



SECOND QUARTER and FIRST HALF 2019

INSR INSURANCE GROUP ASA

Q2 and First Half 2019 Highlights

12m Gross Earned Premium Growth

Q2 17.8%
H1 17.1%

Net Profit/Loss (MNOK)

Q2 6.7
H1 -62.8

Solvency Ratio

132%

Gross Loss Ratio

Q2 69.7%
H1 81.9%

Net Loss Ratio

Q2 70.0%
H1 80.3%

Gross Combined Ratio

Q2 95.5%
H1 110.0%

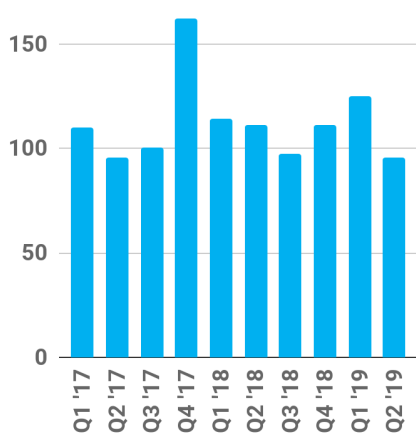
First ever quarter with profit from core business

Claims and cost ratios coming down

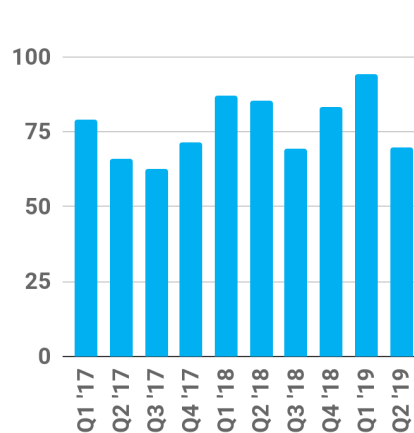
Strong earned premium growth

Significant price measures continuing

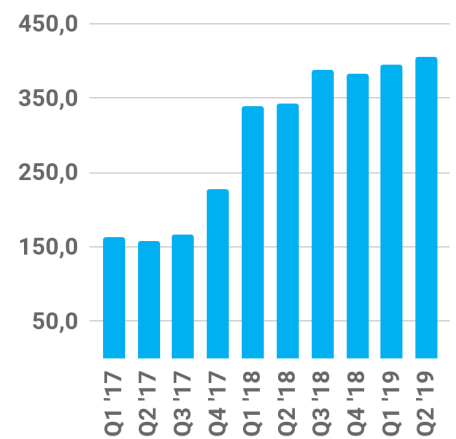
Gross Combined Ratio



Gross Loss Ratio



Gross Earned (MNOK)

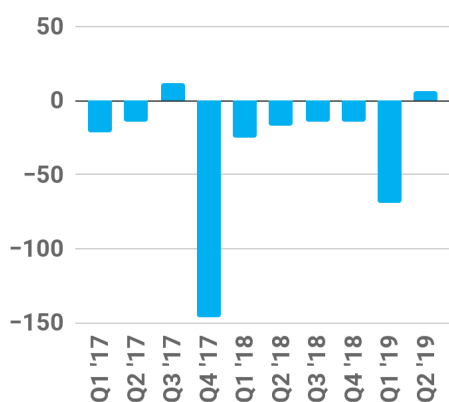


Consolidated Key Figures

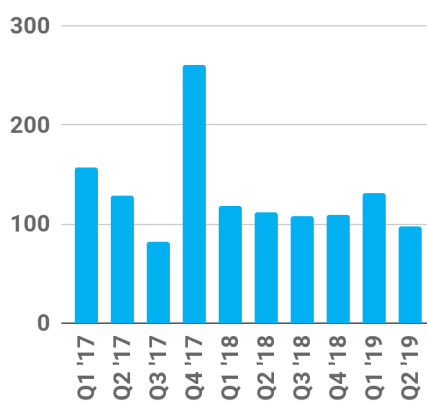
<i>(MNOK except otherwise stated)</i>	Q2 2019	Q2 2018	YTD 2019	YTD 2018	FY 2018
Gross earned premium ¹⁾	405,0	343,4	799,9	684,1	1 455,8
Gross claims incurred	(280,8)	(291,9)	(652,5)	(587,3)	(1 175,0)
Sales costs	(52,5)	(41,5)	(119,0)	(81,9)	(180,1)
Administration costs	(51,8)	(46,6)	(105,4)	(98,3)	(216,7)
Gross underwriting result	19,9	(36,7)	(77,1)	(83,4)	(116,0)
Reinsurance share of premium	(170,4)	(186,0)	(335,3)	(376,1)	(747,8)
Reinsurance share of claims	118,0	161,4	281,8	331,0	610,2
Commissions received	39,1	44,4	65,4	86,1	179,0
Reinsurance result	(13,4)	19,8	11,8	40,9	41,4
Net underwriting result ²⁾	6,5	(16,9)	(65,2)	(42,5)	(72,3)
Investment Return	3,7	1,7	8,5	3,5	10,1
Other items ³⁾	(3,6)	(2,2)	(6,0)	(3,2)	(8,2)
Net result	6,7	(17,4)	(62,8)	(42,2)	(70,4)
Gross loss ratio	69,7%	85,3%	81,9%	86,2%	80,9%
Gross sales ratio	13,0%	12,1%	14,9%	12,0%	12,4%
Gross cost ratio	25,9%	25,8%	28,2%	26,5%	27,3%
Gross combined ratio	95,5%	111,1%	110,0%	112,7%	108,3%
Net loss ratio	70,0%	83,7%	80,3%	84,1%	80,3%
Net cost ratio	28,0%	28,0%	34,4%	30,9%	30,9%
Net combined ratio	98,0%	111,7%	114,7%	114,9%	111,2%
Solvency ratio	132%	150%	132%	150%	153%
Earnings per (diluted) share	0,05	(0,13)	(0,47)	(0,31)	(0,52)

