



Danske Markets - Nordic Insurance Seminar 2009
Morten Hübbe, CFO
Copenhagen – 10 June, 2009

Certain statements in this presentation are based on the beliefs of our management as well as assumptions made by and information currently available to the management. Forward-looking statements (other than statements of historical fact) regarding our future results of operations, financial condition, cash flows, business strategy, plans and future objectives can generally be identified by terminology such as “targets”, “believes”, “expects”, “aims”, “intends”, “plans”, “seeks”, “will”, “may”, “anticipates”, “continues” or similar expressions.

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

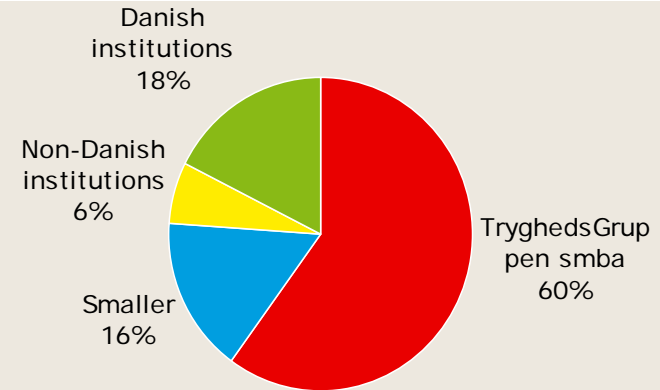
We urge you to read our annual report available on our website at www.trygvesta.com for a discussion of some of the factors that could affect our future performance and the industry in which we operate.

Should one or more of these risks or uncertainties materialise or should any underlying assumptions prove to be incorrect, our actual financial condition or results of operations could materially differ from that described herein as anticipated, believed, estimated or expected.

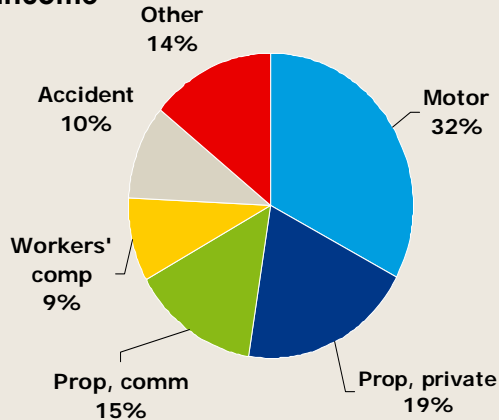
We are not under any duty to update any of the forward-looking statements or to conform such statements to actual results, except as may be required by law.

- Facts about TrygVesta
- Structure in the Nordic region
- Key operating trends impacting 2009 performance
- Cyclicalities
- Macro impact
- Capitalisation

- Expanding Nordic platform
- Prudent underwriting and risk selection
- Exceed customer expectation
- Vision: To be perceived as the leading **“peace of mind”** provider in the Nordic region



Gross premium income 2008



Price performance since IPO (incl. dividends)

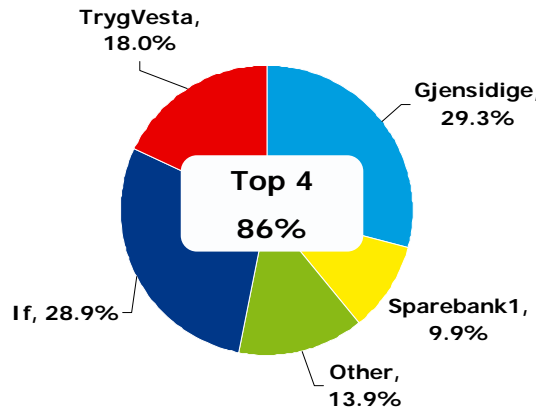


The Nordic region - structure of the insurance market



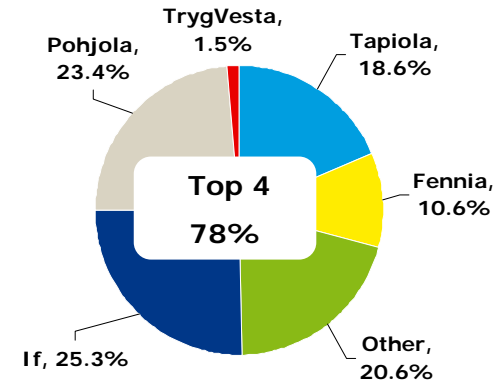
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Norway EUR 4.4bn



