EUROPÆISKE ERV

EUROPÆISKE REJSEFORSIKRING A/S

HALF YEARLY REPORT

FOR THE PERIOD 1/1-30/6 2015

Europæiske Rejseforsikring A/S
Frederiksberg Allé 3
1790 Copenhagen V
DENMARK
CVR No. 62 94 05 14

The annual report is a translation of the Danish original wording. The Danish original wording shall be governing for all purposes and in any case of discrepancy, the Danish wording shall take precedence

EUROPÆISKE ERV

TABLE OF CONTENTS

COMPANY NAME

EUROPÆISKE REJSEFORSIKRING A/S
3, Frederiksberg Allé
DK 1790 Copenhagen V
Tel.: +45 33 25 25 25

Registered in: Copenhagen

Company Reg. No. CVR 62 94 05 14

BOARD OF DIRECTORS AND AUDIT COMMITTEE:

Richard Bader (Chairman), Ulrike Timmer, Jørn Sønderup,
Gabriele Bayer, *Christoffer Nylandsted, *Peter Fobian

*Elected by the staff

BOARD OF MANAGEMENT:

Johann-Dietrich von Hülsen, Managing Director

AUDIT:

KPMG
Statsautoriseret Revisonspartnerselskab

Anja Bjørnholt Lüthcke	Mark Palmberg
State Authorised Public Accountant	State Authorised Public Accountant

Management report for the period 1/1-30/6 2015

Main activities of the company

Europæiske Rejseforsikring A/S' primary business areas are sale of travel insurance to the leisure market as well as the corporate market together with health insurance for companies' employees stationed abroad. The majority of travel insurance policies are sold either as trip-by-trip insurance or as annual travel insurance in connection with our customers' holiday trips, business trips or expatriation. Main distribution channels for all travel insurance policies and health insurance policies are either direct business or brokers in the relevant markets.

As the market leader within sale of travel insurance in the Danish market, it is essential we offer our customers 24 hour assistance, coverage of claims and related local services everywhere in the world.

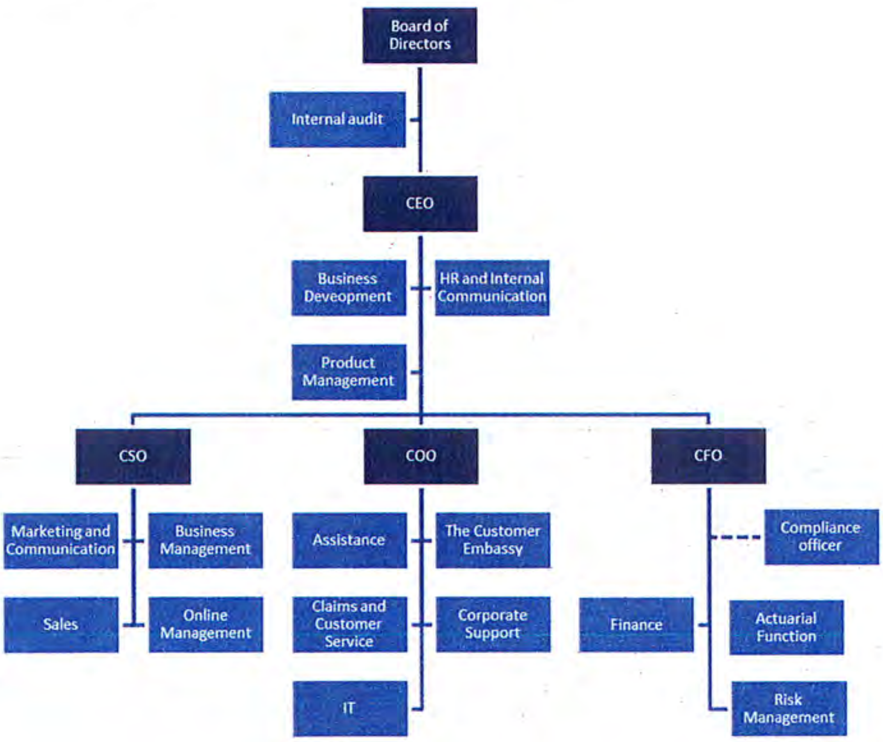
Since 01.May 2015 we offer our services in a Nordic Set-up with our Swedish sister company under one joint management.

In Denmark Europæiske Rejseforsikring A/S operates under the brand name Europæiske ERV – similarly we offer our products in Sweden via Europeiska Försäkrings AB under the brand Europeiska ERV. This is part of the strategic efforts to take advantage of the synergy and the brand value by being a part of the German based ERV as well as supporting a new joint approach towards the Nordic markets.

Europæiske ERV's Values

Our vision is to supply our customers with Denmark's best quality at a competitive price. Therefore, our target is to have an efficient organization with professional employees focusing on the customers' need for security and safety. This vision is also reflected in Europæiske ERV's 4 external core values, which are Customer Focus, Excellence, Courage, Passion.

Organisation Chart



Product Development

The core of our business is safety. In its role as market leader, one of Europæiske ERV's main tasks is to aim at being ahead of the development and at all times provide new and improved services with relevance to our customers and which secure them the best possible way while travelling.

Europæiske ERV wanted to secure that the discontinuation of the public health travel insurance cover on the yellow health card should be to the least possible inconvenience for our customers. This is why Europæiske ERV decided to extend the cover on most of our products also to include emergency illness occurring in the countries which earlier were covered by the public health travel insurance through the yellow health card. The extended cover was incorporated into Europæiske ERV's products from the time where the public health travel insurance cover discontinued. It was without any additional charge to over customers until the first renewal of the insurance.