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

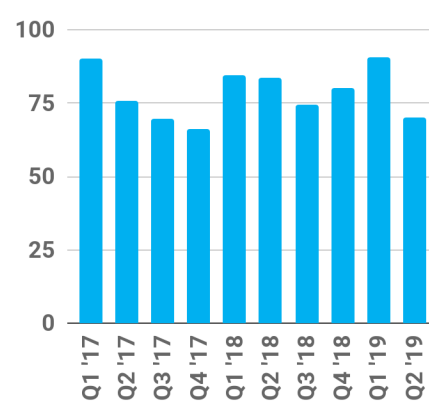
Net Result



Net Combined Ratio



Net Loss Ratio



Message from the CEO

With black figures in the second quarter, we recorded the first profit since the acquisition of Nemi completed late 2017, and the first profit from ordinary business activity in the insurance company. This quarter, we thus start to demonstrate the viability of the merged company. The financial and operational performance of Insr is slowly turning around.

The second quarter claims result is broadly in line with expectations. Even more important, the underlying trends are positive compared to last year. Our strong price measures start to show in the results, and we expect a stronger effect of the pricing measures in the remainder of the year.

Strong growth in earned premium continues, with the additional volume since last year coming from wholesale partners, underpinning the sound strategic rationale behind our wholesale strategy. Distribution through wholesale partners gives more topline fluctuations than inhouse or franchise distribution. For the volume written in 2019, an increasing part of the growth stems from price increases.

The unlocking of scale synergies continues with the new operating model, which was fully operational from June 3rd. There are still some anticipated periodization effects in the sales costs, and ne-offs on administration costs, but largely, the cost ratio develops according to expectations.

We are confident that we will deliver even better services to our customers in an effective and profitable way. As an illustration, we see increased activity in the tied agency recruitment process after merging our sales forces.

As pricing and pruning measures continue with full force, we are confident that underlying claims results will improve. Insr is aiming for profitability in 2019. Given the weak first quarter this is challenging, but black figures this quarter are encouraging.



Chief Executive Officer

Second Quarter 2019 Results

General summary

Net result for the quarter, including other comprehensive income, was NOK 6.7 million (loss of NOK 17.4 million), a gain per share of NOK 0.05. This is the first quarter in the insurance company's history with a profit from the core business.

Gross earned premium in the quarter was NOK 405.0 million (NOK 343.4 million), including other insurance related income. Premium growth continued strong at 17.8% over same quarter last year.

Gross combined ratio was 95.5% (111.1%). Net combined ratio was 98.0% (111.7%).

Gross and net loss ratios are basically equal; 69.7% and 70.0%, respectively, which is a significant improvement over previous quarters, and showing repricing is starting to improve the claims results.

Claims results benefit from run-off gains this

quarter. The impact on gross claims is NOK 27 million, compared to a gain of NOK 6 million second quarter last year. Reserves are still increasing.

The reinsurers take approximately 42% of both the earned premium and realised losses this quarter, and the commission received on the ceded volume is 22.9%. Ceded premium of NOK 170.4 million minus NOK 118.0 million ceded claims and NOK 39.1 million commission gives NOK 13.4 million reinsurer profit deducted from Insr's result and a ceded combined ratio of 92.2%.

The gross cost ratio of 25.9% has come down from previous quarter's 30.5%, and is similar to same quarter last year (25.8%).

Net underwriting result for the quarter was a profit of NOK 6.5 million (loss of NOK 16.9 million).

Premium

<i>(MNOK except otherwise stated)</i>	Q2 2019	Q2 2018	2018
Gross written premium	376,7	340,3	1 486,2
Norway	325,5	328,7	1 335,9
Denmark	51,2	11,6	150,3
Gross earned premium	403,0	342,1	1 451,6
Norway	333,7	330,5	1 328,2
Denmark	69,3	11,6	123,4
Net earned premium	232,6	156,0	703,8
Norway	191,4	144,4	642,4
Denmark	41,2	11,6	61,4

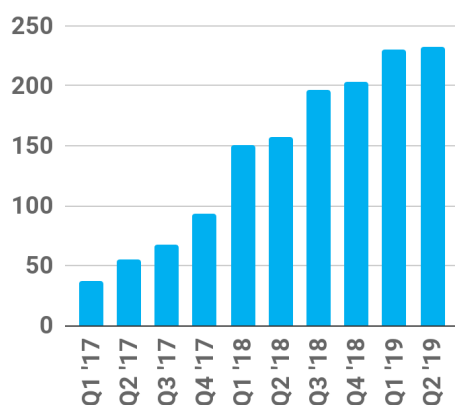
Gross earned premium amounted to NOK 403.0 million (NOK 342.1 million) during the first quarter, which is 17.8% higher than in the second quarter of 2018.

