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Quarterly report Q4 2006

This report has been prepared as a service for investors interested in our quarterly performance.

Reference is made to the Annual Report 2006 for a full review of TrygVesta's financial and strategic position and performance.

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“TrygVesta Conference Call” – 28 February 2007 – 17:00 CET

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Further information and webcast available at www.trygvesta.com

Interim financial statements are unaudited

Financial highlights and key ratios, TrygVesta Group

DKKm	Q4 2006	Q4 2005	Change 2005/2006	Q4 2006	2005	Change 2005/2006
TrygVesta						
Gross premiums earned	3,985	3,961	0.6%	16,021	15,705	2.0%
Technical result	614	421	193	2,533	2,053	480
Profit on investment	650	272	378	1,207	888	319
Profit/loss for the period before tax	1,248	678	570	3,709	2,913	796
Profit/loss for the period	1,119	496	623	3,211	2,097	1,114
Profit/loss for the period incl. Discontinued and divested business						
Profit/loss on continuing business before tax	1,248	678	570	3,709	2,913	796
Profit/loss on discontinued and divested business before tax	69	3	66	160	-27	187
	1,317	681	636	3,869	2,886	983
Return on equity after tax				35	28	7
Earnings per share				45.5	31.3	14.2
Provisions for insurance contracts				25,957	26,757	-800
Total shareholders' equity				9,951	8,215	1,736
Total assets				42,783	40,811	1,972
Key ratios						
Claims ratio	67.3	70.0	2.7	67.4	72.0	4.6
Business ceded as a percentage of gross premiums	4.2	4.9	0.7	3.6	0.1	-3.5
Claims ratio, net of ceded business	71.5	74.9	3.4	71.0	72.1	1.1
Expense ratio	16.8	16.8	0.0	16.8	16.9	0.1
Combined ratio	88.3	91.7	3.4	87.8	89.0	1.2

Financial highlights for Q4 2006:

- **The pre-tax profit** was DKK 1,248m in Q4 2006 against DKK 678m in the year-earlier period. The pre-tax profit for the full 2006 financial year was DKK 3.9bn including discontinued business and DKK 3.7bn excluding discontinued business.
- **The investment return** was DKK 650m in Q4 against DKK 272m in the same period of last year. The investment income for the full 2006 financial year was DKK 1,207m against DKK 888m in 2005.
- **Gross premiums** were 0.6% higher than in Q4 2005. Due to the good performance, growth was impacted by bonus and premium rebates. The growth was 1.1% when adjusted for these factors.
- Sales **in Sweden** exceeded expectations with 26,500 policies sold and a portfolio of more than SEK 50m at 31 December 2006.

Operational highlights:

- Positive sales performance in P&C Norway in Q4 2006 driven by competitive strength towards core customer segments.
- In November we launched an extended warranty insurance for consumer electronics for Tryg-concept customers in Denmark. 9,000 policies were sold by the end of 2006.
- In December 2006, TrygVesta got permission from the Norwegian finance ministry to convert Vesta Forsikring AS in Norway into a branch of Tryg Forsikring A/S.
- In February 2007, sales of insurance services to new and small businesses in Finland started up. Sales will primarily take place through Nordea. Another 20 persons have been employed to sell from Nordea's largest branches in order to stimulate sales in this segment. In addition, the sales force will be supplemented by salespersons paid on a commission basis, and sales through our own call centre will be strengthened.

Q4 2006 – best-ever quarterly performance

Pro-active adjustment to the market

Gross earned premiums amounted to DKK 3,985m in Q4 2006, equivalent to 1.1% growth (0.6% after bonus) relative to the same period of 2005. For the full year, gross premiums grew at a rate of 2.3% (2.0% after bonus) relative to 2005.

Q4 premium growth was composed of growth of 3.1% in Private & Commercial Denmark (0.6% after bonus), a fall of 6.8% in Private & Commercial Norway (2.6% in local currency), growth of 6.3% in Corporate, and growth of 38.5% in Finnish general insurance.

The overall performance of gross earned premiums matched our market strategies, but was lower than our original expectations.

Corporate, Finland and Sweden performed satisfactorily, while Private & Commercial Denmark and Private & Commercial Norway underperformed relative to our expectations. Due to the satisfactory performance, the growth in Private & Commercial Denmark was affected by a higher bonus triggered by a good claims performance, which is set-off against earned premiums. This had an impact of 1.2 percentage points on growth for the year. The initiatives related to motor insurance in Denmark triggered the expected loss of unprofitable young customers, which had an adverse impact on renewal and growth rates. Overall, the number of customers in Private & Commercial Denmark saw a positive development in 2006.

Private & Commercial Norway did not perform satisfactorily due to the introduction of a number of new customer benefits, which will reduce the average premium in the short term but further enhance renewal rates in the longer term. The renewal rate has already been positively impacted, and the number of policies has also developed favourably in 2H 2006.

