



Q3 2017 PRESENTATION

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insr

Disclaimer

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Highlights

- Strong third quarter
 - Premium portfolio growth of 2.6% q-o-q
 - Strong underwriting result, gross loss ratio of 62.8%
 - Gross combined ratio of 100.2%
 - Profit of NOK 12.0 million
- Company transforming acquisition of Nemi Forsikring
 - Private placement up-sized due to strong interest
 - Expecting to close transaction during fourth quarter
 - Integration during 2018

Positive development on key drivers

GROSS LOSS RATIO



GROSS OPERATING EXPENSES



TECHNICAL RESULT



PREMIUM PORTFOLIO



Company transforming acquisition

- Acquisition of Nemi Forsikring
 - Excellent strategic fit and significant synergies
 - P&C insurer with portfolio very similar to Insr's
 - Improved portfolio quality and loss ratios recent years
- Private Placement & Capital Impact
 - Purchase Price NOK 320 mn, NOK 230 mn in cash
 - Private placement up-sized to around NOK 400 mn
 - Strong owner base post transaction
Four largest: Öresund, Alpha, Kistefos, HDI V.a.G

A wide-angle photograph of a sunset over a large body of water. The sky is a mix of orange, yellow, and light blue, with some clouds. The water is calm, reflecting the colors of the sky. In the distance, two people are on paddleboards. The overall mood is peaceful and serene.

Financial review

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Q3'17 consolidated statement

(MNOK)	Q3 2017	Q3 2016	YTD 2017	YTD 2016 ¹	FY 2016 ¹
Gross premiums earned ²	166.2	202.4	487.6	617.8	821.7
Gross claims incurred	(104.1)	(160.4)	(336.9)	(527.6)	(615.7)
Sales costs	(24.8)	(51.3)	(70.6)	(127.7)	(114.3)
Administration costs	(37.3)	(34.6)	(88.5)	(106.9)	(204.6)
Gross underwriting result	0.0	(43.9)	(8.3)	(144.4)	(112.9)
<i>Gross to net adjustment</i>					
Reinsurance share of premiums	(97.9)	(158.0)	(326.7)	(447.3)	(582.8)
Reinsurance share of claims	56.7	119.6	214.7	388.2	456.8
Commissions received ³	53.8	21.7	97.2	81.3	80.5
Net underwriting result	12.6	(60.6)	(23.1)	(122.2)	(158.4)
Other items ⁴	(0.7)	1.5	(0.9)	139.9	127.4
Result from operations	12.0	(59.1)	(24.1)	17.7	(31.0)
Solvency ratio	215%	172%			159%

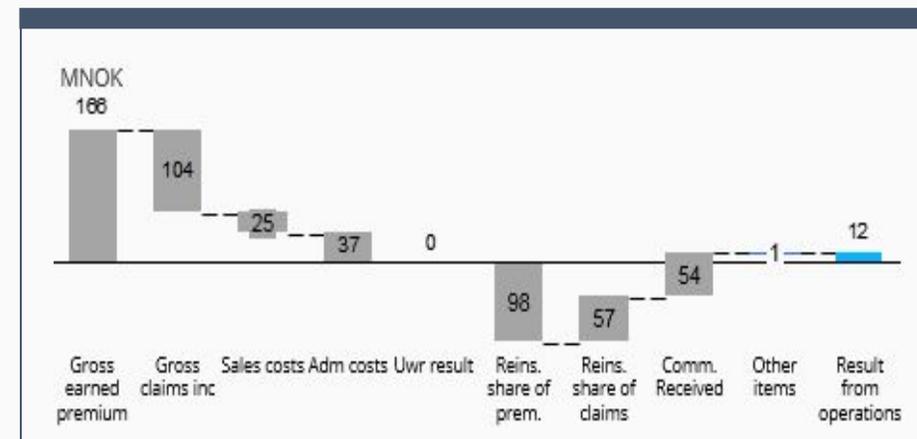
1) Numbers have been restated and are excluding Sweden.

2) Includes other insurance related income

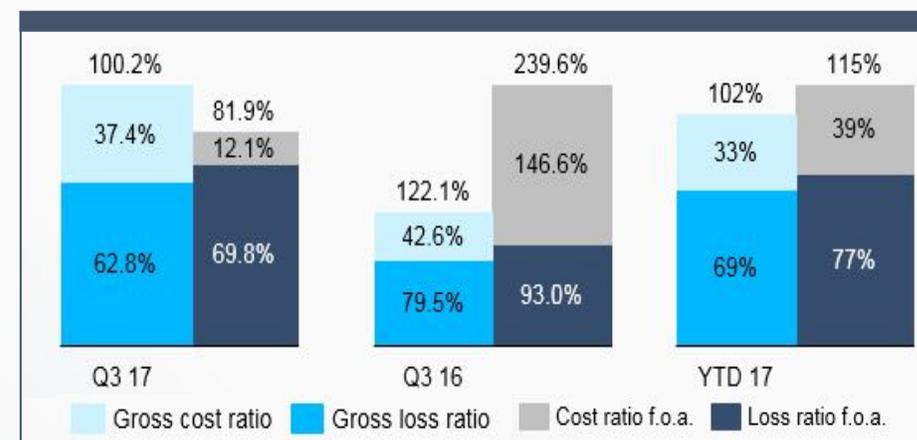
3) Includes a correction of reinsurance commissions for 2016

