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FIRST QUARTER 2019

INSR INSURANCE GROUP ASA

First Quarter 2019 Highlights

12m Gross Earned Premium Growth

16.3%

Net Profit/Loss (MNOK)

- 69.5

Solvency Ratio

135%

Gross Loss Ratio

94.3%

Net Loss Ratio

90.7%

Gross Combined Ratio

124.8%

Strong premium growth continues

Disappointing claims result - still set for profit in 2019

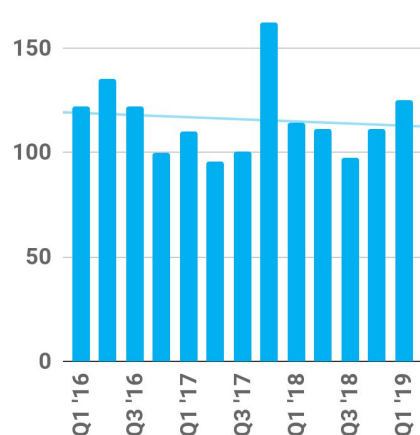
Costs as expected with high sales costs due to timing effects

Sharp price increases implemented

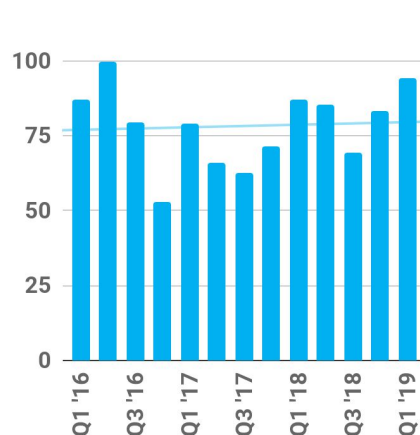
Reorganization to align with strategy completed

New CFO in place

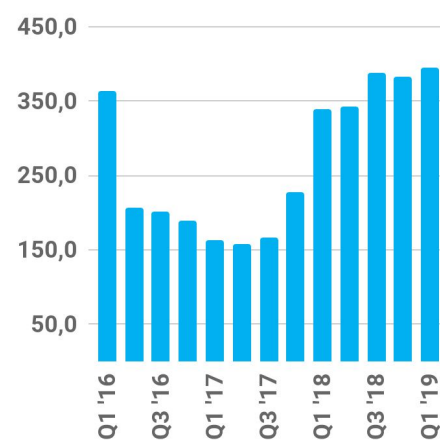
Gross Combined Ratio



Gross Loss Ratio



Gross Earned (MNOK)

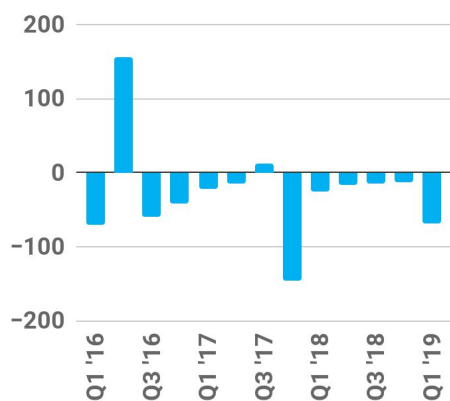


Consolidated Key Figures

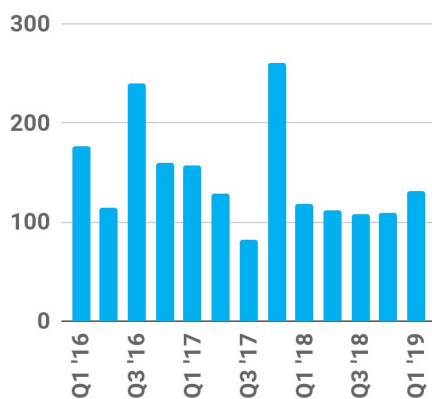
<i>(MNOK except otherwise stated)</i>	Q1 2019	Q1 2018	FY 2018
Gross earned premium ¹⁾	394,9	340,6	1 455,8
Gross claims incurred	(371,7)	(295,4)	(1 175,0)
Sales costs	(66,5)	(40,4)	(180,1)
Administration costs	(53,7)	(51,6)	(216,7)
Gross underwriting result	(97,0)	(46,7)	(116,0)
Reinsurance share of premium	(164,9)	(190,1)	(747,8)
Reinsurance share of claims	163,8	169,6	610,2
Commissions received	26,3	41,6	179,0
Reinsurance result	25,2	21,1	41,4
Net underwriting result ²⁾	(71,8)	(25,6)	(72,3)
Investment Return	4,8	1,8	10,1
Other items ³⁾	(2,5)	(1,0)	(8,2)
Net result	(69,5)	(24,8)	(62,0)
Gross loss ratio	94,3%	87,1%	80,9%
Gross sales ratio	16,9%	11,9%	12,4%
Gross cost ratio	30,5%	27,1%	27,3%
Gross combined ratio	124,8%	114,3%	108,3%
Net loss ratio	90,7%	84,5%	80,3%
Net cost ratio	40,9%	33,9%	30,9%
Net combined ratio	131,6%	118,4%	111,2%
Solvency ratio	135%	150%	153%
Earnings per (diluted) shares	(0,52)	(0,36)	(0,52)

1) Includes other insurance related income 2) Includes unexpired risk 3) Includes interest paid, currency effects, unexpired risk, other income and costs and other comprehensive income