The favourable development in Corporate was driven by a positive trend in the number of policies sold and in the proportion of customers who renewed their policies, which exceeded expectations by a substantial margin. Around nine out of 10 corporate customers chose to continue their relationship with us in 2006, and our risk consultancy project was the main contributor to this positive trend. The risk consultancy project is a new team-based way of working, in which our sales, underwriting, claims and other staff work with the customer to identify risks and prepare a risk report describing the customer's overall risk scenario. Together, they then find a solution that covers the customer's requirements.

The many initiatives and the favourable trend will be reflected in positive premium growth over the coming quarters. The number of policies sold in Sweden and Finland reached the 100,000 mark in 2006, and the new business in Sweden had a portfolio of more than SEK 50m at 31 December 2006.

Improved technical result

The technical result was DKK 614m in Q4 against DKK 421m in the year-earlier period. For the full year 2006, the technical result was DKK 2,533m, which was DKK 480m higher than in 2005.

TrygVesta reported an aggregate profit before tax but including discontinued and divested business of DKK 1,317m for the fourth quarter of 2006, which was an improvement of DKK 636m relative to the same period of 2005. The y/y improvement was driven by improvements of the technical result of DKK 193m and of the investment result of DKK 378m plus a positive adjustment in connection with the sale of Chevanstell Limited.

The result was DKK 3,869m for the full year 2006, which was an improvement of DKK 983m over 2005.

Investment activities generated a profit of DKK 873m before other financial income and expenses in Q4, which was an improvement of DKK 474m on the same period of last year. All asset types contributed to the improvement, although the return on shares was particularly high. Revaluation of DKK 160m due to higher market prices based on a product practice also had a positive impact.

The annualised return on equity was 35% in 2006 after tax and discontinued and divested business.

Favourable claims performance

The gross claims ratio was 67.3 in Q4, which was an improvement of 2.7 percentage points on the same period of 2005. For the full year 2006, the gross claims ratio was 67.4 against 72 in the same period of 2005, which was affected by the storm in Denmark in January.

Large losses totalled a gross amount of DKK 33m in Q4 2006 and the full year ended some DKK 100m higher than in a normal year.

Gross run-off gains were DKK 134m in Q4 2006 and the net amount was DKK 93m, which had a favourable impact on the claims ratio of 3.4 percentage points gross and 2.3 percentage points net. The positive run-off result was mainly driven by the performance of provisions for motor third-party liability, and this trend is expected to continue. All other things being equal, this will have a favourable impact on the run-off result. However, motor third-party liability is subject to much uncertainty and therefore analysed on an ongoing basis.

Sustained low expense level

The gross expense ratio was 16.8 in Q4, in line with the level of Q4 2005. The expense ratio for the full year 2006 was 16.8, an improvement of 0.1 relative to 2005. This development was in line with our expectations when seen in the light of the investments in 2006.

Nominal costs were 1.3% higher than in 2005. In addition to the investments referred to above, nominal costs include cumulative wage indexation of 4.4%, equivalent to DKK 81m. This emphasises the significant efficiency improvements we make in our large business units.

Investment result

The Q4 investment result was equivalent to a return of 2.4% with shares yielding 8.2% and real property 9%. The investment result for the full year 2006 was DKK 2,071m, which was in line with 2005. The performance in 2006 equals a 5.8% return on investment assets, which was satisfactory and in line with expectations. TrygVesta's investment performance in 2006 was, in particular, lifted by a very positive equity return of 20.3%. Both Danish and Norwegian equities outperformed the benchmark with returns of 25.7% and 34.9%, respectively. The return on our commercial properties was 15% in 2006, affected by a prudent revaluation of the properties due to higher property prices.

Discontinued and divested business

TrygVesta reported a pre-tax profit on discontinued business of DKK 69m in Q4 2006 and DKK 160m for the full year. The result was mainly related to the winding up of Chevanstell Limited. We have previously announced expectations of a profit of DKK 80m from the sale. The higher profit originated from higher-than-expected commutation gains in connection with the final settlement of old claims in the fourth quarter of 2006.

Outlook for 2007

(This section is identical with the Outlook for 2007 found in the Annual Report 2006)

TrygVesta's financial forecast for 2007 is composed of the main areas insurance activities, investment activities and tax.

For the full 2007 financial year TrygVesta expects a profit on ordinary activities before tax of DKK 2,500m compared with DKK 3,709m for 2006. TrygVesta expects a return on equity of just over 26% before tax and around 19% after tax based on the dividend policy.

DKKm	Realised 2006	Outlook 2007	Favorable scenario	Negative scenario
Premium growth	2.0%	3%*		
Technical result	2,533	2,050	2,200	1,900
Investment income	1,207	500		
Result before tax and discontinued business	3,709	2,500		
Profit/loss for the year incl. discontinued and divested business before tax	3,869	2,500		
Result after tax and discontinued business	3,211	1,850	1,950	1,750
Combined ratio (%)	87.8	91	90	92

* in local currency

Gross earned premiums are expected to increase by some 3% in local currency, assuming no major changes in competitive conditions relative to 31 December 2006. The Group aims to retain the strategy of generating profitable growth.

