

Interim report Q1 2020



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Teleconference

Tryg is hosting a teleconference on 21 April 2020 at 10.00 CET. View the audio webcast at tryg.com. Financial analysts and investors may participate on tel. +44 (0) 333 300 9263 or +45 82 33 31 94, where questions can be asked. The teleconference will be held in English and can subsequently be viewed at tryg.com.

Highlights

Premium growth of 8.9% (6.0% excluding Alka in Q1 2019), technical result of DKK 672m (DKK 626m) positively impacted by developments in the core business, lower than normal weather claims and related Alka synergies. The outbreak of COVID-19 has had a net negative impact of DKK -40m driven by travel insurance claims of DKK -115m (DKK -255m before reinsurance) partly offset by lower frequencies in other lines of business (including, but not only, motor insurance) of DKK 75m. Investment income of DKK -980m (DKK 353m) driven by extremely negative financial markets characterised by losses on virtually all asset classes. Profit before tax of DKK -372m (DKK 930m). In an announcement published on 27 March, Tryg confirmed expectations of a DKK 3.3bn technical result for 2020 but suspended the ROE target and moved to full-year dividend decision for 2020 (with an unchanged dividend policy), as a result of high uncertainty in the financial markets since the outbreak of COVID-19. Solvency ratio of 159 at the end of Q1.

Financial highlights Q1 2020

- Premium growth of 8.9% (6.0% excluding Alka) in local currencies
- Technical result of DKK 672m (DKK 626m) driven by a combined ratio of 88.0
- Underlying claims ratio (Private and Group) improved by 0.4 and 0.5
- Expense ratio of 14.1 (14.0)
- Investment return on free portfolio of DKK -713m (DKK 373m)
- Total investment income of DKK -980m (DKK 353m)
- Profit before tax of DKK -372m (DKK 930m)
- Tryg moves to full-year dividend payment decision for 2020 (as opposed to quarterly dividend)
- Solvency ratio of 159 and approval of internal model by the FSA 20 April reduces SCR with approximately DKK 400m

Customer highlights Q1 2020

- Transactional Net Promotor Score (TNPS) all time high with 69 (67)
- Number of products per customer increased to 3.9 (3.8)
- For the fifth year in a row, TryghedsGruppen decided to pay member bonus of 8%

2020 targets



Earnings

Technical result
DKK 3.3bn

Combined ratio
≤86

Expense ratio
~14



Customers

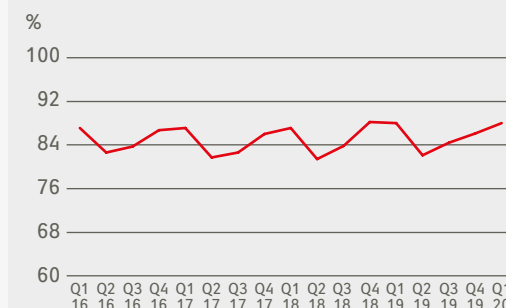
TNPS
70

Number of products
per customer
+10%

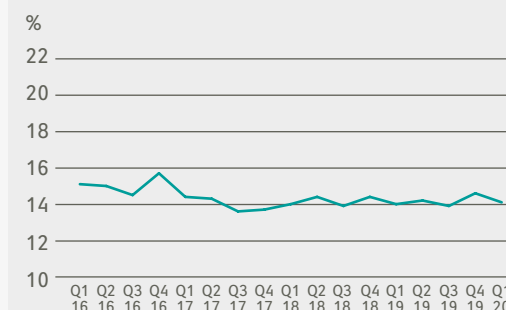
Income overview

DKKm	Q1 2020	Q1 2019	2019
Gross premium income	5,595	5,228	21,741
Gross claims	-4,316	-3,755	-14,857
Total insurance operating costs	-787	-734	-3,081
Profit/loss on gross business	492	739	3,803
Profit/loss on ceded business	181	-114	-566
Insurance technical interest, net of reinsurance	-1	1	1
Technical result	672	626	3,237
Investment return after insurance technical interest	-980	353	579
Other income and costs	-64	-49	-188
Profit/loss before tax	-372	930	3,628
Tax	-70	-173	-783
Profit/loss on continuing business	-442	757	2,845
Profit/loss on discontinued and divested business after tax	0	0	-2
Profit/loss	-442	757	2,843
Run-off gains/losses, net of reinsurance	357	372	1,194
Key figures			
Total equity	10,458	11,585	12,085
Return on equity after tax (%)	-16.0	26.7	24.6
Number of shares, end of period (1,000)	301,701	302,065	301,700
Earnings per share	-1.47	2.51	9.42
Ordinary dividend per share (DKK)	0.00	1.70	6.80
Extraordinary dividend per share (DKK)	0.00	0.00	1.65
Premium growth in local currencies	8.9	19.2	17.1
Gross claims ratio	77.1	71.8	68.3
Net reinsurance ratio	-3.2	2.2	2.6
Claims ratio, net of reinsurance	73.9	74.0	70.9
Gross expense ratio	14.1	14.0	14.2
Combined ratio	88.0	88.0	85.1
Run-off, net of reinsurance (%)	-6.4	-7.1	-5.5
Large claims, net of reinsurance (%)	2.4	3.5	2.1
Weather claims, net of reinsurance (%)	2.0	2.5	1.9
Combined ratio on business areas			
Private	90.1	86.1	83.7
Commercial	84.1	89.4	86.8
Corporate	85.0	90.8	87.6
Sweden	90.0	92.4	84.8

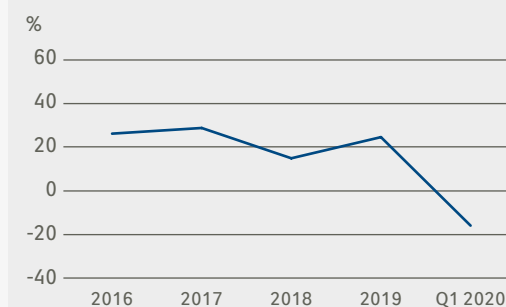
Combined ratio



Expense ratio



Return on equity



Tryg's results

Tryg reported a technical result of DKK 672m (DKK 626m) driven by a strong top line development, particularly in the Private segment. Good developments in the core business and lower than normal weather claims. The outbreak of COVID-19 has had a net negative impact of DKK -40m driven by travel insurance claims of DKK -115m (DKK -255m before reinsurance), partly offset by lower frequencies in other lines of business (including, but not only, motor insurance) of DKK 75m. The underlying claims ratio for Private improved by 0.4% and for the Group by 0.5%, both figures excluding the impact of COVID-19. The combined ratio was 88.0 (88.0). The investment return was DKK -980m (DKK 353m) as capital markets were impacted by extreme volatility following the outbreak of COVID-19 and related expected impact on the global economies. The pre-tax result was DKK -372m (DKK 930m) while the after-tax result was DKK -442m (DKK 757m).

Results

Q1 2020 has been anything but a normal quarter. The first two months were pretty much business as usual, but the outbreak of COVID-19 from the beginning of March has completely changed the dynamics of the quarter. Denmark and Norway were locked down in mid-March with travel restrictions and a complete halt to most economic activities. This has had a net negative impact on Tryg's business of DKK -40m, mostly related to the Private segment.

Group premium growth was 8.9% in Q1, impacted by a particularly good growth in the Private lines segment both in Denmark and in Norway. The combined ratio was unchanged compared to the prior-year period at 88.0 (88.0) driving a technical result of DKK 672m (DKK 626m). The outbreak of COVID-19 had a net negative impact of DKK -40m driven by travel insurance claims of DKK -115m (DKK -255m before reinsurance), partly offset by lower frequencies in other lines of businesses (including, but not only, motor insurance) of DKK 75m. Weather claims were well below normal at 2.0% (2.5%) as Scandinavia experienced a mild winter while large claims was in line with the normal run rate. The run-off result was 6.4% (7.1%). The underlying claims ratio for Private,

adjusted for weather claims, large claims, run-offs, discount rate (to discount the claims provisions) and COVID-19 impact, was 0.4% better than in Q1 2019, confirming that underlying profitability continues to improve. The Group's underlying claims ratio improved by 0.5% compared to Q1 2019. New business is normally displaying a somewhat lower profitability than the "old" business, because of structural higher frequency and higher distribution costs, which is the reason why it is expected that the underlying claims ratio for Private is likely to show a slightly lower improvement going forward.

Tryg expects this to be offset by improvements in other parts of the business going forward, in particular the Corporate segment as a result of the actions taken there. In Corporate, Tryg is actively increasing prices and reducing exposure to unprofitable segments and expects an improved profitability in 2020 and onwards. Synergies from the Alka transaction amounted to DKK 42m (DKK 21m) of which DKK 15m stemmed from lower costs, DKK 17m from claims and DKK 10m from revenue initiatives.

The Transactional Net Promoter Score (TNPS) improved in the period from 67 in Q1 2019 to all time high 69 in Q1 2020, a positive development driven

by Tryg's strong customer focus. The number of products per customer increased to 3.9 (3.8). For the fifth year in a row, TryghedsGruppen, Tryg's majority shareholder announced a member bonus for 2020 of up to DKK 1,015m, equivalent of 8% premiums paid for 2020. The bonus should be seen in conjunction with Tryg's dividend and will be paid to Tryg's Danish customers later this year. Awareness of the member bonus continues to increase, especially for non-customers, and reached 30% in Q1 2020 (20%).

The investment return amounted to DKK -980m (DKK 353m) following a month of March characterised by unprecedented market moves after the outbreak of COVID-19. The free portfolio reported a negative result of DKK -713m (DKK 373m) driven by a very sharp fall in equity markets (Tryg's equity portfolio approximately -20% in Q1 as opposed to 11% in Q1 2019) as well as losses on

virtually all other asset classes (with the exception of covered bonds). Unprecedented turbulence in capital markets also impacted the overall match portfolio result, which reported results of DKK -203m (DKK 51m). Other financial income and expenses were in line with expectations at DKK -64m (DKK -71m). Tryg continues to pursue a relatively low risk investment strategy with limited equity exposure and a conservative fixed-income profile (more than 90% of fixed income securities are Nordic covered bonds). It should be remembered that Tryg marks to market both assets and liabilities (following Danish Financial Supervisory Authority rules), resulting in P&L volatility in turbulent times, while other Nordic and European insurers hold to maturity large parts of their fixed-income portfolios or book towards shareholders' equity most of the asset moves. The asset allocation remained broadly unchanged in the period taking into consideration the asset losses.