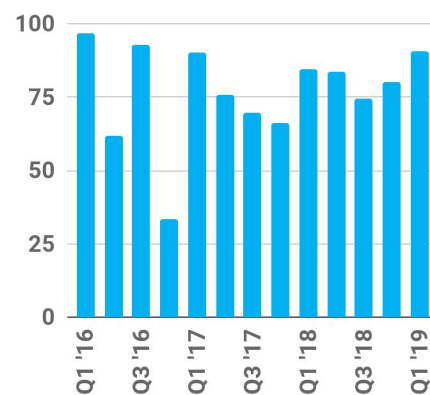
Net Result



Net Combined Ratio



Net Loss Ratio



Message from the CEO

The work to improve the results from the insurance portfolio and right-size the organisation is progressing well, in accordance with plan. The first quarter result was adversely impacted by an unusual number of house fires, but this does not change our view that the financial and operational performance of Insr is slowly turning around.

In 2018, we successfully integrated Nemi. During first quarter we have capitalized on that momentum: Core processes have been redesigned, the organizational set-up has been altered, and colleagues have received new roles. These changes are fully operational from June 3rd, and we are confident that we will deliver even better services to our customers in an effective and profitable way. As an illustration, external and internal brands will in the future be serviced by the same teams.

Hans Petter Madsen started as CFO on April 1st. We look forward to benefiting from his deep expertise and proven decade-long track-record from senior P&C insurance roles. From the same date, Bård Standal will as Deputy CEO focus on building the customer cooperation platform.

Strong premium growth continues, underpinning the sound strategic rationale behind our wholesale strategy. Volume added

was primarily Norwegian property insurance and Danish motor and workers' compensation insurance. We are positive about this diversification of the portfolio, which reduces the weight of car insurance.

Through the acquisition of Nemi, we have been able to unlock scale synergies. There are anticipated periodization effects in the sales costs, but largely, the cost ratio develops according to expectations.

We are not satisfied with the claims cost development in the first quarter. The underlying trends are positive compared to last year. The winter weather was better and sharp price increases are slowly starting to manifest in the results. House fires are the main reason why improvements are not visible in the loss ratios. Last year there was also a material runoff gain in Q1, whilst no reserves have been released this year.

As pricing and pruning measures continue with full force, we are confident that the claims result will improve in the near future, and Insr is set for profitability in 2019. Given the weak first quarter, this will be challenging, but a strong start to the second quarter supports this view.



Chief Executive Officer

First Quarter 2019 Results

General summary

Net result for the quarter, including other comprehensive income, was a loss of NOK 69.5 million (loss of NOK 24.8 million), a loss per share of NOK 0.52.

Gross earned premium in the quarter was NOK 394.1million (NOK 338.9 million). Premium growth continued strong at 16.3% over same quarter last year. As Insr expenses all sales commissions when incurred, the high growth adversely affects the P&L.

Gross combined ratio was 124.8% (114.3%). Net combined ratio was 131.6% (118.4%).

Gross and Net loss ratios were 94.3% and 90.7%, respectively. The motor result improved compared to last year. This is partly explained by a comprehensive re-pricing effort during the second half of 2018 slowly starting to impact financial results, with the major impact expected during the second half of this year. Furthermore, the weather in the first quarter was more benign than last year, impacting results positively.

The property result in the quarter was a disappointment, as it was impacted by several house fires.

Run-off losses during the quarter were NOK 7 million, compared to a gain of NOK 20 million first quarter last year.

Effective reinsurance contracts ensure that reinsurance absorbs the worst effects of the adverse development this quarter; the reinsurance result contributes positively with NOK 25.2 million.

Adapting Insr's organisation to meet the demands of our wholesale customers continued in the first quarter. The successful migration to one IT-platform towards the end of 2018 has positively and permanently impacted the costs. The quarter is, however, also adversely impacted by necessary costs related to the ongoing change process within the organisation.

The net cost ratio was 40.9% (33.9%), due to the high volume written, and costs and claims cited above.

Net underwriting result for the quarter was a loss of NOK 71.8 million (loss of NOK 25.6 million).

Premium

(MNOK except otherwise stated)

	Q1 2019	Q1 2018	2018
Gross written premium	505,1	345,7	1 486,2
Norway	335,2	332,9	1 335,9
Denmark	169,9	12,8	150,3
Gross earned premium	394,1	338,9	1 451,6
Norway	331,6	326,9	1 328,2
Denmark	62,5	12,0	123,4
Net earned premium	223,0	148,8	703,8
Norway	191,6	141,2	642,4
Denmark	37,4	7,6	61,4

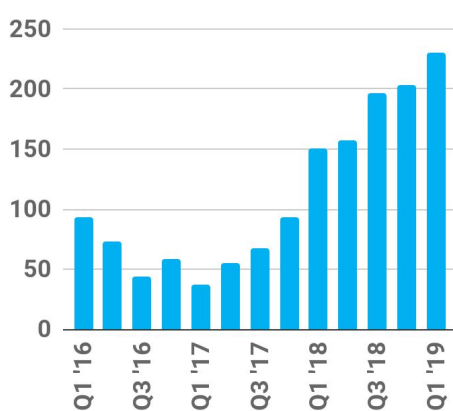
Gross earned premium amounted to NOK 394.1 million (NOK 338.9 million) during the first quarter, which is 16.3% higher than in the first quarter of 2018.

Net earned premium (for own account) of NOK 223.0 million is 54.0% higher than one year ago (NOK 150.5 million).

