



Interim report Q1-Q3 2018

Contents

Management's review

- 3 Highlights
- 4 Income overview
- 5 Tryg's results
- 7 Business initiatives
- 9 Customer highlights
- 10 Private
- 11 Commercial
- 12 Corporate
- 13 Sweden
- 14 Investment activities
- 16 Solvency and dividend
- 17 Financial outlook
- 18 Financial calendar

Financial statements

- 20 Statement by the Supervisory Board and the Executive Board
- 21 Financial highlights
- 22 Income statement
- 23 Statement of comprehensive income
- 24 Statement of financial position
- 25 Statement of changes in equity
- 27 Cash flow statement
- 28 Notes
- 35 Quarterly outline

Teleconference

Tryg is hosting a teleconference on 11 October 2018 at 10.00 CET. View the audio webcast at tryg.com. Financial analysts and investors may participate on tel. +44 (0) 203 194 0544 or +45 35 44 55 83, where questions can be asked. The teleconference will be held in English and can subsequently be viewed at tryg.com.

Highlights

Premium growth of 4.7% in local currencies, technical result of DKK 761m (DKK 789m) impacted by a DKK 173m increase in large claims. Investment income of DKK 79m (DKK 87m), driven primarily by positive equity markets, partly off-set by lower fixed-income returns. Profit before tax of DKK 825m (DKK 860m). Quarterly dividend of DKK 1.65 per share supporting TryghedsGruppen's 8% member bonus. Solvency ratio of 291, or 207 when adjusted for the capital raised for the acquisition of Alka. As previously announced, Tryg expects a solvency ratio of approximately 170 when the Alka acquisition is finalised.

Financial highlights Q3 2018

- Premium growth of 4.7% (1.5%) in local currencies
- Technical result of DKK 761m (DKK 789m) driven by a combined ratio of 83.8 (82.6)
- Underlying claims ratio (Private and Group) improved by 0.5 and 0.5
- Expense ratio of 13.9 (13.6)
- Investment return of DKK 79m (DKK 87m)
- Profit before tax of DKK 825m (DKK 860m)
- Q3 dividend of DKK 1.65 per share and solvency ratio of 291

Financial highlights Q1-Q3 2018

- Premium growth of 3.9% (1.6%) in local currencies
- Technical result of DKK 2,170m (DKK 2,167m) driven by a combined ratio of 84.1 (83.8)
- Underlying claims ratio (Private and Group) improved by 0.4 and 0.4
- Expense ratio of 14.0 (14.1)
- Investment return of DKK -2m (DKK 441m)
- Profit before tax of DKK 2,113m (DKK 2,554m)
- Q1-Q3 dividend of DKK 4.95 per share (DKK 1.65 paid in April, DKK 1.65 paid in July and DKK 1.65 to be paid on 16 October)

Customer highlights Q3 2018

- TNPS of 66 (59)
- Number of products per customer 3.7 (3.5)
- For the third year running, TryghedsGruppen paid out a bonus of 8% to its members
- In Q3, the awareness of the bonus model for non-customers increased to 22%, an increase of 40% compared with the same period prior year.

2020 targets



Earnings^{a)}

Technical result
DKK 3.3bn

Combined ratio
≤86

Expense ratio
~14

RoE
≥21



Customers

TNPS
70

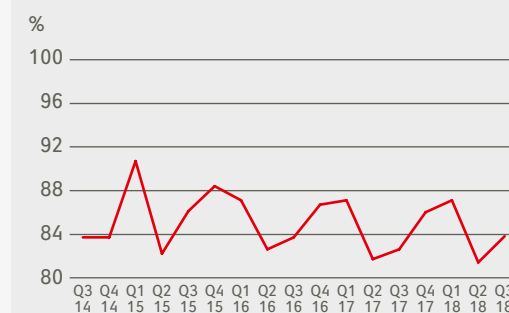
Number of products
per customer
+10%

a) The targets are conditional upon the authorities' approval of the Alka acquisition.

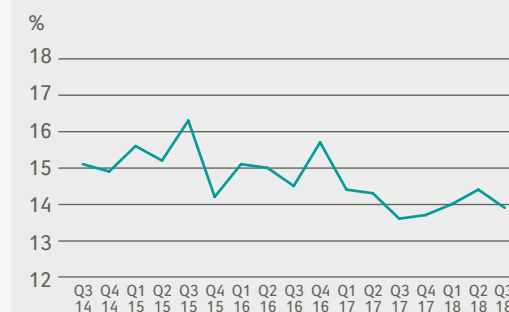
Income overview

| DKKm | Q3 2018 | Q3 2017 | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|-------------------------------------------------------------|--------------|--------------|---------------|---------------|---------------|
| Gross premium income | 4,696 | 4,576 | 13,687 | 13,475 | 17,963 |
| Gross claims | -3,281 | -2,948 | -9,151 | -8,789 | -11,865 |
| Total insurance operating costs | -651 | -623 | -1,917 | -1,900 | -2,516 |
| Profit/loss on gross business | 764 | 1,005 | 2,619 | 2,786 | 3,582 |
| Profit/loss on ceded business | -1 | -211 | -440 | -609 | -779 |
| Insurance technical interest, net of reinsurance | -2 | -5 | -9 | -10 | -14 |
| Technical result | 761 | 789 | 2,170 | 2,167 | 2,789 |
| Investment return after insurance technical interest | 79 | 87 | -2 | 441 | 527 |
| Other income and costs | -15 | -16 | -55 | -54 | -77 |
| Profit/loss before tax | 825 | 860 | 2,113 | 2,554 | 3,239 |
| Tax | -198 | -189 | -492 | -562 | -720 |
| Profit/loss on continuing business | 627 | 671 | 1,621 | 1,992 | 2,519 |
| Profit/loss on discontinued and divested business after tax | 0 | 0 | 0 | -2 | -2 |
| Profit/loss | 627 | 671 | 1,621 | 1,990 | 2,517 |
| Run-off gains/losses, net of reinsurance | 408 | 247 | 1,014 | 753 | 972 |
| Key figures | | | | | |
| Total equity | 11,814 | 8,604 | 11,814 | 8,604 | 12,616 |
| Return on equity after tax (%) | 21.7 | 30.3 | 18.1 | 30.9 | 28.8 |
| Number of shares, end of period (1,000) | 302,124 | 274,544 | 302,124 | 274,544 | 301,945 |
| Earnings per share | 2.07 | 2.44 | 5.36 | 7.25 | 9.12 |
| Ordinary dividend per share (DKK) | 1.65 | 1.60 | 4.95 | 4.80 | 6.40 |
| Extraordinary dividend per share (DKK) | 0.00 | 0.00 | 0.00 | 0.00 | 3.31 |
| Premium growth in local currencies | 4.7 | 1.5 | 3.9 | 1.6 | 1.7 |
| Gross claims ratio | 69.9 | 64.4 | 66.9 | 65.2 | 66.1 |
| Net reinsurance ratio | 0.0 | 4.6 | 3.2 | 4.5 | 4.3 |
| Claims ratio, net of reinsurance | 69.9 | 69.0 | 70.1 | 69.7 | 70.4 |
| Gross expense ratio | 13.9 | 13.6 | 14.0 | 14.1 | 14.0 |
| Combined ratio | 83.8 | 82.6 | 84.1 | 83.8 | 84.4 |
| Run-off, net of reinsurance (%) | -8.7 | -5.4 | -7.4 | -5.6 | -5.4 |
| Large claims, net of reinsurance (%) | 4.9 | 1.2 | 3.0 | 1.2 | 1.4 |
| Weather claims, net of reinsurance (%) | 1.9 | 0.7 | 2.2 | 1.3 | 1.7 |
| Combined ratio on business areas | | | | | |
| Private | 79.6 | 79.0 | 82.2 | 82.2 | 82.1 |
| Commercial | 82.5 | 82.0 | 82.3 | 81.6 | 82.6 |
| Corporate | 93.8 | 90.5 | 90.0 | 88.6 | 90.0 |
| Sweden | 85.9 | 85.5 | 85.0 | 87.2 | 88.1 |

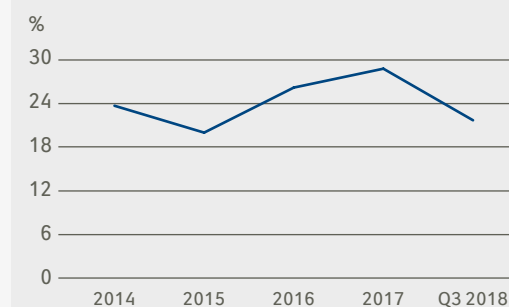
Combined ratio



Expense ratio



Return on equity



Tryg's results

Tryg reported a technical result of DKK 761m (DKK 789m) impacted by a DKK 173m increase in large claims compared with the prior-year period. The underlying claims ratio for both Private and the Group improved by 0.5 percentage points. The investment return was DKK 79m (DKK 87m), driven primarily by positive equity markets developments. Tryg will pay a quarterly dividend of DKK 1.65 per share based on aggregate results, Tryg's dividend policy and a solvency ratio of 291, or 207 when adjusted for the capital raised for the Alka acquisition.

Premium growth was 4.7% in local currencies, or 3.0% when excluding portfolio acquisitions. Negative exchange rate fluctuations impacted the reported figures. The combined ratio was 83.8 (82.6). Large claims were DKK 173m higher compared to Q3 2017, while the run-off result was DKK 161m higher. The Private underlying claims ratio, adjusted for weather claims and large claims, run-off and discount rate (to discount the claims provisions) was 0.5 better than in Q3 2017, showing that profitability is improving.

The Group underlying claims ratio also improved by 0.5 percentage points compared with Q3 2017. Underlying profitability continues to improve in the Private and Commercial segments, while remaining under pressure in the Corporate segment. Tryg is actively reducing exposure to unprofitable segments and still expects an improved underlying claims ratio for the FY 2018.

The investment return was DKK 79m (DKK 87m), driven primarily by positive equity returns. The return on the free portfolio was DKK 101m (DKK 124m), the return on the match portfolio was DKK 25m (DKK 38m), while other financial income and expenses totalled DKK -47m (DKK -75m).

Retention rates continue to increase and are now at an all-time high in Private and Commercial Denmark, while also showing a continuous positive development in Private and Commercial Norway. The payment of the member bonus to Danish customers (for the third year running), increased work on prevention and improved digital solutions for customers, are key drivers of the positive retention trends.

The Transactional Net Promoter Score (TNPS) improved from 59 in Q3 2017 to 66 in Q3 2018 and continues to show a positive development. The number of products per customer increased to 3.7 (3.5), which was a satisfactory development supporting continued focus on increasing the share of wallet per customer.

Premiums

Gross premium income totalled DKK 4,696m (DKK 4,576m), corresponding to growth of 4.7% in local currencies, or 3.0% when adjusted for portfolio acquisitions. Private reported growth of 5.3% helped by portfolio acquisitions, but also good underlying growth in Denmark, and a positive development in Norway.

Commercial was up 2.9%, driven by a positive performance especially in the Norwegian Commercial segment. Corporate premiums were up 5.8%, driven by a high level of acceptance of price hikes especially in Norway, a positive impact from the customer bonus model in Denmark, good growth in Tryg Garanti (credit and surety business) and more low-risk fronting business in general.

Claims

The claims ratio, net of ceded business, was 69.9% (69.0%). The Private underlying claims ratio, adjusted for run-offs, large claims, weather claims and discounting was 68.4 (68.9), some 0.5 points better than in Q3 2017. The Group underlying claims ratio was 73.1 (73.6), 0.5 points better than in Q3 2017. The improvement in the underlying claims ratio was due to price adjustments

and an increasing focus on claims initiatives and prevention helping to contain claims inflation.

Weather claims were DKK 91m (DKK 30m), driven by smaller storms in both Denmark and Norway, and also heavy rains that resulted in floodings. A very warm and dry summer, resulted in an increase in the number of fire-related claims in Denmark. The financial impact of this increase, was relatively limited, helped among other things by claims prevention initiatives in the agricultural area.

Large claims were DKK 228m (DKK 55m), which is significantly above the quarterly run rate based on the expected DKK 550m on an annual level. A single large claim had a net impact of approximately DKK 130m including reinstatement costs.