Customer targets

	Q1 2020	Q1 2019	Target 2020
Transactional Net Promoter Score (TNPS)	69	67	70
Products per customer (%)	3.9	3.8	4 (+10%)

Premiums

Gross premium income was DKK 5,595m (DKK 5,228m), corresponding to a growth of 8.9% in local currencies. The Private segment continued the trend from 2019 with a growth of 10.4%, helped by a much bigger portfolio in the beginning of 2020 compared to 2019 both in Denmark and in Norway. In Denmark growth was based on cross selling to existing customers, new customers from partner agreements like FDM and Danske Bank and continued strong sales from our direct channels. Private Norway saw a continuation of strong sales from the partner agreements with OBOS and NITO, but also continued strong sale from the car channel Enter. Commercial showed an increase in premiums of 6.8% with a continued growth in Denmark of 3.9% and a more robust growth in Commercial Norway, partly due to acceptance of price hikes by larger commercial customers. The Corporate segments increased prices driving a growth of 4.9%, in Norway a top-line fall was observed following significant price hikes of approximately 12% for customers with renewal on 1 January 2020. Corporate Denmark saw high growth of 8.3% as a combination of good acceptance of price hikes of approximately 10% for customers up for renewal on 1 January. Growth in Tryg Garanti and a bigger portfolio in the beginning

of 2020 compared to 2019 should be highlighted when looking at the Corporate growth. Private Sweden had a growth of 4.9%, partly driven by price adjustments for motor insurance where profitability has been under pressure.

Claims

The claims ratio net of ceded business was 73.9 (74.0). The underlying claims ratio for Private, excluding large and weather claims, run-offs and discounting, was 73.9 (74.3), which was 0.4% better than the corresponding quarter in 2019. The Group's underlying claims ratio improved to 75.5 (76.0). As mentioned previously, the outbreak of COVID-19 had a net negative impact of DKK -40m driven by travel insurance claims with gross claims of DKK 255m and net claims (after reinsurance) of DKK 115m. This was partly offset by lower frequencies in other lines of business (including, but not only, motor) of DKK 75m. In general, the biggest impact of the lower frequencies, coming from lower economic activity related to COVID-19, was reported in the Private segment, this impact has been excluded from the calculation of the underlying claims ratio. The current strong level of growth in the Private segment is likely to somewhat impact the underlying claims ratio, as the new business

does not initially have the same profitability as the old one. At the same time, profitability initiatives in the Corporate segment should help sustain the improvement in the Group's underlying claims ratio. Tryg continues to expect an improvement of the underlying claims ratio for FY 2020.

In Scandinavia, the weather has been relatively mild and better than a normal winter with seasonal storms that can be harsh at times. The winter was particularly mild in Denmark, but with a lot of rain and flooding in some areas. In Norway, the winter was broadly in line with the same period last year. Weather claims amounted to DKK 111m (DKK 131m), or 2.0% (2.5%) of the claims ratio. Large claims impacted the claims ratio negatively by 2.4% (3.5%), which is in line with the quarterly average expectation but below Q1 2019. Tryg's assumptions for the full year are based on large claims (with no seasonality) of DKK 550m and weather claims (mostly in Q1 and Q4) of DKK 600m.

Expenses

The expense ratio was 14.1 (14.0). At the capital markets day at the end of 2017, 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) are expected to be broadly offset by continuous efficiency improvements, driven primarily by lower distributions costs. Cost synergies of DKK 15m from the Alka transaction also improved the expense ratio, but at the same time the high premium growth in the Private business led to higher distribution costs.

Change to the Norwegian employees pension scheme

Tryg agreed with the Norwegian employees to replace the defined benefit pension scheme (for employees with high seniority) with a market-based pension scheme in a life insurance company, having a total positive net impact of DKK 128m. Additionally, Tryg has decided to write down intangible assets related to software of DKK 107m and booked an extraordinary cost of DKK 20m related to COVID-19 to increase capacity for using IT systems and phones outside the offices to ensure that all employees could work from home. All the above figures have been booked in the technical result, approximately 2/3 of these against the operating expenses and 1/3 against the claims line.

Investment return

Investment income was DKK -980m (DKK 353m). Q1 2020, and especially the month of March, will go down in history as one of the most difficult periods for capital markets ever experienced. The outbreak of COVID-19 has caused unprecedented turmoil across virtually all asset classes, and hence the free portfolio posted a return of approximately -7% (3.5%), dragged down by a dramatic fall in equity markets of approximately -20% (11%) as well as losses on nearly all fixed income asset classes. The free portfolio reported a result of DKK -713m (DKK 373m), while the match portfolio posted a result of DKK -203m (DKK 51m). Other financial income and expenses were DKK -64m (DKK -71m).

Profit before and after tax

Profit before tax was DKK -372m (DKK 930m), while the profit after tax and discontinued activities was DKK -442m (DKK 757m). The overall tax bill was DKK 70m (DKK 173m). It should be remembered that capital gains on equities reduced the tax rate while the contrary happens in quarters of negative developments in equity markets.

Dividend and capital

As mentioned in the stock exchange announcement published on 27 March, Tryg has decided to move to a full-year dividend decision for 2020 (as opposed to the quarterly dividend) following significantly increased uncertainty in the global economies and extreme developments in the capital markets since the outbreak of COVID-19. The solvency ratio was 159 at the end of Q1. Own funds were primarily impacted by the Q1 loss while the SCR primarily fell driven by a lower market risk capital charge driven by the sharp fall in equity markets.

Events after the Q1 2020 accounting period

Tryg's application for an updated partial internal model to the Danish FSA has been approved on April 20. The new model includes Tryg's Swedish business which has led to an increased geographical diversification. Additionally, further improvements of the internal model have led to lower marginal capital requirement in particular for non-life risks. After the approval of the model, the SCR is approximately DKK 400m lower compared to the end of Q1. The solvency ratio, all else being equals, would therefore be 174%.



For the fifth year running, TryghedsGruppen, Tryg's majority shareholder, announced a member bonus for 2020 of up to DKK 1,015m, equivalent to 8% of premiums paid for 2019. The bonus will be paid to Tryg and Alka's customers in Denmark during 2020.

Follow-up on strategic initiatives

supporting the CMD targets for 2020

Tryg has defined four strategic initiatives for reaching its financial targets for 2020. In connection with the acquisition of Alka, the financial targets were updated and the CMD initiatives therefore include the Alka synergies.

Claims excellence

Claims excellence continues to be an important driver for reaching the financial targets for 2020. The initiative focuses on bringing down claims costs by leveraging Tryg's procurement power to negotiate better supplier contracts, improving the claims process, and reducing the amount of fraud. Most of the benefits still come from car and house repairs, but Tryg also work with many other initiatives.

Across Tryg, there is a strong focus on improving the fraud detection capabilities. The result of this effort was fraud avoidance of more than DKK 20m in the first months of 2020.

In Denmark, the initiative "Tryg Tilbage" (Tryg Back to Work) has been expanded from workers' injury to personal liability. Tryg Tilbage ensures a personal action plan developed by a multidisciplinary

team of experts, that focuses on fast recovery and hence fast transition for injured people to return to the labour market. This initiative is of particular importance for the individual who comes back to work and also benefits the company in which the person is employed.

In Norway, agreements have been made with eight independent law firms covering the entire country. The agreements ensure reduced claims costs, and that our customers have access to quality legal aid at competitive prices.

In Sweden, functional parts from damaged or defect vehicles are now sold to a third party to reduce the claims compensation. The initiative focuses on better sustainability in the claims process as well as on reducing the claims costs.

Digital empowerment of customers

Tryg has a strong focus on digital empowerment of customers, underpinned by the fact that most customers prefer digital communication. The main driver for high satisfaction in digital solutions is speedy customer service.

In Q1 2020, 63% of the customer contacts were digital. With the digital solutions, the customer is offered a wide range of self-service possibilities, such as assessing which products and coverage the customer need, buying insurance products, making changes to products and reporting claims. In Q1 2020, more than 500.000 customers in Denmark logged in and used the digital self-service possibilities.

Claims reported online amounted to approximately 50% of all claims reported, and 37% of these were processed fully automatically. A part of these fully automated claims was delivered via the new claims handling system.

Product & service innovation

Tryg has a strong focus on developing and selling new products and services, and our pipeline of new products continues to remain strong.

In Q1 2020, "Tryg Bilpleje" (Tryg Car service) was launched in Denmark for private customers. For a monthly fee, the product offers access to light service car maintenance. This initiative also supports Tryg's focus on claims prevention.

Approximately 700 customers bought this product within the first month.

Tryg has also developed a new service in co-operation with flyhjælp.dk – a third-party provider who handles the recourse process when flights are cancelled or delayed, ensuring that customers receive compensation quickly. The product is part of Tryg's insurance products offered via credit cards through Tryg's partnerships and has a potential customer base of approximately eight million people.

Distribution efficiency

The initiative is aimed at making distribution in Tryg more efficient and relevant, with a targeted effect of DKK 150m by the end of 2020. The focus continues to be on optimisation of the channel mix to ensure the most optimal customer experience, and at the same time ensuring distribution efficiency.

The use of agents is a major driver in this initiative across the different business units and will continue to be so throughout 2020.

Another driver for improving the distribution efficiency is partnerships. Tryg has formed several new partnerships in the past years, which gradually are beginning to have a positive impact on the distribution efficiency. The partnership with Danske Bank has started very well, generating good leads for both Private and Commercial customers in Denmark and Norway. Also, the partner agreement with the Norwegian Society of Engineers and Technology (NITO) has generated very good leads, increasing sales and retention levels.

In Q1 2020, especially the Private segments in Denmark and Norway have improved the distribution efficiency, corresponding to an effect of approximately DKK 10m.