As a consequence of the above-mentioned discontinuation of the public health travel insurance cover through the yellow health card as of 1st August 2014, Europæiske ERV has developed new flexible annual travel insurance and trip-by-trip insurance adjusted to the new requirements.

The new products have been designed as a Basic or a Plus travel insurance. For both types of insurance additional covers can be taken out for ski sport, cancellation, baggage, liability and accident. If the customer only wants a cover like the previous public health travel insurance cover under the yellow health card the customer can take out a Yellow Cover. All the insurance products can be bought with or without deductible.

Our products are now more flexible and the quality of our products has as always been paramount with an adequate pricing. Thus we support our image as the specialist who always provides products of high quality and excellent service.

Europæiske ERV's website has an improved split of products and improved product descriptions. In addition the website introduces new online services which make it easier for our customers to buy the correct insurance policy and to obtain necessary information before the trip.

The Corporate Market

Europæiske ERV has continued focus on creating profitable business in this segment. This has meant that some large non-profitable contracts have been terminated. Europæiske ERV has maintained focus on communicating the news about our coverage and products to existing as well as to new customers. In addition, our web portal has promoted our products and further supported our profile as experts in the market. In 2015 the compliance requirements have and will prospectively to a much larger extent influence the international corporate travel market. We have therefore introduced joint measures in Denmark as much as in Sweden to jointly ensure continued international compliance of our products and set-up for the entire Nordic market and thereby offering our corporate customers a reliable solution when it comes to regulatory and tax compliance.

The Leisure Market

The leisure travel market has realised a slightly increased turnover caused by the increased requirements to cover for sickness on private travel within Europe, due to the loss of the travel medical coverage under the public travel health insurance per 1/8 2014.

Nordic Health Care

International health insurance is no longer a part of Europæiske ERV's strategy. It was therefore decided to withdraw Nordic Health Care - Europæiske ERV's international health insurance brand from the international health insurance market with effect from August 2014.

The above-mentioned decision means that our premium income from this line of business has decreased in first half of 2015. It will continue to decrease, as Europæiske ERV expects that the majority of customers will change to another health insurance company within the next years.

Europæiske ERV's Claims Department

In 2015, Europæiske ERV's Assistance Network handles yearly close to four thousand emergency assistance cases together with more than 35,000 calls to our emergency telephone number. The claims occur in all parts of the world from small cases such as outpatient cases to bigger and more complex cases involving air-ambulances.

Approximately 20% of the cases are complex medical cases, which are handled in close cooperation with our specialised sister assistance company, Euro-Alarm in Prague. We will extend our cooperation with Euro-Alarm from 2016 onwards via Euro-Center S.A., Madrid.

We believe that the running our own global assistance network means that we can supply our customers with the best and most efficient assistance. For Europæiske ERV it is of paramount importance that we continue our high quality concept of safety before, during and after the travel.

For more than 90 years, a well-developed international network has been our principal foundation, a foundation which is adjusted continuously and expanded concurrently with the development on the travel market and in accordance with the travellers' needs and wishes. Our strength is that Europæiske ERV own and/or control all significant elements in the network enabling us directly to ensure the quality of our assistance.

Europæiske ERV's service offices comprise the local anchorage of our well-established network throughout the world. The service offices are the entry to the regional areas and thus the local help and assistance for our customers.

The presence of the service offices means that the traveller has a place to turn to in case of robbery or illness during the travel. Globally, we have 10 offices distributed in every continent, and they are all staffed with Scandinavian staff who also speaks the local language. Hence the service offices function as Europæiske ERV's extended arm in the world.

The development in the company's activities and financial matters

The half yearly result amounts to a profit of DKK 17.9m against DKK 29.1m in first half year of 2014.

The decline in the profit at DKK 11.2m compared to first half of 2014 can primarily be attributed to a reduced run off gain at the claim provisions. In the first half of the year 2014 Europæiske ERV had an extra-ordinary run off gain of claim provisions at DKK 12.1m. This settlement gain for the first half of the year 2015 is now back to more normal levels, equivalent to DKK 2.4 m.

The underwriting result amounts to a profit of DKK 9.2m against a profit of DKK 27.1m in first half of 2014, a corresponding decrease of 17.9m.

Gross premiums written amounts to DKK 161.6m against DKK 165.4m in first half of 2014, a decrease of DKK 3.8m., due to reduced premiums from business travel and the corporate expatriate insurance. This is explained by discounted premiums due to the good 2014 claims result as well as non-renewal of a few individual major deals. This is, however, partially offset by increased sales in the leisure market.

Gross claims incurred amount to DKK 80.0m against DKK 74.1m in first half of 2014 which is an increase of DKK 5.9m. The claims record for first half of 2015 has been satisfactory and slightly better than the planned. The gross claims ratio amounts to 54.2% against 45.3% in first half of 2014. The increased claim ratio is, as previously mentioned, primarily due to the fact that Europæiske ERV in the first half of 2015 has had a significantly lower run off gain than compared to the first half of 2014. The claim ratio gross excl. run off gains lies at 55.7% in the first half of the year 2015 against 52.8% for the same period last year. The increased gross claim ratio is primarily due to increased claim ratios at Europæiske ERV's leisure products as well as on the remaining portfolio of International health insurance.

The result of business ceded shows a loss for Europæiske ERV of DKK 10.8m in first half of 2015 against a loss of DKK 12.2m in first half of 2014. A decrease of DKK 1.4m compared to first half of 2014. The decrease is primarily due to rescheduling of the reinsurance programme regarding International Health Insurance from a Quota agreement to an Excess of Loss agreement.

