

Swiss Re Denmark Services A/S Annual Report 2017

CVR-nr. 31 06 65 06

The Annual report was
presented and adopted at
the Annual General Meeting
of the Company
on 25/5 2018



Lars Sommer Hansen
Dirigent
Chairman

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Management's Statement

The Management and Board of Directors considered and approved the Annual Report of Swiss Re Denmark Services A/S for the financial year 1 January to 31 December 2017.

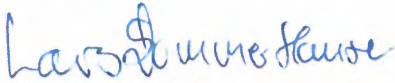
The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position at 31 December 2017 of the Company and of the results of the Company operations for 2017.

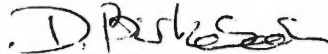
We recommend that the Annual Report be approved at the Annual General Meeting.

Copenhagen, 23rd April 2018

Management

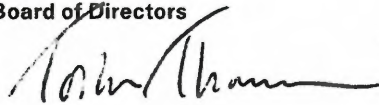


Lars Sommer Hansen
Admin Director
CEO




Dorte Birkebæk
Director
Executive Officer

Board of Directors



Torben Thomsen
Chairman



Frank Reichelt



Sabine Baechler

Independent Auditor's Report

To the Shareholders of Swiss Re Denmark Services A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017, and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Swiss Re Denmark Services A/S for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 23 April 2018

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Jesper Edelbo
State Authorised Public Accountant
mne-nr. 10901



Peter Nissen
State Authorised Public Accountant
mne-nr. 33260

Company Information

The Company

Swiss Re Denmark Services A/S
Ostbanegade 135
DK-2100 København Ø

Telephone: +45 33979593
Telefax: +45 33979412

CVR No: 31 06 65 06
Financial Period: 1 January – 31 December
Municipality of registered office: Copenhagen

Board of Directors

Torben Thomson, Chairman
Frank Reichelt
Sabine Baechler

Management

Lars Sommer Hansen
Dorte Birkebæk

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management Review

Financial Statements of Swiss Re Denmark Services A/S for 2017 have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The Annual Report has been prepared under the same accounting policies as last year.

Main activity

The Objective of the Company is to act as Services Company with respect to affiliated companies, including secondment of employees in connection with affiliated companies' outsourcing of staff and administration, and activities related thereto.

Development in the year

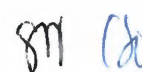
The income statement of the Company for 2017 shows a loss of DKK 35,954 and at 31 December 2017 the balance sheet of the Company shows equity of DKK 10,680,448.

Unusual events

The financial position at 31 December 2017 of the Company and the results of the activities of the Company for the financial year 2017 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual report have occurred after the balance sheet date.



Income Statement

For the period dated 1 January 2017 until 31 December 2017

DKK	Notes	2017	2016
Revenue		77 842 885	62 546 518
Other external expenses		-6 405 078	-7 929 139
Gross Profit		71 437 807	54 617 379
Staff expenses	1	-71 265 274	-54 255 777
Depreciation, amortisation and impairment of property, plant and equipment		-399 898	-327 715
Profit/loss before financial income and expenses		-227 364	33 887
Financial income		751 744	228 847
Financial expenses		-524 380	-262 734
Profit/loss before tax		0	0
Tax on profit/loss for the year	2	-35 954	-25 204
Net profit/loss for the year		-35 954	-25 204

Distribution of loss

DKK	2017	2016
Proposed dividend for the year	0	0
Retained earnings	-35 954	-25 204
Distribution of loss	-35 954	-25 204

Balance Sheet

as of 31 December 2017

Assets

DKK	Notes	2017	2016
Other fixtures and fittings, tools and equipment		999 362	877 005
Property, plant and equipment		999 362	877 005
Other assets		733 274	718 888
Fixed assets investments		733 274	718 888
Fixed assets		1 732 636	1 595 893
Receivables from group enterprises		22 361 837	20 392 017
Other receivables		1 935 636	2 082 167
Deferred tax asset		1 250 297	1 285 283
Corporation tax		194 722	2 104 481
Prepayment		649 974	1 160 594
Receivables		26 392 465	27 024 542
Cash at bank and in hand		3 413 421	1 258 213
Current assets		29 805 886	28 282 755
Assets		31 538 522	29 878 648

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Liabilities and shareholder's equity

DKK	Notes	2017	2016
Share capital		1 000 000	1 000 000
Share premium account		9 000 000	9 000 000
Retained earnings		680 448	716 402
Equity		10 680 448	10 716 402
Other payables		20 858 074	19 162 246
Total short-term liabilities		20 858 074	19 162 246
Debt		20 858 074	19 162 246
Liabilities and equity		31 538 522	29 878 648

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Statement of Changes in Equity

DKK	Share Capital	Share premium account	Retained earnings	Total
Equity at 1 January	1 000 000	9 000 000	716 402	10 716 402
Net profit/loss for the year	0	0	-35 954	-35 954
Equity at 31 December	1 000 000	9 000 000	680 448	10 680 448

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Notes to the Financial Statements

1 Staff Expenses

DKK	2017	2016
Staff Expenses		
Wages and salaries	63 946 690	47 446 416
Pensions	7 183 310	6 854 595
Other social security costs	135 274	-45 234
Total	71 265 274	54 255 777
Average number of employees	31	29

2 Tax on profit/loss for the year

DKK	2017	2016
Tax on profit/loss for the year		
Deferred tax for the year	34 986	18 533
Adjustment of tax concerning previous years	968	6 671
Total	35 954	25 204

3 Contingent assets, liabilities and other financial obligations

DKK	2017	2016
Contingent assets, liabilities and other financial obligations		
Future lease payments ¹		
Within 1 year	1 854 956	2 075 924
Between 1 and 5 years	3 672 478	4 746 698
Total	5 527 433	6 822 621

¹ Rent of building, car leases

Contingent liabilities

The company is jointly and severally liable for the consolidated debt in company taxes for all the taxed entities in accordance with applicable tax laws.

4 Related parties and ownership

Controlling interest	Basis
Swiss Re Ltd 50/60 Mythenquai, 8002 Zurich, Switzerland	Ultimate parent company
Swiss Re Europe S.A. 2A, Rue albert Borschette, L-1246 Luxembourg, Grand Duchy of Luxembourg	Parent company

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5 Significant accounting policies

Basis of presentation

The Annual Report of Swiss Re Denmark Services A/S for financial year 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are unchanged from the previous year.

Based on the BoD approval from 24th of April 2015 the reporting currency of Swiss Re Denmark Services A/S has been changed from EUR to DKK since 1 January 2017. The Financial Statements for the financial period 2017 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the date of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the date of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

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Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with group related entities in Denmark. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

- Other fixtures and fittings, tools and equipment 3-10 years
- Depreciation period and residual value are reassessed annually.
- Assets costing less than DKK 12,800 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Fixed asset investments

Fixed asset investments consist of deposit for rent.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions or estimated bad debts are made.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

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Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

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