Alka synergies

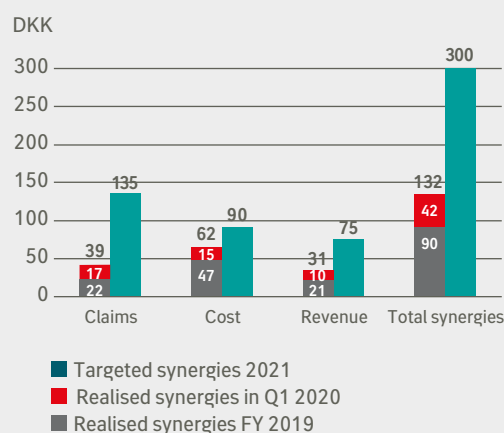
In connection with the acquisition of Alka, Tryg has communicated synergies of DKK 300m by the end of 2021. The realisation of synergies is developing as expected with total realised

synergies in 2019 exceeding DKK 75m.

The target for 2020 is DKK 150m, and Tryg expects to deliver on this. Most of the synergies are derived from increased efficiency in the private market segment and from procurement initiatives.

In Q1 2020, Tryg realised synergies of DKK 17m from claims, DKK 15m from cost savings and DKK 10m from revenue optimisation. Tryg will provide regular updates on the synergies achieved throughout the year.

Follow-up on Alka synergies



Tryg in Norway relaunched the pet insurance including an online vet video hotline. This limits unnecessary physical visits at the vet and prevent smaller claims from arising. Since the relaunch including the online vet, the sales have increased by 30%. The product is available in Denmark as well.

Customer highlights

Member bonus

For the fifth year running, Tryg's majority shareholder, TryghedsGruppen, announced a member bonus of up to DKK 1,015m equivalent to 8% of premiums paid for 2019 to Tryg and Alka customers in Denmark. Awareness and understanding of this model continue to increase, which is especially reflected by retention rates improving in all areas in Q1 2020. The awareness of the member bonus increased among customers from 69% in Q1 2019 to 70% in Q1 2020, and the awareness amongst non-customers increased significantly from 20% to 30%.

Customer targets for 2020

As part of the 2020 strategy, Tryg maintains a strong focus on customer targets. The Transactional Net Promoter Score (TNPS) improved from 67 in Q1 2019 to 69 in Q1 2020. Also, the number of products per customer increased to 3.9 (3.8), which is a satisfactory development.

In Q1 2020, the amount of customer interactions increased significantly due to the outbreak of the COVID-19. Throughout this period, it has been a key priority for Tryg to maintain high customer satisfaction and it was therefore very satisfactory to see an increase in the overall TNPS score driven by the fact that Tryg has used insights and experience to ensure a historically high customer

service. In Sweden, new customer feedback and TNPS tools have been implemented in inbound, outbound and claims to improve the quality of customer feedback. This has resulted in a positive increase in TNPS in both sales and claims teams.

Tryg Bilpleje (Tryg car service)

– new digitally driven prevention product

In Q1 2020, Tryg launched a new product called 'Bilpleje' consisting of different light car services such as car wash, change of tires, and seasonal car check-up – all in one package. The product is 100% digitally which means that the product is purchased online and booking of different car services is also completed online.

This is an example of how Tryg is creating digital solutions for our customers with a view to supporting Tryg's overall strategic initiatives to create innovative products and services and becoming more digital, which is increasingly important for customers.

Innovative partnerships

Q1 2020 was marked by a new innovative partnership with Arbejdernes Landsbank to further strengthen the distribution and customer service. The partnership between Arbejdernes Landsbank and Commercial Denmark took effect on 1 January 2020 and will offer insurance solutions primarily to SME.



Private

Results

Private posted a technical result of DKK 313 (DKK 406m) and a combined ratio of 90.1 (86.1). The results were impacted by a lower level of run-offs and continued high growth in the Private business. The underlying improvement was slightly lower than in previous quarters due to the high premium growth reported in the Private area. The net impact from COVID-19 in the Private segment was 0.9% of the combined ratio primarily driven by travel claims on the negative side and by lower motor frequencies on the positive side.

Premiums

Gross premium income rose by 10.4% (30.9%) when measured in local currencies. The positive development continued in the Danish part of Private with premium growth of 8.8% based on high sales levels for partner agreements, cross selling as well as high retention levels supported by TryghedsGruppen's member bonus. Private Norway reported a growth of 13.7% in local currencies which was positively impacted by the strong development achieved in 2019 with a much larger portfolio at the beginning of 2020. In Q1, the strong sales from OBOS and NITO customers continued. The retention rate was unchanged with 91.4 (91.4) for the Danish part of the business. In Norway, Tryg saw a positive development with a retention rate of 87.2 (86.7).

Claims

The claims ratio, net of ceded business, was 76.4 (72.3), influenced by a lower level of run-offs. The underlying claims level, excluding the net impact from COVID-19, improved by 0.4 percentage points primarily due to claims initiatives and synergies related to the Alka integration. The primary reason for the improvement was the impact of claims prevention initiatives and pricing adjustments. The underlying claims improvement was slightly lower compared to previous quarters, mainly due to the inflow of new business which structurally has a higher underlying claims level. COVID-19 had a net impact of 0.9 percentage point in the Private segment reporting gross travel insurance claims of DKK 233m and DKK 105m after reinsurance, this was partly offset by lower frequencies in motor and accident of DKK 75m. The run off level was lower than normal and was approximately in line with the margin on best estimate.

Expenses

The expense ratio for Private was 13.7 (13.8), which was supported by synergies related to the Alka acquisition and distribution initiatives. The use of independent agents in Denmark has been very successful and has supported more efficient distribution. The number of employees totalled 1,333 at the end of the quarter against 1,317 at the end of 2019 and was impacted by an increase in the number of employees in Alka.

Private encompasses the sale of insurance products to private individuals in Denmark and Norway. Sales are distributed via call centres, the Internet, Tryg's own agents, Alka (Denmark), franchisees (Norway), interest organisations, car dealers, estate agents and Nordea branches.

The business area accounts for 57% of the Group's total premium income.

Financial highlights Q1 2020

Technical result
DKK 313m
(DKK 406m)

Combined ratio
90.1
(86.1)

Premium growth
(local currencies)
10.4%
(7.1% adjusting for Alka)

Key figures – Private

DKK m	Q1 2020	Q1 2019	2019
Gross premium income	3,162	2,897	12,021
Gross claims	-2,500	-2,047	-8,185
Gross expenses	-433	-400	-1,650
Profit/loss on gross business	228	450	2,185
Profit/loss on ceded business	85	-45	-231
Insurance technical interest, net of reinsurance	-1	1	-3
Technical result	313	406	1,951
Run-off gains/losses, net of reinsurance	32	107	238
Key ratios			
Premium growth in local currency (%)	10.4	30.9	28.0
Gross claims ratio	79.1	70.7	68.1
Net reinsurance ratio	-2.7	1.6	1.9
Claims ratio, net of reinsurance	76.4	72.3	70.0
Gross expense ratio	13.7	13.8	13.7
Combined ratio	90.1	86.1	83.7
Combined ratio exclusive of run-off	91.1	89.8	85.7
Run-off, net of reinsurance (%)	-1.0	-3.7	-2.0
Large claims, net of reinsurance (%)	0.5	0.0	0.1
Weather claims, net of reinsurance (%)	2.1	2.0	2.0

Commercial

Results

Commercial posted a technical result of DKK 176m (DKK 111m) and a combined ratio of 84.1 (89.4). The results were impacted by a significantly lower level of large claims compared to Q1 2019, and a slightly lower level of weather claims. The net negative impact from COVID-19 on the combined ratio was 0.3, primarily driven by travel claims on the negative side and by lower motor frequencies on the positive side.

Premiums

Gross premium income totaled DKK 1,112m (DKK 1,050m), which represents a 6.8% increase when measured in local currencies. The healthy growth in the Commercial business from 2019 continued in Q1 2020 as expected. The Danish Commercial business reported a growth of 3.9%, while the Norwegian Commercial business reported a growth of more than 10% driven by price hikes for the larger commercial customers and healthy growth for small and medium-sized customers.

The retention rate for Denmark developed positively and was 88.5(88.1), which can primarily be ascribed to the member bonus. In Norway, the retention rate was 89.2 (87.9).

Claims

The claims ratio, net of ceded business, was 67.0 (71.6). The lower level was primarily attributable to a much lower level of large claims in the Norwegian business compared to the previous year. The claims level was positively impacted by claims prevention initiatives and price adjustments for large Commercial customers, especially in Norway. COVID-19 had a net impact of 0.3 percentage point driven by gross travel insurance claims of DKK 8m and DKK 4m after reinsurance.

Expenses

The expense ratio was 17.2 (17.8). At the end of Q1 2020, Commercial had 496 employees against 495 at the end of Q4 2019. To ensure more efficient sales and to improve the expense level Commercial in Denmark also started up with independent sales agents in 2019 as part of the distribution set-up. Based on the results until now this channel supports an improved distribution efficiency. Another initiative to reduce distribution costs is the use of video meetings instead of physical meetings with customers. This initiative has proved to be of high importance in particular during the outbreak of COVID-19.

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

The business area accounts for 20% of the Group's total premium income.

Financial highlights Q1 2020

Technical result
DKK 176m
(DKK 111m)

Combined ratio
84.1
(89.4)

Premium growth
(local currencies)
6.8%
(5.1% adjusting for Alka)

Key figures – Commercial

DKK m	Q1 2020	Q1 2019	2019
Gross premium income	1,112	1,050	4,274
Gross claims	-718	-710	-2,867
Gross expenses	-191	-187	-749
Profit/loss on gross business	203	153	658
Profit/loss on ceded business	-27	-42	-94
Insurance technical interest, net of reinsurance	0	0	1
Technical result	176	111	566
Run-off gains/losses, net of reinsurance	96	95	310
Key ratios			
Premium growth in local currency (%)	6.8	10.3	8.3
Gross claims ratio	64.6	67.6	67.1
Net reinsurance ratio	2.4	4.0	2.2
Claims ratio, net of reinsurance	67.0	71.6	69.3
Gross expense ratio	17.2	17.8	17.5
Combined ratio	84.1	89.4	86.8
Combined ratio exclusive of run-off	92.8	98.4	94.0
Run-off, net of reinsurance (%)	-8.6	-9.0	-7.2
Large claims, net of reinsurance (%)	1.0	5.4	3.3
Weather claims, net of reinsurance (%)	3.3	4.2	2.2

Corporate

Results

The technical result amounted to DKK 145m (DKK 89m) with a combined ratio of 85.0 (90.8). The higher technical result was primarily due to a substantial lower level of large claims but also an improved underlying claims level, primarily in Norway due to initiatives in the last two years. In general, all corporate areas have launched initiatives to improve profitability by changing the portfolio mix and price initiatives for segments and products. The net negative impact from COVID-19 on the combined ratio was 0.1, impacted by travel claims.