In addition, the first half of the year 2014 was influenced by an increase in commission expense for a reinsurance undertaking caused by the above mentioned restructuring of our reinsurance on international health insurance.

The claims costs net of reinsurance amount to DKK 69.3m against DKK 59.9m in first half of 2014 which is an increase of DKK 9.4m. The claims ratio net of reinsurance is 56.4% against 40.1% in first half of 2014, an increase of 16.3% points mainly caused by the before mentioned change in run off gains from first half of 2014 to first half of 2015.

Acquisition costs amount to DKK 27.2m against DKK 26.0m in first half of 2014.

The cost ratio, including acquisition costs and commission of ceded business amount to 32.9% against 31.5% in first half of 2014. The acquisition cost ratio alone is 18.4% against 15.9% in first half of 2014. Total combined ratio net of reinsurance (total costs measured in relation to earned premiums) is 94.3% against 84.2% in first half of 2014.

The administrative expenses amount to DKK 20.3m against DKK 24.5m in first half of 2014, a decrease of DKK 4.2m. This cost reduction is primarily due to lower cost for personal and a compensation of VAT and Payroll tax. Europæiske ERV has like last year adjusted the organisation and the spending in correspondence to the development of the premium income.

Commissions and profit commissions from reinsurance amount to an income of DKK 3.4m against an expense of 12.2 m in first half of 2014. The expense is due to the previously mentioned restructure of the reinsurance agreement concerning, International health insurance, as well as clean cut of this in first half of 2014, which cause a realized commission cost of DKK 16.2m under accounting entry " Commission and profit share from reinsurers", but a corresponding income is realized under the accounting entry "Change in the provision for unearned premiums, reinsurers' share".

The result from affiliated companies shows a profit of DKK 6.6m against a profit of DKK 5.9m in first half of 2014. This result is created by ERV Pojistovna a.s in the Czech Republic. The main cause for the improved result is improved result from the associated company Euro-Center Holding SE.

Result from associated companies shows a profit of DKK 0.6m against DKK 0.0m in first half of 2014. The result is created by Euro-Center Holding SE of which Europæiske ERV owns 16.67%.

Income from land and buildings amounts to DKK 1.1m against DKK 1.0m in first half of 2014.

Interest income, dividends, etc. for the period amount to DKK 4.5m against DKK 3.9m in first half of 2014.

Europæiske ERV is relatively sensitive to the development of the prices of bonds and exchange rates, etc. The company has had a net loss in connection with realised and unrealised gains & losses of bonds, bond-based unit trusts and exchange rates of a total of DKK 1.0m. The loss is primarily due to loss in connection with price adjustments on bonds.

The realized and unrealized gains and losses net for the year amount to a loss of DKK 1.0m against a profit of DKK 0.1m in first half of 2014.

The result of investment activities before transfer of technical interest amounts to a profit of DKK 11.4m against a profit of DKK 10.6m in first half of 2014.

The tax of the year amounts to an expense of DKK 3.5m against an expense of DKK 7.8m in first half of 2014.

At 30th June 2015, the company's total capital and reserves amount to DKK 251.1m and total assets amount to DKK 496.1m.

The result of the period compared to earlier statements
The company expected earlier the following for 2015: "We expect continued decrease in premium income for international health insurance. It is however difficult to continue the adjustment of the organisation and the fixed costs to the full extent of the expected premium decrease in 2015. At the same time Europæiske ERV does not expect run-off gains in 2015 to the same extent as for 2014. This means that the expectations to the result for 2015 are substantially lower than for 2014."

The result for the first half of 2015 is in accordance with the previously communicated.

Ownership
Europæiske Rejseforsikring A/S is a 100% owned subsidiary of ERV AG, Munich, Germany
ERV AG, Munich is a 100% owned subsidiary of ERGO Versicherungsgruppe AG, Düsseldorf, Germany.
ERGO Versicherungsgruppe AG, Düsseldorf is a 100% owned subsidiary of Munich Re, Munich, Germany

Group Ownership
Europæiske Rejseforsikring A/S is associated with the following companies:

Amount in DKK'000

Subsidiary:	Registered office	Activity	Shareholding	Capital & Reserves	Result
ERV Pojistovna a.s.	Czech Republic	Insurance	75.00%	69,692	6,594
Associated company:					
Euro-Center Holding SE	Copenhagen	Assistance	16.67%	42,979	0

Events after June 30th 2015
No events have occurred subsequent to the balance sheet date, which would have a material influence on the financial position of the company.

Outlook for the second half of 2015
We expect continued decrease in premium income for international health insurance. It is however difficult to continue the adjustment of the organisation and the fixed costs to the full extent of the expected premium decrease in 2015. This, combined with that Europæiske ERV in the second half by 2015 is expecting an increase in the claims ratio, means that expectations for the outcome of 2015 is at level with the results realised in the first half of the year 2015.

Uncertainty in respect of recognition and measurement
The statement of the accounted value of certain assets and liabilities is conditioned by applying the accounting estimate. The estimates made are based on assumptions which the management finds justifiable but uncertain. The statement of the insurance provisions is in particular connected to estimates.

Risk Report
Europæiske ERV overall risk profile originates from the risks connected with the running of the core business together with the corresponding financial and capital requirements. Europæiske ERV' aim is to monitor and control the contribution of each individual risks to the overall risk, in such a way that the possibilities to make the right decisions are optimised.