Customer targets

| | Q3 2018 | Q3 2017 | Target 2020 |
|-----------------------------------------|---------|---------|-------------|
| Transactional Net Promoter Score (TNPS) | 66 | 59 | 70 |
| Products per customer | 3.7 | 3.5 | 4 (+10%) |



Tryg will pay a quarterly dividend of DKK 1.65 per share on 16 October 2018.

To meet the financial targets for 2020, updated following the announcement of the Alka transaction, Tryg still expects the underlying claims ratio to improve going forward.

Expenses

The expense ratio was 13.9 (13.6) and is in line with the overall guidance of an expense ratio around 14%. Several initiatives aimed at reducing distributions costs were implemented in the quarter, which will support investments in digital solutions.

The number of employees was up from 3,373 at the end of 2017 to 3,484 primarily due to the integration of minor acquisitions and the in-sourcing of IT resources.

At its most recent Capital Markets Day, Tryg announced an expense ratio target for 2020 of around 14, as IT investments and an increase in employee numbers (especially in the short term) will be broadly offset by continuous efficiency improvements, driven primarily by lower distribution costs.

Investment return

The investment return was DKK 79m (DKK 87m), driven primarily by good equity returns. The return on the free portfolio was DKK 101m (DKK 124m), the return on the match portfolio was DKK 25m (DKK 38m) while other financial income and expenses totalled DKK -47m (DKK -75m). The free portfolio benefitted primarily from positive equity returns (3.5% in the quarter), while the match portfolio benefitted from a decreased yield difference between Danish and Euro swap rates and from narrowed Nordic covered-bonds spreads. The other financial income and expenses line primarily includes the subordinated-loans interest expenses, costs to hedge the currencies exposure and costs to run the asset management operations.

Profit before and after tax

The profit before tax was DKK 825m (DKK 860m), while the profit after tax and discontinued activities was DKK 627m (DKK 671m). The overall tax bill was DKK 198m (DKK 189m), equating to a tax rate of 24.0%. The tax rate is higher than the previous two quarters, primarily driven by additions to the overall tax bill for FY 2017.

Solvency and dividend

Tryg will pay a quarterly dividend of DKK 1.65 per share, or DKK 499m in total. The dividend is supported by the quarterly profit, the ambition to grow the annual nominal dividend and a solvency ratio of 291 (207 when adjusted for the capital increase to fund the Alka acquisition). Tryg has previously announced that the solvency ratio will be approximately 170%, when Alka is fully consolidated.

Q1-Q3 2018 results

Tryg reported premium growth of 3.9 (1.6) in local currencies, helped by portfolio acquisitions. The technical result for the period was DKK 2,170m (DKK 2,167m), slightly above the same period in 2017. A higher level of large claims was reported, while run-off gains were also at a higher level. The underlying claims ratio improved both for Private and for the Group, while profitability in the Corporate segment remained under pressure.

The investment return was DKK -2m (DKK 441m). Equities posted robust gains in the first nine months of 2017, while gains have been more

modest in 2018. Turbulence in the fixed-income markets during Q2, also affected the overall returns during January-September in 2018.

Tryg will pay an overall dividend for the period of DKK 4.95 (4.80) per share, which is in line with the ambition to grow the annual nominal dividend.

Business initiatives

Claims excellence

Claims excellence is the most important driver for improving the technical results, and in Q3 we saw a continued improvement in the results from these initiatives.

In Denmark, there was a strong focus on claims prevention for the agricultural sector due to the very warm summer, and this initiative combined with a requirement for a fire trace when insuring large agricultural machinery led to a lower level of fire-related claims.

In Denmark, there was an increase in the number of claims identified as fraud. The improved level was attributable to a stronger focus by the claims handlers in identifying claims for further investigation by fraud specialists. This resulted in a more than 10% higher level of claims savings related to fraud. For the purpose of improving the level of fraud identification, manual fraud initiatives were intensified in the quarter.

Tryg is increasing the use of claims procurement agreements in the building area, and in Norway there was a strong focus on reducing Tryg's proportion of costs in car claims involving Tryg customers and customers from other companies. In Norway, the number of customers using Tryg's

preferred partner for courtesy cars increased in the quarter, leading to reduced claims expenses.

Digital empowerment of customers

Tryg has a strong focus on digital empowerment of customers, underpinned by the fact that customers prefer digital communication. More than 85% of Danish and Norwegian customers prefer digital communication, which represents a 6-percentage point increase compared to 2017.

The number of log-ins to Tryg's digital universe continues to increase. In 2018, the number of customer log-ins was 2.1 million, which represents an increase of approximately 40% compared to 2017. "My page" offers a product overview for customers, and in Denmark also information about the customer bonus paid by TryghedsGruppen.

In 2018, more than 100,000 customers, have used the Track & Trace solution for private claims in Denmark. The solution was launched in Q1 2018 and has been continually improved throughout the year. Tryg expects this solution to support a lower level of personal contact to the claims organisation, and in this way support a lower level of costs related to claims handling and a higher level of customer satisfaction. Tryg encourages customers to use the Track & Trace solution when

reporting claims online, and also to send text messages to customers with links to this solution.

Also, the number of Commercial customers preferring digital communication continues to increase, and the number of log-ins from Danish Commercial customers was up 22%. In Norway, Tryg launched an online sales solution for the Norwegian Commercial market, with Tryg being the first insurance provider in the market to offer multiple products online. Tryg will expand the online customer offerings further to cater for customer preferences, which increasingly shows online communication as the preferred sales and service channel.

In the Swedish Private business, online sales passed SEK 100m, up almost 40% compared to the same period in 2017.

The number of claims reported online in Denmark (for claims that can be reported online) increased to 33% (26%). In Norway, the number of claims reported online increased to 44% (37%).

Product & service innovation

Tryg's increased focus on claims prevention is clearly shown this quarter, which saw the launch of four new claims-prevention initiatives. In Q3,

Tryg launched a new motor insurance solution in Norway, 'Sidekick', designed for young drivers aged between 18 and 30. The driver may be rewarded with a bonus of up to 30% of the insurance price, depending on his/her driving style and behaviour. The similar product in Denmark, 'Tryg Drive', was extended from only including young drivers to include all ages. Moderna in Sweden offers similar products, 'Moderna Smart' and 'Moderna Smart Flex'. Hence Tryg now offers motor insurance products where pricing is affected by driving behaviour in all the Nordic countries. A better and more safe driving behaviour will contribute to more safety on the Nordic roads.

Corporate Denmark launched a training programme app as part of the 'Tryg Tilbage' concept related to workers' compensation. The concept includes quick diagnosis, quick treatment and subsequent rehabilitation. The training programme is tailored to the customer's specific injuries, and via the app. Tryg follows the customer's development, and at the same time stays in dialogue with the customer in a simple and flexible way. The result is a speedier recovery, the employer will have his employee back faster. Tryg actively takes responsibility for its customers' well-being – making sure that they feel protected and cared for, while at the same time reducing costs for loss of ability to work.

TryghedsGruppen's member bonus

In June, Tryg's majority shareholder TryghedsGruppen, paid out a member bonus for the third year running. The bonus corresponds to 8% of the premium paid to Tryg in 2017, or the payout of DKK 750m in total to TryghedsGruppen's members and Tryg's Danish customers.

Tryg believes that health-related insurance will be very important in the future, and a new health prevention concept was therefore launched in Denmark, involving health screening and also an app, 'Tryg Health', giving customers a quick overview of all the services that they can access through 'Tryg Health'.

In September, Private Denmark launched a new house insurance product, which includes a rat blocker. The rat blocker is another important claims prevention initiative from Tryg. The rat blocker prevents rats from entering private houses from the sewers and damaging houses, pipes etc.

Tryg offers three different house insurance packages – a basic package, an extended package and a super package. Customers who take out the super package, receive the rat blocker free of charge, including installation.

Distribution efficiency

Improving distribution is of paramount importance to Tryg. In the past, Tryg has improved efficiency in staff functions and claims areas. In the coming years, Tryg will have strong focus on

distribution efficiency. The acquisition of FDM and OBOS supports an improved distribution with very good leads being made available to the sales organisation.

As mentioned above, the Private area in Denmark introduced a new concept, whereby customers receive a gift card for use in different online shops, which supports lower cost of sales, as online sales are cheaper than traditional sales channels.

In Q3, Tryg launched a new sales concept in the Danish Private business based on sales agents similar to the franchise concept in Norway. The agents are independent, but sell exclusively for Tryg. This means a lower cost of sales level compared to traditional channels.

In the Commercial area, where one of the main challenges are a high level of costs related to distribution, a new type of sales agents started up in Q3. The new type of sales agents are a combination of traditional sales agents and customer centre sales, and will focus on the profitable small Commercial segment.



Customer highlights

Customer bonus

In June, TryghedsGruppen paid out a member bonus of 8% to Tryg's Danish customers based on the premium income for 2017. Knowledge and understanding of this model continue to increase, and especially support retention rates, which increased in both Private and Commercial in Q3.

Awareness of the customer bonus model for Tryg customers increased to 74% (71%) after customers received the bonus in June 2018. In Q3, the awareness of the bonus model for non-customers increased to 22%, an increase of 40% compared with the same period prior year.

Customer targets for 2020

As part of our 2020 strategy, Tryg maintains a strong focus on customer targets. The Transactional Net Promoter Score (TNPS) improved from 59 in Q3 2017 to 66 in Q3 2018. Also, the number of products per customer increased to 3.7 (3.5), which was a satisfactory development.



Preventive house insurance

In Q3, Private DK launched a new house insurance product including a rat blocker to prevent rats from entering and damaging houses, pipes etc.

Private

Results

Private posted a technical result of DKK 467m (DKK 463m) and a combined ratio of 79.6 (79.0). Private reported a 0.5 percentage point improvement in the underlying claims ratio, but also higher weather-related claims.

Premiums

Gross premium income increased by 5.3% (1.2%) when measured in local currencies, or approximately 2%, when adjusted for portfolio acquisitions. The positive development continued in the Danish part of Private with premium growth of more than 5%, driven mainly by the FDM acquisition, high and improved retention levels, which were positively impacted by the bonus payment from TryghedsGruppen, and an improved sales level from online and bank distribution. In the Norwegian part of Private, premiums increased by 5.0% (-0.6%) in local currencies, helped by portfolio acquisitions, but also reflecting the positive trend seen in the past few quarters. The improved development is based on the higher retention level and strong sales performance related to the OBOS portfolio.

The retention rate developed favourably, reaching 91.0 (89.9) for the Danish part of the business and 86.6 (85.5) for the Norwegian part.

Claims

The claims ratio, net of ceded business, was 65.7 (65.8), influenced by a higher level of weather claims in Denmark and Norway, also including a higher level of flooding claims (in Norway) related to Q2. The level of run-off gains was slightly higher at 5.3 (3.6). The underlying claims ratio improved by 0.5 percentage points, driven by claims reduction initiatives and price adjustments broadly in line with inflation.

Expenses

The expense ratio was 13.9 (13.2) and was impacted by a higher level of investments related to digital solutions, but in line with the overall guidance of a broadly unchanged expense level in 2018. The number of employees was 1,022 against 1,000 at the end of 2017. The increased headcount is mainly driven by the integration of Troll in Norway.

Q1-Q3 2018 results

The technical result was DKK 1,203m (DKK 1,171m). The combined ratio was unchanged at 82.2 (82.2). Premium growth was 4.7 (1.1), driven primarily by portfolio acquisitions, improved retention rates and high sales levels. The claims ratio, net of ceded business, was 68.3 (68.4), while the underlying claims ratio improved by 0.5 percentage points, driven primarily by price adjustments and claims procurement initiatives.

Private sells insurance products to private customers in Denmark and Norway. Sales are effected via call centres, the Internet, Tryg's own agents, franchisees (Norway), interest organisations, car dealers, estate agents and Nordea branches.

The business area accounts for 49% of the Group's total premium income.