Gross written premium is well above same quarter last year, but somewhat below first quarter this year, when written premium was seasonally high.

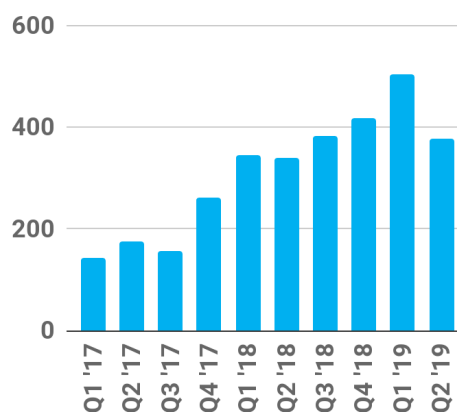
Net earned premium (for own account) of NOK 232.6 million is 49.1% higher than one year ago (NOK 156.0 million).

Price increases continue to contribute to premium growth.

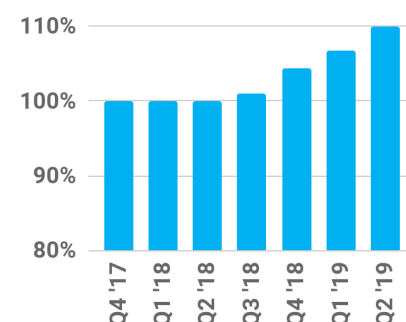
Net Earned Premium



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>	Q2 2019	Q2 2018	2018
Gross claims	280,8	291,9	1 175,0
Ceded claims	118,0	161,4	610,2
Net claims	162,9	130,6	564,8
Gross loss ratio	69,7%	85,3%	80,9%
Ceded loss ratio	69,2%	86,7%	81,6%
Net loss ratio	70,0%	83,7%	80,3%

The gross loss ratio for the second quarter was 69.7%, compared to second quarter 2018 of 85.3%. The loss ratio for motor is improving, reflecting price increases.

Claims results benefit from run-off gains this quarter. The impact on gross claims was NOK 27 million, compared to a gain of NOK 6 million second quarter last year. Reserves are still

increasing.

There were a few large losses in the quarter; the total contribution from these is near the expected average over time.

The net loss ratio was very similar to the gross ratio at 70.0% (83.7%).

Sales and Administrative Costs

Gross cost ratio was 25.9%, compared to 25.8% for the second quarter of 2018, corresponding to gross operating expenses of NOK 104.3 million (NOK 88.2 million).

Sales costs of NOK 52.5 million (NOK 41.5 million) give a sales cost ratio of 13.0% (12.1%).

The cost ratio has come down from previous

quarter, but is still above the medium term target. The gross cost ratio was 25.9% (25.8%). Un-periodised IT costs are part of the explanation. The organisational changes reported last quarter are now implemented. A small redundancy cost charge of NOK 1.2 million is included this quarter.

Investment income and Financial expenses

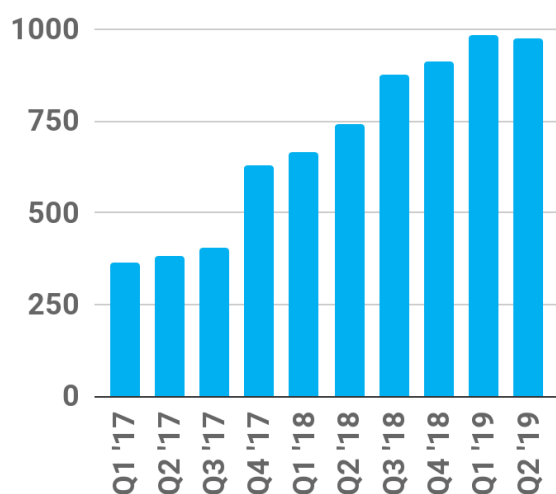
Net income from financial assets amounted to NOK 3.7 million of investment income plus NOK 1.3 million of interest, an annualised return of 2% in the quarter.

The investment portfolio including cash in bank was approximately stable since last quarter at

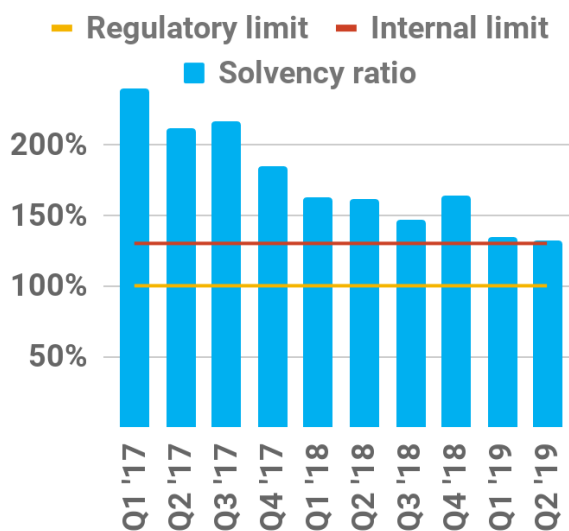
NOK 974.7 million, significantly up from same time last year of NOK 741.6 million.