4) Includes non-technical result, tax, exchange rate differences, non adjusted risk, profit for discontinued operations in YTD 2016 and FY 2016

RESULT FROM OPERATIONS

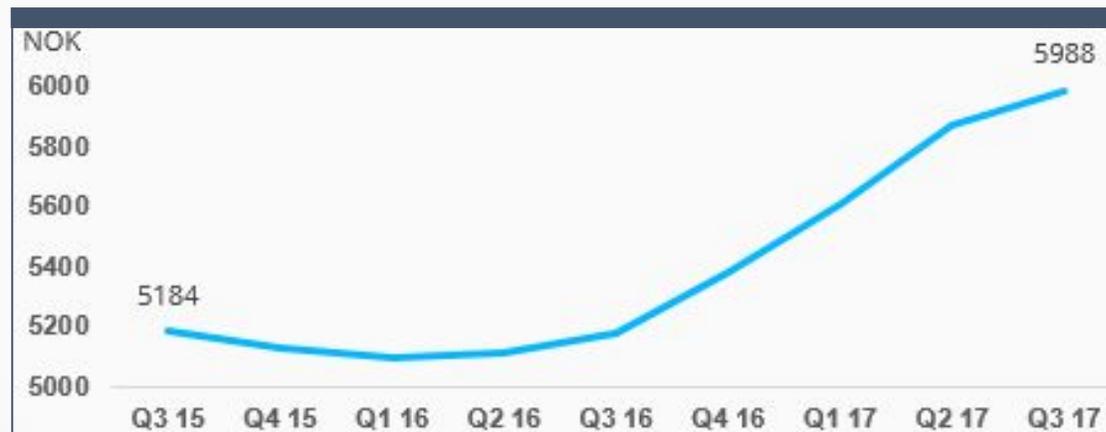


COMBINED RATIO

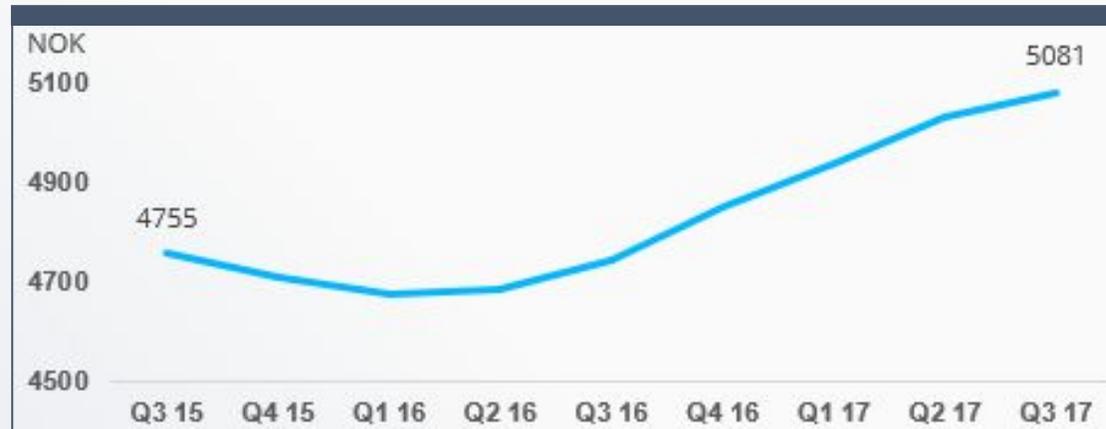


**Successful
pricing
measures -
average
prices
increasing**

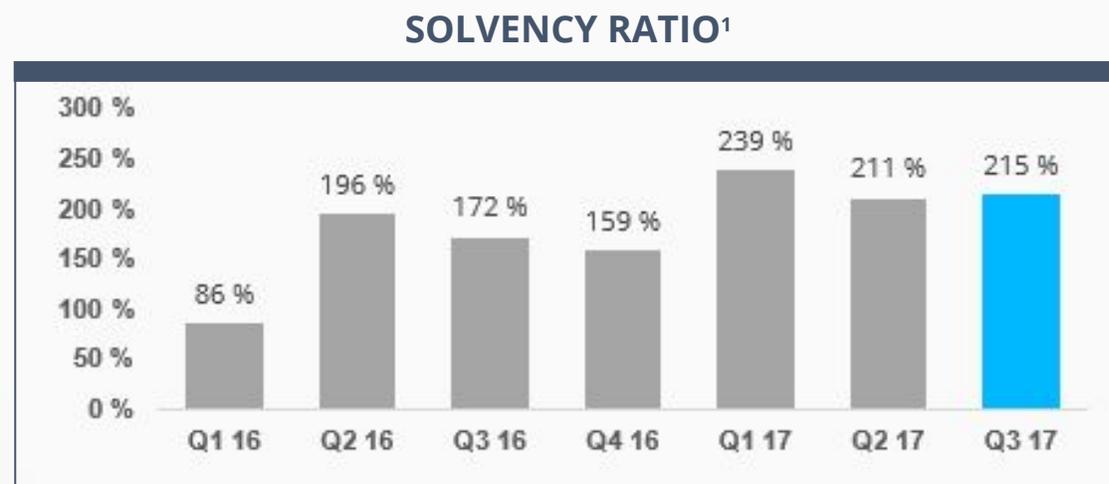
AVERAGE PORTFOLIO PREMIUM PRIVATE HOME NORWAY



AVERAGE PORTFOLIO PREMIUM PRIVATE MOTOR NORWAY



Solvency position as expected - ensures flexibility



- Acquisition of Nemi and corresponding private placement will strengthen solvency ratio

Delivered on outlook

Communicated outlook	Key achievements	Status
Strategic review	<ul style="list-style-type: none"> Wholesale strategy defined & implemented Company name changed to Insr 	<ul style="list-style-type: none"> ✓ ✓
Establish sustainable operation	<ul style="list-style-type: none"> Restored operational flexibility through buyback of Norwegian distribution Sortland office closed Complete new top management Cutting costs by half before 2018 Pricing and pruning measures successfully implemented Portfolio growth towards year end 2017 Wholesale contracts signed & running 	<ul style="list-style-type: none"> ✓ ✓ ✓ ✓ ✓ ✓
Restoring solvency and providing financial headroom	<ul style="list-style-type: none"> Sale of Swedish portfolio New capital raised (MNOK 131 H1 2017) Reduced quota reinsurance (50% since April) Solvency ratio >200% throughout 2017 	<ul style="list-style-type: none"> ✓ ✓ ✓ <p>On track</p>

Attractive Nemi acquisition...

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Excellent strategic fit

- Portfolio very similar to Insr's; improved portfolio quality and loss ratios recent years
- Nemi brand maintained; fits Insr's wholesale strategy
- Strong franchise/ tied agent player

Significant synergies

- Estimated annual synergies of NOK 60 mn unlocked through integration one off cost of NOK 40 mn
- Potential to improve claims ratios further
- Reduce Nemi's reinsurance quota and improve terms
- Utilise large (~NOK 1 bn) combined deferred tax asset