Financial highlights Q3 2018

Technical result
DKK 467m
(DKK 463m)

Combined ratio
79.6
(79.0)

Premium growth
(local currencies)
5.3%
(1.2%)

Key figures – Private

| DKKm | Q3 2018 | Q3 2017 | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|--------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Gross premium income | 2,309 | 2,211 | 6,787 | 6,595 | 8,798 |
| Gross claims | -1,467 | -1,387 | -4,479 | -4,359 | -5,807 |
| Gross expenses | -322 | -291 | -946 | -907 | -1,208 |
| Profit/loss on gross business | 520 | 533 | 1,362 | 1,329 | 1,783 |
| Profit/loss on ceded business | -51 | -68 | -155 | -154 | -211 |
| Insurance technical interest, net of reinsurance | -2 | -2 | -4 | -4 | -7 |
| Technical result | 467 | 463 | 1,203 | 1,171 | 1,565 |
| Run-off gains/losses, net of reinsurance | 122 | 80 | 316 | 258 | 306 |
| Key ratios | | | | | |
| Premium growth in local currency (%) | 5.3 | 1.2 | 4.7 | 1.1 | 1.1 |
| Gross claims ratio | 63.5 | 62.7 | 66.0 | 66.1 | 66.0 |
| Net reinsurance ratio | 2.2 | 3.1 | 2.3 | 2.3 | 2.4 |
| Claims ratio, net of reinsurance | 65.7 | 65.8 | 68.3 | 68.4 | 68.4 |
| Gross expense ratio | 13.9 | 13.2 | 13.9 | 13.8 | 13.7 |
| Combined ratio | 79.6 | 79.0 | 82.2 | 82.2 | 82.1 |
| Combined ratio exclusive of run-off | 84.9 | 82.6 | 86.9 | 86.1 | 85.6 |
| Run-off, net of reinsurance (%) | -5.3 | -3.6 | -4.7 | -3.9 | -3.5 |
| Large claims, net of reinsurance (%) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Weather claims, net of reinsurance (%) | 3.0 | 0.8 | 2.9 | 1.7 | 1.9 |

Commercial

Results

Commercial posted a technical result of DKK 174m (DKK 175m) and a combined ratio of 82.5 (82.0). The results are negatively impacted by a higher level of weather and large claims offset by an improved expense ratio.

Premiums

Gross premium income totalled DKK 994m (DKK 971m), which represents a 2.9% increase when measured in local currencies. Commercial Denmark reported growth of 1.6% against a decrease of 2.9% in Q3 2017. In Norway, premiums increased by about 6% due to improved sales performance and improved retention rates. The retention rate for Denmark was 87.9 (87.3), which can be attributed to both an improved service concept and the member bonus payment from TryghedsGruppen. In Norway, the retention rate increased to 88.4 (87.2), driven by a continued strengthening of the customer focus.

Claims

The claims ratio, net of ceded business, was 65.3 (64.3). The higher level is primarily due to an increase in large and weather-related claims.

The claims level was positively affected by the claims efficiency programme, but Tryg also experienced a somewhat higher level of medium-sized claims.

Expenses

The expense ratio improved in Q3 to 17.2 (17.7), supported by an improved retention ratio in both Denmark and Norway and initiatives to reduce cost of sales.

Commercial had 491 employees, up from 479 at the end of 2017, primarily due to an increased number of employees in the customer centres in Denmark to improve distribution power.

Q1-Q3 2018 results

The technical result was DKK 514m (DKK 529m). The combined ratio was 82.3 (81.6) with a higher claims level and a slightly lower expense level. Premium income increased by 2.6% (-1.7%) when measured in local currencies following the acquisition of the OBOS portfolio, and based on higher sales levels and an improved retention level. The claims ratio, net of ceded business, was 64.8 (63.9), representing a higher level of weather claims.

Commercial sells insurance products to small and medium-sized businesses in Denmark and Norway. Sales are effected via Tryg's own sales force, brokers, franchisees (Norway), customer centres as well as group agreements.

The business area accounts for 22% of the Group's total premium income.

Financial highlights Q3 2018

Technical result
DKK 174m
(DKK 175m)

Combined ratio
82.5
(82.0)

Premium growth
(local currencies)
2.9%
(-0.6%)

Key figures – Commercial

| DKKm | Q3 2018 | Q3 2017 | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|--------------------------------------------------|-------------|-------------|--------------|--------------|--------------|
| Gross premium income | 994 | 971 | 2,927 | 2,885 | 3,862 |
| Gross claims | -606 | -593 | -1,781 | -1,775 | -2,423 |
| Gross expenses | -171 | -172 | -513 | -510 | -665 |
| Profit/loss on gross business | 217 | 206 | 633 | 600 | 774 |
| Profit/loss on ceded business | -43 | -31 | -118 | -70 | -106 |
| Insurance technical interest, net of reinsurance | 0 | 0 | -1 | -1 | -1 |
| Technical result | 174 | 175 | 514 | 529 | 667 |
| Run-off gains/losses, net of reinsurance | 107 | 101 | 273 | 241 | 329 |
| Key ratios | | | | | |
| Premium growth in local currency (%) | 2.9 | -0.6 | 2.6 | -1.7 | -0.7 |
| Gross claims ratio | 61.0 | 61.1 | 60.8 | 61.5 | 62.7 |
| Net reinsurance ratio | 4.3 | 3.2 | 4.0 | 2.4 | 2.7 |
| Claims ratio, net of reinsurance | 65.3 | 64.3 | 64.8 | 63.9 | 65.4 |
| Gross expense ratio | 17.2 | 17.7 | 17.5 | 17.7 | 17.2 |
| Combined ratio | 82.5 | 82.0 | 82.3 | 81.6 | 82.6 |
| Combined ratio exclusive of run-off | 93.3 | 92.4 | 91.6 | 90.0 | 91.1 |
| Run-off, net of reinsurance (%) | -10.8 | -10.4 | -9.3 | -8.4 | -8.5 |
| Large claims, net of reinsurance (%) | 3.5 | 2.6 | 2.5 | 2.5 | 3.1 |
| Weather claims, net of reinsurance (%) | 2.0 | 0.5 | 2.3 | 1.1 | 1.8 |

Corporate

Results

The technical result amounted to DKK 63m (DKK 91m) with a combined ratio of 93.8 (90.5). The lower technical result is primarily due to a very high level of large claims and a high level of run-off gains. The credit and surety business, Tryg Garanti, which is part of Corporate and has a leading market position, continues to develop positively.

Premiums

Gross premium income totalled DKK 991m (DKK 975m), an increase of 5.8% when measured in local currencies. The growth was higher than expected, reflecting a higher acceptance of price increases. The lower-than-expected churn indicates a stronger focus on profitability in the Corporate market in general.

The growth was also driven by customers appreciating TryghedsGruppen's bonus model. In Sweden, growth was mainly driven by the number of low-risk fronting agreements during 2018.

Claims

The claims ratio, net of ceded business, was 84.5 (80.4). The level of large claims was high and was impacted by one very big fire claim with a net impact of approximately DKK 130m, including reinstatement costs. The run-off was also at a much higher level with 14.4 (3.6), related primarily to long-tail business.

Expenses

The expense ratio was 9.3 (10.1), supported by increased fronting business and the above-mentioned low level of churn despite significant price hikes. The number of employees in Corporate was 262 against 250 at the end of 2017 and a significant part of the increase can be explained by Tryg Garanti.

Q1-Q3 2018 results

The technical result was DKK 290m (DKK 326m), with a combined ratio of 90.0 (88.6). The increase was primarily due to a high large-claims level. Premiums increased by 4.3% (1.9%) when measured in local currencies, due to a high level of acceptance of price hikes, positive developments for Tryg Garanti and the fronting business in Sweden.

Corporate sells insurance products to corporate customers under the brands 'Tryg' in Denmark and Norway, 'Moderna' in Sweden and 'Tryg Garanti'. Sales are effected both via Tryg's own sales force and via insurance brokers. Moreover, customers with international insurance needs are served by Corporate through its cooperation with the AXA Group.

The business area accounts for 21% of the Group's total premium income.

Financial highlights Q3 2018

Technical result
DKK 63m
(DKK 91m)

Combined ratio
93.8
(90.5)

Premium growth
(local currencies)
5.8%
(-0.1%)

Key figures – Corporate

| DKKm | Q3 2018 | Q3 2017 | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|--------------------------------------------------|-------------|-------------|--------------|--------------|--------------|
| Gross premium income | 991 | 975 | 2,910 | 2,887 | 3,852 |
| Gross claims | -959 | -676 | -2,199 | -1,886 | -2,606 |
| Gross expenses | -92 | -98 | -283 | -295 | -392 |
| Profit/loss on gross business | -60 | 201 | 428 | 706 | 854 |
| Profit/loss on ceded business | 122 | -108 | -138 | -379 | -467 |
| Insurance technical interest, net of reinsurance | 1 | -2 | 0 | -1 | -1 |
| Technical result | 63 | 91 | 290 | 326 | 386 |
| Run-off gains/losses, net of reinsurance | 143 | 35 | 325 | 177 | 239 |
| Key ratios | | | | | |
| Premium growth in local currency (%) | 5.8 | -0.1 | 4.3 | 1.9 | 2.1 |
| Gross claims ratio | 96.8 | 69.3 | 75.6 | 65.3 | 67.7 |
| Net reinsurance ratio | -12.3 | 11.1 | 4.7 | 13.1 | 12.1 |
| Claims ratio, net of reinsurance | 84.5 | 80.4 | 80.3 | 78.4 | 79.8 |
| Gross expense ratio | 9.3 | 10.1 | 9.7 | 10.2 | 10.2 |
| Combined ratio | 93.8 | 90.5 | 90.0 | 88.6 | 90.0 |
| Combined ratio exclusive of run-off | 108.2 | 94.1 | 101.2 | 94.7 | 96.2 |
| Run-off, net of reinsurance (%) | -14.4 | -3.6 | -11.2 | -6.1 | -6.2 |
| Large claims, net of reinsurance (%) | 19.5 | 3.1 | 11.5 | 3.2 | 3.2 |
| Weather claims, net of reinsurance (%) | 0.2 | 0.7 | 1.1 | 0.7 | 1.2 |

Sweden

Results

Sweden posted an unchanged technical result of DKK 57 (DKK 60m) and a combined ratio of 85.9 (85.5) with a slightly lower claims ratio and a somewhat higher expense ratio.

Premiums

Premium income totalled DKK 411m (DKK 420m), an increase of 5.2% when measured in local currencies. There is generally a strong focus on profitable growth in the Swedish business. Pet insurance was also a strong driver of total growth in Q3.

Claims

The claims ratio, net of ceded business, was 69.8 (70.7). The lower claims level was primarily due to an improved underlying claims level and a higher run-off level related to motor insurance.

Expenses

The expense ratio was 16.1 (14.8), and the number of employees was 343 at the end of the quarter, which is a reduction of 10 employees compared to year-end 2017.

Q1-Q3 2018 results

The technical result was DKK 163m (DKK 141m), while the combined ratio was 85.0 (87.2). The improved result was primarily due to a higher run-off result and a lower expense level.

Sweden sells insurance products to private customers under the 'Moderna' brand. Moreover, insurance is sold under the brands 'Atlantica', 'Bilsport & MC', 'Securator' and 'Moderna Djurförsäkringar'. Sales take place through its own sales force, call centres, partners and online.

The business area accounts for 8% of the Group's total premium income.

Financial highlights Q3 2018

Technical result
DKK 57m
(DKK 60m)

Combined ratio
85.9
(85.5)

Premium growth
(local currencies)
5.2%
(11.0%)

Key figures – Sweden

| DKKm | Q3 2018 | Q3 2017 | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|--------------------------------------------------|-------------|-------------|--------------|--------------|--------------|
| Gross premium income | 411 | 420 | 1,110 | 1,132 | 1,487 |
| Gross claims | -286 | -297 | -765 | -796 | -1,055 |
| Gross expenses | -66 | -62 | -175 | -188 | -251 |
| Profit/loss on gross business | 59 | 61 | 170 | 148 | 181 |
| Profit/loss on ceded business | -1 | 0 | -3 | -3 | -5 |
| Insurance technical interest, net of reinsurance | -1 | -1 | -4 | -4 | -5 |
| Technical result | 57 | 60 | 163 | 141 | 171 |
| Run-off gains/losses, net of reinsurance | 36 | 31 | 100 | 77 | 98 |
| Key ratios | | | | | |
| Premium growth in local currency (%) | 5.2 | 11.0 | 4.0 | 15.1 | 12.5 |
| Gross claims ratio | 69.6 | 70.7 | 68.9 | 70.3 | 70.9 |
| Net reinsurance ratio | 0.2 | 0.0 | 0.3 | 0.3 | 0.3 |
| Claims ratio, net of reinsurance | 69.8 | 70.7 | 69.2 | 70.6 | 71.2 |
| Gross expense ratio | 16.1 | 14.8 | 15.8 | 16.6 | 16.9 |
| Combined ratio | 85.9 | 85.5 | 85.0 | 87.2 | 88.1 |
| Combined ratio exclusive of run-off | 94.7 | 92.9 | 94.0 | 94.0 | 94.7 |
| Run-off, net of reinsurance (%) | -8.8 | -7.4 | -9.0 | -6.8 | -6.6 |
| Large claims, net of reinsurance (%) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Weather claims, net of reinsurance (%) | 0.0 | 0.0 | 0.7 | 0.4 | 0.9 |

Investment activities

Investment income totalled DKK 79m (DKK 87m) in Q3 2018, driven by a return of DKK 101m (DKK 124m) on the free portfolio, a return of DKK 25m (DKK 38m) on the match portfolio and other financial income and expenses of DKK -47m (DKK -75m).