Interest expense was NOK 3.9 million (NOK 1.1 million). This includes NOK 0.4 million of IFRS 16 lease-expenses.

Investment Portfolio including cash



Solvency Ratio



Financial position and liquidity

Consolidated financial position and solvency capital

As of June 30th, 2019, total assets amounted to NOK 2 747.2 million (NOK 2 449.5 million one year ago).

Total equity amounted to NOK 320.9 million (NOK 408.2 million).

The solvency ratio at the end of the quarter was 132%, down from 135% at the end of first quarter, and above the regulatory requirement of 100%.

The Solvency Capital Requirement (SCR) as of June 30th was NOK 302 million (first quarter 2019 NOK 298 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 398 million, slightly down from NOK 401 million at the end of first quarter.

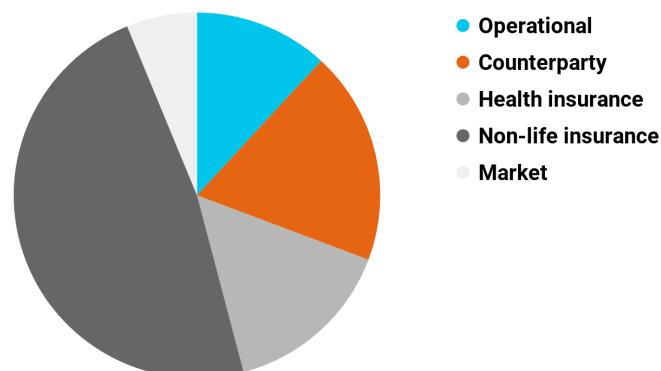
Restrictions on hybrid capital allow using NOK 49.4 million of the Tier 1 bond as Tier 1. The surplus becomes Tier 2 capital, replacing Tier 3 capital.

SOLVENCY CAPITAL (MNOK)

Tier 1	246.9
Tier 2	134.7
Tier 3	16.5
Available capital	398.1

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

Solvency Capital Requirement as of 30 June 2019



Consolidated cash flow

Cash flow from operations in the quarter was negative NOK 12.9 million due to settlement of balances towards reinsurers. This compares to a positive operating cash flow for second quarter of 2018 of NOK 76.2 million.

IFRS 16 lease accounting gives a cash flow from

financing activities of -1.0 million NOK.

The Group recorded cash and cash equivalents of NOK 194.2 million as of June 30th, 2019 (NOK 174.2 million).

First Half Year 2019

Net underwriting result for the first half of 2019 was a loss of NOK 65.2 million (loss of NOK 42.5 million). Both the loss ratio and cost ratio were above the medium term targets. The main driver for the negative result in the half year was high insurance losses in the first quarter, primarily driven by fluctuations in large claims.

The total loss was NOK 62.8 million (loss of NOK 42.2 million).

Gross premium written was NOK 881.8 million (NOK 686.0 million), gross premium earned was

NOK 797.2 million (NOK 681.0 million), and net premium earned was NOK 464.5 million (NOK 307.9 million). (Earned premium includes other insurance-related income).

The combination of growth and reduced reinsurance cession allows a 51 % net premium growth over retained premium first half of 2018.

Claims ratio

First half year claims ratio was 81.9% (86.2%) gross and 80.3% net (84.1%). The gross and net claims ratio being approximately equal reflects effective reinsurance programs.

Sales and Administrative Costs

Gross cost ratio was 28.2%, compared to 26.5% in first half 2018, corresponding to gross operating expenses of NOK 224.4 million (NOK 180.2 million).

As the gross cost ratio is above the reinsurance provision, the net cost ratio is higher than the gross cost ratio; 34.4% (30.9%).

Sales costs of NOK 119.0 million (NOK 81.9 million) gives a sales cost ratio of 14.9% for the half year. This is above the medium term target of 10-12%, partly due to a high written premium in Q1.

Financial position and liquidity

The investment portfolio, including cash, has grown 6.9% since the start of the year. Half year investment and interest income was NOK 11.0 million, a return of 2%.

The operating cash flow was NOK 50.4 million (negative NOK 113.9 million).

NOK 7.8 million have been invested in low risk interest rate funds, and NOK 0.6 million in capitalised IT development.

The total cash flow for the half year was NOK 55.1 million (NOK 15.1 million).

Risk factors and uncertainties

Insr Insurance Group ASA (Insr) and its subsidiaries are exposed to market, insurance, financial and operational risks, with insurance risk being the most important.

Non-life insurance gives result fluctuations from unevenly distributed insurable events, unpredictable events and cyclicalities.