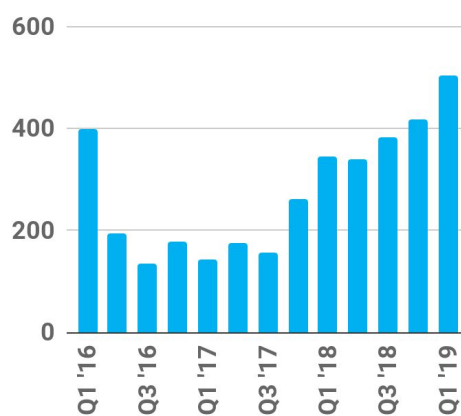
The growth in written premium is to a large extent from Denmark this quarter.

Price increases continue to contribute to premium growth.

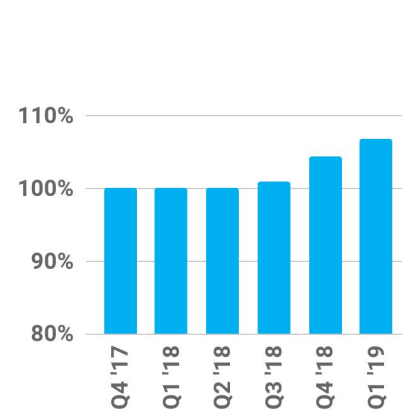
Net Earned Premium



Gross Written Premium



Insr Indexed Price Car¹



¹ Passenger car premium in Norway, both private and commercial customers, as reported to FNO, indexed to Q4 '17.

Claims

<i>(MNOK except otherwise stated)</i>	Q1 2019	Q1 2018	2018
Gross claims	371,7	295,4	1 175,0
Ceded claims	163,8	169,6	610,2
Net claims	207,9	125,8	564,8

The gross loss ratio for the first quarter was 94.3%, compared to first quarter 2018 of 87.1%. The loss ratio for motor is improving, reflecting more benign weather and price increases.

However, there were several house fires this quarter. Losses above NOK 1 million contribute 14%-points to the gross claims ratio this quarter, which is worse than any quarter in Insr during 2016 to 2018.

Run-off losses during the quarter were NOK 7 million, compared to a gain of NOK 20 million first quarter last year.

Net loss ratio was 90.7% (84.5%). The net loss ratio was better than gross, as the reduced reinsurance quota share impacts earnings earlier than claims. Earnings stem from contracts written recently with 50% or lower cession, while claims development also includes contracts from older years with higher cession levels. The XL program is also favourable this quarter.

Insr's significant ongoing pricing measures will gradually improve claims ratios throughout 2019.

Sales and Administrative Costs

Gross cost ratio was 30.5%, compared to 27.1% for the first quarter of 2018, corresponding to gross operating expenses of NOK 120.1 million (NOK 92.0 million).

Sales costs are high in the quarter. Sales costs of NOK 66.5 million (NOK 40.4 million) give a sales cost ratio of 16.9%. The costs are as expected, as written premium is around NOK 100 million higher in the first quarter, and sales commissions are expensed immediately.

Administrative costs were in line with expectations, and higher than the expected long term run-rate.

Insr implemented the new accounting standard IFRS 16. Specifying lease assets and liabilities recognised a one-time loss of NOK 3.2 million on Insr's previous office premises. An extraordinary work-load in connection with the finalization of the 2018 accounts was expensed in the quarter.

Investment income and Financial expenses

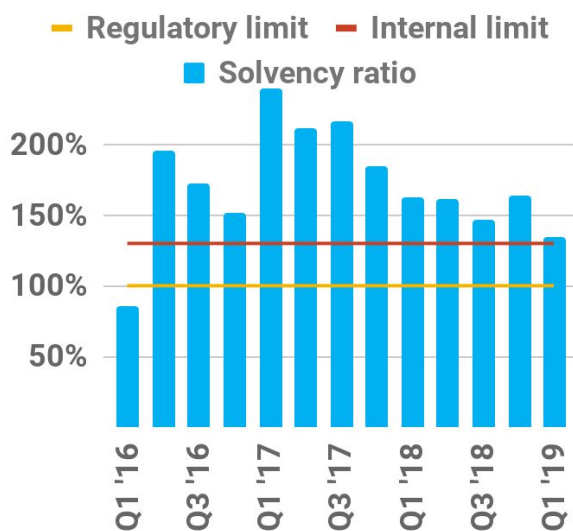
Net income from financial assets amounted to NOK 4.8 million (NOK 1.8 million), an annualised return of 2.0% in the quarter.

The investment portfolio growth continues. The portfolio, including cash in bank was NOK 985.0

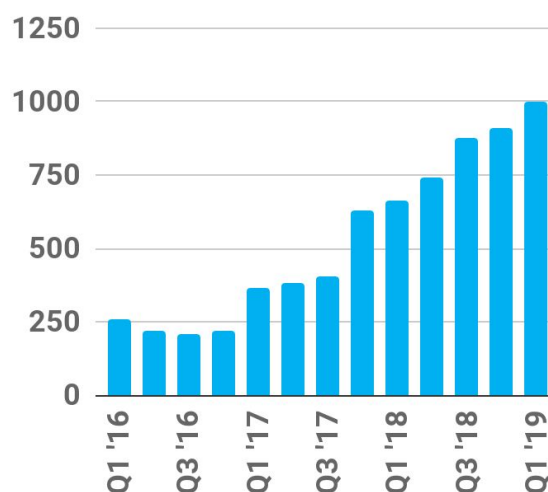
million (NOK 664.4 million).