The total market value of Tryg's investment portfolio was DKK 44.1bn (DKK 41.5bn) on 30 September 2018. The investment portfolio consists of a match portfolio of DKK 33.1bn (DKK 30.1bn) and a free portfolio of DKK 11bn (DKK 11.4bn). The match portfolio is composed of fixed-income assets that match the Group's insurance liabilities, so that fluctuations resulting from interest rate changes are offset to the greatest possible extent. The free portfolio is the Group's capital, which is predominantly invested in fixed-income securities with a short duration, but also in equities and properties.

Free portfolio

In Q3, financial markets were characterised by some continued turbulence in emerging markets such as Argentina and Turkey, increased talk of a trade war between the US and China and worries about the Italian Government budget. July and August offered mixed returns on equities as an asset class, while September was more favourable. Tryg's equity portfolio posted a return of DKK 69m (DKK 48m) or 3.5%, while overall, the fixed-income

portfolio produced a negative return of DKK -7m (DKK 47m), driven by increasing interest rates across most of the fixed-income portfolio.

The return on the investment property portfolio was DKK 39m (DKK 29m) or 1.7%. The return was similar to Q2 and Q1, when adjusted for the disclosed DKK 80m revaluation of properties. At the end of Q3, property investments represented 20% of the free portfolio, which is line with the targeted allocation. Equity and property investments totalled DKK 4.1bn at the end of Q3 (unchanged vs. Q2), while approximately DKK 2.7bn were invested in credit bonds and inflation-linked bonds. The remaining DKK 4.3bn were primarily invested in Nordic covered bonds and Government bonds, where current yields remain negative, putting downward pressure on the return on the free portfolio and the overall investment income.

Match portfolio

The result of the match portfolio is the difference between the return on the match portfolio and the amount transferred to the insurance business. The result can be split into a "regulatory deviation" and a "performance result". The most important driver of the "regulatory deviation" is the yield difference between Euro swap rates and Danish swap rates. In Norway and Sweden, Tryg hedges using local swaps corresponding to the EIOPA curve; hence only the Danish exposure is relevant.

Financial highlights Q3 2018

Investment return
DKK 79m
(DKK 87m)

Free portfolio result
DKK 101m
(DKK 124m)

Match portfolio
DKK 25m
(DKK 38m)

Other financial
income and expenses
DKK -47m
(DKK -75m)

Key figures – investments

| DKKm | Q3 2018 | Q3 2017 | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|-------------------------------------------------------|-----------|-----------|------------|------------|------------|
| Free portfolio, gross return | 101 | 124 | 165 | 460 | 598 |
| Match portfolio, regulatory deviation and performance | 25 | 38 | 40 | 214 | 227 |
| Other financial income and expenses | -47 | -75 | -207 | -233 | -298 |
| Total investment return | 79 | 87 | -2 | 441 | 527 |

Return – match portfolio

| DKKm | Q3 2018 | Q3 2017 | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|----------------------------------------------------|-----------|-----------|------------|------------|------------|
| Return, match portfolio | -28 | 50 | 62 | 206 | 289 |
| Value adjustments, changed discount rate | 105 | 34 | 133 | 148 | 122 |
| Transferred to insurance technical interest | -52 | -46 | -155 | -140 | -184 |
| Match, regulatory deviation and performance | 25 | 38 | 40 | 214 | 227 |
| Hereof: | | | | | |
| Match, regulatory deviation | 16 | 27 | 18 | 87 | 98 |
| Match, performance | 9 | 11 | 23 | 127 | 129 |

The regulatory deviation made a positive contribution of DKK 16m (DKK 27m) as the yield difference between Danish and Euro swap rates decreased by 2 basis points. The yield difference is now at the lowest level since early 2015. The regulatory deviation is sensitive to the yield spread, but as the hedge portfolio has switched to a higher degree of Euro swaps, the sensitivity is lower. A widening can, however, make a negative contribution to the regulatory deviation. The most important driver of the performance result is the difference in yields between Danish, Norwegian and Swedish covered bonds and

equivalent swap rates. If spreads narrow (versus swap rates), the overall performance is positive, otherwise the overall performance is negative. The performance made a positive contribution of DKK 9m (DKK 11m) as Danish covered bonds narrowed slightly against the swap curve. Tryg has previously mentioned, that normalised long-term expectations for the match portfolio should be around zero.

Other financial income and expenses

Other financial income and expenses primarily consist of interest expenses related to outstanding

subordinated debt, the cost of the currency hedge to protect the Norwegian shareholders' equity and the cost of running the investment operations. In 2018, Tryg decided to pre-implement the IFRS 16 standard relating to leases (note 30, annual report 2017), which adds approximately DKK 10m per quarter of lease expenses (relating to cars and premises) to the other financial income and expenses line. Additionally, Tryg has issued a new Tier 1 loan in Q2, which has increased overall interest expenses. Other financial income and expenses totalled DKK -47m (DKK -75m) in Q3.

In a newsletter published in the summer of 2016 (Modelling investment income), Tryg wrote that the "other financial income and expenses" line should have a quarterly negative impact of approximately DKK -50m. Considering the new lease accounting standard and the increased interest expenses on the subordinated loans, the negative impact is now expected to exceed DKK -60m on a quarterly basis.

Return – free portfolio

| DKKkm | Q3 2018 | Q3 2018(%) | Q3 2017 | Q3 2017(%) | Q1-Q3 2018 | Q1-Q3 2018(%) | Q1-Q3 2017 | Q1-Q3 2017 (%) | Investment assets | |
|------------------------------------------|------------|-------------|------------|------------|------------|---------------|------------|----------------|-------------------|---------------|
| | | | | | | | | | 30.09.2018 | 31.12.2017 |
| Government bonds | -9 | -4.1 | 1 | 0.3 | -7 | -2.8 | 2 | 0.8 | 268 | 327 |
| Covered Bonds | -4 | -0.1 | 22 | 0.4 | 8 | 0.2 | 53 | 1.0 | 3,874 | 4,111 |
| Inflation-linked bonds | -7 | -1.3 | 0 | 0.2 | -11 | -2.2 | -2 | -0.2 | 495 | 547 |
| Investment grade credit | 0 | 0.0 | 5 | 0.7 | -30 | -3.8 | 27 | 3.8 | 805 | 935 |
| Emerging-market bonds | 13 | 2.9 | 14 | 2.4 | -25 | -5.0 | 43 | 7.9 | 448 | 595 |
| High-yield bonds | 2 | 0.2 | 6 | 0.7 | 12 | 1.3 | 20 | 2.6 | 929 | 791 |
| Other ^{a)} | -2 | | -1 | | -24 | | 9 | | 86 | 159 |
| Interest rate and credit exposure | -7 | -0.1 | 47 | 0.6 | -77 | -1.1 | 152 | 1.8 | 6,905 | 7,465 |
| Equity exposure | 69 | 3.5 | 48 | 2.2 | 72 | 3.5 | 241 | 10.5 | 2,006 | 2,185 |
| Investment property | 39 | 1.7 | 29 | 1.9 | 170 | 8.2 | 67 | 4.3 | 2,114 | 1,715 |
| Total gross return | 101 | 0.9 | 124 | 1.0 | 165 | 1.5 | 460 | 3.7 | 11,025 | 11,365 |

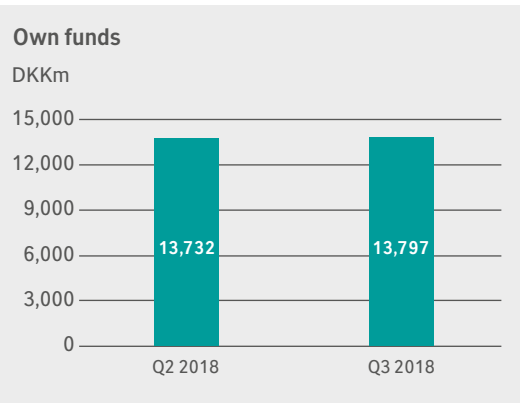
a) Senior/Bank deposits less than one year and derivative financial instruments hedging interest rate risk and credit risk.

Solvency and dividend

The solvency ratio (based on Tryg's partial internal model) was 291 at the end of Q3 2018, virtually in line with the Q2 level. The solvency ratio, adjusted for the DKK 4bn raised to fund the Alka acquisition, was 207. Tryg continues to expect a solvency ratio of approximately 170, once the acquisition is closed and Alka is consolidated. Tryg will pay a Q3 dividend of DKK 1.65 per share on 16 October 2018, which is in line with the Q1 and Q2 levels, and also in line with the policy of paying a flat quarterly dividend.

Own funds

Own funds totalled DKK 13,797m at the end of Q3 against DKK 13,732m at the end of Q2. Own funds were positively impacted by the net profit for the



quarter and negatively impacted by the announced quarterly dividend. Tryg's own funds are predominantly made up of shareholders' equity and subordinated loans. Own funds are currently very high, as they benefit from the DKK 4bn raised to fund the Alka acquisition in December 2017. Own funds are not impacted by disclosed intangibles in the amount of DKK 5.2bn (as per Alka's Q3 2017 report) as the acquisition is still pending regulatory approval from the Danish Competition and Consumer Authority.

Solvency capital requirement

Tryg calculates its individual solvency capital requirement based on a partial internal model in accordance with the Danish Financial Supervisory Authority's Executive Order on Solvency and Operating Plans for Insurance Companies. The model is based on the structure of the standard model. Tryg uses an internal model to evaluate insurance risks, while other risks are calculated using standard model components.

The solvency capital requirement, calculated using the partial internal model, was DKK 4,748m compared to DKK 4,701m in Q2 2018. The solvency capital requirement, based on the standard formula, was DKK 5,854m compared to DKK 5,855m in Q2 2018. When finalised, the Alka acquisition will increase the SCR by approximately DKK 350m,

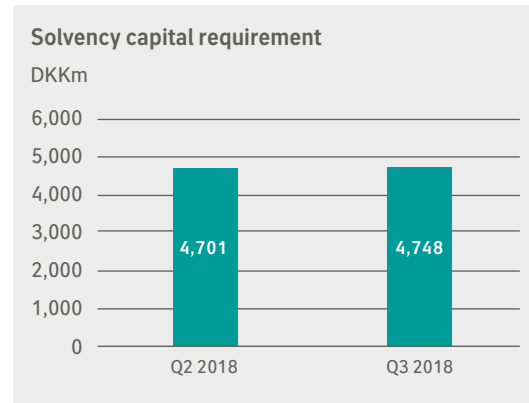
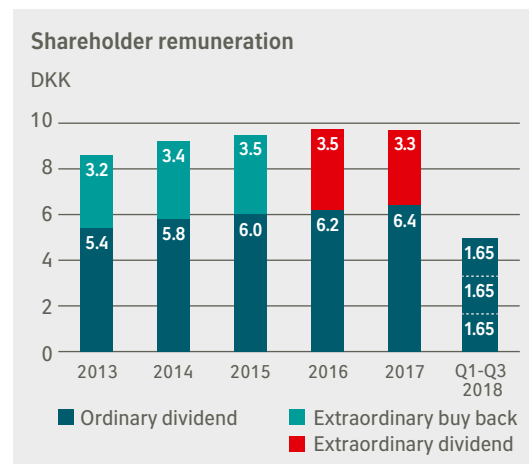
while Tryg has previously (at its CMD in November 2017) announced plans to reduce the SCR by a similar amount, and to include the Swedish business in the partial internal model, while also fine-tuning other parts of the model.