Insr faces significant competition from domestic, Nordic and international insurance companies, and must align premium levels with the general market. Historically, the Norwegian insurance market has been priced at profitable levels, but this may change.

If the underwriting guidelines or internal control procedures are inefficient, the pricing of a product line may be incorrect for claims attributable to the relevant product line. In addition, Insr may not be able to adjust prices to avoid future losses. The company is at risk both from customers who misrepresent or fail to fully disclose the risks against which they are seeking cover, and from employees and partner employees with limited delegated underwriting authorities who fail to follow procedures or undertake, fraudulent activities.

The company depends on the strength of its reputation with customers (distribution partners) and end customers. Termination of or any change to these relationships may have a negative effect. The company is also exposed to the risk that the revenue from its customer base could diminish. Any negative publicity related to Insr could adversely affect its reputation and the value of its brand.

Operational complexity from whitelabel multibrand distribution through partners gives both operational and compliance risks. Insr has operating procedures in place which its management believes are sufficient. However, the company is vulnerable to any mismanagement, fraud or failure to satisfy fiduciary responsibilities or to comply with underwriting guidelines and authorization limits.

An important element of Insr's risk management strategy is to purchase reinsurance, thereby transferring parts of the risk the company underwrites to reinsurers. Any decrease in the availability and amount of reinsurance, increase in the cost of reinsurance and/or the inability or refusal of reinsurers to meet their financial obligations or accept reinstatements, could materially adversely affect Insr. In addition, the complexity of the reinsurance programme exposes Insr to the risk of overlooking mismatches in coverage.

Operating costs above expected levels would negatively impact the company's results of operations and financial condition.

Investment returns are an important part of Insr's overall profitability. Interest rate volatility may adversely affect the value of the company's investment portfolios. In addition, the company is exposed to counterparty risk in the deposit banks.

Strategic update & Outlook

Insr continues the low double digit growth. Solid growth in earned premium is expected for 2019.

With the company restructured 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 aiming for profitability in 2019. Given the result year to date, this will be challenging, but the improvement in the second quarter supports this expectation.

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

The solvency margin is 132%. With the expected profitability going forward, the available capital is sufficient to stay above the 130% level.

Oslo, August 13th, 2019

The Board of Directors
Insr Insurance Group ASA

Group Financial Statements

Condensed Consolidated Income Statement
(NOK 1,000)

	Note	Q2 2019	Q2 2018	YTD 2019	YTD 2018	FY 2018
Premium income						
Gross premium earned	2	403 042	342 078	797 171	681 018	1 451 597
Reinsurance share		(170 432)	(186 046)	(335 340)	(376 147)	(747 803)
Premium earned for own account		232 611	156 029	461 831	304 871	703 793
Other insurance-related income		1 958	1 352	2 699	3 042	4 169
Net premium incl. other insurance related income		234 569	157 381	464 530	307 913	707 962
Claims						
Gross claims incurred	2	(280 785)	(291 932)	(652 490)	(587 301)	(1 175 002)
Reinsurance share of gross claims incurred		117 959	161 374	281 777	330 958	610 168
Claims incurred for own account		(162 826)	(130 559)	(370 713)	(256 343)	(564 835)
Operating expenses						
Sales costs		(52 540)	(41 508)	(119 005)	(81 899)	(175 553)
Insurance-related administration costs	7	(51 774)	(46 647)	(105 433)	(98 270)	(216 730)
Commission received		39 107	44 443	65 392	86 072	174 516
Total operating expenses for own account		(65 207)	(43 711)	(159 046)	(94 097)	(217 767)
Unexpired risk		0	0	0	0	2 291
Technical result	2	6 536	(16 889)	(65 229)	(42 526)	(72 349)
Non-technical result						
Investment income		3 709	1 700	8 467	3 530	9 397
Interest income and other income	7	811	352	17 571	476	814
Interest expense and other expenses	7	(3 940)	(2 149)	(23 547)	(3 563)	(8 203)
Non-technical result		580	(97)	2 491	443	2 008
Result before tax		7 116	(16 985)	(62 737)	(42 083)	(70 341)
Tax		0	0	0	0	0
Net result before comprehensive income and expenses		7 116	(16 985)	(62 737)	(42 083)	(70 341)
Net result before comprehensive income and expenses						
		7 116	(16 985)	(62 737)	(42 083)	(70 341)
Currency translation effects		(436)	(438)	(14)	(97)	122
Total other comprehensive income (loss)		(436)	(438)	(14)	(97)	122
Total comprehensive income (loss)		6 681	(17 423)	(62 752)	(42 180)	(70 219)
Diluted weighted average number of shares	4	134 963	134 699	134 699	134 699	134 699
Diluted earnings (loss) per share	4	0,05	(0,13)	(0,47)	(0,31)	(0,52)