Net interest expense was NOK 3.1 million (NOK 1.3 million). This includes NOK 0.4 million of IFRS 16 lease-expenses.

Solvency Ratio



Investment Portfolio including cash



Financial position and liquidity

Consolidated financial position and solvency capital

As of March 31st, 2019, total assets amounted to NOK 2 767.8 million (NOK 2 434.0 million one year ago). The introduction of IFRS 16 added NOK 33.8 million of lease assets and NOK 35.7 million of lease liabilities.

Total equity amounted to NOK 312.6 million (NOK 423.7 million).

The solvency ratio at the end of the quarter was 135%, down from 153% at year end, and above the regulatory requirement of 100%.

The Solvency Capital Requirement (SCR) as of March 31st was NOK 298 million (fourth quarter 2018 NOK 292 million).

The split on risk types is stable, but the trend towards insurance risk taking a larger share continues. Health insurance risk is replacing some of the other non-life insurance risk.

The Available Capital is NOK 401 million. As reported in the Annual accounts for 2018, an error in previous periods resulted in a one-time charge to equity of NOK 28 million. Available Capital at year end was adjusted down from NOK 480 million to NOK 447 million.

The Available Capital reduction is below the loss in the quarter, as Solvency II reversed delayed accounting recognition of reinsurance commission received on high written volumes.

Restrictions on hybrid capital allow using NOK

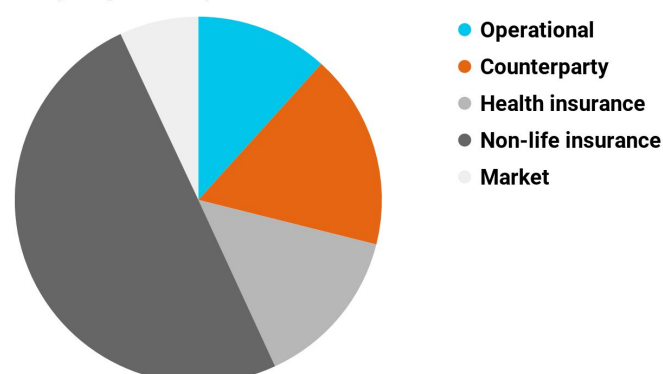
49 million of the Tier 1 bond as Tier 1. The surplus becomes Tier 2 capital, replacing Tier 3 capital.

SOLVENCY CAPITAL (MNOK)

Tier 1	252
Tier 2	128
Tier 3	21
Available capital	401

The solvency figures are as reported to the Norwegian FSA (NFSA) for Insr Insurance Group ASA unconsolidated.

Solvency Capital Requirement as of 31 March 2019



Consolidated cash flow

Cash flow from operations in the quarter was NOK 63.2 million. This compares to an operating cash flow for first quarter of 2018 of NOK 37.6 million. Around NOK 16 million of this relates to fluctuations in traffic tax balances. Adjusted for this, the business generated around NOK 47 million of cash, despite the loss in the quarter.

The company cottage sale, reported in the fourth quarter 2018, settled this quarter,

resulting in a cash inflow of NOK 7.4 million. NOK 0.7 million were invested in money market funds, and NOK 0.3 million IT expenditures were capitalised.

Cash flow from financing activities was 0.

The Group recorded cash and cash equivalents of NOK 207.4 million as of March 31st, 2019 (NOK 165.7 million).

Aligning the organisation for the strategy

As the system integration was completed late 2018, the company was ready for ensuring an organisation aligned with the wholesale and ecosystem strategy. Processes towards the internal customer Nemi and external customers are now common. Almost all operating roles in the company have been

redefined and, for the most part, filled with existing employees, but some competence gaps will be filled through recruitment.

The overall headcount remains approximately the same.

Hans Petter Madsen CFO

Hans Petter Madsen took up the position as CFO from April 1st, 2019.

Mr. Madsen (52) has 30 years of experience from insurance. This includes 7 years as CEO in DNB Forsikring AS and around 15 years as CFO and other finance director roles in Sparebank 1 Skadeforsikring, HELP Forsikring and DNB Forsikring. The last year, Mr. Madsen was CEO and consultant/management for hire in Analytika.

Mr. Madsen holds an MBA from Heriot-Watt.

Insr's former CFO, Bård Standal, has been appointed Deputy CEO with responsibility for building Insr's digital platform and future partner ecosystem.

Mr. Madsen owns 7 300 shares in the company.

Strategic update & Outlook

Insr continues the low double digit earnings growth. Solid growth is expected for 2019.

With the organisation reorganised around common core processes for all brands, and with further work to make the platform more efficient through 2019, cost synergies will gradually materialize in the financials and allow a sustainable cost level.

Insr will continue building strong partnerships to deliver excellent and innovative risk mitigation and services to the insured. Going forward, we will also focus on further developing the Insr insurance ecosystem, where interactions, not only between Insr and partners, but also between the partners, are designed to create value.

The ongoing price increases will improve loss ratios through 2019. Insr is set for profitability in 2019. Given the weak first quarter, this will be challenging, but a strong start to the second quarter supports this view.

Insr targets a gross combined ratio in the medium term of 90-92%, and aims for low double digit growth.

The solvency margin is 135%. With the expected profitability going forward, the available capital is sufficient to maintain the target of 130%. The core Tier 1 capital determines how much of the Tier 1 hybrid bond may be utilised. This gearing effect will become positive when financial results turn to profit.