Dividend

Tryg will pay a quarterly (Q3) dividend of DKK 1.65 per share, which is in line with the Q1 and Q2 levels. Tryg aims to pay a stable and nominally growing annual dividend which is split evenly between quarters. Further adjustments to the capital structure are evaluated at year-end, taking into consideration Tryg's capital structure, the earnings outlook and the RoE target. Tryg has announced that no extraordinary dividend will be paid at the end of 2018 following the DKK 4bn raised in December 2017 to fund the Alka acquisition.

Rating

Tryg has an 'A1' (stable outlook) insurance financial strength rating (IFSR) from Moody's. The rating agency highlights Tryg's strong position in the Nordic P&C market, robust profitability, very good asset quality and relatively low financial leverage. Moody's also assigned an 'A3' rating to Tryg's subordinated debt and a 'Baa3' rating to the recent Tier 1 issue. All ratings were confirmed following the announcement of the Alka acquisition.



Financial outlook

The general macroeconomic outlook remains relatively positive in Scandinavia, although the region is clearly not immune to potential external shocks such as increased protectionism or a downturn in the US economy. Government indebtedness is low, unemployment rates are expected to be below 4% at the end of 2018, while GDP growth is expected to be close to 2%.

In 2018, Tryg expects organic growth in gross premium income of 0-2%, when measured in local currencies (excluding portfolio acquisitions and Alka). Starting 1 January 2018, the FDM portfolio was consolidated, while the OBOS portfolio in Norway was consolidated starting June 2017. Consolidation of the Troll portfolio began in Q2 2018. Troll Forsikring wrote approximately NOK 120m of premiums in 2017, of which more than 70% were ceded to reinsurers. Going forward, Tryg plans to gradually reduce premiums ceded to reinsurers.

Tryg's reserves position remains strong. At the CMD in November 2017, it was announced that run-off gains are expected to be between 3-5% in 2020. Tryg's systematic claims-reserving

approach continues to include a margin of approximately 3% based on best estimate.

In 2018, weather claims net of reinsurance and large claims are expected to be DKK 500m and DKK 550m, respectively, which is unchanged compared to previous years.

The interest rate used to discount Tryg's technical provisions remains very low. To put interest rate sensitivities into perspective, a 100 basis points increase of the interest rate curve will improve the profit before tax by around DKK 300m.

The investment portfolio is divided into a match portfolio corresponding to the technical provisions and a free portfolio. The objective is, for the return on the match portfolio and changes in the technical provisions due to interest rate changes, to be close to zero.

The return on bonds in the free portfolio (approximately 70% of the free portfolio) will vary, but given current interest rate levels, a very low return is expected. Equities, as an asset class, are expected to return around 7% annually.

The MSCI World Index is the chosen benchmark. The return on the property portfolio is expected to be around 5%. The investment return in the income statement also includes the cost of managing investments, the cost of currency hedges and interest expenses on subordinated loans.

The overall tax rate is expected to be around 24% for the FY 2018. Capital gains and losses on equities are not taxable in Norway.

The financial guidance does not include the acquisition of Alka. Figures will be updated once the acquisition has been approved by the authorities. As disclosed in the annual report 2017, the Alka acquisition will result in the annual depreciation of customer relations in the amount of approximately DKK 100-150m (before tax) within a five to seven-year period. This item will be booked under other income and costs in the income statement. More details will be released after closing.

Financial targets 2020 ^{a)}



Earnings

Technical result
DKK 3.3bn

Combined ratio
≤86

Expense ratio
~14

RoE
≥21

a) The targets are conditional upon the authorities' approval of the Alka acquisition.



Financial calendar 2018

| | |
|------------------------------------|-----------------|
| Tryg shares are traded ex-dividend | 12 October 2018 |
| Payment of Q3 dividend | 16 October 2018 |
| Annual report 2018 | 22 January 2019 |
| Tryg shares are traded ex-dividend | 23 January 2018 |
| Payment of Q4 dividend | 25 January 2018 |
| Annual general meeting | 15 March 2019 |
| Interim report Q1 | 10 April 2019 |
| Interim report Q2 and H1 | 10 July 2019 |
| Interim report Q3 and Q1-Q3 | 10 October 2019 |

Contact

Tryg A/S

Klausdalsbrovej 601
2750 Ballerup, Denmark
+45 70 11 20 20
CVR no. 26460212

Gianandrea Roberti

Investor Relations Officer
+45 20 18 82 67
gianandrea.roberti@tryg.dk

Peter Brondt

Investor Relations Manager
+45 22 75 89 04
peter.brondt@tryg.dk

Tanja Frederiksen

Head of Communications
+45 51 95 77 78
tanja.frederiksen@tryg.dk

Visit tryg.com
and follow us at
twitter.com/TrygIR

Contents

Financial statements Q1-Q3 2018

Financial statements

| | | | |
|----|------------------------------------------------------------|----|---------------------------------|
| 20 | Statement by the Supervisory Board and the Executive Board | 24 | Statement of financial position |
| 21 | Financial highlights | 25 | Statement of changes in equity |
| 22 | Income statement | 27 | Cash flow statement |
| 23 | Statement of comprehensive income | 28 | Notes |
| | | 35 | Quarterly outline |

Tryg's Group consolidated financial statements are prepared in accordance with IAS 34 (IFRS).

Statement by the Supervisory Board and the Executive Board

The Supervisory Board and the Executive Board have today considered and adopted the interim report for Q1-Q3 2018 for Tryg A/S.

The report, which is unaudited and has not been reviewed by the company's auditors, is presented in accordance with IAS 34 Interim Financial Reporting, the Danish Financial Business Act and

the requirements of the NASDAQ Copenhagen for the presentation of financial statements of listed companies.

In our opinion, the report gives a true and fair view of the Group's assets, liabilities and financial position at 30 September 2018 and of the results of the Group's activities and cash flows for the period for the Group.

We are furthermore of the opinion that the management's report includes a fair review of the developments in the activities and financial position of the Group, the results for the period and of the Group's financial position in general and describes the principal risks and uncertainties that the Group faces.

Ballerup, 10 October 2018

Executive Board

Morten Hübbe
Group CEO

Christian Baltzer
Group CFO

Lars Bonde
Group COO

Johan Kirstein Brammer
Group CCO

Supervisory Board

Jukka Pertola
Chairman

Torben Nielsen
Deputy Chairman

Elias Bakk

Tom Eileng

Lone Hansen

Anders Hjulmand

Jesper Hjulmand

Ida Sofie Jensen

Lene Skole

Tina Snebjerg

Mari Thjørmøe

Carl-Viggo Östlund

Financial highlights

| | Q3 2018 | Q3 2017 | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|----------------------------------------------------------------------------------------|--------------|--------------|---------------|---------------|---------------|
| DKKm | | | | | |
| NOK/DKK, average rate for the period | 77.75 | 79.28 | 77.42 | 80.77 | 79.99 |
| SEK/DKK, average rate for the period | 71.36 | 77.61 | 72.86 | 77.60 | 77.24 |
| Gross premium income | 4,696 | 4,576 | 13,687 | 13,475 | 17,963 |
| Gross claims | -3,281 | -2,948 | -9,151 | -8,789 | -11,865 |
| Total insurance operating costs | -651 | -623 | -1,917 | -1,900 | -2,516 |
| Profit/loss on gross business | 764 | 1,005 | 2,619 | 2,786 | 3,582 |
| Profit/loss on ceded business | -1 | -211 | -440 | -609 | -779 |
| Insurance technical interest, net of reinsurance | -2 | -5 | -9 | -10 | -14 |
| Technical result | 761 | 789 | 2,170 | 2,167 | 2,789 |
| Investment return after insurance technical interest | 79 | 87 | -2 | 441 | 527 |
| Other income and costs | -15 | -16 | -55 | -54 | -77 |
| Profit/loss before tax | 825 | 860 | 2,113 | 2,554 | 3,239 |
| Tax | -198 | -189 | -492 | -562 | -720 |
| Profit/loss, continuing business | 627 | 671 | 1,621 | 1,992 | 2,519 |
| Profit/loss on discontinued and divested business after tax | 0 | 0 | 0 | -2 | -2 |
| Profit/loss for the period | 627 | 671 | 1,621 | 1,990 | 2,517 |
| Other comprehensive income | | | | | |
| Other comprehensive income which cannot subsequently be reclassified as profit or loss | 0 | -1 | 11 | 31 | -1 |
| Other comprehensive income which can subsequently be reclassified as profit or loss | -14 | 9 | 5 | -17 | -32 |
| Other comprehensive income | -14 | 8 | 16 | 14 | -33 |
| Comprehensive income | 613 | 679 | 1,637 | 2,004 | 2,484 |
| Run-off gains/losses, net of reinsurance | 408 | 247 | 1,014 | 753 | 972 |
| Statement of financial position | | | | | |
| Total provisions for insurance contracts | 30,805 | 31,394 | 30,805 | 31,394 | 30,018 |
| Total reinsurers' share of provisions for insurance contracts | 1,689 | 1,437 | 1,689 | 1,437 | 1,366 |
| Total equity | 11,814 | 8,604 | 11,814 | 8,604 | 12,616 |
| Total assets | 52,514 | 47,726 | 52,514 | 47,726 | 51,367 |
| Key ratios | | | | | |
| Gross claims ratio | 69.9 | 64.4 | 66.9 | 65.2 | 66.1 |
| Net reinsurance ratio | 0.0 | 4.6 | 3.2 | 4.5 | 4.3 |
| Claims ratio, net of reinsurance | 69.9 | 69.0 | 70.1 | 69.7 | 70.4 |
| Gross expense ratio | 13.9 | 13.6 | 14.0 | 14.1 | 14.0 |
| Combined ratio | 83.8 | 82.6 | 84.1 | 83.8 | 84.4 |

Key ratios are calculated in accordance with 'Recommendations & Financial Ratios' issued by the Danish Society of Financial Analysts.

Income statement

| DKKm | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|------------------------------------------------------------------|---------------|---------------|----------------|
| Notes | | | |
| General insurance | | | |
| Gross premiums written | 14,670 | 14,494 | 18,358 |
| Ceded insurance premiums | -1,112 | -972 | -1,255 |
| Change in premium provisions | -731 | -804 | -145 |
| Change in reinsurers' share of premium provisions | 112 | 86 | 16 |
| 2 Premium income, net of reinsurance | 12,939 | 12,804 | 16,974 |
| 3 Insurance technical interest, net of reinsurance | -9 | -10 | -14 |
| Claims paid | -9,336 | -9,491 | -12,807 |
| Reinsurance cover received | 232 | 927 | 1,029 |
| Change in claims provisions | 185 | 702 | 942 |
| Change in the reinsurers' share of claims provisions | 227 | -749 | -729 |
| 4 Claims, net of reinsurance | -8,692 | -8,611 | -11,565 |
| Bonus and premium discounts | -252 | -215 | -250 |
| Acquisition costs | -1,490 | -1,431 | -1,902 |
| Administration expenses | -427 | -469 | -614 |
| Acquisition costs and administration expenses | -1,917 | -1,900 | -2,516 |
| Reinsurance commissions and profit participation from reinsurers | 101 | 99 | 160 |
| Insurance operating costs, net of reinsurance | -1,816 | -1,801 | -2,356 |
| 1 Technical result | 2,170 | 2,167 | 2,789 |

| DKKm | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|-------------------------------------------------------------------|---------------|---------------|--------------|
| Notes | | | |
| Investment activities | | | |
| Income from associates | 17 | -1 | 3 |
| Income from investment property | 48 | 54 | 69 |
| Interest income and dividends | 438 | 472 | 624 |
| 5 Value adjustments | -169 | 219 | 224 |
| Interest expenses | -113 | -79 | -107 |
| Administration expenses in connection with investment activities | -68 | -84 | -102 |
| Total investment return | 153 | 581 | 711 |
| 3 Return on insurance provisions | -155 | -140 | -184 |
| Total Investment return after insurance technical interest | -2 | 441 | 527 |
| Other income | 91 | 83 | 117 |
| Other costs | -146 | -137 | -194 |
| Profit/loss before tax | 2,113 | 2,554 | 3,239 |
| Tax | -492 | -562 | -720 |
| Profit/loss on continuing business | 1,621 | 1,992 | 2,519 |
| Profit/loss on discontinued and divested business | 0 | -2 | -2 |
| Profit/loss for the period | 1,621 | 1,990 | 2,517 |
| Earnings/ diluted earnings per share | 5.36 | 7.25 | 9.12 |