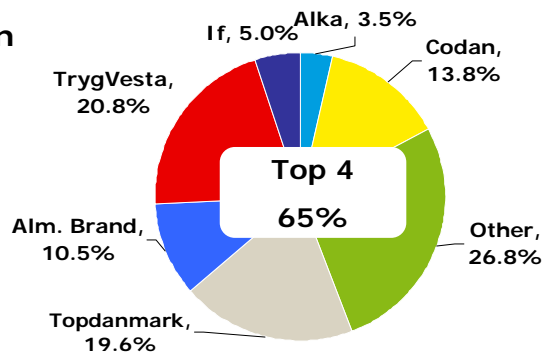
Source: FNH.no

Finland EUR 3.4bn



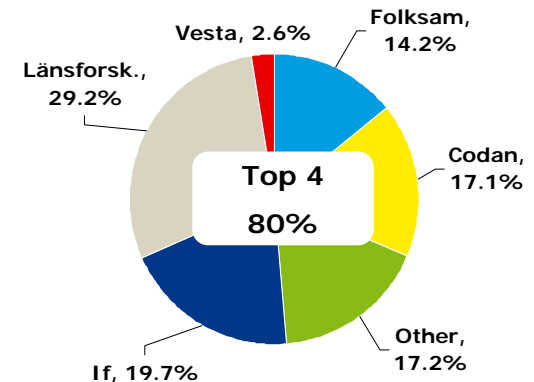
Source: FKL.fi

Denmark EUR 6.1bn



Source: F&P and company figures

Sweden EUR 5.5bn



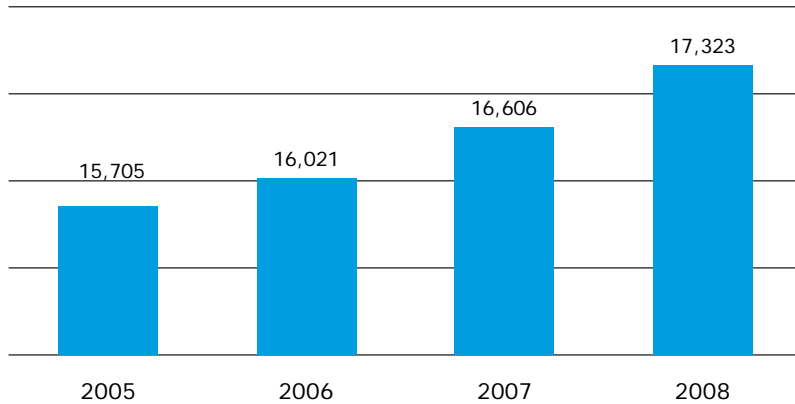
Source: forsakringsforbundet.com

Moderna is included in figures for Vesta in Sweden

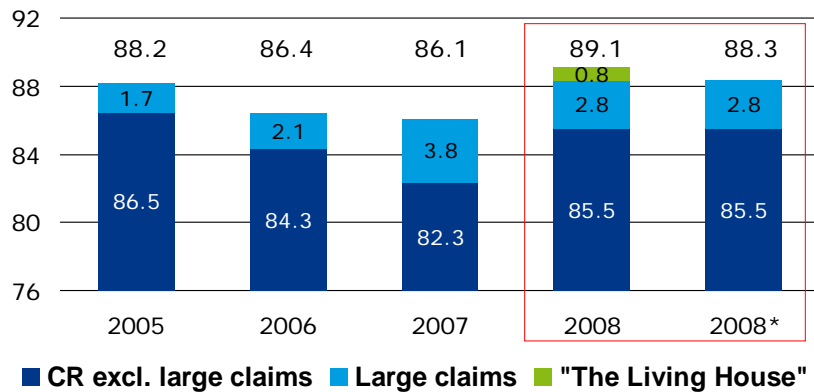
TrygVesta

Gross premium income

DKKm



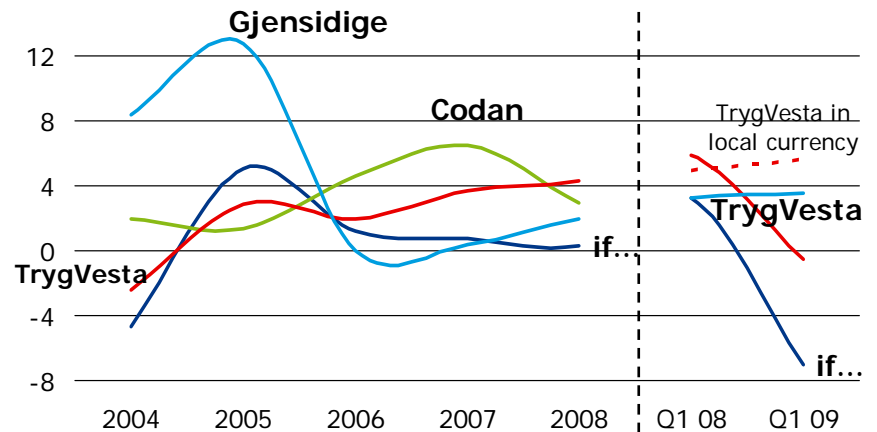
Combined ratio



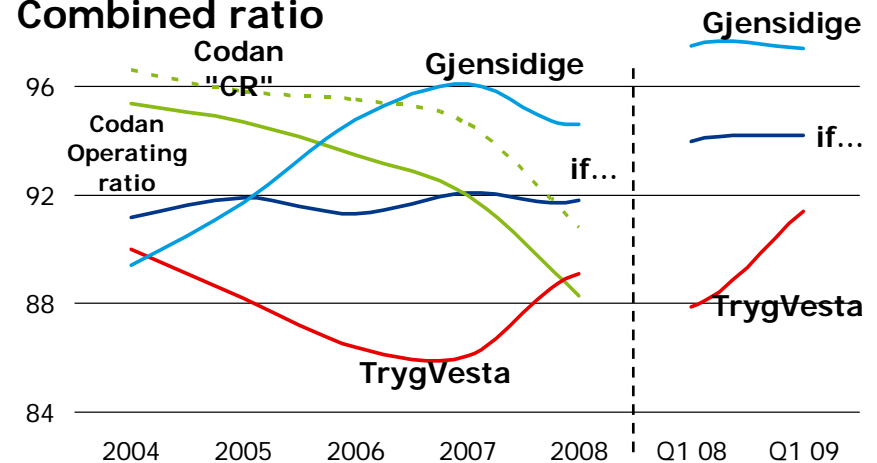
*Combined ratio before "The Living House"