The combined ratio for 2007 is estimated to be at the level of 90-92 with an expectation of 91 before run-off compared with the 87.8 after run-off and 90.1 before run-off achieved for 2006.

TrygVesta expects to reduce the expense ratio slightly in 2007 relative to the expense ratio of 16.8 achieved for 2006. The expectations include continued expansion in Finland and Sweden. Excluding these activities, the expected expense ratio for 2007 would be about 1 percentage point lower.

Dividend

TrygVesta has clearly defined a dividend policy resting on the cornerstone that we do not retain a larger part of the profit than is appropriate to maintaining the minimum level of capital required to operate and develop the company. This is achieved through active capital management and optimised capitalisation. TrygVesta uses Standard & Poor's capital model. A simplified version of this model is provided on our website for following the rating requirement for capital relative to actual accumulated capital.

Outlook for the medium term

Expectations for the combined ratio in the medium term are at the level of 91-93, corresponding to a targeted return on equity after tax of 19-21%.

Assumptions for insurance activities

The forecast for the result for 2007 is based on assumptions with respect to gross earned premiums, gross claims incurred, gross expenses, result of business ceded and technical interest.

Expectations regarding gross earned premiums are based on TrygVesta's portfolio at 31 December 2006 and assumptions with respect to sales and loss of policies and price adjustments of policies in force. Assumptions for sales and loss of policies are based on historical levels, planned initiatives and the market situation. Assumptions for price adjustments are primarily based on agreements relating to adjustments of individual insurance policies. The forecast is expressed in local currency.

TrygVesta generally bases expectations with respect to claims incurred on assumptions for the various products in the individual business areas and companies. Expectations regarding claims ratios are based on historical performance in the form of average claims ratios for the past five years, with recent years' trends generally being weighted stronger than those of prior years. Trends in the pricing of our insurance premiums, claims frequencies and the discounting rate applied are the most important factors that may affect our overall performance. Assumptions for storm and large losses are based on historical experience for not less than ten years. In addition, we incorporate the effect of profitability initiatives and the effect of any legislative measures and changes in case law in the anticipated claims level.

The expectations for 2007 assume weather related claims of about DKK 225m and large claims of about DKK 410m.

The forecast generally assumes no run-off gains or losses in 2007 on the provisions for claims established. The positive run-off result had a gross impact of 2.6% and a net impact of 2.3% on the combined ratio for 2006. The reinsurers' share makes up the difference between the gross and net run-off result.

The forecast regarding gross expenses reflects the projected number of employees during 2007 and the related costs. The projected number of employees incorporates the effect of measures launched to improve efficiency. The forecast further includes other costs such as expenses relating to IT operations and our corporate headquarters, which are predominantly based on agreements that are known to us.

The result of business ceded is based on contracts made with reinsurers to cover claims events and events such as storms and large losses. The expected result of business ceded is calculated on the basis of such contracts and historical data.

Technical interest is based on interest rate assumptions as at 31 December 2006.

Assumptions for investment activities

The forecast return on investment activities for 2007 is based on the following assumptions with respect to investment assets. Bonds are expected to account for around 80% of total investment assets and to yield a return of 3.9%. Shares are expected to account for around 14% and to yield a return on 7.0%, while real property is expected to account for 6% of assets and yield a return of 6.8%. This should be viewed against corresponding returns of 2.8%, 20.3% and 15.0% generated on bonds, shares and real property, respectively, in 2006.

Assumptions for tax

The tax rate is 28% in both Denmark and Norway. The effective tax rate is primarily attributable to gains or losses on shares which are tax-exempt or non-deductible. TrygVesta assumes an effective tax rate of 26% for 2007 based on the above assumptions for the return on shares.

At the beginning of February 2007, the Danish tax authorities submitted a bill amending Danish tax legislation that is expected to change the corporate tax level in Denmark. At the time of publication of this report, neither the final form of the bill nor whether it would be adopted were known and it has therefore not been incorporated in the forecast for 2007.

Tables

Private & Commercial Denmark

DKKm	Q4 2006	Q4 2005	Change 2005/2006	2006	2005	Change 2005/2006
Gross earned premiums	1,580	1,570	10	6,390	6,276	114
Gross claims incurred	-1,115	-1,120	5	-4,306	-4,987	681
Gross expenses	-274	-277	3	-1,109	-1,113	4
Profit/loss on gross business	191	173	18	975	176	799
Profit/loss on ceded business	-64	-34	-30	-201	467	-668
Technical interest, net of reinsurance	56	52	4	215	113	102
Technical result	183	191	-8	989	756	233
Key ratios						
Claims ratio	70.6	71.3	0.7	67.4	79.5	12.1
Business ceded as a percentage of gross premiums	4.1	2.2	-1.9	3.1	-7.4	-10.5
Claims ratio, net of ceded business	74.7	73.5	-1.2	70.5	72.1	1.6
Expense ratio	17.3	17.6	0.3	17.4	17.7	0.3
Combined ratio	92.0	91.1	-0.9	87.9	89.8	1.9