Statement of comprehensive income

| DKKm | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|---------------------------------------------------------------------------------------------------|---------------|---------------|--------------|
| Profit/loss for the period | 1,621 | 1,990 | 2,517 |
| Other comprehensive income | | | |
| Other comprehensive income which cannot subsequently be reclassified as profit or loss | | | |
| Change in equalisation reserve | 0 | 0 | 4 |
| Revaluation of owner-occupied property and other adjustments | 0 | 12 | 0 |
| Actuarial gains/losses on defined-benefit pension plans | 15 | 25 | -7 |
| Tax on actuarial gains/losses on defined-benefit pension plans | -4 | -6 | 2 |
| | 11 | 31 | -1 |
| Other comprehensive income which can subsequently be reclassified as profit or loss | | | |
| Exchange rate adjustments of foreign entities | 39 | -62 | -137 |
| Hedging of currency risk in foreign entities | -43 | 58 | 135 |
| Tax on hedging of currency risk in foreign entities | 9 | -13 | -30 |
| | 5 | -17 | -32 |
| Total other comprehensive income | 16 | 14 | -33 |
| Comprehensive income | 1,637 | 2,004 | 2,484 |

Statement of financial position

| DKKm | 30.09.2018 | 30.09.2017 | 31.12.2017 |
|----------------------------------------------------------------------|---------------|---------------|---------------|
| Notes | | | |
| Assets | | | |
| Intangible assets | 1,481 | 1,122 | 1,105 |
| Operating equipment | 119 | 52 | 67 |
| Group-occupied property | 680 | 0 | 0 |
| Total property, plant and equipment | 799 | 52 | 67 |
| Investment property | 1,380 | 1,299 | 1,324 |
| Equity investments in associates | 243 | 218 | 225 |
| Total investments in associates | 243 | 218 | 225 |
| Equity investments | 939 | 133 | 179 |
| Unit trust units | 1,950 | 4,229 | 4,852 |
| Bonds | 39,299 | 35,124 | 37,151 |
| Deposits with credit institutions | 0 | 0 | 250 |
| Derivative financial instruments | 651 | 904 | 1,079 |
| Total other financial investment assets | 42,839 | 40,390 | 43,511 |
| Total investment assets | 44,462 | 41,907 | 45,060 |
| Reinsurers' share of premium provisions | 333 | 317 | 245 |
| Reinsurers' share of claims provisions | 1,356 | 1,120 | 1,121 |
| Total reinsurers' share of provisions for insurance contracts | 1,689 | 1,437 | 1,366 |
| Receivables from policyholders | 1,695 | 1,353 | 1,471 |
| Total receivables in connection with direct insurance contracts | 1,695 | 1,353 | 1,471 |
| Receivables from insurance enterprises | 426 | 298 | 300 |
| Other receivables | 1,190 | 552 | 957 |
| Total receivables | 3,311 | 2,203 | 2,728 |
| Cash at bank and in hand | 410 | 465 | 509 |
| Total other assets | 410 | 465 | 509 |
| Interest and rent receivable | 162 | 183 | 197 |
| Other prepayments and accrued income | 200 | 357 | 335 |
| Total prepayments and accrued income | 362 | 540 | 532 |
| Total assets | 52,514 | 47,726 | 51,367 |

| DKKm | 30.09.2018 | 30.09.2017 | 31.12.2017 |
|---------------------------------------------------------|---------------|---------------|---------------|
| Notes | | | |
| Equity and liabilities | | | |
| Equity | 11,814 | 8,604 | 12,616 |
| 6 Subordinated loan capital | 2,951 | 2,501 | 2,412 |
| Premium provisions | 6,330 | 6,337 | 5,559 |
| Claims provisions | 23,925 | 24,512 | 23,925 |
| Provisions for bonuses and premium discounts | 550 | 545 | 534 |
| Total provisions for insurance contracts | 30,805 | 31,394 | 30,018 |
| Pensions and similar liabilities | 250 | 268 | 290 |
| Deferred tax liability | 615 | 699 | 656 |
| Other provisions | 98 | 101 | 111 |
| Total provisions | 963 | 1,068 | 1,057 |
| Debt relating to direct insurance | 518 | 463 | 498 |
| Debt relating to reinsurance | 651 | 482 | 454 |
| Amounts owed to credit institutions | 525 | 279 | 306 |
| Debt relating to unsettled funds transactions and repos | 258 | 694 | 1,711 |
| Derivative financial instruments | 604 | 602 | 746 |
| Debt to Group undertakings | 322 | 0 | 0 |
| Current tax liabilities | 386 | 566 | 194 |
| Other debt | 2,688 | 1,053 | 1,312 |
| Total debt | 5,952 | 4,139 | 5,221 |
| Accruals and deferred income | 29 | 20 | 43 |
| Total equity and liabilities | 52,514 | 47,726 | 51,367 |
| 7 Acquisition of activities | | | |
| 8 Related parties | | | |
| 9 Contingent Liabilities | | | |
| 10 Accounting policies | | | |

Statement of changes in equity

| DKKm | Share capital | Reserve for exchange rate adjustment | Other reserves ^{a)} | Retained earnings | Proposed dividend | Total |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------|------------------------------|-------------------|-------------------|---------------|
| Equity at 31 December 2017 | 1,511 | -29 | 783 | 8,868 | 1,483 | 12,616 |
| Q1-Q3 2018 | | | | | | |
| Profit/loss for the period | | | 75 | 49 | 1,497 | 1,621 |
| Other comprehensive income | | 5 | | 11 | | 16 |
| Total comprehensive income | 0 | 5 | 75 | 60 | 1,497 | 1,637 |
| Dividend paid | | | | | -2,481 | -2,481 |
| Purchase and sale of own shares | | | | 35 | | 35 |
| Issue of matching shares | | | | 7 | | 7 |
| Total changes in equity in Q1-Q3 2018 | 0 | 5 | 75 | 102 | -984 | -802 |
| Equity at 30 September 2018 | 1,511 | -24 | 858 | 8,970 | 499 | 11,814 |
| The possible payment of dividend is influenced by contingency fund provisions of DKK 1,660m (DKK 1,592m as at 31 December 2017). The contingency fund provisions can be used to cover losses in connection with the settlement of insurance provisions or otherwise for the benefit of the insured. | | | | | | |
| Equity at 31 December 2016 | 1,413 | 3 | 822 | 5,182 | 2,017 | 9,437 |
| Q1-Q3 2017 | | | | | | |
| Profit/loss for the period | | | 4 | 642 | 1,344 | 1,990 |
| Other comprehensive income | | -17 | | 31 | | 14 |
| Total comprehensive income | 0 | -17 | 4 | 673 | 1,344 | 2,004 |
| Nullification of own shares | -39 | | | 39 | | 0 |
| Dividend paid | | | | | -2,921 | -2,921 |
| Dividend, own shares | | | | 82 | | 82 |
| Purchase and sale of own shares | | | | -2 | | -2 |
| Issue of conditional shares and matching shares | | | | 4 | | 4 |
| Total changes in equity in Q1-Q3 2017 | -39 | -17 | 4 | 796 | -1,577 | -833 |
| Equity at 30 September 2017 | 1,374 | -14 | 826 | 5,978 | 440 | 8,604 |

a) Other reserves contains Norwegian Natural Perils Pool.

Statement of changes in equity

| DKKm | Share capital | Reserve for exchange rate adjustment | Other reserves ^{a)} | Retained earnings | Proposed dividend | Total |
|-------------------------------------------------|---------------|--------------------------------------|------------------------------|-------------------|-------------------|---------------|
| Equity at 31 December 2016 | 1,413 | 3 | 822 | 5,182 | 2,017 | 9,437 |
| 2017 | | | | | | |
| Profit/loss for the year | | | -39 | -271 | 2,827 | 2,517 |
| Other comprehensive income | | -32 | | -1 | | -33 |
| Total comprehensive income | 0 | -32 | -39 | -272 | 2,827 | 2,484 |
| Nullification of own shares | -39 | | | 39 | | 0 |
| Dividend paid | | | | | -3,361 | -3,361 |
| Dividend, own shares | | | | 82 | | 82 |
| Purchase and sale of own shares | | | | -20 | | -20 |
| Issue of new shares ^{b)} | 137 | | | 3,841 | | 3,978 |
| Issue of employee shares | | | | 10 | | 10 |
| Issue of conditional shares and matching shares | | | | 6 | | 6 |
| Total changes in equity in 2017 | 98 | -32 | -39 | 3,686 | -534 | 3,179 |
| Equity at 31 December 2017 | 1,511 | -29 | 783 | 8,868 | 1,483 | 12,616 |

a) Other reserves contains Norwegian Natural Perils Pool.

b) Cost related to the issue of new shares are deducted in proceeds recognised in retained earnings with DKK 50.3m.

Cash flow statement

| DKKm | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|-----------------------------------------------------------------------|---------------|---------------|---------------|
| Cash from operating activities | | | |
| Premiums | 14,214 | 13,997 | 17,600 |
| Claims | -9,075 | -9,475 | -13,205 |
| Ceded business | -642 | -14 | -139 |
| Costs | -2,293 | -2,043 | -2,642 |
| Change in other debt and other amounts receivable | 332 | -180 | 495 |
| Cash flow from insurance activities | 2,536 | 2,285 | 2,109 |
| Interest income | 440 | 468 | 622 |
| Interest expenses | -113 | -79 | -107 |
| Dividend received | 11 | 16 | 19 |
| Taxes | -337 | -313 | -845 |
| Other income and costs | -55 | -54 | -77 |
| Cash from operating activities, continuing business | 2,482 | 2,323 | 1,721 |
| Cash from operating activities, discontinued and divested business | -1 | -1 | -1 |
| Total cash flow from operating activities | 2,481 | 2,322 | 1,720 |
| Investments | | | |
| Acquisition and refurbishment of real property | -2 | 0 | -10 |
| Sale of real property | 48 | 2,307 | 2,307 |
| Acquisition and sale of equity investments and unit trust units (net) | -322 | -372 | -978 |
| Purchase/sale of bonds (net) | -743 | -1,482 | -3,578 |
| Deposits with credit institutions | 250 | 0 | -250 |
| Purchase/sale of operating equipment (net) | -36 | -10 | -38 |
| Acquisition of intangible assets | 0 | -102 | -102 |
| Hedging of currency risk | -43 | 58 | 135 |
| Total investments | -848 | 399 | -2,514 |

| DKKm | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|---------------------------------------------------------------------|---------------|---------------|------------|
| Financing | | | |
| Issue of new shares | 0 | 0 | 3,978 |
| Exercise of share options/purchase of treasury shares (net) | 42 | -2 | -4 |
| Subordinated loan capital | 502 | 0 | 0 |
| Dividend paid | -2,481 | -2,839 | -3,279 |
| Change in lease liabilities | -58 | 0 | 0 |
| Change in amounts owed to credit institutions | 219 | 101 | 128 |
| Total financing | -1,776 | -2,740 | 823 |
| Change in cash and cash equivalents, net | -143 | -19 | 29 |
| Additions relating to purchase of subsidiary | 41 | 13 | 13 |
| Exchange rate adjustment of cash and cash equivalents, 1 January | 3 | -4 | -8 |
| Change in cash and cash equivalents, gross | -99 | -10 | 34 |
| Cash and cash equivalents, beginning of year | 509 | 475 | 475 |
| Cash and cash equivalents, end of period | 410 | 465 | 509 |

Notes

| DKKm | Private | Commercial | Corporate | Sweden | Other ^{a)} | Group |
|--------------------------------------------------|--------------|--------------|--------------|--------------|---------------------|---------------|
| 1 Operating segments | | | | | | |
| Q1-Q3 2018 | | | | | | |
| Gross premium income | 6,787 | 2,927 | 2,910 | 1,110 | -47 | 13,687 |
| Gross claims | -4,479 | -1,781 | -2,199 | -765 | 73 | -9,151 |
| Gross operating expenses | -946 | -513 | -283 | -175 | | -1,917 |
| Profit/loss on ceded business | -155 | -118 | -138 | -3 | -26 | -440 |
| Insurance technical interest, net of reinsurance | -4 | -1 | | -4 | | -9 |
| Technical result | 1,203 | 514 | 290 | 163 | 0 | 2,170 |
| Other items | | | | | -549 | -549 |
| Profit | | | | | | 1,621 |
| Run-off gains/losses, net of reinsurance | 316 | 273 | 325 | 100 | | 1,014 |
| Intangible assets | 286 | 95 | | 548 | 552 | 1,481 |
| Equity investments in associates | | | | | 243 | 243 |
| Reinsurers' share of premium provisions | 96 | 40 | 196 | 1 | | 333 |
| Reinsurers' share of claims provisions | 67 | 124 | 1,138 | 27 | | 1,356 |
| Other assets | | | | | 49,101 | 49,101 |
| Total assets | | | | | | 52,514 |
| Premium provisions | 2,527 | 1,526 | 1,340 | 937 | | 6,330 |
| Claims provisions | 5,134 | 6,479 | 9,508 | 2,804 | | 23,925 |
| Provisions for bonuses and premium discounts | 428 | 80 | 31 | 11 | | 550 |
| Other liabilities | | | | | 9,895 | 9,895 |
| Total liabilities | | | | | | 40,700 |

a) Amounts relating to eliminations and one-off items are included under 'Other'. Other assets and liabilities are managed at Group level and are not allocated to the individual segments but are included under 'Other'.