The market

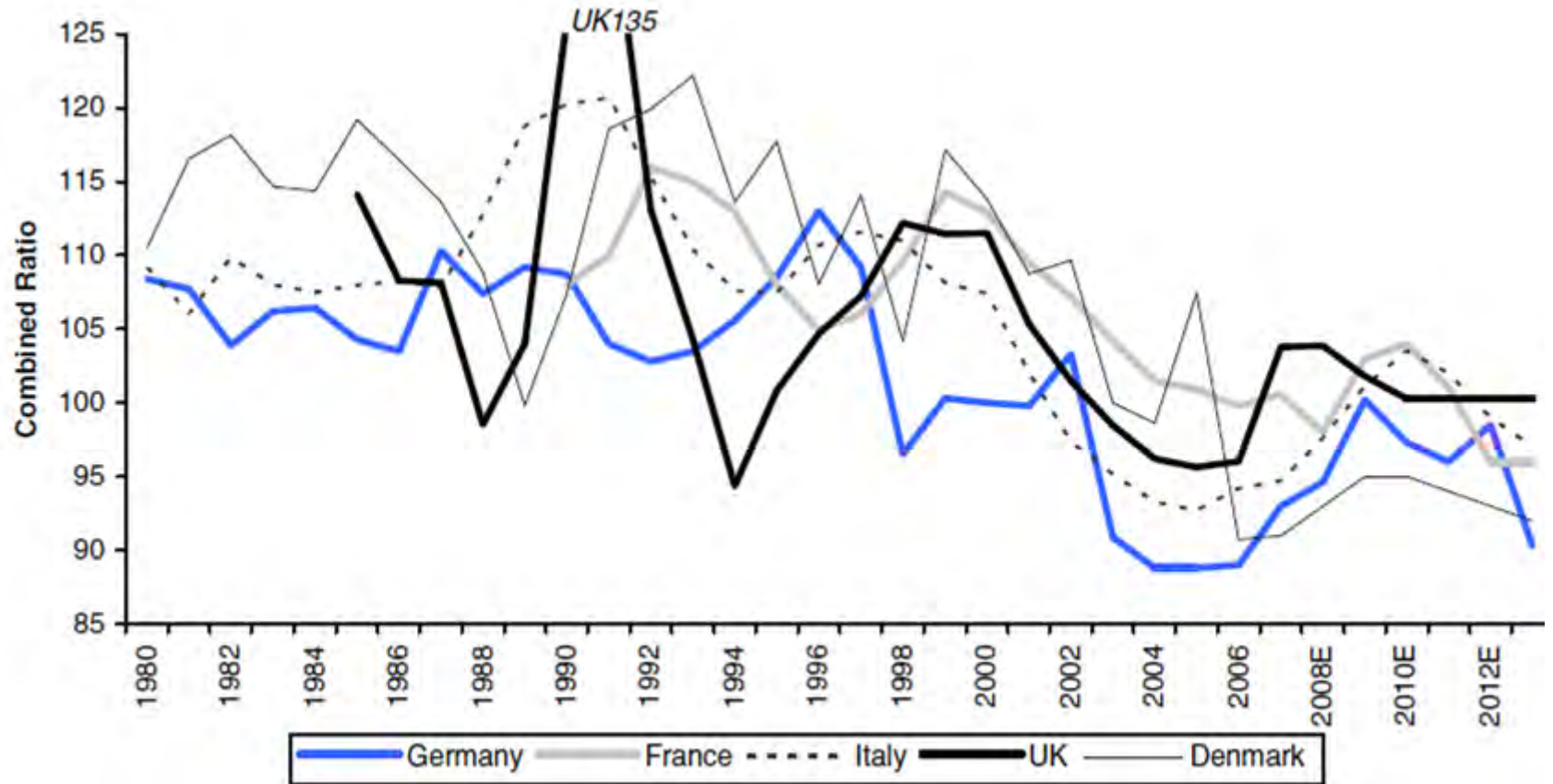
Premium growth in %



Combined ratio



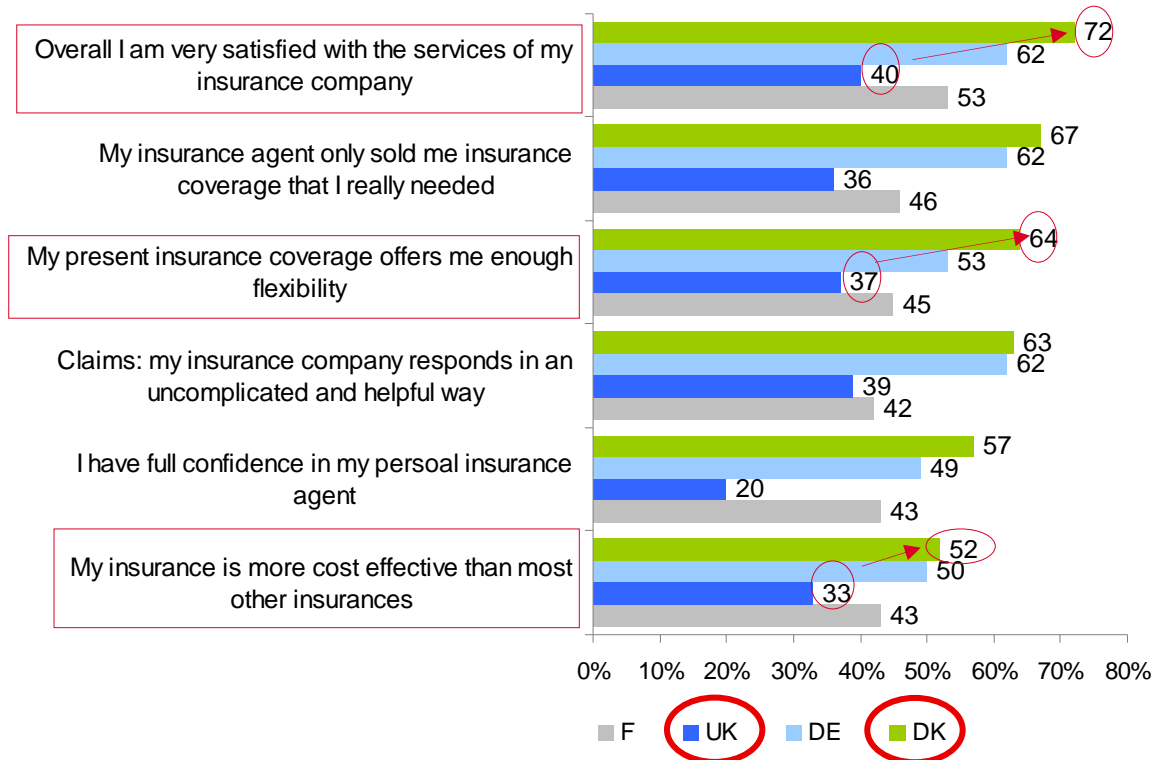
Codan: Combined operating ratio is used and adjusted curve is added where diff. between CR and operating ratio based on TrygVesta figures is added