Private & Commercial Norway

DKKm	Q4 2006	Q4 2005	Change 2005/2006	2006	2005	Change 2005/2006
<i>NOK/DKK, average rate for the period</i>	93.74	94.61	-0.87	93.04	92.85	0.19
Gross earned premiums	1,103	1,184	-81	4,509	4,632	-123
Gross claims incurred	-664	-774	110	-2,892	-2,844	-48
Gross expenses	-219	-233	14	-922	-945	23
Profit/loss on gross business	220	177	43	695	843	-148
Profit/loss on ceded business	-15	-12	-3	-76	-62	-14
Technical interest, net of reinsurance	39	25	14	152	93	59
Technical result	244	190	54	771	874	-103
Key ratios						
Claims ratio	60.2	65.4	5.2	64.1	61.4	-2.7
Business ceded as a percentage of gross premiums	1.4	1.0	-0.4	1.7	1.3	-0.4
Claims ratio, net of ceded business	61.6	66.4	4.8	65.8	62.7	-3.1
Expense ratio	19.9	19.7	-0.2	20.4	20.4	0.0
Combined ratio	81.5	86.1	4.6	86.2	83.1	-3.1

Corporate

DKKm	Q4 2006	Q4 2005	Change 2005/2006	2006	2005	Change 2005/2006
<i>NOK/DKK, average rate for the period</i>	93.74	94.61	-0.87	93.04	92.85	0.19
Gross earned premiums	1,245	1,171	74	4,921	4,666	255
Gross claims incurred	-849	-847	-2	-3,437	-3,361	-76
Gross expenses	-127	-137	10	-539	-534	-5
Profit/loss on gross business	269	187	82	945	771	174
Profit/loss on ceded business	-89	-150	61	-302	-421	119
Technical interest, net of reinsurance	54	14	40	210	114	96
Technical result	234	51	183	853	464	389
Key ratios						
Claims ratio	68.2	72.3	4.1	69.8	72.0	2.2
Business ceded as a percentage of gross premiums	7.1	12.8	5.7	6.1	9.0	2.9
Claims ratio, net of ceded business	75.3	85.1	9.8	75.9	81.0	5.1
Expense ratio	10.2	11.7	1.5	11.0	11.4	0.4
Combined ratio	85.5	96.8	11.3	86.9	92.4	5.5

Finland

DKKm	Q4 2006	Q4 2005	Change 2005/2006	2006	2005	Change 2005/2006
<i>EUR/DKK, average rate for the period</i>	746.01	745.95	0.06	745.94	745.07	0.87
Gross earned premiums	54	39	15	198	140	58
Gross claims incurred	-48	-32	-16	-155	-113	-42
Gross expenses	-24	-18	-6	-83	-70	-13
Profit/loss on gross business	-18	-11	-7	-40	-43	3
Profit/loss on ceded business	0	-1	1	0	-1	1
Technical interest, net of reinsurance	1	1	0	6	3	3
Technical result	-17	-11	-6	-34	-41	7
Key ratios						
Claims ratio	87.5	82.1	-5.4	78.1	80.9	2.8
Business ceded as a percentage of gross premiums	0.0	2.6	2.6	0.2	0.2	0.0
Claims ratio, net of ceded business	87.5	84.7	-2.8	78.3	81.1	2.8
Expense ratio	44.3	46.2	1.9	41.7	50.2	8.5
Combined ratio	131.8	130.9	-0.9	120.0	131.3	11.3

Sweden

DKKm	Q4 2006	Q4 2005	Change 2005/2006	2006	2005	Change 2005/2006
<i>SEK/DKK, average rate for the period</i>	80.69	-	-	80.37	-	-
Gross earned premiums	3	-	-	4	-	-
Gross claims incurred	-5	-	-	-6	-	-
Gross expenses	-23	-	-	-39	-	-
Profit/loss on gross business	-25	-	-	-41	-	-
Profit/loss on ceded business	0	-	-	0	-	-
Technical interest, net of reinsurance	0	-	-	0	-	-
Technical result	-25	-	-	-41	-	-

Investment return

DKKm	Q4 2006	Q4 2005	Change 2005/2006	2006	2005	Change 2005/2006	Investment assets	
							31.12.2006	31.12.2005
Bonds	245	121	124	788	687	101	28,663	27,572
Equities	427	205	222	966	819	147	5,384	4,783
Real estate	201	73	128	317	175	142	2,453	2,055
Total	873	399	474	2,071	1,681	390	36,500	34,410
Other financial income and expenses *)	50	71	-21	167	-86	253		
Total investments activities	923	470	453	2,238	1,595	643	36,500	34,410
Transferred to technical interest	-273	-198	-75	-1,031	-707	-324		
Return on investment activities	650	272	378	1,207	888	319		
Discontinued and divested business	59	1	58	63	-6	69	0	578

