	Q2 2005	Q2 2004	Change 2005/2006	H1 2006	H1 2005	H1 2004	Change 2005/2006
Danish general insurance								
Gross earned premiums	2,268	2,208	2,149	2.7%	4,543	4,385	4,293	3.6%
Technical result	502	368	274	134	729	456	433	273
Profit/loss on investments	-99	-10	-51	-89	32	111	42	-79
Other income	26	26	17	0	38	46	34	-8
Other expenses	-25	-21	-16	-4	-36	-41	-32	5
Profit/loss for the period before tax	404	363	224	41	763	572	477	191
Key ratios								
Claims ratio	60.3	67.2	66.0	6.9	68.6	85.8	70.6	17.2
Business ceded as a percentage of gross premiums	4.9	1.8	6.9	-3.1	2.7	-11.2	4.4	-13.9
Claims ratio, net of ceded business	65.2	69.0	72.9	3.8	71.3	74.6	75.0	3.3
Expense ratio	15.7	16.5	16.5	0.8	15.8	16.6	16.4	0.8
Combined ratio	80.9	85.5	89.4	4.6	87.1	91.2	91.4	4.1
Number of full-time employess, end of period					2,212	2,179	2,258	33
Norwegian general insurance								
Gross earned premiums	1,692	1,689	1,689	0.2%	3,337	3,325	3,303	0.4%
Technical result	301	325	353	-24	474	547	422	-73
Profit/loss on investments	-22	44	-54	-66	160	161	-11	-1
Other income	14	-4	10	18	23	10	21	13
Other expenses	-13	4	-10	-17	-22	-9	-20	-13
Profit/loss for the period before tax	280	369	299	-89	635	709	412	-74
Key ratios								
Claims ratio	64.3	63.7	57.8	-0.6	69.2	63.9	64.5	-5.3
Business ceded as a percentage of gross premiums	5.0	4.0	9.5	-1.0	2.6	5.0	7.5	2.4
Claims ratio, net of ceded business	69.3	67.7	67.3	-1.6	71.8	68.9	72.0	-2.9
Expense ratio	17.0	15.7	15.6	-1.3	17.6	17.2	17.3	-0.4
Combined ratio	86.3	83.4	82.9	-2.9	89.4	86.1	89.3	-3.3
Number of full-time employess, end of period					1,452	1,453	1,426	-1
Finnish general insurance								
Gross earned premiums	49	33	22	48.5%	90	63	42	42.9%
Technical result	-12	-14	-11	2	-19	-26	-25	7
Profit/loss on investments	-1	-1	-1	0	-2	-1	-1	-1
Profit/loss for the period before tax	-12	-15	-12	3	-20	-27	-26	7
Key ratios								
Claims ratio	77.6	78.8	63.6	-1.2	79.3	82.5	78.6	3.2
Business ceded as a percentage of gross premiums	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Claims ratio, net of ceded business	77.6	78.8	63.6	-1.2	79.3	82.5	78.6	3.2
Expense ratio	48.4	63.6	86.4	-15.2	44.0	60.3	83.3	16.3
Combined ratio	126.0	142.4	150.0	-16.4	123.3	142.8	161.9	19.5
Number of full-time employess, end of period					55	48	47	7

