

Satisfactory first half growth in Danica Pension

Danica Pension premiums were up 29% in the first half of 2017 compared with the year-earlier period.

Danica Pension's profit before tax for the first half of 2017 was DKK 1,027 million, against DKK 831 million for the first half of 2016.

"Danica Pension's performance for the first half was satisfactory. Profit before tax met our expectations, and we were particularly pleased with the continuing increase in premiums. The premiums growth is an indication that both personal and business customers are choosing our company, and our most important mission is to ensure that Danica Pension remains attractive to both existing and potential new customers," says Per Klitgård, CEO of Danica Pension.

Substantial growth in premiums via Danske Bank

Total premiums for the first half of 2017 amounted to DKK 20.4 billion, an increase of DKK 4.5 billion, or 29%, relative to the first half of 2016. In Denmark, the increase was 20%, in Norway 17% and in Sweden 53%. The increase in premiums was due in part to a 46% increase to DKK 3,141 million in gross premiums via Danske Bank in Denmark relative to the first half of 2016.

"We are now really seeing the results of the collaboration across the whole group. Its primary objective is to give our customers a better overall experience, but the collaboration is also advantageous to both Danica Pension and Danske Bank, contributing positively to our financial results," explains Per Klitgård.

Investment results remain strong

In the first half of 2017, Danica Pension's customers continued to see solid returns on their pension savings. Danica Pension customers in Denmark received between 2.0% and 6.5%. The return for customers with "Danica Balance medium risk" and with 15 years to retirement was 4.4% in the first half of 2017, and for customers with "Danica Balance medium risk" and 20 years to retirement it was 5.0%.

"Two years ago, we launched our new investment strategy and strengthened our investment team. The effects continued to show up in our performance for the first half in the form of strong returns for our customers. What is particularly gratifying about these returns is that they are the result of a long-term strategy designed to promote predictability and security.

At 12.6%, the return on direct alternative investments – primarily direct investments in unlisted undertakings – was particularly strong in the first half of 2017.

More than 100,000 customers contacted proactively

In the first half of 2017, Danica Pension proactively contacted more than 100,000 customers. Danica Pension wants to be one step ahead of our customers and help them the best we can with clear recommendations. When customers experience life-changing events such as a move, a wedding or a change in salary, Danica Pension contacts them with clear recommendations, even before they are aware they need their pension provider. Danica intends to have proactively contacted 300,000 customers by the end of 2018.

"Our efforts to become more relevant to our customers and be there for them when they need us are progressing as planned. We find that the customers we contact proactively are more satisfied, and in the first half of 2017 the number of customers who have taken a Pension Check and gained an overview of their pension and insurance covers rose by 21%. Providing clarity and security for our customers about their future is the aim of our "One step ahead" strategy, which we will continue to execute in the coming years," says Per Klitgård.

Financial highlights for the Danica Group

(DKK billions)	H1 2017	H1 2016
Premiums	20.4	15.9
Premiums in Denmark	12.6	10.5
Return on customer funds - Unit-linked (%)	5.9	-1.9
Return on customer funds - Traditional (%)	-0.2	6.8
Return on customer funds after change in additional provisions, (%)*	0.8	2.3
Expenses as percent of net assets in Denmark	0.13	0.14
Technical result (DKKm)	936	861
Profit before tax (DKKm)	1,027	832
Total pension savings (total assets (DKKbn)	413	410
Bonus reserve (%)	5.8	3.2
Additional provisions*	37.8	44.1

* Applies to Danica Traditional customers only.

For additional information, please contact:

Tim Smidemann
 Press Responsible
 Tel.: +45 23 34 17 02
 E-mail: tism@danskebank.dk

Solvency ratio disclosure			
30 June 2016	Danica Pension Livsforsikringsaktieselskab	Danica Pension Group	Danica Group
SCR (DKKm)	11,218	12,056	11,585
Solvency rate	223%	207%	206%

Summary of Danica's subordinated loan capital

Issuer	Danica Pension Livsforsikringsaktieselskab
Securities code (ISIN)	XS1117286580
Amount	EUR 500m
Coupon	4.375% p.a.
Issued	29 September 2015
Matures	29 September 2045
First call date	29 September 2025
Rate of interest will reset on	29 September 2025

For additional information, please contact:

Ole Fabricius
 Head of Finance
 Tel: +45 45 13 13 11
 E-mail: ofa@danicapension.dk