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

Income statement and balance sheet, TrygVesta

Income statement

DKKm	2006	2005
Notes		
General insurance		
Gross premiums written	16,296	15,444
Ceded insurance premiums	-945	-892
Change in provisions for unearned premiums	-61	422
Change in reinsurers' share of provisions for unearned premiums	3	-74
1 Earned premiums, net of reinsurance	15,293	14,900
2 Technical interest, net of reinsurance	583	323
Claims paid	-10,064	-10,256
Reinsurance recoveries	550	1,373
Change in provisions for claims	-732	-1,048
Change in the reinsurers' share of provisions for claims	-288	-487
3 Claims incurred, net of reinsurance	-10,534	-10,418
Bonus and premium rebates	-214	-161
Acquisition costs	-1,719	-1,644
Administrative expenses	-978	-1,018
Acquisition costs and administrative expenses	-2,697	-2,662
Commission and profit commission from the reinsurers	102	71
4 Total insurance operating expenses, net of reinsurance	-2,595	-2,591
Technical result	2,533	2,053
Investment activities		
Income from associates	6	2
Income from investment properties	101	101
5 Interest income and dividends, etc.	1,105	1,035
6 Value adjustment	1,205	588
5 Interest expenses	-94	-68
Investment management charges	-85	-63
Total return on investment activities	2,238	1,595
2 Interest on insurance provisions	-1,031	-707
Total return on investment activities after technical interest	1,207	888
Other income	118	126
Other expenses	-149	-154
Profit/loss before tax	3,709	2,913
Tax	-624	-788
Profit/loss on continuing business	3,085	2,125
Profit/loss on discontinued and divested business	126	-28
Profit/loss for the year	3,211	2,097
Specification		
Profit/loss on continuing business before tax	3,709	2,913
Profit/loss on discontinued and divested business before tax	160	-27
Profit/loss for the year incl. discontinued and divested business before tax	3,869	2,886
Tax	-658	-789
Profit for the year	3,211	2,097
Earnings per share - continuing business of DKK 25	45.5	31.3
Earnings per share of DKK 25	47.3	30.8

Balance sheet

DKKm	2006	2005
Assets		
Intangible assets	220	135
Operating equipment	98	109
Owner-occupied property	326	329
Total property, plant and equipment	424	438
Investment property	2,127	1,726
Investments in associates	18	30
Total investments in associates	18	30
Equity investments	5,308	4,707
Unit trust units	306	280
Bonds	30,100	27,763
Deposits in credit institutions	0	120
Cash in hand and at bank	338	543
Total other financial investment assets	36,052	33,413
Deposits with ceding undertakings, receivable	18	27
Total investment assets	38,215	35,196
Reinsurers' share of provisions for unearned premiums	185	146
Reinsurers' share of provisions for claims	1,376	2,484
Total reinsurers' share of provisions for insurance contracts	1,561	2,630
Receivables from policyholders	840	819
Receivables from insurance brokers	0	85
Total receivables in relation to direct insurance contracts	840	904
Receivables from insurance enterprises	647	722
Receivables from subsidiaries	27	44
Other receivables	262	145
Total receivables	1,776	1,815
Temporarily acquired assets	6	9
Current tax assets	43	106
Other	7	8
Total other assets	56	123
Accrued interest and rent earned	474	423
Other prepayments and accrued income	57	51
Total prepayments and accrued income	531	474
Total assets	42,783	40,811

Balance sheet

DKKm	2006	2005
Liabilities		
Shareholders' equity	9,951	8,215
Subordinated loan capital	1,099	1,098
Provisions for unearned premiums	5,173	5,183
Provisions for claims	20,410	21,261
Provisions for bonuses and premium rebates	374	313
Total provisions for insurance contracts	25,957	26,757
Pensions and similar obligations	503	669
Deferred tax liability	959	939
Other provisions	50	41
Total provisions	1,512	1,649
Debt related to direct insurance	358	342
Debt related to reinsurance	214	143
Debt to credit institutions	665	786
Current tax liabilities	229	385
Other debt	2,689	1,186
Total debt	4,155	2,842
Accruals and deferred income	109	250
Total liabilities and equity	42,783	40,811