Oslo, May 14th, 2019

The Board of Directors
Insr Insurance Group ASA

Group Financial Statements

Condensed Consolidated Income Statement				
(NOK 1,000)				
	Note	Q1 2019	Q1 2018	FY 2018
Premium income				
Gross premium earned	2	394 129	338 944	1 451 597
Reinsurance share		(164 909)	(190 101)	(747 803)
Premium earned for own account		229 220	148 842	703 793
Other insurance-related income		741	1 691	4 169
Net premium incl. other insurance related income		229 962	150 533	707 962
Claims				
Gross claims incurred	2	(371 705)	(295 369)	(1 175 002)
Reinsurance share of gross claims incurred		163 818	169 585	610 168
Claims incurred for own account		(207 887)	(125 784)	(564 835)
Operating expenses				
Sales costs		(66 465)	(40 391)	(175 553)
Insurance-related administration costs	7	(53 659)	(51 623)	(216 730)
Commission received		26 285	41 629	174 516
Total operating expenses for own account		(93 839)	(50 385)	(217 767)
Unexpired risk		0	0	2 291
Technical result	2	(71 765)	(25 636)	(72 349)
Non-technical result				
Investment income		4 758	1 830	9 397
Interest income and other income	7	691	124	814
Interest expense and other expenses	7	(3 539)	(1 414)	(8 203)
Non-technical result		1 911	540	2 008
Result before tax		(69 854)	(25 096)	(70 341)
Tax		0	0	0
Net result before comprehensive income and expenses		(69 854)	(25 096)	(70 341)
Net result before comprehensive income and expenses				
		(69 854)	(25 096)	(70 341)
Currency translation effects		389	240	122
Total other comprehensive income (loss)		389	240	122
Total comprehensive income (loss)		(69 465)	(24 856)	(70 219)
Basic and diluted weighted average number of shares	4	134 699	134 699	134 699
Basic and diluted earnings (loss) per share	4	(0,52)	(0,19)	(0,52)

**Condensed Consolidated Statement of Financial Position
(NOK 1,000)**

ASSETS	Note	31.3.2019	31.3.2018	31.12.2018
Intangible assets				
Goodwill	3	219 371	219 432	219 372
Other intangible assets	3	64 410	91 284	69 035
Total intangible assets		283 781	310 716	288 407
Investments				
Investments in shares and parts	6	4 761	2 602	4 763
Bonds and other fixed-income securities	5, 6	772 810	487 615	767 299
Other financial assets	6	0	8 240	0
Total investments		777 571	498 457	772 062
Reinsurance share of gross technical provisions				
Reinsurance share of gross premium provisions		368 333	395 782	326 859
Reinsurance share of non-adjusted risk		0	2 379	0
Reinsurance share of gross claims provisions		418 073	440 479	427 729
Total reinsurance share of gross technical provisions		786 406	838 640	754 588
Receivables				
Receivables in connection with direct insurance and reinsurance	6	658 989	591 237	602 360
Other receivables	6, 7	25 071	7 329	7 645
Total receivables		684 060	598 566	610 005
Other assets				
Cash and cash equivalents	6	207 438	165 914	139 118
Plant and equipment	7	16 426	11 131	11 035
Total other assets		223 864	177 046	150 153
Prepaid expenses and earned income not received				
Prepaid costs and earned income not received	6	12 131	10 558	10 291
Total prepaid expenses and earned income not received		12 131	10 558	10 291
Total assets		2 767 813	2 433 983	2 585 506

**Condensed Consolidated Statement of Financial Position
(NOK 1,000)**

EQUITY AND LIABILITIES	Note	31.3.2019	31.3.2018	31.12.2018
Paid-in equity				
Share capital		107 759	107 759	107 759
Share premium		1 449 333	1 449 333	1 449 333
Total paid-in equity		1 557 092	1 557 092	1 557 092
Other equity				
		(1 342 855)	(1 216 890)	(1 272 145)
Other reserves		11 967	7 933	11 088
Provision for Natural Perils Fund		27 297	20 649	26 052
Provision for Guarantee scheme		59 147	54 923	59 147
Total equity		312 648	423 707	381 234
Subordinated loans				
		149 296	74 183	151 120
Technical provisions				
Gross premium reserve		866 952	726 361	756 003
Unexpired risk reserve		0	4 671	0
Gross claims reserve		815 086	706 901	781 757
Total technical provisions		1 682 038	1 437 933	1 537 760
Premium deposits from reinsurance companies				
		8 990	7 302	8 968
Accrued liabilities				
Pension liabilities		3 013	2 939	3 013
Total Accrued liabilities		3 013	2 939	3 013
Financial liabilities				
Liabilities in connection with direct insurance and reinsurance	6	316 373	227 182	282 348
Other liabilities	6, 7	160 487	134 809	111 439
Total financial liabilities		476 860	361 991	393 787
Accrued costs and received unearned income				
	6	134 968	125 928	109 624
Total liabilities		2 455 165	2 010 276	2 204 272
Total equity and liabilities		2 767 813	2 433 983	2 585 506

Condensed Consolidated Statement of Cash Flow
(NOK 1,000)