Premiums

Gross premium income totaled DKK 968m (DKK 966m), representing an increase of 4.9% when measured in local currencies. The development was attributable to a good renewal process in Denmark, resulting in a growth of 8.3%, excluding the Guarantee business, despite price hikes of approximately 10% for customers with renewals on 1 January. The positive renewal process is partly ascribed to the impact from TryghedsGruppen's member bonus model. In Norway, a consistent focus on improving profitability was reflected in average price increases of approximately 12% for customers renewing their policies on 1 January, leading to a loss of some clients – but more importantly improving the underlying profitability.

Corporate Sweden increased prices by approximately 8% at the 1 January renewal while focusing on reducing the large claims exposure for property and liability insurance.

Claims

The claims ratio, net of ceded business, was 74.4 (81.2), driven by a higher run-off result and a lower level of large claims, particularly in Norway. The underlying claims ratio for Corporate improved as a result of the implemented price hikes. COVID-19 had a net impact of 0.1 percentage point driven by gross travel insurance claims of DKK 2m and DKK 1m after reinsurance. The run-off of gains was somewhat higher than last year reflecting a solid reserving position for especially long-tail business such as Workers' Compensation.

Expenses

The expense ratio was 10.6 (9.6) and was in line with the full year level for 2019. The higher level compared to Q1 2019 does not reflect a trend and can be ascribed to commissions related to fronting business. The number of employees in Corporate was 293 against 290 at the end of 2019, impacted, amongst other things, by the launch of Tryg Garanti in select European countries.

Corporate sells insurance products to corporate customers under the brands 'Tryg' in Denmark and Norway, 'Moderna' in Sweden and 'Tryg Garanti'. Sales are distributed 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 17% of the Group's total premium income.

Financial highlights Q1 2020

Technical result
DKK 145m
(DKK 89m)

Combined ratio
85.0
(90.8)

Premium growth
(local currencies)
4.9%
(0.5%)

Key figures – Corporate

DKKkm	Q1 2020	Q1 2019	2019
Gross premium income	968	966	3,979
Gross claims	-837	-734	-2,816
Gross expenses	-102	-93	-415
Profit/loss on gross business	28	139	748
Profit/loss on ceded business	117	-50	-255
Insurance technical interest, net of reinsurance	0	0	2
Technical result	145	89	496
Run-off gains/losses, net of reinsurance	177	140	407
Key ratios			
Premium growth in local currency (%)	4.9	0.5	2.0
Gross claims ratio	86.5	76.0	70.8
Net reinsurance ratio	-12.1	5.2	6.4
Claims ratio, net of reinsurance	74.4	81.2	77.2
Gross expense ratio	10.6	9.6	10.4
Combined ratio	85.0	90.8	87.6
Combined ratio exclusive of run-off	103.3	105.3	97.8
Run-off, net of reinsurance (%)	-18.3	-14.5	-10.2
Large claims, net of reinsurance (%)	11.2	12.8	7.7
Weather claims, net of reinsurance (%)	0.6	2.1	1.8

Sweden

Results

In Q1 2020, Private Sweden (Moderna) posted a technical result of DKK 35m (DKK 26m) and a combined ratio of 90.0 (92.4). The improved result was primarily attributable to higher run-off gains and lower claims levels. Premium growth of 4.9% (10.2%) when measured in local currencies partly due to price adjustments to improve profitability for motor insurance. The net negative impact from COVID-19 on the combined ratio was 1.5%, primarily driven by travel claims on the negative side and by lower motor frequencies on the positive side

Premiums

Premium income totalled DKK 353m (DKK 343m), up 4.9% when measured in local currencies. As mentioned, the increase was partly driven by price adjustments for motor insurance where claims inflation was observed in 2019.

Claims

The claims ratio, net of ceded business, was 71.9 (76.7) and was somewhat lower compared to prior year period. The lower claims ratio was especially driven by a higher run-off level related to motor insurance. COVID-19 had a negative impact of 1.5 percentage point related to travel insurance with gross claims of DKK 12m and DKK 5m after reinsurance. The run-off of gains was somewhat higher than last year reflecting a solid reserving position for especially motor insurance.

Claims inflation for motor insurance has been an issue for the Swedish business. Price adjustments are being implemented to improve the claims trend, but the full impact will not be visible until these have reached the entire portfolio.

Expenses

The expense ratio was 18.1 (15.7). The higher level compared to the prior-year period does not represent a trend but reflects some volatility between quarters. At the end of the quarter, the number of employees was 329, which was an increase of 29 employees compared to year end 2019.

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

The business area accounts for 6% of the Group's total premium income.

Financial highlights Q1 2020

Technical result
DKK 35m
(DKK 26m)

Combined ratio
90.0
(92.4)

Premium growth
(local currencies)
4.9%
(10.2%)

Key figures – Sweden

DKKm	Q1 2020	Q1 2019	2019
Gross premium income	353	343	1,521
Gross claims	-260	-262	-1,014
Gross expenses	-64	-54	-267
Profit/loss on gross business	30	27	241
Profit/loss on ceded business	6	-1	-10
Technical result	35	26	231
Run-off gains/losses, net of reinsurance	53	36	246
Key ratios			
Premium growth in local currency (%)	4.9	10.2	6.1
Gross claims ratio	73.5	76.4	66.6
Net reinsurance ratio	-1.6	0.3	0.7
Claims ratio, net of reinsurance	71.9	76.7	67.3
Gross expense ratio	18.1	15.7	17.5
Combined ratio	90.0	92.4	84.8
Combined ratio exclusive of run-off	105.1	102.9	101.0
Run-off, net of reinsurance (%)	-15.1	-10.5	-16.2
Weather claims, net of reinsurance (%)	0.3	2.6	0.7

Investment activities

Tryg has always pursued a relatively low risk investment strategy with limited equity exposure and a conservative fixed-income profile (more than 90% of fixed income securities are Nordic covered bonds). The extreme market turbulence in an historically negative month of March following the outbreak of COVID-19 has nevertheless resulted in losses on nearly all assets classes. Additionally, it should be remembered that Tryg marks to market both asset and liabilities (following Danish Financial Supervisory Authority rules), resulting in P&L volatility in turbulent times, while other Nordic and European insurers hold to maturity large parts of their fixed-income portfolios or book towards shareholders' equity most of the asset moves. The investment result in Q1 2020 was DKK -980m against a FY 2019 result of DKK 579m.

➤ See additional details on [Tryg.com](https://tryg.com)

Investment income totalled DKK -980m (DKK 353m) in Q1 2020, driven by a return of DKK -713m (DKK 373m) on the free portfolio, a return of DKK -203m (DKK 51m) on the match portfolio and other financial income and expenses of DKK -64m (DKK -71m).

The total market value of Tryg's investment portfolio was DKK 38bn at 31 March 2020. The investment portfolio consists of a match portfolio of DKK 27.2bn and a free portfolio of DKK 10.5bn. The match portfolio is to a large extent by short maturities AAA covered bonds that mirror the Group's insurance liabilities, and fluctuations resulting from interest rate changes are therefore offset to the greatest possible extent. The free portfolio is the Group's capital, which is predominantly invested in short-term fixed-income securities, but also in equities and properties.

Free portfolio

Q1 2020 will go down in history as one of the most bruising quarters in recent memory. Following the outbreak of COVID-19, all equity indices fell by more than 20%, risk free rates dropped everywhere, although to different degrees in Europe and the US, credit spreads widened substantially across all rating categories while high yield bonds suffered the most.

The lockdown imposed in many countries worldwide to fight the pandemic has resulted in almost a complete halt of all economic activities.

Financial highlights Q1 2020

Investment return
DKK -980m
(DKK 353m)

Free portfolio result
DKK -713m
(DKK 373m)

Match portfolio
DKK -203m
(DKK 51m)

Key figures – investments

DKKm	Q1 2020	Q1 2019	2019
Free portfolio, gross return	-713	373	857
Match portfolio, regulatory deviation and performance	-203	51	-42
Other financial income and expenses	-64	-71	-236
Total investment return	-980	353	579

Return – match portfolio

DKKm	Q1 2020	Q1 2019	2019
Return, match portfolio	235	305	475
Value adjustments, changed discount rate	-406	-202	-351
Transferred to insurance technical interest	-32	-52	-166
Match, regulatory deviation and performance	-203	51	-42
Hereof:			
Match, regulatory deviation	-90	-1	-73
Match, performance	-113	52	31

In its World Economic Outlook titled “The great lockdown” published on 14 April, the IMF is now forecasting a -7.5% GDP fall in the euro area for 2020, -5.9% in the USA and fall between 6% and 7% for all Scandinavian countries.

Unemployment rates are expected to rise sharply as a consequence of the sharp economic contraction.

Tryg's equity portfolio posted a return of DKK -414m (DKK 209m) or approximately -20% (11.0%), while the free portfolio was negatively impacted in virtually all asset classes apart from covered bonds. High-yield bonds and emerging markets debt were very negatively affected, however, it is important to remember that these remain small asset classes for Tryg. The return on the investment property portfolio was DKK -85m (DKK 17m) or -3.7% (0.8%). The overall return on the free portfolio was -6.5% (3.5%).

Match portfolio

The result of the match portfolio is the difference between the return on the match portfolio and the amount transferred to the technical result. The result can be split into a 'regulatory deviation' and a 'performance result'.