Well planned integration

- Integration during 2018
- Proven track record of company transformations
- Continuous top management and board oversight
- Project office with participation from both companies established
- Integrating culture, organisation, systems and processes

...creating strong combined entity

- Double portfolio gives better data for analysis and risk reducing portfolio diversification
- Larger competence base, use best processes and systems to gain further market share through flexible and attractive offering to partners
- Target gross combined ratio (CR) at the level of 90-92% medium term
 - Claims ratio ~70% & Cost ratio ~20-22%
- Assuming gross earned premium of NOK 1.5 bn, CR of 92% and efficient reinsurance - net results from operations will be in the area of NOK 100 million

A wide-angle photograph of a sunset over a large body of water. The sky is a mix of orange, yellow, and light blue, with some clouds. The water is calm, reflecting the colors of the sky. In the distance, two people are on paddleboards. The overall mood is peaceful and serene.

Concluding remarks

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Summary

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 - Profit of NOK 12.0 million
- Company transforming acquisition of Nemi Forsikring
 - Private placement up-sized due to strong interest
 - Integration planning well underway

Outlook

- Operationally towards year-end 2017:
 - Continued premium portfolio growth
 - Continued improved insurance portfolio
 - Solvency ratio above 200%
- Nemi acquisition:
 - Transaction expected to close during fourth quarter
 - NOK 40 million cost charge expected in order to take out synergies
 - The focus for 2018 will be integration

Established player in an industry with high entry barriers and attractive dynamics

Flexible and agile business model supporting challenger position

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Management with proven track record and extensive insurance expertise

Financially and operationally restructured; ready for disciplined growth