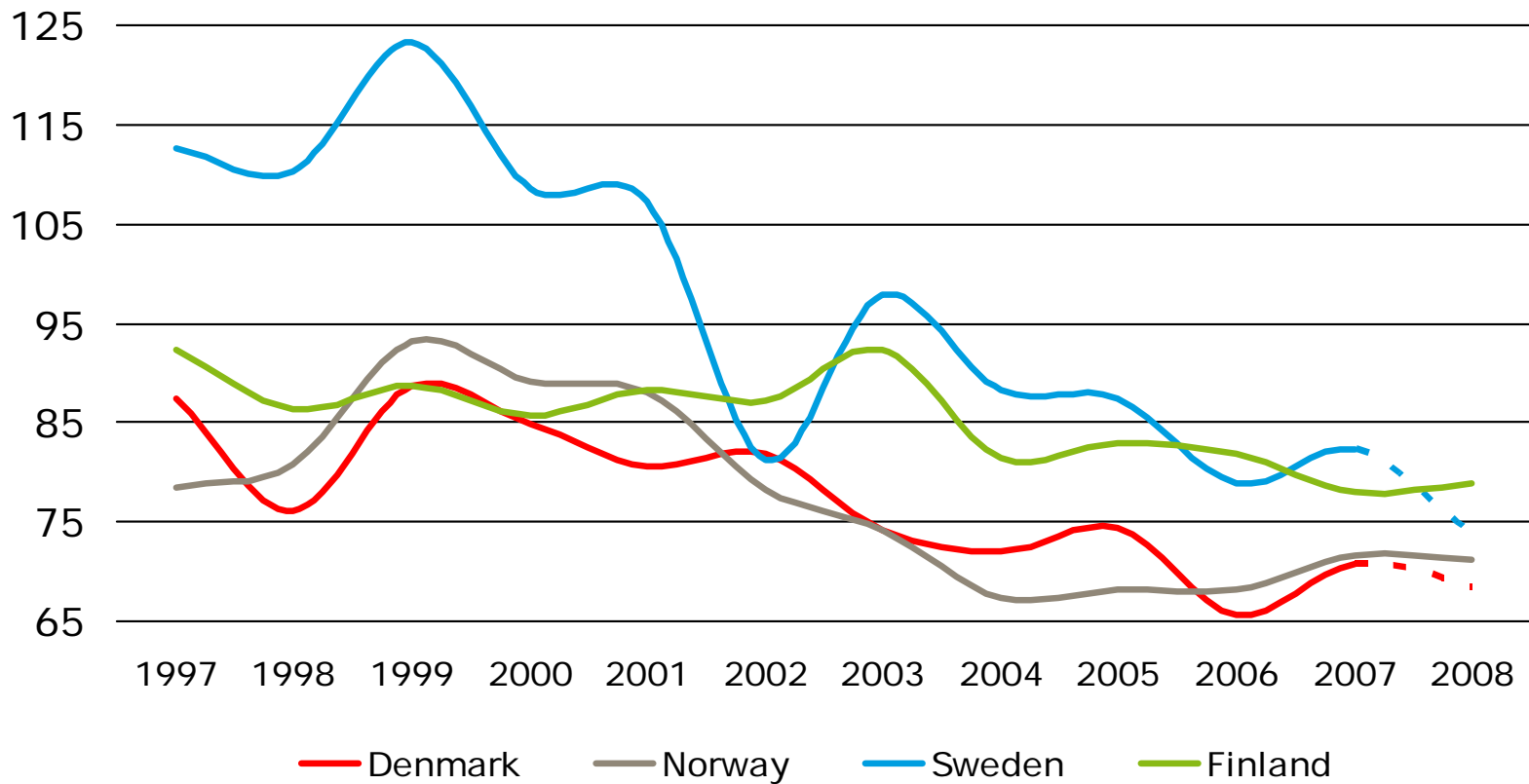
How customers differ - culture

Denmark: Customers evaluate experiences with their insurer much more positive than in other countries

Danish customers completely and strongly agree:

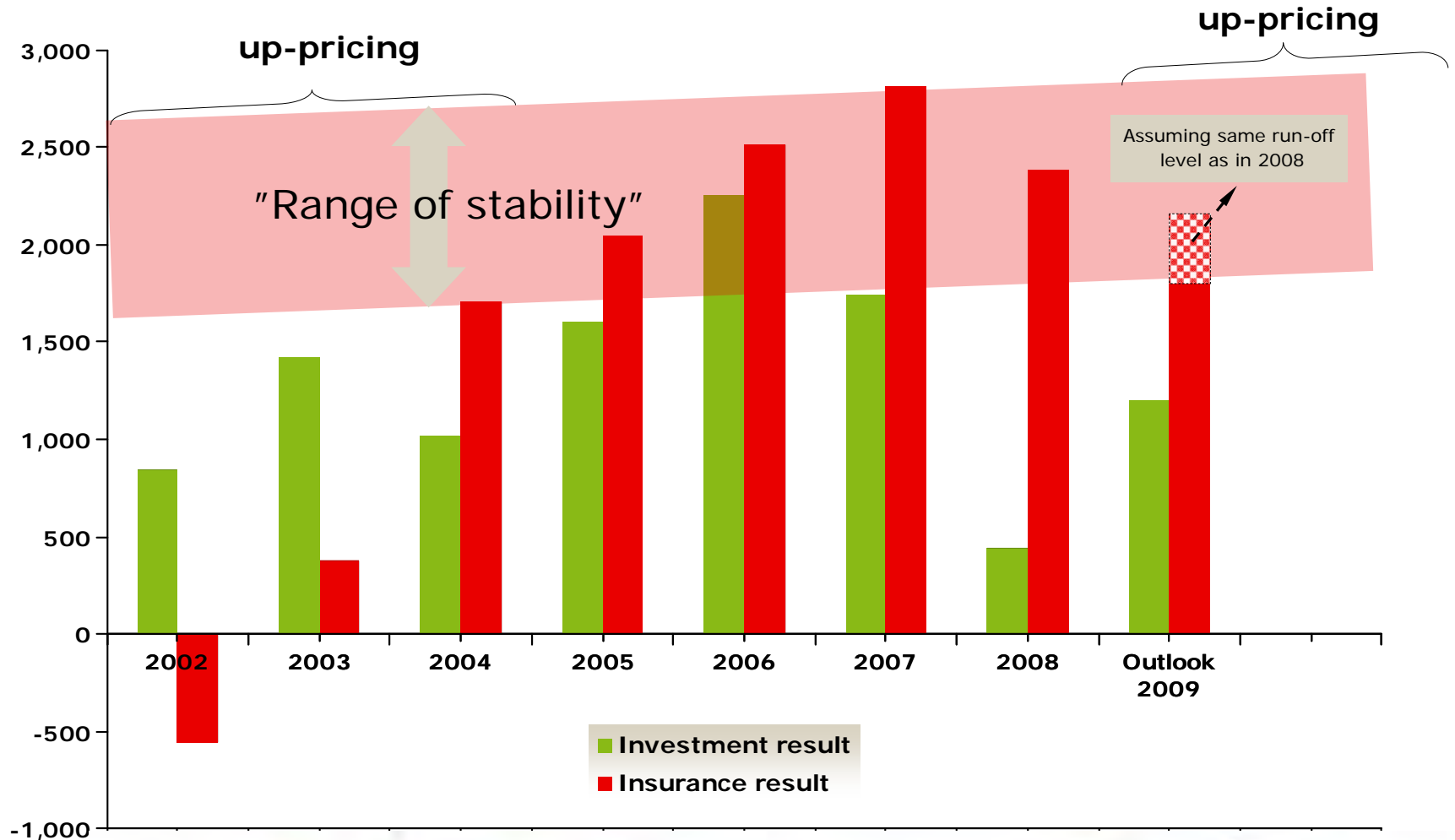


Claims ratio

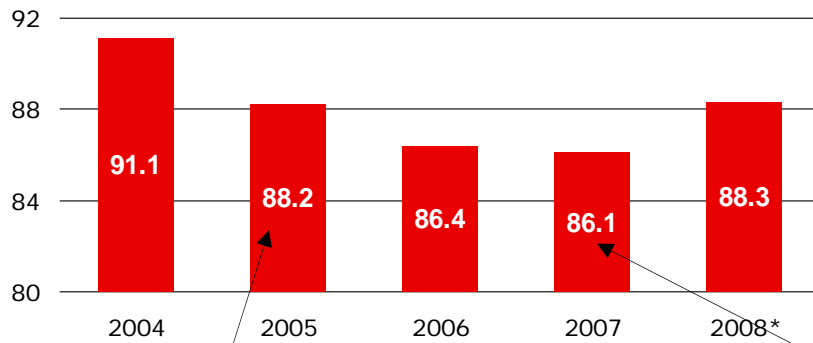


Note: Dotted lines are estimated 2008-values

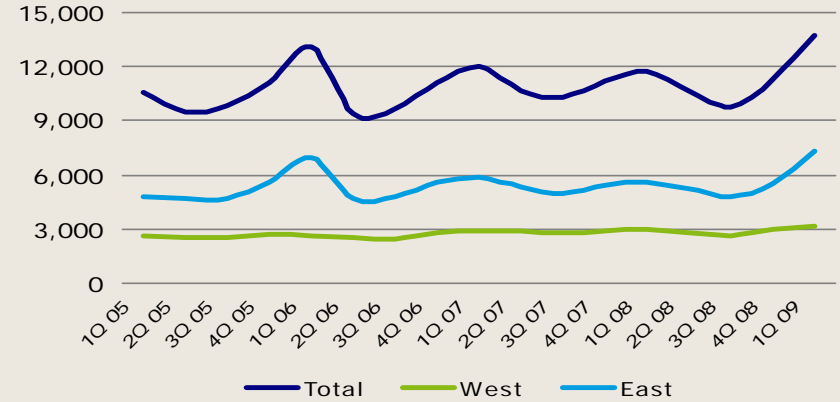
Source: F&P, Finanstilsynet, FKL, FNH and Försäkringsförbundet