The 'regulatory deviation' reported a negative contribution of DKK -90m (DKK -1m) as the interest rate hike from the Danish central bank impacted negatively the assets side and was not fully compensated by an equivalent move of the discounting curve (liabilities side). The 'performance' result represented a negative contribution of DKK -113mm (DKK 52m) as Nordic covered-bond spreads widened against the swap curve following a sell-off of very liquid and short-dated bonds as investors were hunting cash.

Other financial income and expenses

Other financial income and expenses totalled DKK -64m (DKK -71m). This item consists of a number of elements, the largest being the interest expenses associated with Tryg loans (Tier 2 and Tier 1 loans), the hedging of foreign currency exposure and expenses related to the investment management team. The Q1 level is broadly in line with expectations for this item as explained in a recent newsletter.

Return – free portfolio

DKKm	Q1 2020	Q1 2020 (%)	Q1 2019	Q1 2019 (%)	Investment assets	
					31.03.2020	31.12.2019
Government bonds	-11	-10.1	7	3.6	95	98
Covered bonds	7	0.2	24	0.7	3,329	3,664
Inflation linked bonds	-3	-0.6	11	2.2	513	498
Investment grade credit	-47	-4.7	43	5.1	845	1,016
Emerging market bonds	-85	-15.7	21	3.7	447	545
High-yield bonds	-85	-8.2	36	4.1	913	1,058
Other ^{a)}	10		5		163	180
Interest rate and credit exposure	-214	-3.2	147	2.2	6,305	7,058
Equity exposure	-414	-19.7	209	11.0	1,858	2,237
Investment property	-85	-3.7	17	0.8	2,331	2,141
Total gross return	-713	-6.5	373	3.5	10,494	11,436

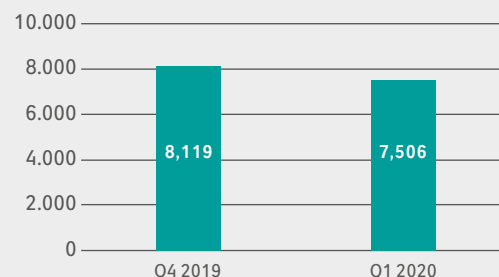
^{a)} Senior/Bank deposits less than 1 year and derivative financial instruments hedging interest rate risk and credit risk.

^{a)} In addition to the equity portfolio exposure are derivatives contracts of DKK -99m.

Solvency and dividend

Own funds

DKKm



The solvency ratio (based on Tryg's partial internal model) was 159 at the end of Q1 2020 compared to 162 at year-end 2019. During these highly volatile times which have been characterised by extreme shocks, EIOPA (the European Insurance and Occupational Pensions Authority) has directly requested insurance companies "to take measures to preserve their capital position and be prudent around dividends" and the Danish and Norwegian FSA have also expressed similar concerns related to all financial institutions. As mentioned in the stock exchange announcement on 27 March,

Tryg has therefore decided to move to a full year dividend decision in 2020 as opposed to quarterly dividend.

Own funds

Own funds totalled DKK 7,506m at the end of Q1 (DKK 8,119m at the end of 2019). Own funds were negatively impacted by the net loss for the quarter driven by the extraordinarily negative development in the capital markets following the COVID-19 outbreak. Additionally due to large currencies moves (NOK and SEK vs DKK), the amount of subordinated loans on the balance sheet fell by approximately DKK300m, lowering Own funds accordingly. Tryg's own funds consist predominantly of shareholders' equity and subordinated loans.

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.

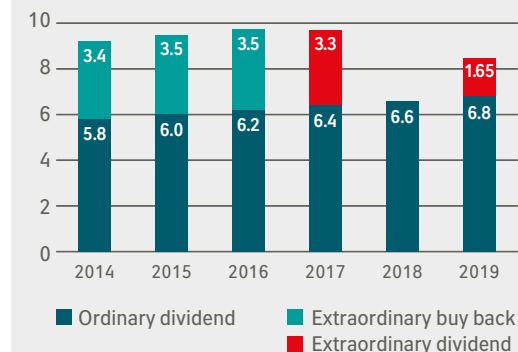
The solvency capital requirement, calculated using the partial internal model, was DKK 4,719m (DKK 5,021m at the end of 2019). The decrease relative to the end of 2019 was primarily driven by a lower market risk charge following the highly negative development in equity markets. The solvency capital requirement based on the standard formula was DKK 6,026m in Q1 2020 against DKK 6,293 at the end of 2019.

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 Tier 1 notes. All ratings were confirmed following the announcement of the Alka acquisition.

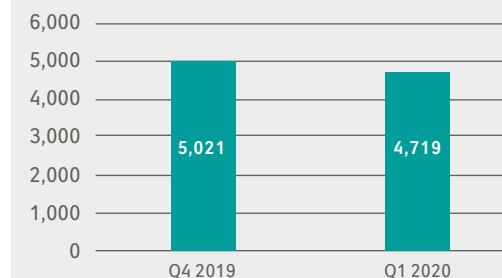
Shareholder remuneration

DKK



Solvency capital requirement

DKKm



Financial outlook

The outbreak of COVID-19 is likely to have serious repercussions on the global economies and political developments. First, health authorities around the world are under immense pressure battling against something never experienced before. Second, governments are trying to push liquidity into society to partly offset a complete halt to the global economies and a likely sharp increase in unemployment levels. As mentioned previously the IMF in its very recently published “World Economic Outlook” has published some initial forecasts for the global economies following the outbreak of COVID-19. GDP is set to fall dramatically in all advanced economies including USA, euro area and Scandinavian economies. IMF is forecasting GDP falls between 6% and 8%, if these numbers prove to be correct it would be the biggest contraction for the world economies since the great depression in 1939.

Tryg’s underlying business has continued to perform in line with expectations even in these extremely difficult economic conditions. The travel insurance segment (DKK 886m premiums at end of 2019) has been impacted by many travel cancellations (resulting in very high claims costs in Q1) while Tryg Garanti (credit & surety business) is likely to see some impact from adverse macroeconomic developments. Other lines of business such as group life (death coverage for

employees) and business interruption are expected to see some adverse developments. At the same time, a lower economic activity is improving the performance of lines of businesses such as motor insurance (lower claims frequencies), accident insurance and contents insurance (lower level of burglaries). In general, Tryg’s reinsurance programme protects the business well in these turbulent periods.

Tryg’s financial targets for 2020 are re-confirmed: a technical result of DKK 3.3bn (including DKK 150m of synergies from the Alka acquisition), an expense ratio of ~14 and a combined ratio at or below 86. The ROE target at or above 21 per cent has been suspended for 2020 (see stock exchange announcement on March 27) considering the mark-to-market investment losses in Q1 2020. It should be noted that Tryg reported an average ROE for the last five years (2015-2019) of almost 23 per cent. Tryg has also announced on March 27 that it is moving to a full year dividend decision for 2020 (as opposed to the normal quarterly dividend) after the investment loss following unprecedented capital markets turbulence in Q1. The overall dividend policy is unchanged.

The Nordic non-life insurance markets remained relatively stable in terms of top-line development during the first three months of 2020.

The Nordic countries are characterised by a high level of non-life insurance penetration – ratios of non-life insurance premiums as % of GDP are among the highest in the world. This is attributable to the fact that households are generally wealthy and tend to cover their insurance needs relatively well.

The overall premiums growth for 2020 and beyond is likely to be influenced negatively by the outbreak of COVID-19. It is extremely difficult to make precise assessment of the top-line development as this is very much linked to general economic development especially in the Commercial and Corporate segment, less so in the Private segment. Nevertheless some negative developments following very challenging economic conditions and a likely increase in bankruptcies has to be expected.

Retention levels are very high in the Nordic region compared to nearly everywhere else in the world. This is a key profitability driver as it helps insurers keep their overall expenses low. Tryg has targeted an expense ratio for 2020 ~14. In the 2017-2020 period, the expense ratio will be impacted by increased IT investments, which will be offset primarily by improved distribution efficiency.

Financial targets 2020



Earnings

Technical result
DKK 3.3bn

Combined ratio
≤86

Expense ratio
~14

Tryg's reserves position remains strong. At the CMD in November 2017, it was disclosed that run-off gains are expected to be between 3% and 5% in 2020. Tryg's systematic claims reserving approach still includes a margin of approximately 3% on best estimate.

In 2020, weather claims net of reinsurance and large claims are expected to total DKK 600m and DKK 550m, respectively.

The interest rate used to discount Tryg's technical provisions is historically low. An interest rate increase will have a positive effect on Tryg's results. An interest rate increase of 1 percentage point will increase pre-tax results by around DKK 300m, and vice versa.