Europæiske ERV has implemented the necessary and relevant procedures and control functions with a view to minimize the risks in all business areas. The overall risk management guidelines and the framework are stipulated by the board of directors. The responsibility to follow-up on the individual risks and their risk factors is placed with Finance and it is reported to the management and the board of directors. We have further fostered our collaboration with the Integrated Risk Management Department of ERGO AG in Düsseldorf, Germany throughout 2015 to improve our risk management capabilities. We have assigned a Nordic Risk Manager with responsibility for all operations in Denmark (and Sweden) since 01. May 2015.

Each business area works in a structured way with risk management and reports the efforts to the risk management.

Outline
The most important risks in Europæiske ERV:

- Insurance Risks
- Market Risks
- Operational Risks

Insurance risks
Europæiske ERV carries with regard to the insurance part various forms of risks. There are risks in provisions, premium and pricing. It is important to have an overview of the individual risks but it is also an important factor that the identification and monitoring of risks can be used in connection with strategic decisions.

It is Europæiske ERV's policy that the risks originating from the company's activities shall be covered or limited to such a level that the company will be able to maintain a normal operation and carry out planned initiatives even in case of a very unfavourable development. One of the measures is our excess of loss reinsurance agreements. To cover the risks in connection with disasters, the company has made reinsurance contracts limiting Europæiske ERV's risks to about DKK 5.0m per claim event. The company has estimated the effect of a widespread pandemic at DKK 16m at own account. The size of this risk is due to the fact that a pandemic is not seen as one claim. Europæiske ERV's risk is, therefore, not limited to the above mentioned DKK 5m.

Market Risks
It is Europæiske ERV aim to control the market risks in such a way that the company obtains a return corresponding to risks taken.

The most important risks are:

- Interest Rate Risk
- Equity Risk
- Real Estate Risk
- Credit and Counterpart Risk
- Exchange Rate Risk

In terms of the result, the company is sensitive towards the development in exchange rates and the prices of bonds and shares. The stress scenarios red and green, set by the Danish Financial Supervisory Authority, have been calculated on a continuous basis and Europæiske ERV has always been in the green with a good safety margin. The latest calculation shows a total equity effect of minus DKK 21.4m in case of a decrease corresponding to the Danish Financial Supervisory Authority's red scenario.

Operational risks

The development in the travel market and events limiting the population's travel activity would have a relatively large impact on the company's result. Europæiske ERV assesses that such a risk could have a negative effect corresponding to 5% of the company's equity.

Capital Management

Europæiske ERV's solvency requirement is calculated on the basis of the rules on individual solvency requirements. The board of directors of the company has estimated that a security level of 99% is satisfactory. It means that Europæiske ERV can meet the policyholders' claims for 99 years out of 100 years. Besides the calculation with a security level of 99%, Europæiske ERV has also calculated the capital requirement based on a security level of 99,5% which means that Europæiske ERV can meet the policyholders' claims for 199 years out of 200 years. The model has been used for a number of years and Europæiske ERV has always had sufficient capital to meet both the security level of 99% as well as the security level of 99.5%.

The individual solvency requirements have been calculated to DKK 85.8m and shall be covered by the company's base capital of DKK 213.0m as of 30th June 2015.

Capital requirements

	30/6 2015	**31/12 2014**
Base capital	213.010	191,986
Solvency requirements	40,591	42,194
Individual solvency requirements	85,795	89,460

The above shown capital requirements are in accordance with Financial Business Act.

Europæiske ERV's solvency requirements have been calculated in accordance with a Solvency II standard model based on the Danish Financial Supervisory Authority's Revised Executive Order on Solvency and Operating Plans for Insurance Companies which became effective as of 1st January 2015. The calculation of sufficient base capital and total solvency requirement as of 31st December 2015, cf. above-mentioned executive order:

	30/6 2015	**31/12 2014**
Sufficient base capital	207,200	186,374
Individual solvency requirements	100,590	100,227

Solvency II

The coming Euopean solvency rules, Solvency II, will become effective as of 1st Janaury 2016. Munich RE and ERGO Group, which Europæiske ERV is a part of, in 2009 started a Solvency II project. The project is managed by a project group in Germany. As for Europæiske ERV the project includes a continuous adjustment and development of a standard model together with a system for risk management. The board of directors' involvement and management of the project are secured by the participation in the project of the board of directors including the chairman of the board and the CFO. The board is informed on a continuous basis. Based on the financial statement for 2014 test calculations have been made of a standard model calculation of the solvency requirements, a calculation of the financial balance and the concept "own funds" cf. Solvency II Directive. The calculation for 2014 showed that Europæiske ERV met the solvency requirements without problems.

SIGNATURES OF THE BOARD OF MANAGEMENT AND THE BOARD OF DIRECTORS

We have today presented the annual report for 1 January - 30 June 2015 to Europæiske Rejseforsikring A/S.

The half yearly report has been prepared in accordance with Financial Business Act.

The annual report gives a true and fair view of the company's assets, liabilities and financial position as of 30 June 2015 together with the results of the company's activities for the financial year 1 January - 30 June 2015.

The management report contains a fair and true review of the development of the company's activities and financial performance together with a description of the most significant risks and elements of uncertainty that may have an impact on the company.

We recommend the annual report to be approved at the annual general meeting.