	Q1 2019	Q1 2018	2018
Cash flow from operations			
Paid in premiums	448 450	374 325	1 469 680
Paid claims	(354 985)	(247 677)	(1 032 268)
Received from (Paid to) reinsurers	17 747	(10 531)	(43 636)
Paid operating expenses	(64 613)	(152 148)	(251 464)
Other including traffic insurance tax	16 634	73 672	74 765
Net cash flow from operations	63 233	37 641	217 077
Cash flow from investment activities			
Acquisition of assets	(339)	(2 869)	(5 689)
Sale of assets	7 350	0	0
Investments in money market funds	(620)	(60 000)	(335 308)
Net cash flow from investment activities	6 391	(62 869)	(340 997)
Cash flow from financial activities			
Proceeds from subordinated loan	0	0	75 000
Repayment of lease liabilities	(1 866)	0	0
Receipts of repayment on lease receivables	825	0	0
Net cash flow from financing activities	(1 041)	0	75 000
Exchange rate differences on cash and cash equivalents	(263)	0	(2 865)
Net cash flow for the period	68 320	(25 228)	(51 785)
Cash and cash equivalents at the beginning of the period	139 118	190 903	190 903
Cash and cash equivalents at the end of the period	207 438	165 675	139 118
Net cash flow for the period	68 320	(25 228)	(51 785)
Specification of cash and cash equivalents			
Cash in bank	184 983	141 074	114 033
Restricted cash	22 455	24 601	25 085
Total cash and cash equivalents	207 438	165 675	139 118

Condensed Consolidated Statement of Changes in Equity
(NOK 1,000)

	Share capital	Share premium	Other equity	Other reserves	Natural Perils Pool	Guarantee scheme	Total
Equity as at 1st January 2018	107 759	1 449 333	(1 199 305)	7 933	27 740	54 923	448 383
Changes in provisions			7 091		(7 091)		0
Profit before OCI			(25 097)				(25 097)
Other result components (net of tax)			340				340
Equity as at 31st March 2018	107 759	1 449 333	(1 216 969)	7 933	20 649	54 923	423 626
Equity as at 1st January 2019	107 759	1 449 333	(1 272 145)	11 088	26 052	59 147	381 233
Changes in provisions			(1 245)		1 245		0
Profit before OCI			(69 854)				(69 854)
Other result components (net of tax)			389				389
Option expenses				880			880
Equity as at 31st March 2019	107 759	1 449 333	(1 342 855)	11 967	27 297	59 147	312 648

Notes to the Financial Statements

NOTE 1 Accounting principles

These interim accounts have been prepared according to IFRS and IAS 34 Interim Reporting, and are in line with the principles described in the annual report for 2018. For further information, please see the annual report.

Insr Insurance implemented IFRS 16 at 1 January 2019 and there were certain implementation effects on the balance sheet, as well as an effect on equity. Please refer to note 7 for further details.

NOTE 2 Segment information

Norway (NOK 1,000)	Q1 2019	Q1 2018	FY 2018
Gross premium earned	331 636	326 240	1 328 192
Premium earned f.o.a.	191 850	141 187	642 387
Other income	741	1 691	4 169
Incurred claims and operating expenses f.o.a.	(246 983)	(167 726)	(714 499)
Technical result	(54 392)	(24 848)	(67 943)
Cost ratio f.o.a.	35%	32%	31%
Loss ratio f.o.a.	94%	87%	81%
Net combined ratio	129%	119%	112%

Denmark (NOK 1,000)	Q1 2019	Q1 2018	FY 2018
Gross premium earned	62 493	12 703	123 405
Premium earned f.o.a.	37 370	7 656	61 406
Other income	0	0	0
Incurred claims and operating expenses f.o.a.	(54 743)	(8 443)	(65 811)
Technical result	(17 373)	(788)	(4 405)
Cost ratio f.o.a.	71%	73%	35%
Loss ratio f.o.a.	75%	37%	72%
Net combined ratio	146%	110%	107%

Total (NOK 1,000)	Q1 2019	Q1 2018	FY 2018
Gross premium earned	394 129	338 944	1 451 597
Premium earned f.o.a.	229 220	148 842	703 793
Other income	741	1 691	4 169
Incurred claims and operating expenses f.o.a.	(301 726)	(176 170)	(780 310)
Technical result	(71 765)	(25 637)	(72 348)
Cost ratio f.o.a.	41%	34%	31%
Loss ratio f.o.a.	91%	84%	80%
Net combined ratio	132%	118%	111%

NOTE 3 Intangible assets

Goodwill of NOK 219.4 million relates to buying back Vardia Norge in 2016 and acquiring Nemi in 2017. Intangible assets of NOK 64.4 are mainly intangible assets added to the Group when purchasing Nemi, such as databases and customer relationships, as well as capitalised IT investments.

NOTE 4 Earnings (loss) per share

Earnings (loss) per share

Earnings (Loss) per share is calculated by dividing the result from operations on a weighted average of outstanding ordinary shares through the quarter, own shares deducted.

The Group has one category of potential shares that can cause dilution, stock options. Antidilutive potential shares are disregarded in the calculation of diluted earnings (loss) per share. As the group reported a loss in the periods ending March 31st both in 2019 and 2018, there is no difference between basic and diluted weighted average number of shares.

In 2018, 2 050 000 at-the-money options were awarded to Group management. In line with previous option programmes, the awarded American options vest equally over three years, with expiry end of 2022. A similar programme was awarded in February 2019; 3 million options conditional on approval from the General Meeting. In the new programme, the strike price is 15% above market price at issuance, and half of the programme is conditional on KPI targets being reached, to be evaluated at year end 2019.