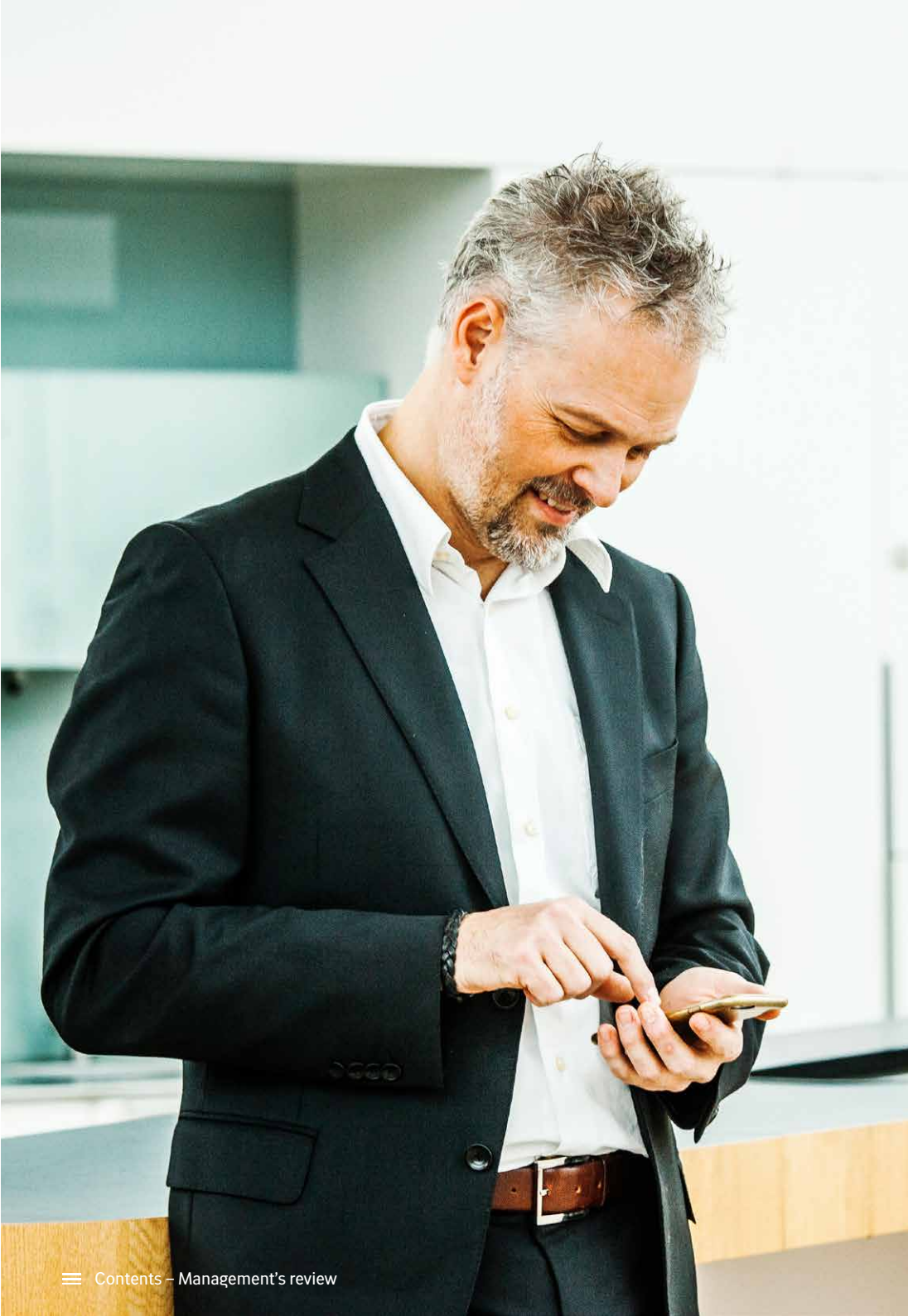
The investment portfolio is divided into a match portfolio corresponding to the technical provisions, and a free portfolio. The objective is for the return on the match portfolio to be approximately zero as capital gains and losses on the assets side should be mirrored by corresponding developments on the liabilities side. The free portfolio is invested in different asset classes with a view to obtaining the best risk-adjusted return.

The return on bonds in the free portfolio (slightly above 60% of the free portfolio) will vary, but given the current interest rate levels, a very low return is expected. For shares, the expected normalized return is around 7% with the MSCI World Index as benchmark, while the expected return for property is around 5%. The investment return in the income statement also includes the cost of managing investments, the cost of currency hedges, interest expenses on subordinated loans and other minor items.

In the past few years, corporate tax rates have been lowered throughout Scandinavia. In Denmark, the rate will remain at 22% in 2020, while it is 25% in Norway and 21% in Sweden. Capital gains and losses on equities are not taxed in Norway, which reduces the expected tax payable for an average year to 22-23%.

The current three-year strategy period ends in 2020, and Tryg will therefore host a new CMD towards the end of the year and launch an updated strategy and new financial targets.

In Q1, 'Tryg Bilpleje', a preventive service product, was launched for private customers in Denmark. The product includes changing wheels twice a year as well as wheel storage, two seasonal light service car maintenance and one car wash a month for monthly fee. 'Tryg Bilpleje' has so far been well received by the customers.



Financial calendar 2020

09 July 2020 Interim report Q2 and H1
09 Oct. 2020 Interim report Q1-Q3

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Tryg's Group consolidated financial statements are prepared in accordance with 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 2020 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 31 March 2020 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, 21 April 2020

Executive Board

Morten Hübbe
Group CEO

Barbara Plucnar Jensen
Group CFO

Lars Bonde
Group COO

Johan Kirstein Brammer
Group CCO

Supervisory Board

Jukka Pertola
Chairman

Torben Nielsen
Deputy Chairman

Elias Bakk

Gert Ove Mikkelsen

Charlotte Dietzer

Karen Bladt

Claus Wistoft

Ida Sofie Jensen

Lene Skole

Tina Snejbjerg

Mari Thjømmø

Carl-Viggo Östlund

Financial highlights

DKKm	Q1 2020	Q1 2019	2019
NOK/DKK, average rate for the period	73.72	76.25	75.80
SEK/DKK, average rate for the period	70.53	71.93	70.62
Gross premium income	5,595	5,228	21,741
Gross claims	-4,316	-3,755	-14,857
Total insurance operating costs	-787	-734	-3,081
Profit/loss on gross business	491	739	3,803
Profit/loss on ceded business	181	-114	-566
Insurance technical interest, net of reinsurance	-1	1	1
Technical result	672	626	3,237
Investment return after insurance technical interest	-980	353	579
Other income and costs	-64	-49	-188
Profit/loss before tax	-372	930	3,628
Tax	-70	-173	-783
Profit/loss, continuing business	-442	757	2,845
Profit/loss on discontinued and divested business after tax	0	0	-2
Profit/loss for the period	-442	757	2,843
Other comprehensive income			
Other comprehensive income which cannot subsequently be reclassified as profit or loss	-22	-14	-57
Other comprehensive income which can subsequently be reclassified as profit or loss	-47	18	18
Other comprehensive income	-69	4	-39
Comprehensive income	-511	761	2,804
Run-off gains/losses, net of reinsurance	357	372	1,194
Statement of financial position			
Total provisions for insurance contracts	33,871	34,658	32,224
Total reinsurers' share of provisions for insurance contracts	2,123	1,747	1,501
Total equity	10,458	11,585	12,085
Total assets	59,880	58,226	59,059
Key ratios			
Gross claims ratio	77.1	71.8	68.3
Net reinsurance ratio	-3.2	2.2	2.6
Claims ratio, net of reinsurance	73.9	74.0	70.9
Gross expense ratio	14.1	14.0	14.2
Combined ratio	88.0	88.0	85.1

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

Income statement

DKKm		Q1 2020	Q1 2019	2019
Notes	General insurance			
	Gross premiums written	8,498	7,673	22,563
	Ceded insurance premiums	-687	-642	-1,259
	Change in premium provisions	-2,709	-2,292	-143
	Change in reinsurers' share of premium provisions	383	381	38
2	Premium income, net of reinsurance	5,484	5,120	21,198
3	Insurance technical interest, net of reinsurance	-1	1	1
	Claims paid	-4,276	-3,737	-15,419
	Reinsurance cover received	124	170	388
	Change in claims provisions	-41	-18	562
	Change in the reinsurers' share of claims provisions	323	-61	40
4	Claims, net of reinsurance	-3,869	-3,646	-14,429
	Bonus and premium discounts	-194	-153	-679
	Acquisition costs	-644	-567	-2,458
	Administration expenses	-143	-167	-623
	Acquisition costs and administration expenses	-787	-734	-3,081
	Reinsurance commissions and profit participation from reinsurers	39	38	227
	Insurance operating costs, net of reinsurance	-748	-696	-2,854
1	Technical result	672	626	3,237

DKKm		Q1 2020	Q1 2019	2019
Notes	Investment activities			
	Income from associates	0	0	-10
	Income from investment property	13	8	58
	Interest income and dividends	140	137	534
5	Value adjustments	-1,029	314	454
	Interest expenses	-32	-36	-178
	Administration expenses in connection with investment activities	-41	-18	-114
	Total investment return	-948	405	744
3	Return on insurance provisions	-32	-52	-166
	Total investment return after insurance technical interest	-980	353	579
	Other income	23	36	168
	Other costs	-88	-85	-356
	Profit/loss before tax	-372	930	3,628
	Tax	-70	-173	-783
	Profit/loss on continuing business	-442	757	2,845
	Profit/loss on discontinued and divested business	0	0	-2
	Profit/loss for the period	-442	757	2,843
	Earnings/ diluted earnings per share	-1.47	2.51	9.42

Statement of comprehensive income

DKKkm	Q1 2020	Q1 2019	2019
Profit/loss for the period	-442	757	2,843
Other comprehensive income			
Other comprehensive income which cannot subsequently be reclassified as profit or loss			
Actuarial gains/losses on defined-benefit pension plans	-30	-18	-76
Tax on actuarial gains/losses on defined-benefit pension plans	7	4	19
	-22	-14	-57
Other comprehensive income which can subsequently be reclassified as profit or loss			
Exchange rate adjustments of foreign entities	-294	59	32
Hedging of currency risk in foreign entities	317	-53	-19
Tax on hedging of currency risk in foreign entities	-70	12	4
	-47	18	18
Total other comprehensive income	-69	4	-39
Comprehensive income	-511	761	2,804

Statement of financial position

DKKm	31.03.2020	31.03.2019	31.12.2019	
Notes				
	Assets			
6	Intangible assets	7,156	7,227	7,364
	Operating equipment	143	153	155
	Group-occupied property	675	813	730
	Total property, plant and equipment	818	966	885
	Investment property	1,080	1,358	1,151
	Equity investments	1,959	1,094	1,798
	Unit trust units	2,131	1,840	2,424
	Bonds	36,712	39,042	38,814
	Other lending	75	0	75
	Derivative financial instruments	1,840	986	1,128
	Total other financial investment assets	42,717	42,962	44,239
7	Total investment assets	43,797	44,320	45,390
	Reinsurers' share of premium provisions	565	564	216
	Reinsurers' share of claims provisions	1,558	1,183	1,285
	Total reinsurers' share of provisions for insurance contracts	2,123	1,747	1,501
	Receivables from policyholders	2,496	2,168	1,727
	Total receivables in connection with direct insurance contracts	2,496	2,168	1,727
	Receivables from insurance enterprises	247	128	240
	Other receivables	1,326	575	588
	Total receivables	4,069	2,871	2,555
	Current tax assets	147	58	52
	Cash at bank and in hand	1,265	451	868
	Other	5	0	1
	Total other assets	1,417	509	921
7	Interest and rent receivable	146	181	147
	Other prepayments and accrued income	354	405	296
	Total prepayments and accrued income	500	586	443
	Total assets	59,880	58,226	59,059