Costs are allocated according to specific keys, which are believed to provide the best estimate of assessed resource consumption.

Notes

| DKKm | Private | Commercial | Corporate | Sweden | Other ^{a)} | Group |
|--------------------------------------------------|--------------|--------------|--------------|--------------|---------------------|---------------|
| 1 Operating segments | | | | | | |
| Q1-Q3 2017 | | | | | | |
| Gross premium income | 6,595 | 2,885 | 2,887 | 1,132 | -24 | 13,475 |
| Gross claims | -4,359 | -1,775 | -1,886 | -796 | 27 | -8,789 |
| Gross operating expenses | -907 | -510 | -295 | -188 | | -1,900 |
| Profit/loss on ceded business | -154 | -70 | -379 | -3 | -3 | -609 |
| Insurance technical interest, net of reinsurance | -4 | -1 | -1 | -4 | | -10 |
| Technical result | 1,171 | 529 | 326 | 141 | 0 | 2,167 |
| Other items | | | | | -177 | -177 |
| Profit | | | | | | 1,990 |
| Run-off gains/losses, net of reinsurance | 258 | 241 | 177 | 77 | | 753 |
| Intangible assets | 15 | 111 | | 598 | 398 | 1,122 |
| Equity investments in associates | | | | | 218 | 218 |
| Reinsurers' share of premium provisions | 88 | 51 | 176 | 2 | | 317 |
| Reinsurers' share of claims provisions | 59 | 188 | 844 | 29 | | 1,120 |
| Other assets | | | | | 44,949 | 44,949 |
| Total assets | | | | | | 47,726 |
| Premium provisions | 2,491 | 1,554 | 1,343 | 949 | | 6,337 |
| Claims provisions | 5,434 | 6,584 | 9,543 | 2,951 | | 24,512 |
| Provisions for bonuses and premium discounts | 439 | 55 | 44 | 7 | | 545 |
| Other liabilities | | | | | 7,728 | 7,728 |
| Total liabilities | | | | | | 39,122 |

a) Amounts relating to eliminations and one-off items are included under 'Other'. Other assets and liabilities are managed at Group level and are not allocated to the individual segments but are included under 'Other'.

Costs are allocated according to specific keys, which are believed to provide the best estimate of assessed resource consumption.

Notes

| DKKm | Private | Commercial | Corporate | Sweden | Other ^{a)} | Group |
|--------------------------------------------------|--------------|--------------|--------------|--------------|---------------------|---------------|
| 1 Operating segments | | | | | | |
| 2017 | | | | | | |
| Gross premium income | 8,798 | 3,862 | 3,852 | 1,487 | -36 | 17,963 |
| Gross claims | -5,807 | -2,423 | -2,606 | -1,055 | 26 | -11,865 |
| Gross operating expenses | -1,208 | -665 | -392 | -251 | | -2,516 |
| Profit/loss on ceded business | -211 | -106 | -467 | -5 | 10 | -779 |
| Insurance technical interest, net of reinsurance | -7 | -1 | -1 | -5 | | -14 |
| Technical result | 1,565 | 667 | 386 | 171 | 0 | 2,789 |
| Other items | | | | | -272 | -272 |
| Profit | | | | | | 2,517 |
| Run-off gains/losses, net of reinsurance | 306 | 329 | 239 | 98 | | 972 |
| Intangible assets | 14 | 106 | | 575 | 410 | 1,105 |
| Equity investments in associates | | | | | 225 | 225 |
| Reinsurers' share of premium provisions | 47 | 22 | 176 | | | 245 |
| Reinsurers' share of claims provisions | 53 | 172 | 867 | 29 | | 1,121 |
| Other assets | | | | | 48,671 | 48,671 |
| Total assets | | | | | | 51,367 |
| Premium provisions | 2,358 | 1,277 | 1,008 | 916 | | 5,559 |
| Claims provisions | 5,197 | 6,527 | 9,317 | 2,884 | | 23,925 |
| Provisions for bonuses and premium discounts | 432 | 60 | 35 | 7 | | 534 |
| Other liabilities | | | | | 8,733 | 8,733 |
| Total liabilities | | | | | | 38,751 |

a) Amounts relating to eliminations and one-off items are included under 'Other'. Other assets and liabilities are managed at Group level and are not allocated to the individual segments but are included under 'Other'.

Costs are allocated according to specific keys, which are believed to provide the best estimate of assessed resource consumption.

Notes

| DKKm | Q3 2018 | Q3 2017 | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|----------------------------------------------|--------------|--------------|---------------|---------------|--------------|
| 1 Geographical segments | | | | | |
| Danish general insurance^{a)} | | | | | |
| Gross premium income | 2,512 | 2,404 | 7,499 | 7,158 | 9,606 |
| Technical result | 459 | 482 | 1,452 | 1,288 | 1,783 |
| Run-off gains/losses, net of reinsurance | 227 | 90 | 532 | 315 | 449 |
| Key ratios | | | | | |
| Gross claims ratio | 62.7 | 62.2 | 60.2 | 64.2 | 64.2 |
| Net reinsurance ratio | 4.7 | 3.6 | 6.2 | 4.0 | 3.7 |
| Claims ratio, net of reinsurance | 67.4 | 65.8 | 66.4 | 68.2 | 67.9 |
| Gross expense ratio | 14.1 | 13.9 | 14.0 | 13.7 | 13.4 |
| Combined ratio | 81.5 | 79.7 | 80.4 | 81.9 | 81.3 |
| Run-off, net of reinsurance (%) | -9.0 | -3.7 | -7.1 | -4.4 | -4.7 |
| Number of full-time employees, end of period | 1,994 | 1,893 | 1,994 | 1,893 | 1,933 |
| Norwegian general insurance | | | | | |
| Gross premium income | 1,633 | 1,589 | 4,673 | 4,737 | 6,272 |
| Technical result | 182 | 187 | 549 | 630 | 770 |
| Run-off gains/losses, net of reinsurance | 157 | 107 | 422 | 299 | 422 |
| Key ratios | | | | | |
| Gross claims ratio | 85.1 | 68.2 | 74.9 | 66.6 | 67.9 |
| Net reinsurance ratio | -9.1 | 6.6 | -0.3 | 5.8 | 5.3 |
| Claims ratio, net of reinsurance | 76.0 | 74.8 | 74.6 | 72.4 | 73.2 |
| Gross expense ratio | 13.2 | 13.6 | 13.9 | 14.5 | 14.7 |
| Combined ratio | 89.2 | 88.4 | 88.5 | 86.9 | 87.9 |
| Run-off, net of reinsurance (%) | -9.6 | -6.7 | -9.0 | -6.3 | -6.7 |
| Number of full-time employees, end of period | 1,096 | 1,043 | 1,096 | 1,043 | 1,042 |

a) Comprises Danish general insurance, Finnish and German guarantee insurance.

Notes

| DKKm | Q3 2018 | Q3 2017 | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|----------------------------------------------|--------------|--------------|---------------|---------------|---------------|
| 1 Geographical segments | | | | | |
| Swedish general insurance | | | | | |
| Gross premium income | 560 | 584 | 1,562 | 1,604 | 2,121 |
| Technical result | 120 | 120 | 169 | 249 | 236 |
| Run-off gains/losses, net of reinsurance | 24 | 50 | 60 | 139 | 101 |
| Key ratios | | | | | |
| Gross claims ratio | 63.4 | 64.0 | 77.6 | 66.8 | 69.0 |
| Net reinsurance ratio | 0.7 | 2.6 | -2.6 | 3.0 | 5.0 |
| Claims ratio, net of reinsurance | 64.1 | 66.6 | 75.0 | 69.8 | 74.0 |
| Gross expense ratio | 14.3 | 12.5 | 14.0 | 14.3 | 14.5 |
| Combined ratio | 78.4 | 79.1 | 89.0 | 84.1 | 88.5 |
| Run-off, net of reinsurance (%) | -4.3 | -8.6 | -3.8 | -8.7 | -4.8 |
| Number of full-time employees, end of period | 394 | 394 | 394 | 394 | 398 |
| Other ^{a)} | | | | | |
| Gross premium income | -9 | -1 | -47 | -24 | -36 |
| Technical result | 0 | 0 | 0 | 0 | 0 |
| Tryg | | | | | |
| Gross premium income | 4,696 | 4,576 | 13,687 | 13,475 | 17,963 |
| Technical result | 761 | 789 | 2,170 | 2,167 | 2,789 |
| Investment return activities | 79 | 87 | -2 | 441 | 527 |
| Other income and costs | -15 | -16 | -55 | -54 | -77 |
| Profit/loss before tax | 825 | 860 | 2,113 | 2,554 | 3,239 |
| Run-off gains/losses, net of reinsurance | 408 | 247 | 1,014 | 753 | 972 |
| Key ratios | | | | | |
| Gross claims ratio | 69.9 | 64.4 | 66.9 | 65.2 | 66.1 |
| Net reinsurance ratio | 0.0 | 4.6 | 3.2 | 4.5 | 4.3 |
| Claims ratio, net of reinsurance | 69.9 | 69.0 | 70.1 | 69.7 | 70.4 |
| Gross expense ratio | 13.9 | 13.6 | 14.0 | 14.1 | 14.0 |
| Combined ratio | 83.8 | 82.6 | 84.1 | 83.8 | 84.4 |
| Run-off, net of reinsurance (%) | -8.7 | -5.4 | -7.4 | -5.6 | -5.4 |
| Number of full-time employees, end of period | 3,484 | 3,330 | 3,484 | 3,330 | 3,373 |

a) Amounts relating to eliminations and one-off items.

Notes

| DKKm | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|-----------------------------------------------------------|---------------|---------------|----------------|
| 2 Premium income, net of reinsurance | | | |
| Direct insurance | 13,911 | 13,657 | 18,168 |
| Indirect insurance | 38 | 33 | 45 |
| | 13,949 | 13,690 | 18,213 |
| Unexpired risk provision | -10 | 0 | 0 |
| | 13,939 | 13,690 | 18,213 |
| Ceded direct insurance | -1,000 | -876 | -1,229 |
| Ceded indirect insurance | 0 | -10 | -10 |
| | 12,939 | 12,804 | 16,974 |
| 3 Insurance technical interest, net of reinsurance | | | |
| Return on insurance provisions | 155 | 140 | 184 |
| Discounting transferred from claims provisions | -164 | -150 | -198 |
| | -9 | -10 | -14 |
| 4 Claims, net of reinsurance | | | |
| Claims | -10,233 | -9,480 | -12,804 |
| Run-off gains/losses, gross | 1,082 | 691 | 939 |
| | -9,151 | -8,789 | -11,865 |
| Reinsurance cover received | 527 | 116 | 267 |
| Run-off gains/losses, reinsurers' share | -68 | 62 | 33 |
| | -8,692 | -8,611 | -11,565 |

| DKKm | Q1-Q3 2018 | Q1-Q3 2017 | 2017 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------------|------------|
| 5 Value adjustments | | | |
| <i>Value adjustments concerning financial assets or liabilities at fair value with value adjustment in the income statement:</i> | | | |
| Equity investments | 190 | -34 | -35 |
| Unit trust units | -42 | 348 | 460 |
| Share derivatives | -2 | 1 | -8 |
| Bonds | -234 | -71 | -148 |
| Interest derivatives | -104 | -104 | -96 |
| | -192 | 140 | 173 |
| <i>Value adjustments concerning assets or liabilities that cannot be attributed to IAS 39:</i> | | | |
| Investment property | 95 | -5 | 9 |
| Discounting | 134 | 149 | 123 |
| Other statement of financial position items | -206 | -65 | -81 |
| | 23 | 79 | 51 |
| | -169 | 219 | 224 |
| 6 Subordinated loan capital | | | |
| Tryg Forsikring A/S has issued a new restricted Tier 1 Capital notes for the amount of SEK 700m. Amortised cost value of the loan is recognised with 498m DKK in the Statement of financial position. | | | |
| Lender | Listed bonds | | |
| Issue date | April 2018 | | |
| Maturity date | Perpetual | | |
| Loan may be called by lender as from | 2023 | | |
| Repayment profile | Interest-only | | |
| Interest structure | 2.5% above STIBOR 3M | | |
| For information on other subordinated loans, please refer to annual report 2017, note 1. | | | |
| The total share of loan capital included in the calculation of the capital base totals DKK 2.65bn | | | |

Notes

7 Acquisition of activities

In February 2018 Tryg and Troll Forsikring made a declaration of intent whereby Tryg would acquire Troll Forsikring AS. The agreement meant that Tryg would acquire the production and distribution of the insurances sold to Troll's policyholders. The agreements was signed in February and the acquisition was approved by the Danish and Norwegian FSA in March 2018.