(NOK 1,000)	Q1 2019	Q1 2018	FY 2018
Result from operations	(69 854)	(25 096)	(70 341)
Weighted average of ordinary shares (in 1,000)	134 699	134 699	134 699
Diluted weighted average of shares (in 1,000)	134 699	134 699	134 699
Earnings (loss) per share diluted	(0,52)	(0,19)	(0,52)

NOTE 5 Bonds and other fixed-income securities

The value of the investment portfolio as of March 31th, 2019 was NOK 777.6 million, the majority invested in Norwegian money market funds and a small portion in Nordic investment grade bond funds with low interest duration. The funds are managed externally.

NOTE 6 FINANCIAL ASSETS AND LIABILITIES

Financial assets	Fair value level	Book value	Market value	Book value	Market value
		31.03.2019	31.03.2019	31.12.2018	31.12.2018
Investments in shares and parts	2	4 761	4 761	4 763	4 763
Bonds and other fixed-income securities	1	772 810	772 810	767 299	767 299
Other financial assets	2	0	0	0	0
Receivables in connection with direct insurance and reinsurance	2	658 989	658 989	602 360	602 360
Other receivables	2	25 071	25 071	7 645	7 645
Prepaid costs and earned income not received	2	12 131	12 131	10 291	10 291
Cash and cash equivalents	1	207 438	207 438	139 118	139 118
Total financial assets		1 681 200	1 681 200	1 531 476	1 531 476

Financial liabilities	Fair value level	Book value	Market value	Book value	Market value
		31.03.2019	31.03.2019	31.12.2018	31.12.2018
Subordinated loans	2	149 296	150 000	151 120	151 852
Other liabilities	2	160 487	160 487	111 439	111 439
Premium deposits from reinsurance companies	2	8 990	8 990	8 968	8 968
Liabilities in connection with direct insurance and reinsurance	2	316 373	316 373	282 348	282 348
Accrued costs and received unearned income	2	134 968	134 968	109 624	109 624
Total financial liabilities		770 113	770 817	663 499	664 231

Investments in exchange traded funds (ETF) are valued based on quoted prices in active markets, classified as Level 1 in the valuation hierarchy. Other financial assets and liabilities are valued based on observable market data, classified as Level 2 in the valuation hierarchy. The Group has no financial assets or liabilities classified as Level 3 valuations, i.e. valued based on un-observable market data.

Note 7 IFRS 16 leasing

IFRS 16 Lease accounting, implemented by Insr from January 1st, 2019, covers the recognition of leases in the financial statements, and replaces IAS 17 Leases. The new standard defines a lease as a contract that conveys the right to control the use of an asset for a period in exchange for a consideration.

IFRS 16 requires balance sheet recognition of each lease contract as a right-of-use asset and a lease liability. Lease payments are shown as interest expenses and a reduction of lease liabilities. The right-of-use assets are depreciated over the shorter of each contract's term and the asset's useful life. Lease payments are reclassified from operating activities to financing activities in the cash-flow.

The Group has chosen to apply the exemption rule for short-term leases up to 12 months' duration and leases for which the underlying asset is of low value. These contracts are expensed directly in the income statement.

Each lease liability is measured as the present value of future lease payments. Index or rate-adjusted payments are valued based on the circumstances at the recognition date. For leases that existed on January 1st, 2019, the discount rate used 300 bp above NIBOR as the estimated spread for a loan to purchase a similar office facility. Loan duration was set equal to the contract term as of January 1st, 2019.

The recognised value of the right-of-use assets was set equal to the equivalent value of the lease liability based on the opening balance on January 1st, 2019. When calculating the effects of the implementation, the Group used a modified retrospective method without recalculating comparative figures.

The Group has only leases of significant value related to rent of premises. The Group also has a sublet agreement for the previous office. This lease is therefore recognized as a financial lease and included as an investment.

The implementation effect for operating leases as of 1.1.2019 and 31.3.2019 is as follows:

Leases in the balance sheet (NOK 1,000)	1.1.2019	31.3.2019
Assets:		
Right - of- use assets	14 041	13 148
Net investment in lease	21 519	20 694
Liabilities:		
Lease liabilities	37 590	35 724
Leases in the income statement (NOK 1,000)		
Technical result		
Depreciation right-of-use assets		893
Loss on leases		3 245
Non-technical result		
Interest income on net investment in lease		235
Interest expense on lease liabilities		(408)

Additional Financial Data

Insr ASA Unconsolidated

Insr ASA Condensed Income Statement (NOK 1,000)

	Q1 2019	Q1 2018	FY 2018
Premium income			
Gross premium earned	394 129	338 944	1 451 597
Reinsurance share	(164 909)	(190 101)	(747 803)
Premium earned for own account	229 220	148 842	703 793
Other insurance-related income	741	1 691	4 169
Net premium incl. other insurance related income	229 962	150 533	707 962
Claims			
Gross claims incurred	(369 529)	(295 369)	(1 175 002)
Reinsurance share of gross claims incurred	163 818	169 585	610 168
Claims incurred for own account	(205 711)	(125 784)	(564 835)
Operating expenses			
Sales costs	(61 736)	(45 716)	(181 261)
Insurance-related administration costs	(58 064)	(50 956)	(213 090)
Commission received	26 285	41 629	174 516
Total operating expenses for own account	(93 515)	(55 043)	(219 836)
Unexpired risk	0	0	2 292
Technical result	(69 265)	(30 294)	(74 417)
Non-technical result			
Investment income	4 758	1 830	13 307
Interest income and other income	1 630	1 012	4 602
Interest expense and other expenses	(3 514)	(942)	(8 195)
Non-technical result	2 874	1 900	9 714
Result before tax	(66 391)	(28 394)	(64 704)
Tax	0	0	0
Net result	(66 391)	(28 394)	(64 704)