Quarterly outline – Q1 2005 - Q2 2006

DKKm	Q2 2006	Q1 2006	Q4 2005	Q3 2005	Q2 2005	Q1 2005
TrygVesta						
Gross earned premiums	4,005	3,960	3,961	3,975	3,926	3,843
Technical result	786	393	421	655	679	297
Profit/loss on investments	-130	311	272	360	26	230
Profit for the period before tax	651	700	678	1,008	703	523
Profit for the period	562	535	496	722	537	341
Key ratios						
Claims ratio	62.3	76.0	70.0	65.2	65.9	87.3
Business ceded as a percentage of gross premium	5.1	0.4	4.9	3.6	2.6	-11.3
Claims ratio, net of ceded business	67.4	76.4	74.9	68.8	68.5	76.0
Expense ratio	16.7	17.2	16.8	16.6	16.6	17.8
Combined ratio	84.1	93.6	91.7	85.4	85.1	93.8
Private & Commercial Denmark						
Gross earned premiums	1,587	1,617	1,570	1,583	1,567	1,555
Technical result	295	271	191	248	220	96
Key ratios						
Claims ratio	63.0	68.0	71.3	66.8	70.6	109.5
Business ceded as a percentage of gross premium	4.9	1.4	2.2	0.6	-1.7	-31.1
Claims ratio, net of ceded business	67.9	69.4	73.5	67.4	68.9	78.4
Expense ratio	16.8	17.0	17.6	17.8	17.7	17.9
Combined ratio	84.7	86.4	91.1	85.2	86.6	96.3
Private & Commercial Norway						
Gross earned premiums	1,144	1,120	1,184	1,180	1,149	1,119
Technical result	197	99	190	252	305	128
Key ratios						
Claims ratio	63.6	71.0	65.4	59.7	54.1	66.5
Business ceded as a percentage of gross premium	2.2	1.3	1.0	0.3	2.3	1.7
Claims ratio, net of ceded business	65.8	72.3	66.4	60.0	56.4	68.2
Expense ratio	20.5	22.1	19.7	20.7	19.1	22.3
Combined ratio	86.3	94.4	86.1	80.7	75.5	90.5
Corporate						
Gross earned premiums	1,229	1,183	1,171	1,176	1,181	1,139
Technical result	312	30	51	159	168	85
Key ratios						
Claims ratio	59.2	91.4	72.3	67.9	70.4	77.5
Business ceded as a percentage of gross premium	8.7	-1.5	12.8	11.4	9.1	2.8
Claims ratio, net of ceded business	67.9	89.9	85.1	79.3	79.5	80.3
Expense ratio	11.2	12.0	11.7	10.4	11.3	12.4
Combined ratio	79.1	101.9	96.8	89.7	90.8	92.7
Finnish general insurance						
Gross earned premiums	49	41	39	38	33	30
Technical result	-12	-7	-11	-4	-14	-12
Key ratios						
Claims ratio	77.6	81.4	82.1	76.3	78.8	84.5
Business ceded as a percentage of gross premium	0.0	0.0	2.6	0.0	0.0	0.2
Claims ratio, net of ceded business	77.6	81.4	84.7	76.3	78.8	84.7
Expense ratio	48.4	38.9	46.2	36.8	63.6	55.4
Combined ratio	126.0	120.3	130.9	113.1	142.4	140.1