Copenhagen, 6 August 2015

Board of Management:

Johann-Dietrich von Hülsen
Chief Executive Officer

/ Winnie Grønnemose
Finance specialist

Board of Directors:

Richard Bader
Chairman of the Board

Ulrike Timmer
Board Member and
Chairman of the Audit Committee

Gabriele Bayer
Board Member and Member of the Audit Committee

Peter Fobian
Board Member, elected by the Employees

Christoffer Nylandsted
Board Member, elected by the employees

Jørn Sønderup
Board Member and Member of the Audit Committee

Profit and loss account January 1st - June 30th

Note	in DKK'000	2015	2014
	Earned premiums		
	Gross premiums written	161.555	165.410
	Ceded insurance premiums	-23.301	19.610
	Change in the provision for unearned premiums	-12.622	-454
	Change in the provision for unearned premiums, reinsurers' share	-1.546	-33.758
	Total premium income, net of reinsurance	**124.086**	**150.808**
	Technical interest, net of reinsurance	**-196**	**169**
	Claims incurred		
	Claims paid	74.988	90.903
	Reinsurance recoveries	-11.399	-32.047
	Change in the provision for claims	5.030	-16.807
	Change in the provision for claims, reinsurers' share	681	17.897
	Total claims incurred, net of reinsurance	**69.300**	**59.946**
	Bonus and premium discounts	**1.252**	**1.251**
	Net operating expenses		
	Acquisition costs	27.198	25.989
	Administrative expenses	20.294	24.489
	Commission and profit share from reinsurers	-3.377	12.206
	Total net operating expenses, net of reinsurance	**44.115**	**62.684**
3	**UNDERWRITING RESULT**	**9.223**	**27.096**
	Income from investment assets		
	Income from affiliated companies	6.594	5.919
	Income from associated companies	567	0
	Income from investment properties	1.095	986
	Interest income and dividends etc.	4.477	3.866
	Value adjustment	-1.033	119
	Interest expenses	-67	0
	Administrative expenses on investments	-279	-270
	Total return on investment activities	**11.354**	**10.620**
	Interest on insurance provisions	**196**	**-169**
	TOTAL RETURN ON INVESTMENT ACTIVITIES AFTER TECHNICAL INTEREST	**11.550**	**10.451**
	Other income	1.659	1.696
	Other expenses	1.034	2.389
	PROFIT BEFORE TAX	**21.398**	**36.854**
	Tax	3.461	7.763
	PROFIT FOR THE PERIOD	**17.937**	**29.091**

STATEMENT OF COMPREHENSIVE INCOME

	2015	2014
Other comprehensive income		
Exchange rate adjustment of foreign entities	1.656	19
Comprehensive income	1.656	19
Result of the period	17.937	29.091
TOTAL COMPREHENSIVE INCOME	**19.593**	**29.110**

Balance Sheet as of

Note	in DKK '000	30/6 2015	30/6 2014	31/12 2014
	ASSETS			
	Intangible assets			
	Software	13.482	17.097	15.046
	Software, development projects	0	0	335
	TOTAL INTANGIBLE ASSETS	13.482	17.097	15.381
	Tangible assets			
	Operating equipment	1.961	2.609	1.693
	Domicile	87.130	87.577	87.664
	TOTAL TANGIBLE ASSETS	89.091	90.186	89.357
	Investments in affiliated and associated companies			
	Capital holdings (shares) in affiliated companies	52.269	51.249	53.453
	Capital holdings (shares) in associated companies	7.177	6.217	6.147
	Total investments in affiliated and associated companies	59.446	57.466	59.600
	Other financial investments			
	Participating interests	33	33	33
	Unit trusts	9.896	30.107	30.214
	Bonds	269.733	260.709	275.089
	Total other financial investments	279.662	290.849	305.336
	TOTAL INVESTMENT ASSETS	339.108	348.315	364.936
	Reinsurance share of technical provision			
	Reinsurance share of unearned premiums	8.517	11.880	10.063
	Reinsurance share of claim provision	9.475	11.778	10.156
	Total reinsurance share of technical provision	17.992	23.658	20.219
	Debtors			
	Amounts owed by policy holders	7.238	13.864	6.829
	Amounts owed by insurance brokers	1.743	5.730	2.218
	Debtors arising out of direct insurance contracts, in total	8.981	19.594	9.047
	Other debtors			
	Amounts owed by insurance companies	0	13.660	0
	Amounts owed by affiliated companies	2.598	2.873	2.084
	Amounts owed by associated companies	0	0	0
	Tax asset	0	0	0
	Deferred tax assets	802	747	861
	Other debtors	3.640	3.682	7.175
	Total other debtors	7.040	20.962	10.120
	TOTAL DEBTORS	34.013	64.214	39.386
	Other assets			
	Cash in hand and cash equivalent	14.413	11.259	2.539
	Other	95	165	127
	TOTAL OTHER ASSETS	14.508	11.424	2.666
	Prepayments and accrued income			
	Accrued interest	4.379	4.206	3.133
	Other prepayments and accrued income	1.536	1.835	2.107
	TOTAL PREPAYMENTS AND ACCRUED INCOME	5.915	6.041	5.240
	TOTAL ASSETS	496.117	537.277	516.966

Balance Sheet as of

Note in DKK '000

Note		30/6 2015	30/6 2014	31/12 2014
	LIABILITIES			
	Capital and reserves			
	Share capital	10.000	10.000	10.000
	Revaluation provisions	798	798	798
	Reserves			
	Contingency reserve, untaxed	115.000	115.000	115.000
	Other reserves, year end	45.919	43.938	46.073
	Total reserves	160.919	158.938	161.073
	Proposed dividend for the accounting year	0	0	50.882
	Profit brought forward	79.408	92.207	59.661
	TOTAL CAPITAL AND RESERVES	251.125	261.943	282.414
	Provisions for insurance contracts			
	Provision for unearned premiums	123.229	135.291	110.607
	Claim provisions	61.386	66.547	56.356
	TOTAL PROVISION FOR INSURANCE CONTRACTS	184.615	201.838	166.963
	Provisions for other risks and charges			
	Deferred taxation	8.095	8.657	8.500
	TOTAL PROVISIONS FOR OTHER RISKS AND CHARGES	8.095	8.657	8.500
	Creditors			
	Amounts owed in connection with direct insurance business	7.520	16.102	8.022
	Amounts owed to reinsurance companies	3.121	3.735	4.198
	Amounts owed to affiliated companies	1.275	242	2.084
	Amounts owed to associated companies	0	0	0
	Actual tax liabilities	15.915	10.805	13.817
	Other creditors	24.451	33.955	30.968
	TOTAL CREDITORS	52.282	64.839	59.089
	TOTAL LIABILITIES	496.117	537.277	516.966
4	Contingency liabilities			