DKKm

Statement of changes in equity	Share capital	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	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		0
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	5	46	-126	64	646	1,428	2,063
Dividend paid							-650	-650
Total equity entries in 2005	0	5	46	-126	64	646	778	1,413
Shareholders' equity at 31 December 2005	1,700	5	46	63	800	4,173	1,428	8,215
Shareholders' equity at 1 January 2006	1,700	5	46	63	800	4,173	1,428	8,215
Equity entries in 2006								
Profit for the year					0	967	2,244	3,211
Change in equalisation provision				-5		5		0
Revaluation of owner-occupied properties		3						3
Exchange rate adjustment of foreign entities			-143					-143
Hedge of foreign currency risk in foreign entities			107					107
Actuarial gains and losses on pension obligation						116		116
Tax on equity entries		-1	-30			-32		-63
Total comprehensive income	0	2	-66	-5	0	1,056	2,244	3,231
Dividend paid							-1,428	-1,428
Dividend own shares						5		5
Purchase of own shares						-88		-88
Issue of employee shares						13		13
Issue of share options						3		3
Total equity entries in 2006	0	2	-66	-5	0	989	816	1,736
Shareholders' equity at 31 December 2006	1,700	7	-20	58	800	5,162	2,244	9,951

Notes

DKKm	2006	2005
1 Earned premiums, net of reinsurance		
Direct insurance	16,102	15,833
Indirect insurance	88	33
	16,190	15,866
Unexpired risk provision	45	0
	16,235	15,866
Ceded direct insurance	-890	-974
Ceded indirect insurance	-52	8
	15,293	14,900
2 Technical interest		
Interest on insurance provisions	1,031	707
Transferred from provisions for claims concerning discounting	-457	-378
Technical interest concerning discontinued business	9	-6
	583	323
3 Claims incurred, net of insurance		
Claims incurred	-11,219	-11,567
Run-off previous years, gross	423	263
	-10,796	-11,304
Reinsurance recoveries	313	968
Run-off previous years, reinsurers' share	-51	-82
	-10,534	-10,418
4 Insurance operating expenses, net of reinsurance		
Commission regarding direct business	-339	-270
Other acquisition costs	-1,380	-1,374
Total acquisition costs	-1,719	-1,644
Administrative expenses	-978	-1,018
Insurance operating expenses, gross	-2,697	-2,662
Commission, etc. from reinsurers	102	71
	-2,595	-2,591
5 Interest and dividends, etc.		
<i>Interest and dividend concerning financial assets at fair value with value adjustment in the income statement:</i>		
Dividends	183	126
Interest expenses	-94	-68
Interest income	922	909
	1,011	967
6 Market value adjustment		
<i>Market value adjustments concerning financial assets or liabilities at fair value with value adjustment in the income statement:</i>		
Equity investments	764	682
Unit trust units	26	34
Share derivatives	0	-10
Bonds	-115	-204
Interest derivatives	5	-7
Other loans	0	-7
	680	488
<i>Market value adjustments concerning assets and liabilities that cannot be attributed to IAS 39</i>		
Investment property	190	43
Discounting	347	43
Other balance sheet items	-12	14
	525	100
	1,205	588
Market value gains	1,736	1,356
Market value losses	-531	-768
Market value adjustment, net	1,205	588

Exchangerate adjustments concerning financial assets or liabilities at fair value with value adjustment in the income statement amount to DKK 16m

Financial highlights and key ratios by geography

DKKmn	Q4 2006	Q4 2005	Change 2005/2006	2006	2005	Change 2005/2006
Danish general insurance						
Gross premiums earned	2,256	2,177	3.6%	9,084	8,764	3.7%
Technical result	282	224	58	1,366	956	410
Profit on investment	456	201	255	792	567	225
Other income	15	12	3	65	77	-12
Other expenses	-15	-11	-4	-63	-70	7
Profit/loss for the period before tax	738	426	312	2,160	1,530	630
Key ratios						
Claims ratio	70.1	70.9	0.8	68.4	78.0	9.6
Business ceded as a percentage of gross premiums	4.6	3.6	-1.0	3.8	-3.9	-7.7
Claims ratio, net of ceded business	74.7	74.5	-0.2	72.2	74.1	1.9
Expense ratio	16.5	17.3	0.8	16.1	16.6	0.5
Combined ratio	91.2	91.8	0.6	88.3	90.7	2.4
Number of full-time employess, end of period				2,231	2,215	16
Norwegian general insurance						
Gross premiums earned	1,671	1,748	-4.4%	6,738	6,810	-1.1%
Technical result	375	208	167	1,242	1,138	104
Profit on investment	204	76	128	455	354	101
Other income	20	35	-15	53	49	4
Other expenses	-19	-35	16	-50	-47	-3
Profit/loss for the period before tax	580	284	296	1,700	1,494	206
Key ratios						
Claims ratio	62.8	68.5	5.7	65.6	64.0	-1.6
Business ceded as a percentage of gross premiums	3.5	6.8	3.3	3.5	5.2	1.7
Claims ratio, net of ceded business	66.3	75.3	9.0	69.1	69.2	0.1
Expense ratio	15.2	15.4	0.2	16.5	16.7	0.2
Combined ratio	81.5	90.7	9.2	85.6	85.9	0.3
Number of full-time employess, end of period				1,460	1,431	29
Finnish general insurance						
Gross premiums earned	54	39	38.5%	198	140	41.4%
Technical result	-17	-11	-6	-34	-41	7
Profit on investment	-1	-1	0	-4	-2	-2
Profit/loss for the period before tax	-18	-12	-6	-38	-43	5
Key ratios						
Claims ratio	87.5	82.1	-5.4	78.1	80.9	2.8
Business ceded as a percentage of gross premiums	0.0	2.6	2.6	0.2	0.2	0.0
Claims ratio, net of ceded business	87.5	84.7	-2.8	78.3	81.1	2.8
Expense ratio	44.3	46.2	1.9	41.7	50.2	8.5
Combined ratio	131.8	130.9	-0.9	120.0	131.3	11.3
Number of full-time employess, end of period				77	48	29
Swedish general insurance						
Gross premiums earned	3	-	-	4	-	-
Technical result	-25	-	-	-41	-	-
Profit on investment	0	-	-	0	-	-
Profit/loss for the period before tax	-25	-	-	-41	-	-
Number of full-time employess, end of period				40	-	-

