

INSR - Contemplated private placement

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Oslo, 1 February 2017

Insr Insurance Group ASA ("Insr" or the "Company") announces the launch of a private placement of between 14,000,000 and 16,000,000 new shares (the "Offer Shares"), representing approximately 31% to 35% of the outstanding share capital of the Company (the "Private Placement"). Carnegie (the "Manager") has been engaged as manager and bookrunner in connection with the Private Placement.

Insr intends to use the net proceeds of the Private Placement to reduce reinsurance as well as for general corporate purposes. The increase in equity will enable Insr to retain a larger share of earned premiums and improve profitability. This represents an opportunity to accelerate the process of implementing Insr's new strategy.

The Company's largest shareholder, Investment AB Öresund ("Öresund") has been granted approval to hold up to 19.9% equity ownership in Insr by the Norwegian FSA and has pre-committed to subscribe for approximately NOK 40 million worth of shares in the Private Placement, reflecting confidence in the Company's strategy, capabilities and ability to generate attractive shareholder returns. In addition, the Company has received significant pre-commitments from large existing shareholders as well as new investors, including E. Öhman J:or AB, to subscribe for Offer Shares in the Private Placement.

The subscription price and the number of Offer Shares to be issued in the Private Placement will be determined through a bookbuilding process.

The bookbuilding period for the Private Placement will commence at 16:30 CET today and close on 2 February 2017 at 08.00 CET. The Company and the Manager may, however, at any time resolve to close or extend the bookbuilding period at their sole discretion and on short notice.

The minimum order amount in the Private Placement will be NOK 1.0 million.

The Private Placement will be directed towards Norwegian and international investors, in each case subject to and in compliance with applicable exemptions from relevant prospectus or registration requirements.

The Company will announce the final number of Offer Shares placed and the subscription price through a stock exchange notice expected to be published before opening of trading on Oslo Børs tomorrow, 2 February 2017. Conditional notification of allotment and payment instructions will be sent to applicants on or about 2 February 2017.

Completion of the Private Placement is conditional upon (i) the Company's shareholders resolving to issue the Offer Shares at an extraordinary general meeting to be held on or about 27 February 2017 (the "EGM"), (ii) approval by the Norwegian Financial Supervisory Authority (the "NFSA") of the issuance of the Offer Share and (iii) registration of the share capital increase pertaining to the Private Placement in the Norwegian Register of Business Enterprises.

Subject to the EGM passing the required resolutions, the payment date for the Offer Shares has been set to 28 February 2017 with delivery of the Offer Shares expected on

or about 2 March 2017. The Offer Shares will be issued at a separate ISIN number pending listing of the Offer Shares on Oslo Børs. The Offer Shares will not be tradable on Oslo Børs until a listing prospectus has been approved and made public, following which the Offer Shares will be transferred to the Company's ordinary ISIN and thus automatically listed and tradable on Oslo Børs.

The Board is of the opinion that the Private Placement allows the Company to raise capital more quickly and at more favourable terms than a rights issue would have allowed. Specifically, the Private Placement allows the Company to initiate dialogues with reinsurers well in advance of the annual 1 April deadline for adjustments to the level of reinsurance. Furthermore, the Private Placement targets to strengthen the Company's shareholder base.

Subject to the completion of the Private Placement, the Company will consider to propose a subsequent offering at the same price as in the Private Placement to existing shareholders in the Company as of the end of trading today, 1 February 2017 (and as registered in the VPS as of the end of 3 February 2017) who were not allocated shares in the Private Placement, and who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action (the "Subsequent Offering"). The decision to propose the Subsequent Offering is, among other things, dependent upon the subscription price in the Private Placement and it cannot be guaranteed that the Board of Directors will propose the Subsequent Offering. A Subsequent Offering will require approval by the EGM and the NFSAs.

TRADING UPDATE

During the fourth quarter 2016, developments in Insr's result of operations have been in line with management's expectations. With respect to Insr's volume development in the three-month period ended 31 December 2016 (all figures are unaudited):

- Gross written premium amounted to NOK 177.3 million
- Gross earned premium amounted to NOK 189.5 million
- Portfolio amounted to NOK 718.9 million
 - Norway 93% and Denmark 7%
 - Private 74% and Commercial 26%

Detailed financial metrics are disclosed on February 27th. However, the solvency ratio has developed according to expectations during the fourth quarter, and Insr continue to comply with statutory solvency requirements:

- Solvency margin at 31.12.2016: 151% (unaudited)

The restructuring process is progressing according to plan. During the fourth quarter, management has finalized the close down of the sales office in Hamar, reduced the number of headcounts by rightsizing the headquarter, and decided to split out Denmark as an external agency effective from 1 January 2017. Also, profitability measures related to pricing and pruning of the portfolio continue according to schedule.

For further information, please contact:

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This information is subject of the disclosure requirements pursuant to section 5 -12 of

the Norwegian Securities Trading Act.

About Insr Insurance Group ASA:

Insr Insurance Group ASA was established in 2009 and is an independent insurance group. The headquarter is in Oslo. Insr has a license for all groups of non-life insurance, except for credit and guarantee insurance. The Group serves both private and business markets through direct sales or via agents and insurance brokers.

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