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

ASSETS	Note	30.6.2019	30.6.2018	31.12.2018
Intangible assets				
Goodwill	3	219 372	219 372	219 372
Other intangible assets	3	59 518	82 695	69 035
Total intangible assets		278 890	302 066	288 407
Investments				
Investments in shares and parts	6	4 423	2 606	4 763
Bonds and other fixed-income securities	5, 6	776 030	524 467	767 299
Other financial assets	6	0	8 240	0
Total investments		780 453	535 312	772 062
Reinsurance share of gross technical provisions				
Reinsurance share of gross premium provisions		347 527	347 051	326 859
Reinsurance share of non-adjusted risk		0	2 379	0
Reinsurance share of gross claims provisions		405 223	449 979	427 729
Total reinsurance share of gross technical provisions		752 750	799 410	754 588
Receivables				
Receivables in connection with direct insurance and reinsurance	6	672 035	576 853	602 360
Other receivables	6, 7	25 394	8 036	7 645
Total receivables		697 429	584 889	610 005
Other assets				
Cash and cash equivalents	6	194 204	206 293	139 118
Plant and equipment	7	16 060	10 226	11 035
Total other assets		210 264	216 519	150 153
Prepaid expenses and earned income not received				
Prepaid costs and earned income not received	6	27 456	11 265	10 291
Total prepaid expenses and earned income not received		27 456	11 265	10 291
Total assets		2 747 241	2 449 461	2 585 506

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

EQUITY AND LIABILITIES	Note	30.6.2019	30.6.2018	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		1 557 091	1 557 092	1 557 092
Other equity				
Other reserves		(1 339 940)	(1 237 250)	(1 272 145)
Other reserves		13 027	9 828	11 088
Provision for Natural Perils Fund		31 532	23 584	26 052
Provision for Guarantee scheme		59 147	54 923	59 147
Total equity		320 857	408 177	381 234
Subordinated loans				
		152 512	74 212	151 120
Technical provisions				
Gross premium reserve		839 367	723 860	756 003
Unexpired risk reserve		0	4 671	0
Gross claims reserve		816 899	730 955	781 757
Total technical provisions		1 656 266	1 459 486	1 537 760
Premium deposits from reinsurance companies				
		9 016	8 930	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	289 358	228 575	282 348
Other liabilities	6, 7	193 569	150 304	111 439
Total financial liabilities		482 928	378 880	393 787
Accrued costs and received unearned income				
	6	122 648	116 837	109 624
Total liabilities		2 426 383	2 041 284	2 204 272
Total equity and liabilities		2 747 241	2 449 461	2 585 506

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

	Q2 2019	Q2 2018	YTD 2019	YTD 2018	2018
Cash flow from operations					
Paid in premiums	363 637	346 581	812 086	720 906	1 469 680
Paid claims	(284 258)	(269 466)	(639 243)	(517 143)	(1 032 268)
Received from (Paid to) reinsurers	(40 220)	42 461	(22 473)	31 930	(43 636)
Paid operating expenses	(76 643)	(50 895)	(141 256)	(203 043)	(251 464)
Other including traffic insurance tax	24 625	7 568	41 260	81 240	74 765
Net cash flow from operations	(12 859)	76 249	50 374	113 890	217 077
Cash flow from investment activities					
Acquisition of assets	(14)	0	(634)	(2 869)	(5 689)
Sale of assets	0	0	(339)	0	0
Investments in money market funds	421	(35 871)	7 771	(95 871)	(335 308)
Net cash flow from investment activities	407	(35 871)	6 798	(98 740)	(340 997)
Cash flow from financial activities					
Proceeds from subordinated loan	0	0	0	0	75 000
Repayment of lease liabilities	(1 871)	0	(3 738)	0	0
Receipts of repayment on lease receivables	827	0	1 652	0	0
Net cash flow from financing activities	(1 045)	0	(2 086)	0	75 000
Exchange rate differences on cash and cash equivalents	263	0	0		(2 865)
Net cash flow for the period	(13 233)	40 378	55 086	15 150	(51 785)
Cash and cash equivalents at the beginning of the period	207 438	165 675	139 118	190 903	190 903
Cash and cash equivalents at the end of the period	194 204	206 053	194 204	206 053	139 118
Net cash flow for the period	(13 233)	40 378	55 086	15 150	(51 785)
Specification of cash and cash equivalents					
Cash in bank	170 461	178 915	170 461	178 915	114 033
Restricted cash	23 743	27 138	23 743	27 138	25 085
Total cash and cash equivalents	194 204	206 053	194 204	206 053	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			10 026		(10 026)		0
Profit before OCI			(42 083)				(42 083)
Other result components (net of tax)			(18)				(18)
Option expenses				1 895			1 895
Equity as at 30th June 2018	107 759	1 449 333	(1 231 378)	9 828	17 714	54 923	408 177
Equity as at 1st January 2019	107 759	1 449 333	(1 272 145)	11 088	26 052	59 147	381 234
Changes in provisions			(5 480)		5 480		0
Profit before OCI			(62 737)				(62 737)
Other result components (net of tax)			421				421
Option expenses				1 939			1 939
Equity as at 30th June 2019	107 759	1 449 333	(1 339 941)	13 027	31 532	59 147	320 857

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)	Q2 2019	Q2 2018	YTD 2019	YTD 2018	FY 2018
Gross premium earned	333 749	330 446	665 385	656 686	1 328 192
Premium earned f.o.a.	191 431	149 580	383 281	290 856	642 387
Other income	1 958	1 352	2 699	3 042	4 169
Incurred claims and operating expenses f.o.a.	(184 502)	(160 124)	(431 485)	(327 851)	(714 499)
Technical result	8 887	(9 193)	(45 504)	(33 953)	(67 943)