Overview of quarterly results – Q1 2005 - Q4 2006

DKKm	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q4 2005	Q3 2005	Q2 2005	Q1 2005
TrygVesta								
Gross premiums earned	3,985	4,071	4,005	3,960	3,961	3,975	3,926	3,843
Technical result	614	740	786	393	421	655	679	297
Profit on investment	650	376	-130	311	272	360	26	230
Profit/loss for the period before tax	1,248	1,110	651	700	678	1,008	703	523
Profit/loss for the period	1,119	995	562	535	496	722	537	341
Key ratios								
Claims ratio	67.3	64.1	62.3	76.0	70.0	65.2	65.9	87.3
Business ceded as a percentage of gross premiums	4.2	4.6	5.1	0.4	4.9	3.6	2.6	-11.3
Claims ratio, net of ceded business	71.5	68.7	67.4	76.4	74.9	68.8	68.5	76.0
Expense ratio	16.8	16.6	16.7	17.2	16.8	16.6	16.6	17.8
Combined ratio	88.3	85.3	84.1	93.6	91.7	85.4	85.1	93.8
Private & Commercial Denmark								
Gross premiums earned	1,580	1,606	1,587	1,617	1,570	1,583	1,567	1,555
Technical result	183	240	295	271	191	248	220	96
Key ratios								
Claims ratio	70.6	67.9	63.0	68.0	71.3	66.8	70.6	109.5
Business ceded as a percentage of gross premiums	4.1	2.2	4.9	1.4	2.2	0.6	-1.7	-31.1
Claims ratio, net of ceded business	74.7	70.1	67.9	69.4	73.5	67.4	68.9	78.4
Expense ratio	17.3	18.2	16.8	17.0	17.6	17.8	17.7	17.9
Combined ratio	92.0	88.3	84.7	86.4	91.1	85.2	86.6	96.3
Private & Commercial Norway								
Gross premiums earned	1,103	1,142	1,144	1,120	1,184	1,180	1,149	1,119
Technical result	244	231	197	99	190	252	305	128
Key ratios								
Claims ratio	60.2	61.7	63.6	71.0	65.4	59.7	54.1	66.5
Business ceded as a percentage of gross premiums	1.4	1.9	2.2	1.3	1.0	0.3	2.3	1.7
Claims ratio, net of ceded business	61.6	63.6	65.8	72.3	66.4	60.0	56.4	68.2
Expense ratio	19.9	19.4	20.5	22.1	19.7	20.7	19.1	22.3
Combined ratio	81.5	83.0	86.3	94.4	86.1	80.7	75.5	90.5
Corporate								
Gross premiums earned	1,245	1,264	1,229	1,183	1,171	1,176	1,181	1,139
Technical result	234	277	312	30	51	159	168	85
Key ratios								
Claims ratio	68.2	61.6	59.2	91.4	72.3	67.9	70.4	77.5
Business ceded as a percentage of gross premiums	7.1	9.8	8.7	-1.5	12.8	11.4	9.1	2.8
Claims ratio, net of ceded business	75.3	71.4	67.9	89.9	85.1	79.3	79.5	80.3
Expense ratio	10.2	10.4	11.2	12.0	11.7	10.4	11.3	12.4
Combined ratio	85.5	81.8	79.1	101.9	96.8	89.7	90.8	92.7
Finnish general insurance								
Gross premiums earned	54	54	49	41	39	38	33	30
Technical result	-17	2	-12	-7	-11	-4	-14	-12
Key ratios								
Claims ratio	87.5	66.7	77.6	81.4	82.1	76.3	78.8	84.5
Business ceded as a percentage of gross premiums	0.0	0.7	0.0	0.0	2.6	0.0	0.0	0.2
Claims ratio, net of ceded business	87.5	67.4	77.6	81.4	84.7	76.3	78.8	84.7
Expense ratio	44.3	35.3	48.4	38.9	46.2	36.8	63.6	55.4
Combined ratio	131.8	102.7	126.0	120.3	130.9	113.1	142.4	140.1
Swedish general insurance								
Gross premiums earned	3	-	-	-	-	-	-	-
Technical result	-25	-	-	-	-	-	-	-