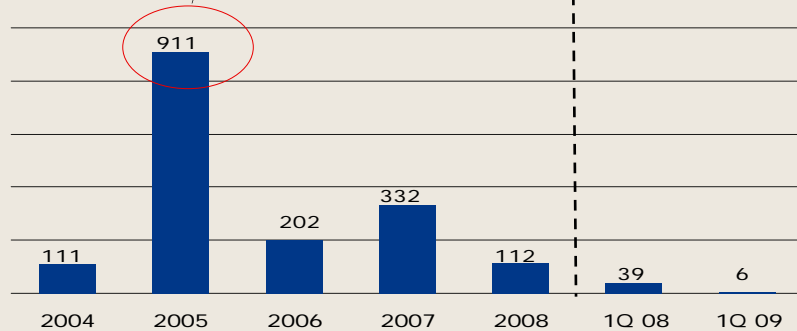
Combined ratio



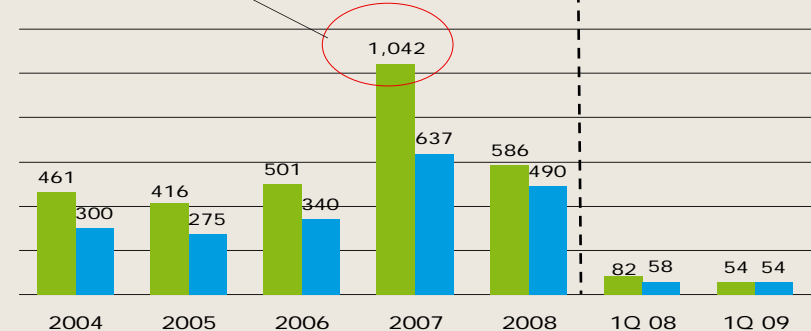
Number of car claims in Norway



Storm related claims*, gross



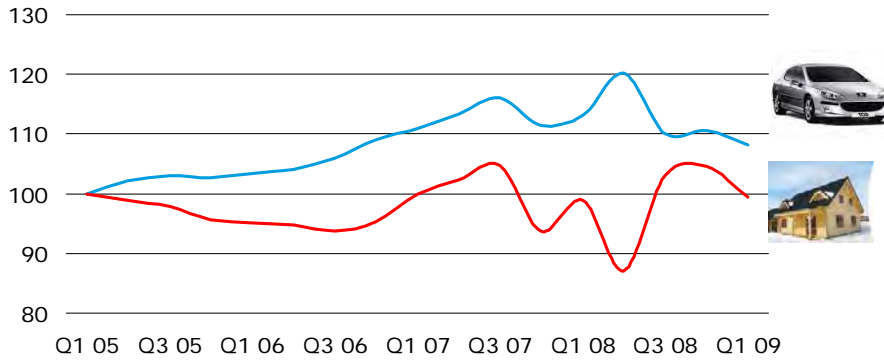
Large claims



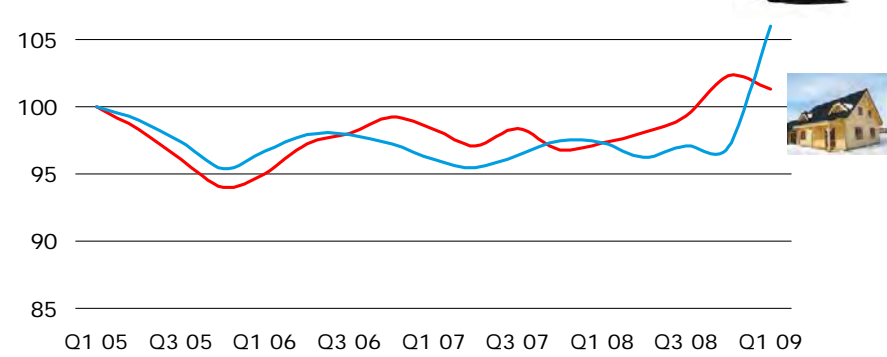
* excl. "The living house"