Cost ratio f.o.a.	28%	28%	32%	30%	31%
Loss ratio f.o.a.	68%	79%	81%	83%	81%
Net combined ratio	96%	107%	113%	113%	112%

Denmark (NOK 1,000)	Q2 2019	Q2 2018	YTD 2019	YTD 2018	FY 2018
Gross premium earned	69 294	11 629	131 786	24 333	123 405
Premium earned f.o.a.	41 180	6 450	78 550	14 016	61 406
Other income	0	0	0	0	0
Incurred claims and operating expenses f.o.a.	(43 531)	(14 146)	(98 274)	(22 589)	(65 811)
Technical result	(2 351)	(7 697)	(19 724)	(8 573)	(4 405)

Cost ratio f.o.a.	27%	38%	48%	57%	35%
Loss ratio f.o.a.	79%	182%	77%	103%	72%
Net combined ratio	106%	220%	125%	160%	107%

Total (NOK 1,000)	Q2 2019	Q2 2018	YTD 2019	YTD 2018	FY 2018
Gross premium earned	403 042	342 075	797 171	681 019	1 451 597
Premium earned f.o.a.	232 611	156 030	461 831	304 872	703 793
Other income	1 958	1 352	2 699	3 042	4 169
Incurred claims and operating expenses f.o.a.	(228 033)	(174 271)	(529 759)	(350 440)	(780 310)
Technical result	6 536	(16 889)	(65 229)	(42 526)	(72 348)

Cost ratio f.o.a.	28%	28%	34%	31%	31%
Loss ratio f.o.a.	70%	83%	80%	84%	80%
Net combined ratio	98%	112%	115%	115%	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 59.5 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 six months ending June 30th, 2019 and 2018, there is no difference between basic and diluted weighted average numbers of shares for the half year results. For the second quarter of 2018, there is also no dilution. However, for the profitable second quarter of 2019, dilution is relevant.

A total of 6 190 000 options have been awarded to key personnel, of which 1 500 000 are conditional on KPI targets being reached, to be evaluated at year end 2019. Of these, 2 540 000 were in the money as of 30.06.2019 and have a dilutive effect of around 0.2% of the share capital.

(NOK 1,000)	Q2 2019	Q2 2018	YTD 2019	YTD 2018
Net result incl. comprehensive income	6 681	(17 423)	(62 752)	(42 180)
Weighted average of ordinary shares (in 1,000)	134 699	134 699	134 699	134 699
Diluted weighted average of shares (in 1,000)	134 963	134 699	134 699	134 699
Earnings (loss) per share diluted	0,05	(0,13)	(0,47)	(0,31)

NOTE 5 Bonds and other fixed-income securities

The value of the investment portfolio as of June 30th, 2019 was NOK 776 million, the majority invested in Norwegian money market funds and a smaller 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
		30.06.2019	30.06.2019	31.12.2018	31.12.2018
Investments in shares and parts	2	4 423	4 423	4 763	4 763
Bonds and other fixed-income securities	1	776 030	776 030	767 299	767 299
Other financial assets	2	0	0	0	0
Receivables in connection with direct insurance and reinsurance	2	672 035	672 035	602 360	602 360
Other receivables	2	25 394	25 394	7 645	7 645
Prepaid costs and earned income not received	2	27 456	27 456	10 291	10 291
Cash and cash equivalents	1	194 204	194 204	139 118	139 118
Total financial assets		1 699 541	1 699 541	1 531 476	1 531 476

Financial liabilities	Fair value level	Book value	Market value	Book value	Market value
		30.06.2019	30.06.2019	31.12.2018	31.12.2018
Subordinated loans	2	149 324	150 000	151 120	151 852
Other liabilities	2	196 757	196 757	111 439	111 439
Premium deposits from reinsurance companies	2	9 016	9 016	8 968	8 968
Liabilities in connection with direct insurance and reinsurance	2	289 358	289 358	282 348	282 348
Accrued costs and received unearned income	2	122 648	122 648	109 624	109 624
Total financial liabilities		767 104	767 780	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 effect for operating leases as of 1.1.2019 and 30.6.2019 is as follows:

Leases in the balance sheet (NOK 1,000)	1.1.2019*	30.6.2019
Assets:		
Right - of- use assets	15 099	13 156
Net investment in lease	22 346	20 693
Liabilities:		
Lease liabilities	39 859	36 120
Leases in the income statement (NOK 1,000)		
Technical result		
Depreciation right-of-use assets	1 049	1 943
Loss on leases	(831)	2 414
Non-technical result		
Interest income on net investment in lease	234	469
Interest expense on lease liabilities	(402)	(810)

*) Figures have been updated since the Q1 report due to an adjustment of prepaid rent.