DKKm		31.03.2020	31.03.2019	31.12.2019
Notes				
	Equity and liabilities			
	Equity	10,458	11,585	12,085
	Subordinated loan capital	2,568	2,910	2,875
	Premium provisions	8,312	8,212	5,996
	Claims provisions	24,084	25,353	24,859
	Provisions for bonuses and premium discounts	1,475	1,093	1,370
	Total provisions for insurance contracts	33,871	34,658	32,224
8	Pensions and similar liabilities	150	284	303
	Deferred tax liability	907	899	911
	Other provisions	77	105	86
	Total provisions	1,134	1,288	1,300
	Debt relating to direct insurance	336	549	577
	Debt relating to reinsurance	535	497	252
	Amounts owed to credit institutions	588	499	711
7	Debt relating to repos	3,110	1,471	2,601
7	Derivative financial instruments	1,473	700	800
	Debt to Group undertakings	293	316	300
	Current tax liabilities	108	60	125
	Other debt	5,371	3,627	5,178
	Total debt	11,814	7,719	10,543
	Accruals and deferred income	35	66	33
	Total equity and liabilities	59,880	58,226	59,059
9	Related parties			
10	Contingent Liabilities			
11	Accounting policies			

Statement of changes in equity

DKKm	Share capital	Reserve for exchange rate adjustment	Other reserves ^{a)}	Retained earnings	Proposed dividend	Non-controlling interest	Total
Equity at 31 December 2019	1,511	-23	1,677	7,906	1,013	1	12,085
Q1 2020							
Profit/loss for the period			-126	-316			-442
Other comprehensive income		-47		-22			-69
Total comprehensive income	0	-47	-126	-338	0		-511
Dividend paid					-1,013		-1,013
Dividend, own shares				1			1
Purchase and sale of own shares				-109			-109
Issue of conditional shares and matching shares				4			4
Total changes in equity in Q1 2020	0	-47	-126	-442	-1,013	0	-1,627
Equity at 31 Marts 2020	1,511	-70	1,551	7,464	0	1	10,458
 Equity at 31 December 2018	 1,511	 -41	 1,617	 7,748	 499	 0	 11,334
Q1 2019							
Profit/loss for the period			34	209	514		757
Other comprehensive income		17		-13			4
Total comprehensive income	0	17	34	196	514	0	761
Dividend paid					-499		-499
Dividend, own shares				1			1
Purchase and sale of own shares				-17			-17
Issue of conditional shares and matching shares				5			5
Total changes in equity in Q1 2019	0	17	34	185	15	0	251
Equity at 31 Marts 2019	1,511	-24	1,651	7,933	514	0	11,585

a) Other reserves contains Norwegian Natural Perils Pool and contingency fund provisions. The provisions can be used to cover losses in connection with the settlement of insurance provisions or otherwise for the benefit of the insured and are not available for dividends.

Statement of changes in equity

DKKm	Share capital	Reserve for exchange rate adjustment	Other reserves ^{a)}	Retained earnings	Proposed dividend	Non-controlling interest	Total
Equity at 31 December 2018	1,511	-41	1,617	7,748	499	0	11,334
2019							
Profit/loss for the year			60	230	2,553		2,843
Other comprehensive income		18		-57			-39
Total comprehensive income	0	18	60	173	2,553	0	2,804
Dividend paid					-2,040		-2,040
Dividend, own shares				1			1
Purchase and sale of own shares				-43			-43
Issue of conditional shares and matching shares				27			27
Non-controlling interest						1	1
Total changes in equity in 2019	0	18	60	158	514	1	751
Equity at 31 December 2019	1,511	-23	1,677	7,906	1,013	1	12,085

^{a)} Other reserves contains Norwegian Natural Perils Pool and contingency fund provisions. The provisions can be used to cover losses in connection with the settlement of insurance provisions or otherwise for the benefit of the insured and are not available for dividends.

Cash flow statement

DKKkm	Q1 2020	Q1 2019	2019
Cash from operating activities			
Premiums	7,227	6,765	21,736
Claims	-5,363	-3,365	-15,557
Ceded business	-140	-98	-651
Costs	-578	-726	-3,210
Change in other debt and other amounts receivable	940	266	1,849
Cash flow from insurance activities	2,085	2,842	4,167
Interest income	92	109	467
Interest expenses	-32	-36	-169
Dividend received	21	4	24
Taxes	-166	-129	-827
Other income and costs	-28	-48	-31
Cash from operating activities, continuing business	1,971	2,742	3,631
Investments			
Sale of real property	0	0	357
Acquisition and sale of equity investments and unit trust units (net)	-1,031	-43	49
Purchase/sale of bonds (net)	793	-2,308	-1,978
Purchase/sale of operating equipment (net)	-3	-25	-69
Sale of associated	0	0	246
Hedging of currency risk	-47	4	18
Investments, continuing business	-287	-2,372	-1,376

DKKkm	Q1 2020	Q1 2019	2019
Financing			
Exercise of share options/purchase of treasury shares (net)	-109	-17	-43
Dividend paid	-1,013	-499	-2,040
Change in lease liabilities	-36	-37	-147
Change in amounts owed to credit institutions	-123	5	217
Financing, continuing business	-1,280	-548	-2,013
Change in cash and cash equivalents, net	404	-178	241
Exchange rate adjustment of cash and cash equivalents, 1 January	-7	2	-1
Change in cash and cash equivalents, gross	397	-176	241
Cash and cash equivalents, beginning of year	868	627	627
Cash and cash equivalents, end of period	1,265	451	868

Notes

DKKm	Private	Commercial	Corporate	Sweden	Other ^{a)}	Group
1 Operating segments						
Q1 2020						
Gross premium income	3,162	1,112	968	353		5,595
Gross claims	-2,500	-718	-837	-260	-2	-4,316
Gross operating expenses	-433	-191	-102	-64	4	-787
Profit/loss on ceded business	85	-27	117	6		181
Insurance technical interest, net of reinsurance	-1					-1
Technical result	313	176	145	35	2	672
Other items					-1,114	-1,114
Profit/Loss						-442
Run-off gains/losses, net of reinsurance	32	96	177	53	-1	357
Intangible assets	1,530	56		510	5,059	7,156
Reinsurers' share of premium provisions	122	84	358	2		565
Reinsurers' share of claims provisions	155	151	1,240	13		1,558
Other assets					50,601	50,601
Total assets						59,880
Premium provisions	3,388	2,188	1,887	848		8,312
Claims provisions	6,117	6,666	8,681	2,620		24,084
Provisions for bonuses and premium discounts	1,294	120	26	36		1,475
Other liabilities					15,551	15,551
Total liabilities						49,422

a) Amounts relating to 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

DKK m	Private	Commercial	Corporate	Sweden	Other ^{a)}	Group
1 Operating segments						
Q1 2019						
Gross premium income	2,897	1,050	966	343	-28	5,228
Gross claims	-2,047	-710	-734	-262	-2	-3,755
Gross operating expenses	-400	-187	-93	-54		-734
Profit/loss on ceded business	-45	-42	-50	-1	24	-114
Insurance technical interest, net of reinsurance	1					1
Technical result	406	111	89	26	-6	626
Other items					131	131
Profit/Loss						757
Run-off gains/losses, net of reinsurance	107	95	140	36	-6	372
Intangible assets	1,663	90		542	4,932	7,227
Reinsurers' share of premium provisions	123	76	361	4		564
Reinsurers' share of claims provisions	65	117	993	8		1,183
Other assets					49,252	49,252
Total assets						58,226
Premium provisions	3,184	2,229	1,911	888		8,212
Claims provisions	6,282	6,739	9,503	2,829		25,353
Provisions for bonuses and premium discounts	952	96	29	16		1,093
Other liabilities					11,983	11,983
Total liabilities						46,641

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

DKK m	Private	Commercial	Corporate	Sweden	Other ^{a)}	Group
1 Operating segments						
2019						
Gross premium income	12,021	4,274	3,979	1,521	-54	21,741
Gross claims	-8,185	-2,867	-2,816	-1,014	24	-14,857
Gross operating expenses	-1,650	-749	-415	-267		-3,081
Profit/loss on ceded business	-231	-94	-255	-10	23	-566
Insurance technical interest, net of reinsurance	-3	1	2			1
Technical result	1,951	566	496	231	-6	3,237
Other items						-394
Profit/Loss						2,843
Run-off gains/losses, net of reinsurance	238	310	407	246	-6	1,194
Intangible assets	1,565	67		539	5,193	7,364
Reinsurers' share of premium provisions	42	4	170			216
Reinsurers' share of claims provisions	15	149	1,114	7		1,285
Other assets					50,193	50,193
Total assets						59,059
Premium provisions	2,691	1,351	1,035	919		5,996
Claims provisions	6,201	6,844	9,055	2,758		24,859
Provisions for bonuses and premium discounts	1,195	114	27	34		1,370
Other liabilities					14,750	14,750
Total liabilities						46,974

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	Q1 2020	Q1 2019	2019
1 Geographical segments			
Danish general insurance^{a)}			
Gross premium income	3,451	3,212	13,204
Technical result	612	729	2,606
Run-off gains/losses, net of reinsurance	206	291	712
Key ratios			
Gross claims ratio	72.6	62.8	64.7
Net reinsurance ratio	-4.0	0.3	1.7
Claims ratio, net of reinsurance	68.6	63.1	66.4
Gross expense ratio	13.5	14.1	13.7
Combined ratio	82.1	77.2	80.1
Run-off, net of reinsurance (%)	-6.0	-9.1	-5.4
Number of full-time employees, end of period	2,700	2,570	2,650
Norwegian general insurance			
Gross premium income	1,650	1,557	6,472
Technical result	-17	-65	469
Run-off gains/losses, net of reinsurance	42	70	283
Key ratios			
Gross claims ratio	90.7	84.7	73.7
Net reinsurance ratio	-3.8	5.8	5.1
Claims ratio, net of reinsurance	86.9	90.5	78.8
Gross expense ratio	14.5	14.0	14.4
Combined ratio	101.4	104.5	93.1
Run-off, net of reinsurance (%)	-2.6	-4.5	-4.4
Number of full-time employees, end of period	1,082	1,105	1,083