Claims inflation pushed by economic expansion

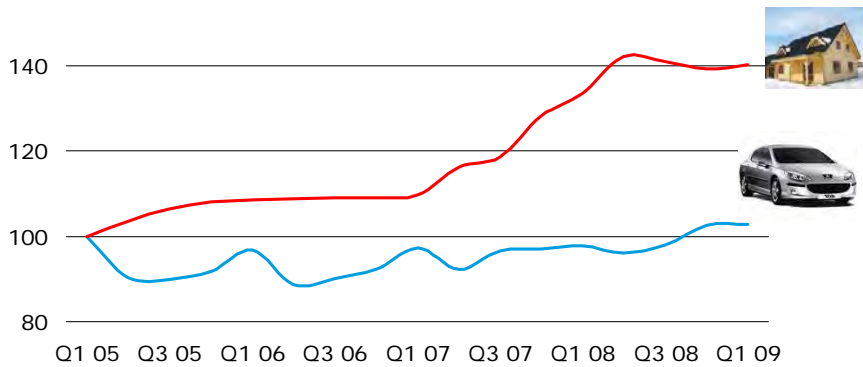
Frequency Denmark



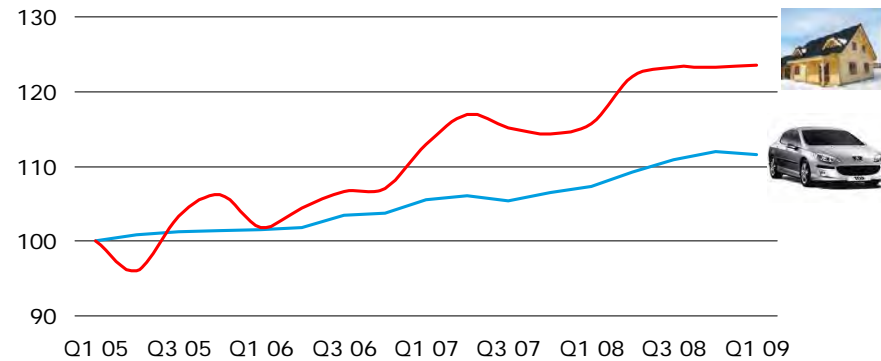
Frequency Norway



Average claims Denmark



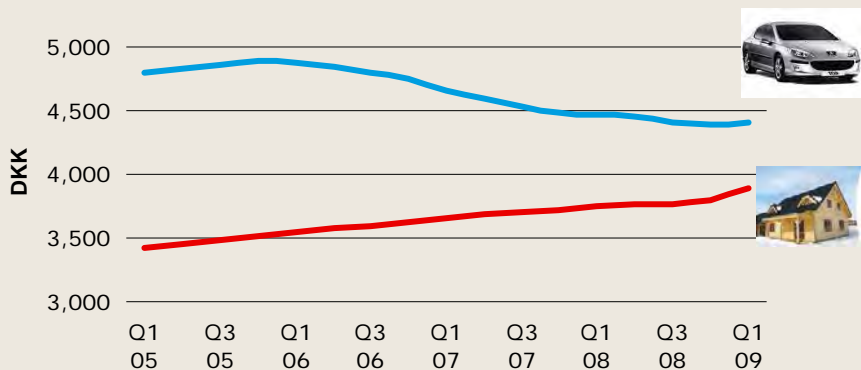
Average claims Norway



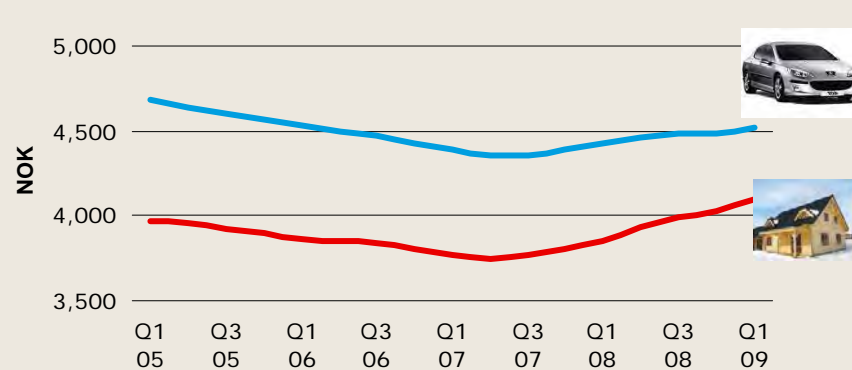
Price increases implemented on main products

	House	Car	Other
Denmark	11%	4%	4-15%
Norway	14%	12%	up to 10%
Finland	11%	9%	
Sweden		21%	

Average prices in Denmark

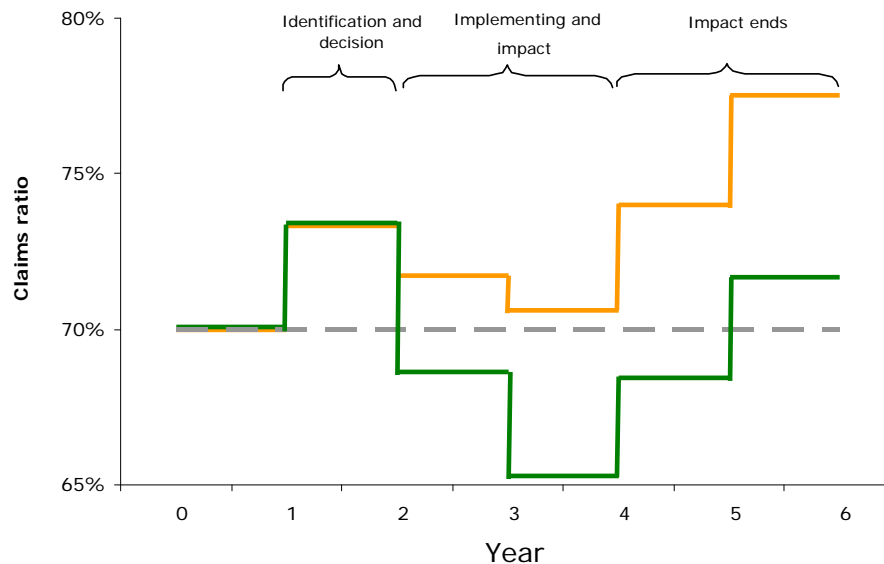


Average prices in Norway



Example of high inflation:

- Claims inflation: 10 % p.a. - priceindex: 5 % p.a. → price increase: 15 % → price increase: 25 %



Sensitivity from inflation and interest:

Higher interest level will improve combined ratio whilst inflation will deteriorate combined ratio

		Interest					
		0.5	1.5	2.5	3.5	4.5	5.5
Claims inflation	1.5	91	90	89	88	87	
	2.5	92	91	90	89	88	
	3.5	93	92	91	90	89	
	4.5	94	93	92	91	90	
	5.5	95	94	93	92	91	
	0.5						

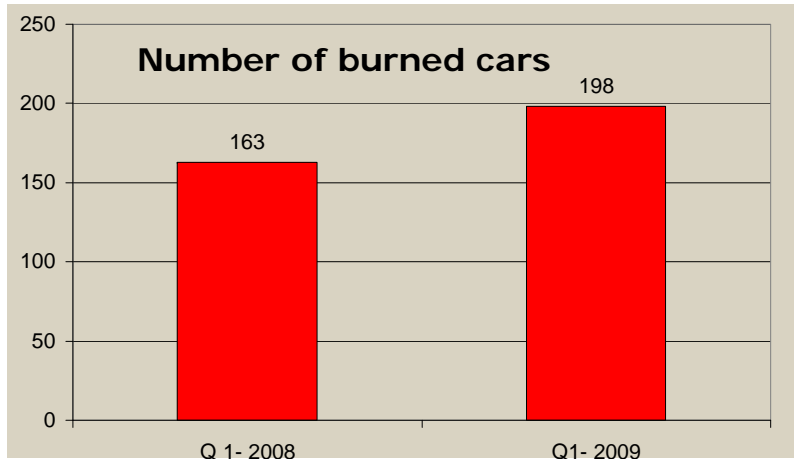
The economic slowdown has both positive and negative impacts on our performance



	Topline impact	Frequency impact	Average claim impact
Motor insurance	Fewer new cars sold, retention increase	Fewer kilometers driven	Lower materials prices
Property insurance	Fewer new houses	People stay more at home	Lower repair cost
Workers' compensation	Volume decline due to unemployment	Frequency decline	Longer recovery times