Declaration

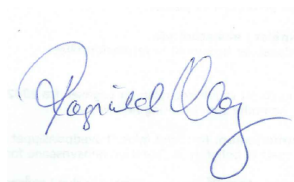
The presented set of condensed financial statements for the period 1 January to 30 June 2019 have been prepared and presented in accordance with IAS 34 Interim Financial Reporting as endorsed by the EU, and the additional requirements found in the Norwegian Securities Trading Act.

We confirm, to the best of our knowledge, that the information disclosed in the financial statements provides a true and fair view of the Group's assets, liabilities, financial position and profit as a whole.

We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the presented set of financial statements. It also provides a description of the principal risks and uncertainties for the remaining six months of the financial year.

Oslo, August 13th, 2019

The Board of Directors
Insr Insurance Group ASA



Ragnhild Wiborg



Stephanie Kleipaß



Kari Olrud Moen



Ulf Spång



Benedicte Gedde-Dahl



Christoffer Rudbeck



Øystein Engebretsen
Vice Chairman



Åge Korsvold
Chairman



Espen Husstad
CEO

Additional Financial Data

Insr ASA Unconsolidated

Insr ASA Condensed Income Statement (NOK 1,000)

	Q2 2019	Q2 2018	YTD 2019	YTD 2018	FY 2018
Premium income					
Gross premium earned	403 042	342 075	797 171	681 018	1 451 597
Reinsurance share	(170 432)	(186 046)	(335 340)	(376 147)	(747 803)
Premium earned for own account	232 611	156 028	461 831	304 871	703 793
Other insurance-related income	1 958	1 352	2 699	3 042	4 169
Net premium incl. other insurance related income	234 569	157 380	464 530	307 913	707 962
Claims					
Gross claims incurred	(282 961)	(291 932)	(652 490)	(587 301)	(1 175 002)
Reinsurance share of gross claims incurred	117 959	161 374	281 777	330 958	610 168
Claims incurred for own account	(165 002)	(130 558)	(370 713)	(256 343)	(564 835)
Operating expenses					
Sales costs	(61 952)	(41 554)	(123 688)	(87 270)	(181 261)
Insurance-related administration costs	(41 233)	(42 002)	(99 297)	(92 958)	(213 090)
Commission received	39 107	44 443	65 392	86 072	174 516
Total operating expenses for own account	(64 078)	(39 113)	(157 593)	(94 156)	(219 836)
Unexpired risk	0	0	0		2 292
Technical result	5 489	(12 291)	(63 775)	(42 586)	(74 417)
Non-technical result					
Investment income	3 709	1 700	8 467	3 530	13 307
Interest income and other income	1 777	1 198	19 476	2 210	4 602
Interest expense and other expenses	(3 921)	(2 584)	(23 503)	(3 526)	(8 195)
Non-technical result	1 565	314	4 439	2 214	9 714
Result before tax	7 054	(11 977)	(59 336)	(40 372)	(64 704)
Tax	0	0	0	0	0
Net result	7 054	(11 977)	(59 336)	(40 372)	(64 704)

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

ASSETS	30.6.2019	31.12.2018
Intangible assets		
Goodwill	205 709	205 709
Other intangible assets	56 978	65 443
Total intangible assets	262 687	271 152
Investments		
Investments in associates and joint ventures	10 600	10 600
Investments in shares and parts	4 217	4 557
Bonds and other fixed-income securities	776 030	767 299
Total investments	790 846	782 456
Reinsurance share of gross technical provisions		
Reinsurance share of gross premium provisions	347 527	326 859
Reinsurance share of gross claims provisions	405 223	427 729
Total reinsurance share of gross technical provisions	752 750	754 588
Receivables		
Receivables in connection with direct insurance and reinsurance	672 035	602 360
Receivables in connection with associates	69 337	67 358
Other receivables	36 873	7 157
Total receivables	778 246	676 875
Other assets		
Cash and cash equivalents	191 563	135 397
Plant and equipment	15 717	10 584
Total other assets	207 280	145 981
Prepaid expenses and earned income not received		
Prepaid costs and earned income not received	27 267	9 937
Total prepaid expenses and earned income not received	27 267	9 937
Total assets	2 819 077	2 640 989

Insr ASA Condensed Statement of Financial Position

EQUITY AND LIABILITIES	30.6.2019	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	(1 268 308)	(1 203 492)
Other reserves	13 027	11 088
Provision for Natural Perils Fund	31 532	26 052
Provision for Guarantee scheme	59 147	59 147
Total equity	392 490	449 887
Subordinated loans	152 512	151 120
Technical provisions		
Gross premium reserve	839 367	756 003
Gross claims reserve	816 899	781 757
Total technical provisions	1 656 266	1 537 760
Premium deposits from reinsurance companies	9 016	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	289 358	282 348
Other liabilities	193 773	99 883
Total financial liabilities	483 131	382 231
Accrued costs and received unearned income	122 648	108 009
Total liabilities	2 426 587	2 191 102
Total equity and liabilities	2 819 077	2 640 989

Glossary

Alternative Performance Measures (APMs), with reconciliation to the accounts, is published on the company web page www.insr.io/investor-relations.

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

Q3 2019 results	13.11.2019
Capital Markets ½-Day	27.11.2019

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