Equity specification

Amount in DKK '000	Share Capital	Revaluation Provisions	Other Reserves	Contingency Reserve	Transferred result	Proposed Dividend	Total
Equity as of 31st December 2013	10.000	798	43.921	115.000	63.114	26.400	259.233
Dividend paid out						-26.400	-26.400
Provisions for other reserves			-2		2		0
Currency adjustment for foreign entities			19				19
Profit for the year					29.091		29.091
Equity as of 30th June 2014	10.000	798	43.938	115.000	92.207	0	261.943
Equity as of 1st January 2014	10.000	798	43.921	115.000	63.114	26.400	259.233
Dividend paid out						-26.400	-26.400
Provisions for other reserves			3.453		-3.453		0
Other comprehensive income, currency adjustment for foreign entities			-1.301				-1.301
Profit for the year					50.882		50.882
Proposed dividend					-50.882	50.882	0
Equity as of 31st December 2014	10.000	798	46.073	115.000	59.661	50.882	282.414
Equity as of 1st January 2015	10.000	798	46.073	115.000	59.661	50.882	282.414
Dividend paid out						-50.882	-50.882
Provisions for other reserves			-1.810		1.810		0
Other comprehensive income, currency adjustment for foreign entities			1.656				1.656
Profit for the year					17.937		17.937
Equity as of 30th June 2015	10.000	798	45.919	115.000	79.408	0	251.125

Note 1 – Accounting Policies Applied

General

The half yearly report has been prepared in accordance with Financial Business Act and the executive order issued by the Danish Financial Supervisory Authority on financial reports for insurance companies and profession-specific pension funds.

The half yearly report is presented in thousand crowns.

The accounting policies are unchanged from last year.

Accounting estimate

The preparation of half yearly reports under the Danish Financial Supervisory Authority's executive order requires the use of certain critical accounting estimates and requires the management to exercise its judgment in the process of applying the company's accounting policies.

The statement of the accounted value of certain assets and liabilities is conditioned by applying the accounting estimate. The estimates made are based on assumptions which the management finds justifiable but uncertain. The statement of the insurance provisions is in particular connected to estimates. These estimates are described in more details in the below-mentioned under the individual accounting items.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when the company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the company, and the value of the liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at fair value, however tangible and intangible assets are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the half yearly report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement as earned, whereas costs are recognised by the amounts attributable to this financial period. Value adjustments of financial assets and liabilities are recorded in the income statement unless otherwise described below.

Inter group transactions

The remuneration for the administration of the group's companies is based on the costs of such administration. The interest charged on inter-company accounts is the market rate when these accounts are not considered current business accounts.

Other services (including reinsurance) rendered as part of ordinary insurance operations to and from inter-company buyers are settled at market rates.

Inter-company trading in assets, including securities, is conducted at market prices.
No significant inter-company trading with assets has taken place during the accounting year.

Consolidated accounts

The company has chosen not to prepare consolidated accounts in accordance with §134 in the executive order issued by the Danish Financial Supervisory Authority on financial reports for insurance companies and profession-specific pension funds, as the company's ultimate parent company, Münchener Rückversicherungsgesellschaft, Munich, Germany, prepares consolidated accounts in which the company and its subsidiaries are included.

PROFIT AND LOSS ACCOUNT

RESULT OF INSURANCE OPERATIONS

Premium income, net of reinsurance
Premium income, net of reinsurance consists of the premiums collected for the year less ceded reinsurance premiums, adjusted for movements in the unearned premium provision.

Technical interest, net of reinsurance
The interest yield is calculated on the basis of the year's average net technical provisions. The year's average rate for short-maturity bonds is used as the rate of interest.

Technical interest is reduced by the portion of the increase in net provisions that relates to unwinding of discounting.

Claims incurred, net of reinsurance
Claims incurred, net of reinsurance consist of the claims paid together with direct and indirect costs for claims handling less reinsurance recoveries, adjusted for movements in the outstanding claims reserve.

As a result, claims incurred, net of reinsurance consist of reported and expected claims for the accounting year. Furthermore, run-of gains or losses on previous years' provision for outstanding claims are included in claims incurred. The portion of the increase of the provisions that relates to reduction of term has been transferred to technical interest.

Changes in provisions of claims due to changes in the yield curve and exchange rates are recognized as a value adjustment.

Bonus and premium rebates
Bonus and premium rebates represent anticipated and reimbursed premiums where the amount reimbursed depends on the claims record, and for which the criteria for payment have been defined prior to the financial year or when the business was written.

Insurance operating expenses, net
Insurance operating expenses represent acquisition costs and administrative expenses less reinsurance commissions received. Expenses relating to acquiring and renewing the insurance portfolio are recognised at the time of writing the business. Administrative expenses are accrued to match the financial period.

Investment activities
Income from affiliated companies includes the company's share of the affiliates' net profit.

Income from associates includes the company's share of the associates' net profit.