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

Notes

DKKm	Q1 2020	Q1 2019	2019
1 Geographical segments			
Swedish general insurance			
Gross premium income	493	487	2,120
Technical result	75	-32	169
Run-off gains/losses, net of reinsurance	110	17	205
Key ratios			
Gross claims ratio	63.2	85.6	74.0
Net reinsurance ratio	4.3	8.0	2.0
Claims ratio, net of reinsurance	67.4	93.6	75.9
Gross expense ratio	17.4	12.9	16.1
Combined ratio	84.8	106.5	92.0
Run-off, net of reinsurance (%)	-22.2	-3.5	-9.7
Number of full-time employees, end of period	449	419	419
Other ^{a)}			
Gross premium income	0	-28	-54
Technical result	2	-6	-6
Tryg			
Gross premium income	5,595	5,228	21,741
Technical result	672	626	3,237
Investment return activities	-980	353	579
Other income and costs	-64	-49	-188
Profit/loss before tax	-372	930	3,628
Run-off gains/losses, net of reinsurance	357	372	1,194
Key ratios			
Gross claims ratio	77.1	71.8	68.3
Net reinsurance ratio	-3.2	2.2	2.6
Claims ratio, net of reinsurance	73.9	74.0	70.9
Gross expense ratio	14.1	14.0	14.2
Combined ratio	88.0	88.0	85.1
Run-off, net of reinsurance (%)	-6.4	-7.1	-5.5
Number of full-time employees, end of period	4,232	4,094	4,151

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

Notes

DKKm	Q1 2020	Q1 2019	2019
2 Premium income, net of reinsurance			
Direct insurance	5,750	5,365	22,353
Indirect insurance	15	13	52
	5,765	5,378	22,405
Unexpired risk provision	24	3	15
	5,789	5,381	22,420
Ceded direct insurance	-305	-261	-1,221
	5,484	5,120	21,198
3 Insurance technical interest, net of reinsurance			
Return on insurance provisions	32	52	166
Discounting transferred from claims provisions	-33	-51	-165
	-1	1	1
4 Claims, net of reinsurance			
Claims	-4,661	-4,084	-16,031
Run-off gains/losses, gross	345	328	1,173
	-4,316	-3,755	-14,857
Reinsurance cover received	435	66	408
Run-off gains/losses, reinsurers' share	12	44	20
	-3,869	-3,646	-14,429

DKKm	Q1 2020	Q1 2019	2019
5 Value adjustments			
<i>Value adjustments concerning financial assets or liabilities at fair value with value adjustment in the income statement:</i>			
Equity investments	-403	145	463
Unit trust units	-520	40	114
Bonds	-628	196	120
Derivatives (Equity, Interest, Currency)	755	-40	-103
	-797	342	594
<i>Value adjustments concerning assets or liabilities that cannot be attributed to IAS 39:</i>			
Investment property	-9	5	62
Owner-occupied property	0	0	-10
Discounting	-406	-202	-351
Other statement of financial position items	183	170	159
	-232	-27	-140
	-1,029	314	454

6 Intangible assets

Certain intangible assets (software) have been written down at the amount of DKK 107m due to uncertainty about future use.

Notes

DKKm	Q1 2020	Q1 2019	2019
7 Tryg's investment portfolio			
Total investment assets	43,797	44,320	45,390
Other, hereof financial instrument in liabilities*	-3,891	-1,811	-3,257
External customers	-2,212	-865	-2,493
<u>Tryg's investment portfolio**</u>	<u>37,694</u>	<u>41,644</u>	<u>39,639</u>
Hereof Match portfolio	27,200	30,809	28,203
Hereof Free portfolio	10,494	10,835	11,436

*Primarily debt relating to repos and derivatives.

**The setup of Tryg Invest is impacting Tryg's balance sheet as external customers investments are booked under "Total other financial investments" with opposing liabilities entries such as "Debt to group undertakings" and "Other debt"

8 Pension liability

Tryg agreed with the Norwegian employees to replace the defined benefit pension scheme (for employees with a high seniority) with a market based pension scheme in a life insurance company, this had a total positive net impact of DKK 128m.

9 Related parties

In Q1 2020 dividend of DKK 1,013m to shareholders of which 60% has been paid to TryghedsGruppen SMBA. In Q1 2020 dividend of DKK 1,013m has been paid from Tryg Forsikring A/S to Tryg A/S.

There has been no other significant transactions.

10 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 31 March 2020.

11 Accounting policies

Tryg's interim report for Q1 2020 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

There have been no changes to the accounting policies or accounting estimates in Q1 2020.

Other

The amounts in the report are disclosed in whole numbers of DKKm, unless otherwise stated. The amounts have been rounded and consequently the sum of the rounded amounts and totals may differ slightly.

Quarterly outline

DKKmn	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Private									
Gross premium income	3,162	3,059	3,055	3,010	2,897	2,679	2,309	2,257	2,221
Technical result	313	494	458	593	406	531	467	483	253
Key ratios									
Gross claims ratio	79.1	67.9	69.2	64.8	70.7	64.2	63.5	62.2	72.4
Net reinsurance ratio	-2.7	2.5	1.8	1.8	1.6	2.4	2.2	2.5	2.2
Claims ratio, net of reinsurance	76.4	70.4	71.0	66.5	72.3	66.6	65.7	64.7	74.6
Gross expense ratio	13.7	13.4	13.9	13.8	13.8	13.5	13.9	13.9	14.0
Combined ratio	90.1	83.8	84.9	80.3	86.1	80.1	79.6	78.6	88.6
Combined ratio exclusive of run-off	91.1	84.9	85.4	83.1	89.8	83.0	84.9	83.5	92.4
Commercial									
Gross premium income	1,112	1,079	1,083	1,062	1,050	1,044	994	978	955
Technical result	176	105	154	196	111	270	174	169	171
Key ratios									
Gross claims ratio	64.6	69.1	70.6	60.8	67.6	52.2	61.0	59.7	61.9
Net reinsurance ratio	2.4	3.8	-2.3	3.4	4.0	4.5	4.3	4.2	3.6
Claims ratio, net of reinsurance	67.0	72.8	68.3	64.2	71.6	56.7	65.3	63.9	65.5
Gross expense ratio	17.2	17.4	17.4	17.5	17.8	17.5	17.2	18.8	16.5
Combined ratio	84.1	90.3	85.7	81.7	89.4	74.2	82.5	82.7	82.0
Combined ratio exclusive of run-off	92.8	93.6	94.3	89.7	98.4	89.6	93.3	92.3	89.5
Corporate									
Gross premium income	968	987	1,032	994	966	987	991	977	942
Technical result	145	73	204	130	89	-117	63	109	118
Key ratios									
Gross claims ratio	86.5	86.1	59.7	62.0	76.0	92.7	96.8	58.8	70.7
Net reinsurance ratio	-12.1	-5.7	11.6	14.2	5.2	8.8	-12.3	20.5	6.4
Claims ratio, net of reinsurance	74.4	80.4	71.3	76.1	81.2	101.5	84.5	79.3	77.1
Gross expense ratio	10.6	12.1	8.9	11.0	9.6	10.3	9.3	9.6	10.3
Combined ratio	85.0	92.6	80.2	87.2	90.8	111.8	93.8	88.9	87.4
Combined ratio exclusive of run-off	103.3	100.7	92.1	93.5	105.3	106.3	108.2	95.0	100.4

A further detailed version of the presentation can be downloaded from tryg.com/en>investor>Downloads>tables

Quarterly outline

DKKmn	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
a) Amounts relating to one-off items and to some extent eliminations are included under 'Other'.									
Sweden									
Gross premium income	353	364	422	392	343	361	411	375	324
Technical result	35	90	54	61	26	38	57	85	21
Key ratios									
Gross claims ratio	73.5	53.1	70.5	66.5	76.4	71.7	69.6	61.6	76.5
Net reinsurance ratio	-1.6	0.8	0.3	1.3	0.3	0.3	0.2	0.3	0.3
Claims ratio, net of reinsurance	71.9	53.8	70.8	67.8	76.7	72.0	69.8	61.9	76.8
Gross expense ratio	18.1	21.5	16.5	16.6	15.7	17.2	16.1	14.7	16.7
Combined ratio	90.0	75.3	87.3	84.4	92.4	89.2	85.9	76.6	93.5
Combined ratio exclusive of run-off	105.1	104.8	98.8	98.2	102.9	95.3	94.7	89.7	98.1
Other^{a)}									
Gross premium income	0	-11	-9	-6	-28	-18	-9	-16	-22
Technical result	2	0	0	0	-6	-126	0	0	0
Tryg									
Gross premium income	5,595	5,479	5,583	5,451	5,228	5,053	4,696	4,571	4,420
Technical result	672	762	870	979	626	596	761	846	563
Investment return	-980	198	-29	57	353	-330	79	-90	9
Profit/loss before tax	-372	940	779	979	930	149	825	735	553
Profit/loss	-442	705	599	782	757	110	627	568	426
Key ratios									
Gross claims ratio	77.1	70.3	67.8	63.6	71.8	69.0	69.9	61.3	69.4
Net reinsurance ratio	-3.2	1.2	2.7	4.3	2.2	3.6	0.0	6.0	3.7
Claims ratio, net of reinsurance	73.9	71.5	70.5	67.9	74.0	72.6	69.9	67.3	73.1
Gross expense ratio	14.1	14.6	13.9	14.2	14.0	15.6	13.9	14.1	14.0
Combined ratio	88.0	86.1	84.4	82.1	88.0	88.2	83.8	81.4	87.1
Combined ratio exclusive of run-off	94.4	90.7	89.4	87.4	95.1	92.3	92.5	88.2	93.7

Disclaimer

Certain statements in this annual 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 annual 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 30-31, and in Note 1 on page 58 in the Annual report 2019, for a description of some of the factors which may affect the Group's performance or the insurance industry.](#)