Key Figures (%)	Denmark		Norway		Sweden		Finland	
	2008	2009	2008	2009	2008	2009	2008	2009
Unemployment	1.8	3.3	2.6	3.9	6.2	10	6.4	8.5
Wageincrease	4.2	3.7	6	4.1	3.5	3	5.2	3.2
Inflation	3.4	1.5	2.6	2.6	3.4	-0.2	4.1	1
Private consumption	-0.1	-2.5	1.3	0.3	-0.2	-1.9	2	-0.2
Car sales	-7.3	-45	-14.4	-42	-18.2	-10	11.4	-10
New hours	-25	-20	-20	-15	-27	-30	-19	-15
GDP growth	0.3	-4	2.5	-1.7	-0.2	-4.6	0.9	-5.2

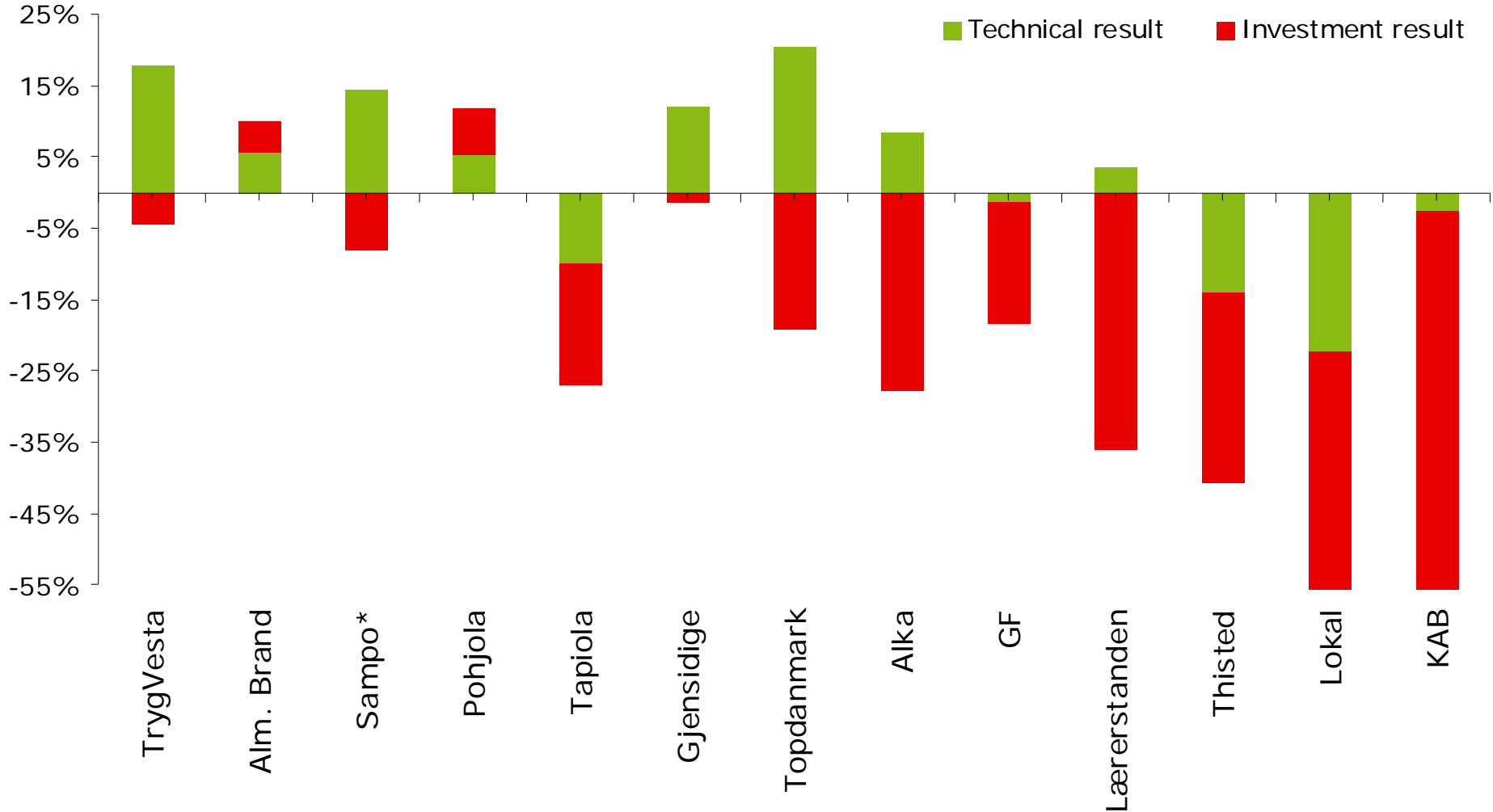
Fraud – so far limited impact:



Aggressive investments puts pressure on competitors

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Technical and investment result relative to premiums



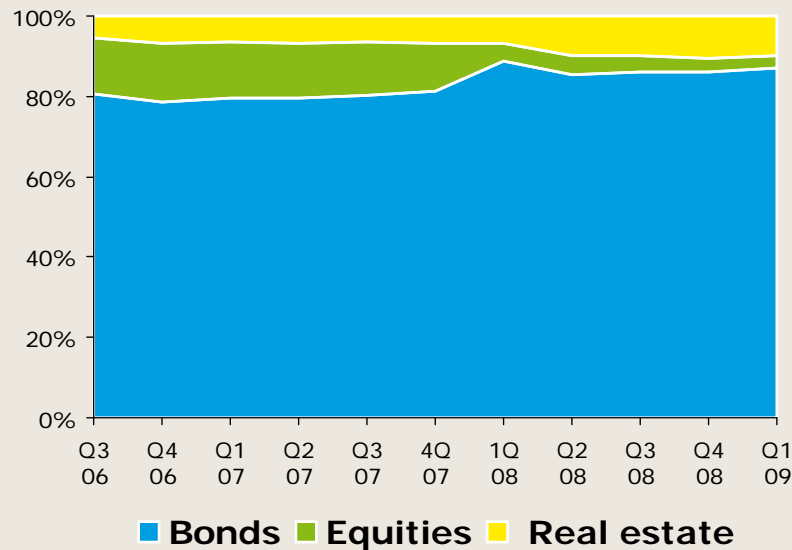
*Adjusted for assets which are "available for sale"

Investment portfolio of DKK 36.8bn

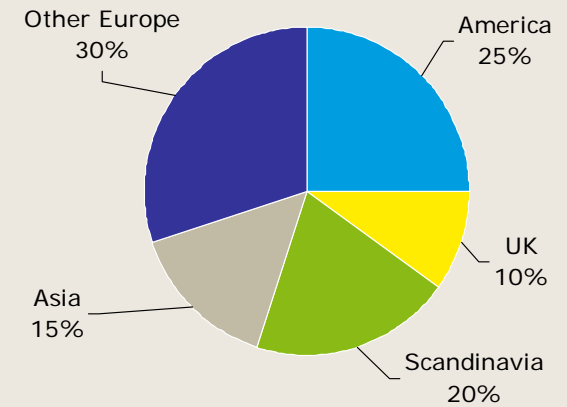
- 3.5% gross return in 2008 and 5.9% annualised in Q1 2009
- Duration of bond portfolio is 1.8 years
- 10% of bond portfolio moved into state guaranteed bank deposits/bonds
- The equity portfolio is primarily indexed and tracking leading MSCI indices

Bonds are 87% of portfolio...