5-year financial highlights

DKK m	IFRS				Danish GAAP			
	H1 2006	H1 2005	2005	2004	2004	2003	2002	2001
Gross earned premiums	7.965	7.769	15.705	15.266	16.308	16.702	15.792	12.620
Gross claims incurred	-5.504	-5.941	-11.304	-10.572	-11.020	-11.940	-12.334	-9.782
Gross expenses	-1.350	-1.336	-2.662	-2.611	-3.462	-3.745	-3.732	-3.063
Profit/loss on gross business	1.111	492	1.739	2.083	1.826	1.017	-274	-225
Profit/loss on ceded business	-224	331	-9	-718	-814	-1.135	-871	-329
Technical interest, net of reinsurance	292	154	323	335	537	595	832	715
Change in equalisation provisions	0	0	0	0	-93	-101	-245	-56
Technical result	1.179	977	2.053	1.700	1.456	376	-558	105
Profit/loss on investments after transfer to insurance activities	181	256	888	378	517	685	-170	4
Other income	61	56	126	121	121	115	127	121
Other expenses	-70	-62	-154	-147	-147	-131	-173	-121
Profit/loss for the period before tax	1.351	1.227	2.913	2.052	1.947	1.045	-774	109
Extraordinary items and minority interests	0	0	0	0	0	1	-1.256	7
Tax	-262	-317	-788	-556	-485	-87	213	-43
Profit/loss for the period, continuing business	1.089	910	2.125	1.496	1.462	959	-1.817	73
Profit/loss on discontinued and divested business after tax	8	-31	-28	-75	-55	-217	-274	-22
Profit/loss for the period	1.097	879	2.097	1.421	1.407	742	-2.091	51
Run-off gains/losses, net of reinsurance	165	152	181	-161	3	-516	-458	-283
Balance sheet								
Total provisions for insurance contracts	27.531	28.032	26.757	25.212	26.599	25.955	26.238	22.740
Total reinsurers' share of provisions for insurance contracts	1.824	3.198	2.630	3.292	3.132	3.480	4.632	5.067
Total shareholders' equity	7.960	7.015	8.215	6.802	6.117	5.360	4.268	4.564
Total assets	42.208	40.275	40.811	37.824	33.553	31.337	29.833	24.032
Key ratios								
Claims ratio	69,1	76,5	72,0	69,3	67,6	71,5	78,1	77,5
Business ceded as a percentage of gross premiums	2,8	-4,2	0,1	4,7	5,0	6,8	5,5	2,6
Claims ratio, net of ceded business	71,9	72,3	72,1	74,0	72,6	78,3	83,6	80,1
Expense ratio	16,9	17,2	16,9	17,1	21,2	22,4	23,6	24,3
Combined ratio	88,8	89,5	89,0	91,1	93,8	100,7	107,2	104,4
Operating ratio	85,7	87,7	87,2	89,1	90,8	97,2	101,9	98,8
Relative run-off gains/losses	-	-	0,9	-1,0	-	-	-	-
Other data 1)								
Return on equity before tax and discontinued and divested business	33	35	39	33	34	22	-46	3
Return on equity after tax and discontinued and divested business	27	25	28	23	25	15	-47	1
Earnings per share (continuing business)1)	16	13	31	22	22	14	-27	1
Net asset value per share 1)	117	103	121	100	90	79	63	67
Dividend per share	-	-	21	10	10	1	0	0
Average number of shares (1,000)1)	67.859	68.000	68.000	68.000	68.000	68.000	68.000	68.000
Number of shares, period end (1,000) 1)	67.790	68.000	68.000	68.000	68.000	68.000	68.000	68.000
Share price	361,1	-	319,2	-	-	-	-	-
Quoted price/net asset value	3,1	-	2,6	-	-	-	-	-
Price Earnings 2)	11,3	-	10,2	-	-	-	-	-
Number of full-time employees, end of period:								
Continuing business	3.752	3.680	3.694	3.728	3.728	3.750	3.739	3.744
Discontinued and divested business	22	33	24	34	34	670	672	572

1) Per share data is based on 68,000,000 shares for the period 2001 through 2005 as though such number of shares was outstanding during the periods presented. The 68,000,000 shares reflect the number of outstanding shares after giving effect to the four-to-one share split set forth in the company's amended articles of association approved by the company's shareholders on 21 September 2005.

2) Price earnings annualised

Accounting policies
From 1 January 2005, the accounting policies of TrygVesta follow the IFRS standards.

The comparative figures for 2004 have been restated to IFRS, but in addition to IFRS restatements, the figures for 2004 are net of divested business, which is henceforth included in "Profit/loss on discontinued and divested business".

Further information

For more information, please go to our website: www.trygvesta.com or contact our Investor Relations.

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Financial calendar

Third quarter 2006 – 9 November 2006

Full-year 2006 – 28 February 2007

First quarter 2007 – 9 May 2007

Second quarter 2007 – 16 August 2007

Third quarter 2007 – 22 November 2007

Disclaimer

The information on TrygVesta contained in this interim report is based exclusively on the information available when the interim report was prepared. It should be emphasised that the forward-looking statements provided in this interim report are subject to uncertainty.

A number of different factors may cause the actual performance to deviate significantly from the forward-looking statements in this interim report, including 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.

A full review of risk factors etc. is provided in our Annual Report 2005.