Income from investment properties before fair value adjustment represents the profit from property operations less property management expenses for the part of the property which is not used by the company.

Interest, dividends, etc. represent interest earned, dividends received, etc. during the financial period.

Realised and unrealised investment gains and losses, including gains and losses on derivative financial instruments, value adjustment of land and buildings, exchange rate adjustments.

Exchange rate adjustments: all items in the balance sheet in foreign currency are translated at the exchange rate ruling on the date of the transaction.

Investment management charges represent expenses relating to the management of investments.

OTHER ITEMS

Other income and expenditure

Other income and expenditure contain income and expenses on administration agreements, which cannot be attributed to the insurance portfolio.

Taxation

Tax on the profit for the year is calculated on the basis of the profit for the year before tax, adjusted for non-taxable income and expenditure.

The company is jointly taxed with Danish group companies. Full inter-company tax equalisation is effected so that the company pays for the utilisation of contingent negative taxable income from the jointly taxed company and the company is refunded by the jointly taxed company for its utilisation of contingent taxable deficits of the company.

Deferred tax related to recapture of previously deducted deficits in foreign branches or affiliates' entities is included based on an actual assessment of the purpose of the individual entity.

Deferred taxes are provided for with 23.5% to 22% on all time differences between the result reported in the half yearly report and the result reported in the tax return, and between the book value and taxable value of the company's intangible assets, investment assets, operating equipment and debts.

If deferred tax constitutes a tax asset, it is included in the assets, if it is most probably that it can be used in the future. The tax liable on the contingency reserve (contingent tax) is not provided for in the balance sheet.

BALANCE SHEET

Intangible assets

The assets are measured at the acquisition costs with deductions of the write down. A straight-line write down is applied based on the following assessment of the assets' expected useful lives:

Software, presently	3-10 years

Costs that are directly associated with the production of identifiable and unique software products as intangible assets. Direct costs include the software development team's employee costs and other directly related overheads. All other costs associated with developing or maintaining computer software are recognised as an expense as incurred.

After completion of the development the asset is written down on a straight-line basis over the expected useful life, however, presently with a maximum period of 10 years. The basis of writing down is reduced by any impairment write downs.

Intangible assets including development projects are written down to the lower of recoverable amount and carrying amount.

Operating equipment
Fixtures and operating equipment are measured at cost less accumulated write down and any accumulated impairment losses. Cost encompasses the purchase price and costs directly attributable to the acquisition of the relevant assets until the time when the asset is ready to be brought into use.

The tangible assets are written down on a straight-line basis from the following assessment of the assets' expected useful lives, as follows:

Furniture and other operating equipment, presently	5 years
Computer hard and software, presently	3-5 years
Motor vehicles, presently	5 years

The assets' residual values and useful lives are reviewed at each balance sheet date and adjusted if appropriate.

Gains and losses on disposals and retirements are determined by comparing proceeds with carrying amount. These are included in the income statement. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

Tangible assets are written down to the lower of recoverable amount and carrying amount.

Domicile
Domiciles are measured in the balance sheet at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation. Revaluations are performed regularly to avoid the carrying amount differing from the domicile's fair value at the balance sheet date.

Increases in the revalued carrying amount of domiciles are credited in equity, unless the increase corresponds to a decrease previously credited to the income statement. Decreases are credited to the income statement unless the decrease corresponds to an increase previously credited to equity.

The write downs are recognized in the profit and loss account over their useful lives. The expected useful life is measured regularly.

Europæiske Rejseforsikring A/S assessed at the time of the change-over to the rules of Danish Financial Supervisory Authority's executive order on financial reports that the useful life is 50 years and the scrap value is 70%.

Capital holdings (shares) in affiliated and associated companies
Shareholdings are stated at their equity value using the equity method. As a result, the shareholdings are shown in the balance sheet as the pro rata share of the companies' equity value, and the company's share of the result is included in the profit and loss account under "income from affiliated or associated companies".

The total net revaluation of capital holdings in affiliated and associated companies are included in the net revaluation reserve in equity, if the book value is higher than the cost price.

Other financial assets
Listed bonds and capital investments are stated at the price listed at closing time on the date of the balance sheet. However, drawn bonds are stated at fair value.

Unlisted capital investments are stated as the estimated market value, based on the last available annual accounts of the company in question.

Secured loans are stated as the estimated fair value at the balance sheet date.

The settling day is used as the time of calculation for all investment assets.

Reinsurers' share of provisions for insurance contracts
Contracts entered into by the company with reinsurers under which the company is compensated for losses on one or more contracts issued by the company and that meet the classification requirements for insurance contracts are classified as reinsurance share of the technical provision.

Amounts recoverable from reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract.

The benefits to which the company is entitled under its reinsurance contracts held are recognised as assets and reported as reinsurers' share of claim provisions for insurance contracts.

The reinsurers' share of the provisions for claims is measured at discounted value if such discounting is material. The future payments will be discounted back according to the zero coupon interest rate structure set by the Danish Financial Supervisory Authority.

The company assesses continuously its reinsurance assets for impairment. If there is objective evidence that the reinsurance asset is impaired, the company reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in the income statement.

Debtors
Debtors are stated net of a bad debt reserve calculated on the basis of an individual assessment of the debtors.

Accruals
Accruals, reported under assets, comprise cost paid relating to the following financial period.

EQUITY
Share capital
Shares are classified as equity when there is no obligation to transfer cash or other assets.

Revaluation reserves
Revaluation of owner-occupied property is recognized in other comprehensive income unless the revaluation offsets a previous impairment loss. Revaluation reserves show the net revaluation of the owner-occupied property.

