

Insr: Q1 2019 results: Strong growth - high claims ratio

Oslo, May 15th, 2019

Insr Insurance Group ASA (OSE:INSR) announces results for the first quarter of 2019.

A presentation of the results by the Group's senior management will take place today at 08:30 CET - see details below.

Net result for the quarter, including other comprehensive income, was a loss of NOK 69.5 million (24.8 million in Q1 2018). Gross combined ratio was 124.8% (114.3%).

The strong premium growth continues; gross earned premium in the quarter was 16.3% above same period last year.

Claims results are disappointing as there was an accumulation of large claims, including several house fires this quarter. Losses above NOK 1 million contribute 14%-points to the gross claims ratio, 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.

Sales costs are, as expected, high in the quarter, 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.

Hans Petter Madsen started 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 organisation was reorganised during the quarter to align it with the strategy. Processes towards the internal customer Nemi and external customers are now common. Almost all operating roles have been redefined and, for the most part, filled with existing employees. The overall headcount remains approximately the same. With this foundation established, and further work to make the platform more efficient through 2019, cost synergies will gradually materialize in the financials and allow a sustainable cost level.

Espen Husstad, CEO of Insr Insurance Group, comments: *"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."*

Financial Highlights:

(Figures in brackets = figures for same period previous year unless otherwise stated)

- Premium earned for own account (net) was NOK 223.0 million (NOK 148.8 million)
- Net result was a loss of NOK 69.5 million (loss of NOK 24.8 million)
- Gross loss ratio of 84.3% (87.1%)
- Gross cost ratio of 30.5% (27.1%)
- Net combined ratio was 131.6% (118.4%) and gross combined ratio 124.8% (114.3%)
- The solvency ratio was 135% compared to 153% at the end of Q4 '18

Presentation details

Espen Husstad (CEO) and Hans Petter Madsen (CFO) will present the results on May 15th at 08:30 CET:

(1) Through participative webcast:

<https://webtv.hegnar.no/presentation.php?webcastId=97815851>

(2) In Vika Atrium Conference Centre, Munkedamsveien 45, Oslo.

The interim report and webcast presentation for the first quarter of 2019 are attached to this release. The webcast presentation is not intended to be a stand-alone presentation and should be read in conjunction with management's comments and the quarterly report.

For further information, please contact:

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Insr Insurance Group ASA was established in 2009 and is an independent insurance group listed on the Oslo Stock Exchange, with headquarters in Oslo. The Company's main focus is on the market for property and casualty insurance for the retail and small enterprise segments in Norway and Denmark. Insr distributes its products mainly through partners and insurance agents.

This information is subject of the disclosure requirements pursuant to section 5 -12 of the Norwegian Securities Trading Act.