5-year financial highlights

DKKm	2006	IFRS		Danish GAAP		
		2005	2004	2004	2003	Pro forma 2002
Profit and Loss						
Gross premiums earned	16,021	15,705	15,266	16,308	16,702	15,792
Gross claims incurred	-10,796	-11,304	-10,572	-11,020	-11,940	-12,334
Gross expenses	-2,697	-2,662	-2,611	-3,462	-3,745	-3,732
Profit/loss on gross business	2,528	1,739	2,083	1,826	1,017	-274
Profit/loss on ceded business	-578	-9	-718	-814	-1,135	-871
Technical interest, net of reinsurance	583	323	335	537	595	832
Change in equalisation provisions	0	0	0	-93	-101	-245
Technical result	2,533	2,053	1,700	1,456	376	-558
Profit/loss on investments after transfer to Insurance activities	1,207	888	378	517	685	-170
Other income	118	126	121	121	115	127
Other expenses	-149	-154	-147	-147	-131	-173
Profit/loss for the year before tax	3,709	2,913	2,052	1,947	1,045	-774
Extraordinary items and minority interests	0	0	0	0	1	-1,256
Tax	-624	-788	-556	-485	-87	213
Profit/loss for the year, continuing business	3,085	2,125	1,496	1,462	959	-1,817
Profit/loss on discontinued and divested business after tax	126	-28	-75	-55	-217	-274
Profit/loss for the period	3,211	2,097	1,421	1,407	742	-2,091
Profit/loss for the year incl. discontinued and divested business before tax						
Profit/loss on continuing business before tax	3,709	2,913	2,052	1,947	1,046	-2,030
Profit/loss on discontinued and divested business before tax	160	-27	-81	-65	-256	-304
	3,869	2,886	1,971	1,882	790	-2,334
Run-off gains/losses, net of reinsurance	372	181	-161	3	-516	-458
Relative run-off gains/losses	2.0	0.9	-1.0	-	-	-
Balance sheet						
Total provisions for insurance contracts	25,957	26,757	25,212	26,599	25,955	26,238
Total reinsurers' share of provisions for insurance contracts	1,561	2,630	3,292	3,132	3,480	4,632
Total shareholders' equity	9,951	8,215	6,802	6,117	5,360	4,268
Total assets	42,783	40,811	37,824	33,553	31,337	29,833
Key ratios 1)						
Gross Claims ratio	67.4	72.0	69.3	67.6	71.5	78.1
Business ceded as a percentage of gross premiums	3.6	0.1	4.7	5.0	6.8	5.5
Claims ratio, net of ceded business	71.0	72.1	74.0	72.6	78.3	83.6
Gross Expense ratio	16.8	16.9	17.1	21.2	22.4	23.6
Combined ratio	87.8	89.0	91.1	93.8	100.7	107.2
Claims ratio, net	69.9	70.7	72.4	70.9	76.6	83.4
Expense ratio, net	17.2	17.6	17.6	22.2	24.3	25.8
Combined ratio, net	87.1	88.3	90.0	93.1	100.9	109.2
Operating ratio	84.7	87.2	89.1	90.8	97.2	101.9
Other information						
Return on equity before tax and discontinued and divested business	41	39	33	34	22	-46
Return on equity after tax and discontinued and divested business	35	28	23	25	15	-47
Earnings per share (continuing business)	45.5	31.3	22.0	21.5	14.1	-26.7
Net assets value per share	147	121	100	90	79	63
Dividend per share	33	21	10	10	1	0
Share price	431.5	319.2	-	-	-	-
Quoted price/net asset value	2.9	2.6	-	-	-	-
Price Earnings	9.5	10.2	-	-	-	-
Average number of shares (1,000)	67,824	68,000	68,000	68,000	68,000	68,000
Number of shares, year end (1,000)	67,790	68,000	68,000	68,000	68,000	68,000
Solvency	69	72	78	79	86	61
Number of full-time employees, end of period						
Continuing business	3,808	3,694	3,728	3,728	3,750	3,739
Discontinued and divested business	0	24	34	34	670	672

1) Calculated in accordance with 'Recommendations & Financial Ratios 2005' issued by the Danish Society of Financial Analysts except for per shares data, which is based on 68.000 shares as if such number of shares was outstanding during the periods presented. The 60.000 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.

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".

Income statement data for 2002 are pro forma figures as if Nordea AB's activities were owned at 1 January 2002.

Further information

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

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Preliminary financial calendar

Annual general meeting – 28 March 2007

Financial results for the three months ending 31 March 2007 – 9 May 2007

Capital markets day – 21 June 2007

Financial results for the six months ending 30 June 2007 – 16 August 2007

Financial results for the nine months ending 30 September 2007 – 23 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.

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.

A full review of risk factors and other information is set out in our Annual Report 2006 and at www.trygvesta.com.