...and equities are 3.1%

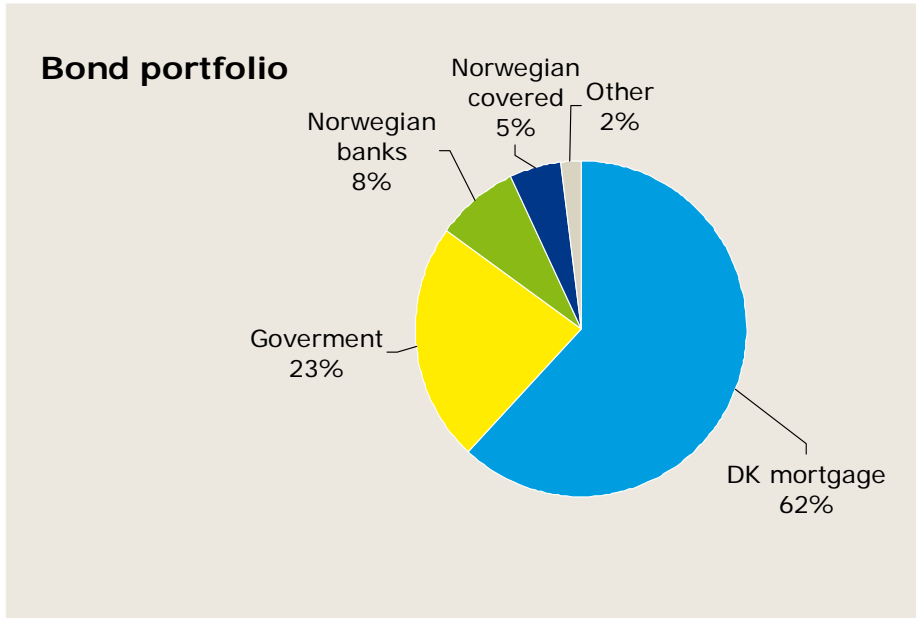


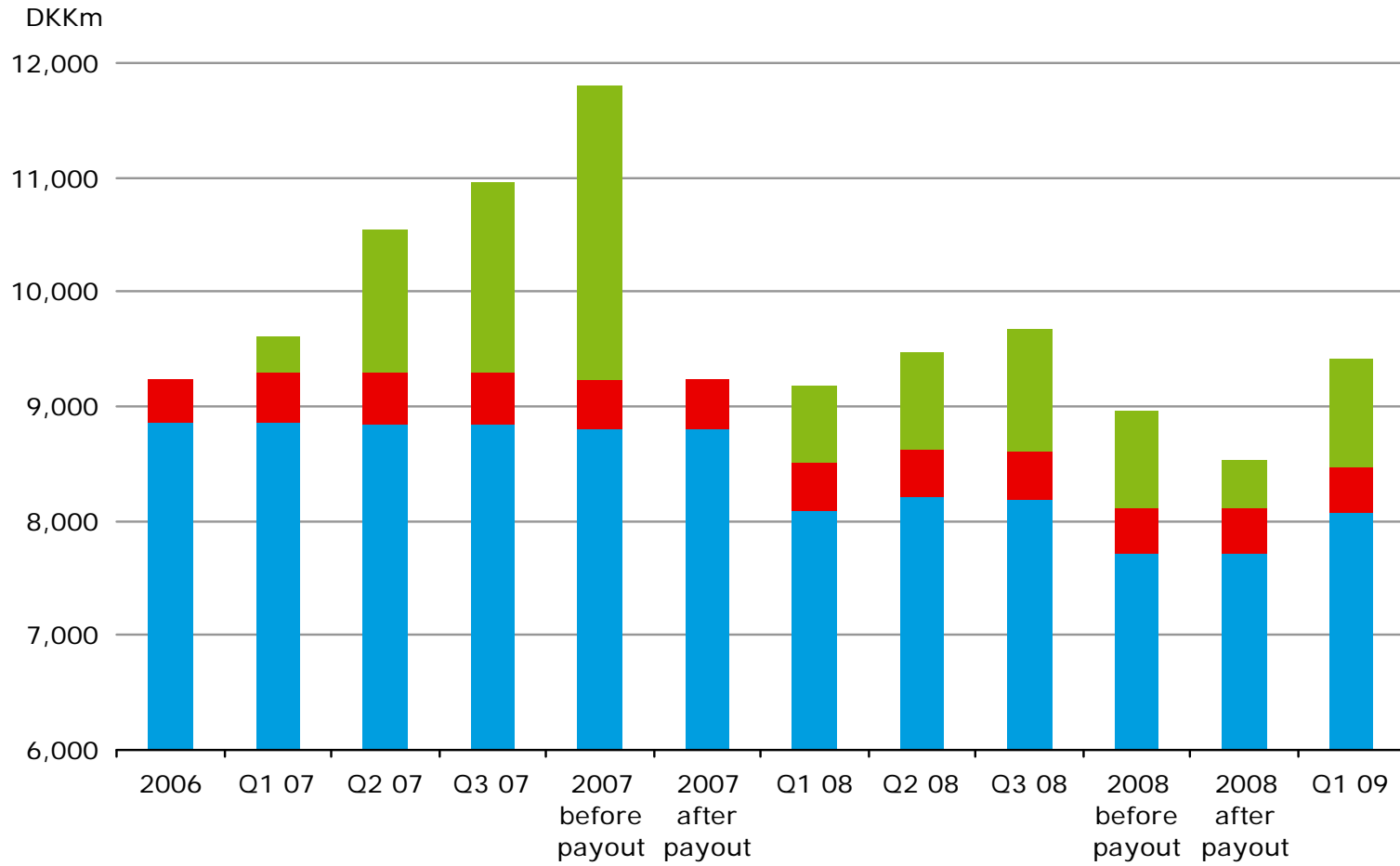
Geo split of equities



Conservative approach to the investment portfolio – plain vanilla

- Bond portfolio used for matching the discounted claim liabilities
- Duration of bond portfolio is approximately 2 years
- No structured products, CDO's etc held
- Proportion of unrated bonds reduced from 15% to 5% during 2008





■ Target capital (A- level)
 ■ Buffer (5%)
 ■ Surplus capital

Thank you for your attention – questions?