Contingency reserves
The contingency reserves are recognized as part of retained earnings under equity. The reserves may only be used when so permitted by the Danish Financial Supervisory Authority and when it is for the benefit of the policyholders. The funds allocated to the contingency reserves are not taxed and there has been no deferred tax allocated in the balance sheet.

Other reserves
The total net revaluation of capital holdings in affiliated and associated companies is recognized via appropriation of profit to the net revaluation reserve in equity (other reserves), if the book value is higher than the cost price.

Proposed dividend
The proposed dividend is recognized as a liability at the time of the adoption by the shareholders at the annual general meeting. Dividend to be paid out for the year is shown as a separate item under equity.

TECHNICAL RESERVES
Provisions for insurance contracts
Provisions for insurance contracts are recognised as future payments including payments for administration and claims handling regarding future events for in-force policies. However, as a minimum to the part of the premium calculated using the pro rata temporis principle until the next payment date. Adjustments are made to reflect any variations in the incidence of risk. For new annual insurance policies, where a considerable part of the risk is in the immediate continuation of the date they become effective, we add as income 50% of the premium within the first 2-3 weeks and then distribute the rest according to the pro rata temporis principle. The provisions also include amounts reserved to cover risk in connection with increasing age. These provisions are reserved when there no longer is a natural premium and the risks covered increase with the insured person's age.

The provisions for insurance contracts are recognised, taking into account, the deductions for direct acquisition costs.

Provisions for claims
Provisions for claims include direct and indirect claims handling costs arising from events that have occurred up to the balance sheet date. Provisions for claims are estimated using the input of assessments for individual cases reported to the company and statistical analyses for the claims incurred but not reported and the expected ultimate cost of more complex claims that may be affected by external factors (such as court decisions).

Provisions for claims are discounted if such discounting is material. The future payments will be discounted back according to the zero coupon interest rate structure set by the Danish Financial Supervisory Authority.

Discounting is not applied at present as it is not considered material.

Provisions for bonus and premium rebates
Provisions for bonus and premium rebates represent amounts expected to be paid to policyholders in view of the claims experience during the financial year.

Liability adequacy test
Tests are continuously performed to ensure the adequacy of the technical provisions. In performing these tests, current best estimates of future cash flows of claims, gains and direct and indirect claims handling costs are used. Any deficiency is charged to the income statement by raising the relevant provision.

Financial liabilities
Bond loans, debt to credit institutions, etc. are recognised at the raising of the loan at a fair value plus transaction costs incurred.

Debt
Other liabilities are measured at net realisable value.

Note

In DKK'000

2 Five-year review

	2015	2014	2013	2012	2011
Profit and Loss 1/1-30/6					
Gross premiums earned	148.933	164.956	201.830	238.591	246.812
Claims incurred, net of reinsurance	80.018	74.096	113.790	176.086	149.573
Operating expenses	47.492	50.478	78.630	66.988	91.965
Result of reinsurance (-=net cost)	-10.752	-12.204	-16.555	1.049	-22.531
Underwriting profit/loss	9.223	6.950	7.151	1.464	22.528
Profit/loss of investment after transfer of technical interest	11.550	10.451	-3.004	8.291	2.963
Profit for the period	17.937	29.091	-7.597	4.911	-10.875
Gross run-off profit/loss	2.262	12.284	11.365	-7.397	-8.787
Run-off profit/loss, net of reinsurance	2.387	12.109	6.923	-4.679	-7
Assets and Liabilities at	**30.06.2015**	**30.06.2014**	**30.06.2013**	**30.06.2012**	**30.06.2011**
Insurance assets	17.992	23.658	98.084	109.025	89.819
Technical provisions	184.615	201.838	298.256	347.501	300.356
Capital and reserves at year-end	251.125	261.943	227.972	245.838	235.706
Total assets	496.117	537.277	584.849	673.255	603.538
Claims ratio	54,18%	45,26%	56,41%	74,13%	60,93%
Burden ratio	32,89%	31,50%	39,52%	28,20%	37,46%
Reinsurance ratio net	7,22%	7,40%	8,20%	-0,44%	9,13%
Combined ratio	94,29%	84,16%	104,13%	101,89%	107,52%
Operating ratio	93,75%	83,47%	103,44%	101,80%	106,78%
Relative run-off result	0,80%	4,74%	4,62%	-2,82%	-9,91%
Return on capital and reserves p.a.	24,14%	38,04%	-10,96%	3,99%	-9,00%
Solvency cover	5,25	5,06	2,97	2,81	2,79

in DKK'000

Note		2015	2014
3	**Breakdown of underwriting result**		
	Earned premiums	147.681	163.705
	Underwriting interest, net of reinsurance	-196	169
	Claims incurred	-80.018	-74.096
	Administrative expenses	-20.294	-24.489
	Acquisition costs	-27.198	-25.989
	Profit from gross operations	19.975	39.300
	Ceded insurance premiums	-24.847	-14.148
	Reinsurance recoveries	10.718	14.150
	Reinsurance commissions and profit participation	3.377	-12.206
	Result of ceded business	-10.752	-12.204
	Underwriting profit	9.223	27.096
	Total claims incurred, net of reinsurance, run-off		
	Gross run-off profit/loss	2.262	12.284
	Run-off profit/loss, ceded	124	-175
	Total claims incurred, net of reinsurance, run-off, total	2.387	12.109

Note		30/6 2015	30/6 2014	31/12 2014
4	**Contingency liabilities**			
	The company has leased copying machines. The payments in the leasing period amount to:	1.286	1.804	1.545