In March 2017 Tryg and OBOS BBL signed an agreement whereby Tryg acquired OBOS Forsikring AS. The agreement was approved by the Danish and Norwegian FSA end of May and implemented 1 June 2017.

Tryg has 1 January 2018 acquired FDM's insurance portfolio from LB Forsikring. The acquisition gives rights to the renewal of the portfolio.

8 Related parties

In Q1-Q3 2018 Tryg Forsikring A/S paid Tryg A/S DKK 939m and Tryg A/S paid TryghedsGruppen smba DKK 1,489m in dividends. TryghedsGruppen smba has transferred DKK 318m to Kapitalforeningen Tryg Invest. Further Tryg A/S also made a capital contribution of DKK 2,000m to Tryg Forsikring.

There have been no other material transactions with related parties.

9 Contingent Liabilities

Companies in the Tryg Group are party to a number of other disputes in Denmark, Norway and Sweden, which management believes will not affect the Group's financial position significantly beyond the obligations recognized in the statement of financial position at 30 September 2018.

10 Accounting policies

Tryg's interim report for Q1-Q3 2018 is presented in accordance with IAS 34 Interim Financial Reporting and the requirements of the NASDAQ Copenhagen for the presentation of financial statements of listed companies.

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

Changes in accounting policies

Tryg has applied IFRS 16 earlier and will recognise lease assets and lease liabilities in the balance sheet. The change is not expected to have a significant impact on either profit/loss or equity. Lease assets are recognised in 'Group-occupied property' and 'Operating equipment'. Lease liabilities are recognised in 'Other debt'. Earlier application of IFRS 16 is only possible because Tryg also applies IFRS 15 'Revenue from Contracts with Customers', however applying IFRS 15 have no significant impact on the statement of financial position or profit/loss due to Tryg's income is primarily related to premiums accounted for under IFRS 4. Tryg has used the simplified approach.

Going forward from 01.01.2018 Tryg has classified depreciation related to some intangible assets, such as customer relationship and distribution. The classification will not affect Profit/Loss or Equity but it will be presented in the line item "other costs" instead of the previous line item "Acquisition costs and administration expenses".

Comparative figures has not been restated due to immateriality.

There have been no other changes to the accounting policies or accounting estimates in Q1-Q3 2018.

Quarterly outline

| DKKm | Q3 2018 | Q2 2018 | Q1 2018 | Q4 2017 | Q3 2017 | Q2 2017 | Q1 2017 | Q4 2016 | Q3 2016 |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Private | | | | | | | | | |
| Gross premium income | 2,309 | 2,257 | 2,221 | 2,203 | 2,211 | 2,178 | 2,206 | 2,235 | 2,190 |
| Technical result | 467 | 483 | 253 | 394 | 463 | 440 | 268 | 366 | 447 |
| Key ratios | | | | | | | | | |
| Gross claims ratio | 63.5 | 62.2 | 72.4 | 65.7 | 62.7 | 63.8 | 71.8 | 67.9 | 63.2 |
| Net reinsurance ratio | 2.2 | 2.5 | 2.2 | 2.6 | 3.1 | 2.0 | 1.9 | 1.8 | 2.1 |
| Claims ratio, net of reinsurance | 65.7 | 64.7 | 74.6 | 68.3 | 65.8 | 65.8 | 73.7 | 69.7 | 65.3 |
| Gross expense ratio | 13.9 | 13.9 | 14.0 | 13.7 | 13.2 | 13.9 | 14.2 | 13.9 | 14.3 |
| Combined ratio | 79.6 | 78.6 | 88.6 | 82.0 | 79.0 | 79.7 | 87.9 | 83.6 | 79.6 |
| Combined ratio exclusive of run-off | 84.9 | 83.5 | 92.4 | 84.2 | 82.6 | 83.3 | 92.4 | 86.3 | 84.5 |
| Commercial | | | | | | | | | |
| Gross premium income | 994 | 978 | 955 | 977 | 971 | 949 | 965 | 972 | 977 |
| Technical result | 174 | 169 | 171 | 138 | 175 | 171 | 183 | 166 | 142 |
| Key ratios | | | | | | | | | |
| Gross claims ratio | 61.0 | 59.7 | 61.9 | 66.3 | 61.1 | 62.9 | 60.6 | 58.3 | 65.5 |
| Net reinsurance ratio | 4.3 | 4.2 | 3.6 | 3.7 | 3.2 | 1.4 | 2.7 | 8.0 | 3.4 |
| Claims ratio, net of reinsurance | 65.3 | 63.9 | 65.5 | 70.0 | 64.3 | 64.3 | 63.3 | 66.3 | 68.9 |
| Gross expense ratio | 17.2 | 18.8 | 16.5 | 15.9 | 17.7 | 17.6 | 17.7 | 16.5 | 16.6 |
| Combined ratio | 82.5 | 82.7 | 82.0 | 85.9 | 82.0 | 81.9 | 81.0 | 82.8 | 85.5 |
| Combined ratio exclusive of run-off | 93.3 | 92.3 | 89.5 | 94.9 | 92.4 | 88.0 | 89.5 | 92.2 | 92.8 |
| Corporate | | | | | | | | | |
| Gross premium income | 991 | 977 | 942 | 965 | 975 | 942 | 970 | 966 | 968 |
| Technical result | 63 | 109 | 118 | 60 | 91 | 156 | 79 | 9 | 117 |
| Key ratios | | | | | | | | | |
| Gross claims ratio | 96.8 | 58.8 | 70.7 | 74.6 | 69.3 | 59.2 | 67.2 | 84.3 | 42.9 |
| Net reinsurance ratio | -12.3 | 20.5 | 6.4 | 9.1 | 11.1 | 13.9 | 14.4 | 4.2 | 34.0 |
| Claims ratio, net of reinsurance | 84.5 | 79.3 | 77.1 | 83.7 | 80.4 | 73.1 | 81.6 | 88.5 | 76.9 |
| Gross expense ratio | 9.3 | 9.6 | 10.3 | 10.1 | 10.1 | 10.5 | 10.1 | 10.6 | 11.1 |
| Combined ratio | 93.8 | 88.9 | 87.4 | 93.8 | 90.5 | 83.6 | 91.7 | 99.1 | 88.0 |
| Combined ratio exclusive of run-off | 108.2 | 95.0 | 100.4 | 100.2 | 94.1 | 91.5 | 98.7 | 111.6 | 98.3 |

A further detailed version of the presentation can be downloaded from tryg.com/en>investor>Download reports and presentations>tables

Quarterly outline

| DKKm | Q3 2018 | Q2 2018 | Q1 2018 | Q4 2017 | Q3 2017 | Q2 2017 | Q1 2017 | Q4 2016 | Q3 2016 |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Sweden | | | | | | | | | |
| Gross premium income | 411 | 375 | 324 | 355 | 420 | 383 | 329 | 337 | 384 |
| Technical result | 57 | 85 | 21 | 30 | 60 | 43 | 38 | 23 | 38 |
| Key ratios | | | | | | | | | |
| Gross claims ratio | 69.6 | 61.6 | 76.5 | 73.0 | 70.7 | 70.5 | 69.6 | 72.7 | 72.9 |
| Net reinsurance ratio | 0.2 | 0.3 | 0.3 | 0.6 | 0.0 | 0.8 | 0.0 | 0.0 | 0.5 |
| Claims ratio, net of reinsurance | 69.8 | 61.9 | 76.8 | 73.6 | 70.7 | 71.3 | 69.6 | 72.7 | 73.4 |
| Gross expense ratio | 16.1 | 14.7 | 16.7 | 17.7 | 14.8 | 17.0 | 18.5 | 20.2 | 16.1 |
| Combined ratio | 85.9 | 76.6 | 93.5 | 91.3 | 85.5 | 88.3 | 88.1 | 92.9 | 89.5 |
| Combined ratio exclusive of run-off | 94.7 | 89.7 | 98.1 | 97.2 | 92.9 | 90.6 | 99.3 | 101.2 | 92.1 |
| Other^{a)} | | | | | | | | | |
| Gross premium income | -9 | -16 | -22 | -12 | -1 | -11 | -12 | -6 | -5 |
| Technical result | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -250 | 0 |
| Tryg | | | | | | | | | |
| Gross premium income | 4,696 | 4,571 | 4,420 | 4,488 | 4,576 | 4,441 | 4,458 | 4,504 | 4,514 |
| Technical result | 761 | 846 | 563 | 622 | 789 | 810 | 568 | 314 | 744 |
| Investment return | 79 | -90 | 9 | 86 | 87 | 131 | 223 | 598 | 191 |
| Profit/loss before tax | 825 | 735 | 553 | 685 | 860 | 915 | 779 | 800 | 923 |
| Profit/loss | 627 | 568 | 426 | 527 | 671 | 714 | 605 | 560 | 732 |
| Key ratios | | | | | | | | | |
| Gross claims ratio | 69.9 | 61.3 | 69.4 | 68.5 | 64.4 | 63.4 | 67.9 | 72.0 | 59.7 |
| Net reinsurance ratio | 0.0 | 6.0 | 3.7 | 3.8 | 4.6 | 4.0 | 5.0 | 3.1 | 9.5 |
| Claims ratio, net of reinsurance | 69.9 | 67.3 | 73.1 | 72.3 | 69.0 | 67.4 | 72.9 | 75.1 | 69.2 |
| Gross expense ratio | 13.9 | 14.1 | 14.0 | 13.7 | 13.6 | 14.3 | 14.4 | 18.0 | 14.5 |
| Combined ratio | 83.8 | 81.4 | 87.1 | 86.0 | 82.6 | 81.7 | 87.3 | 93.1 | 83.7 |
| Combined ratio exclusive of run-off | 92.5 | 88.2 | 93.7 | 90.9 | 88.0 | 86.7 | 93.7 | 99.8 | 90.1 |

a) Amounts relating to eliminations and one-off items are included under 'Other'.

Disclaimer

Certain statements in this interim report are based on the beliefs of our management as well as assumptions made by and information currently available to management. Statements regarding Tryg's future operating results, financial position, cash flows, business strategy, plans and future objectives other than statements of historical fact can generally be identified by the use of words such as 'targets', 'believes', 'expects', 'aims', 'intends', 'plans', 'seeks', 'will', 'may', 'anticipates', 'would', 'could', 'continues' or similar expressions. A number of different factors may cause the actual performance to deviate significantly from the forward-looking statements in this interim report, including but not limited to general economic developments, changes in the competitive environment, developments in the financial markets, extraordinary events such as natural disasters or terrorist attacks, changes in legislation or case law and reinsurance. Should one or more of these risks or uncertainties materialise, or should any under-

lying assumptions prove to be incorrect, Tryg's actual financial condition or results of operations could materially differ from that described herein as anticipated, believed, estimated or expected. Tryg is 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.

i [Read more in the chapter Capital and risk management on pages 28-29, and in Note 1 on page 55 in the Annual report 2017, for a description of some of the factors which may affect the Group's performance or the insurance industry.](#)