Insr ASA Condensed Statement of Financial Position (NOK 1,000)

ASSETS	31.3.2019	31.12.2018
Intangible assets		
Goodwill	205 709	205 709
Other intangible assets	61 349	65 443
Total intangible assets	267 058	271 152
Investments		
Investments in associates and joint ventures	10 600	10 600
Investments in shares and parts	4 555	4 557
Bonds and other fixed-income securities	772 810	767 299
Total investments	787 965	782 456
Reinsurance share of gross technical provisions		
Reinsurance share of gross premium provisions	368 333	326 859
Reinsurance share of gross claims provisions	418 073	427 729
Total reinsurance share of gross technical provisions	786 406	754 588
Receivables		
Receivables in connection with direct insurance and reinsurance	658 989	602 360
Receivables in connection with associates	68 600	67 358
Other receivables	36 355	7 157
Total receivables	763 944	676 875
Other assets		
Cash and cash equivalents	204 488	135 397
Plant and equipment	16 032	10 584
Total other assets	220 520	145 981
Prepaid expenses and earned income not received		
Prepaid costs and earned income not received	11 917	9 937
Total prepaid expenses and earned income not received	11 917	9 937
Total assets	2 837 809	2 640 989

Insr ASA Condensed Statement of Financial Position

EQUITY AND LIABILITIES	31.3.2019	31.12.2018
Paid-in equity		
Share capital	107 759	107 759
Share premium	1 449 333	1 449 333
Total paid-in equity	1 557 091	1 557 091
Other equity	(1 271 127)	(1 203 492)
Other reserves	11 967	11 088
Provision for Natural Perils Fund	27 297	26 052
Provision for Guarantee scheme	59 147	59 147
Total equity	384 376	449 887
Subordinated loans	149 296	151 120
Technical provisions		
Gross premium reserve	866 952	756 003
Gross claims reserve	815 086	781 757
Total technical provisions	1 682 038	1 537 760
Premium deposits from reinsurance companies	8 990	8 968
Accrued liabilities		
Pension liabilities	3 013	3 013
Total Accrued liabilities	3 013	3 013
Financial liabilities		
Liabilities in connection with direct insurance and reinsurance	316 373	282 348
Other liabilities	158 756	99 883
Total financial liabilities	475 128	382 231
Accrued costs and received unearned income	134 968	108 009
Total liabilities	2 453 434	2 191 102
Total equity and liabilities	2 837 809	2 640 989

Glossary

Available capital: Capital available for solvency purposes, determined under regulatory rules

Solvency capital requirement (SCR): The amount of capital the company is required to hold to fulfil regulatory requirements under Solvency II. The Standard formula is used to calculate SCR.

Solvency ratio: Available capital / Solvency capital requirement

Vintages: Policies written in prior underwriting years.

Underwriting year: The year commencing with the effective date of a policy or with the renewal date of that policy.

Portfolio: Sum of annualised premium for all insured as of given date

Written premium: Total premium on policies issued during a specific period

Earned premium: premium recorded during a specific period based on the ratio of the time passed on the policies to their coverage period

Net earned premium: premium for own account, i.e. after deducting premium shared with reinsurers

Technical result: Result before return on investment, other income, other costs and taxes

Gross underwriting result: $(1 - \text{Gross combined ratio}) * \text{Gross premium earned}$

Net underwriting result: $(1 - \text{Net combined ratio}) * \text{Earned premium f.o.a.}$

Gross loss ratio: Gross claims incurred / Gross premium earned

Gross cost ratio: Sales and administration costs / Gross premium earned

Gross combined ratio: Gross loss ratio + Gross cost ratio

Net / For own account (f.o.a.): Net of reinsurance

Net Loss ratio / Loss ratio f.o.a.: Claims incurred f.o.a. / Earned premium f.o.a.

Net Cost ratio / Cost ratio f.o.a.: Administration costs f.o.a. / Earned premium f.o.a.

Net Combined ratio / Combined ratio f.o.a.: Loss ratio f.o.a. + Cost ratio f.o.a.

Unexpired risk (previously termed non-adjusted risk): The excess risk, if expected claims and claims handling costs for future claims related to insurance contracts effective at the reporting date exceed the unearned premium reserves.

Disclaimer

This report may contain forward-looking statements, which are based on our current expectations and projections about future events. The terms “anticipates”, “assumes”, “believes”, “can”, “could”, “estimates”, “expects”, “forecasts”, “intends”, “may”, “might”, “plans”, “should”, “projects”, “will”, “would” or, in each case, their negative, or other variations or comparable terminology are used to identify forward-looking statements. All statements other than statements of historical facts included in this report, including statements regarding our future financial position, risks and uncertainties related to our business, strategy and our plans and objectives for future operations, may be deemed to be forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. You should not place undue reliance on these forward-looking statements. In addition, any forward-looking statements are made only as of the date of this report, and we do not intend and do not assume any obligation to update any statements set forth in this report.

Financial Calendar

Q2 and Half year 2019 results	14.08.2019
Q3 2019 results	13.11.2019
Annual General Meeting	22.05.2019

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