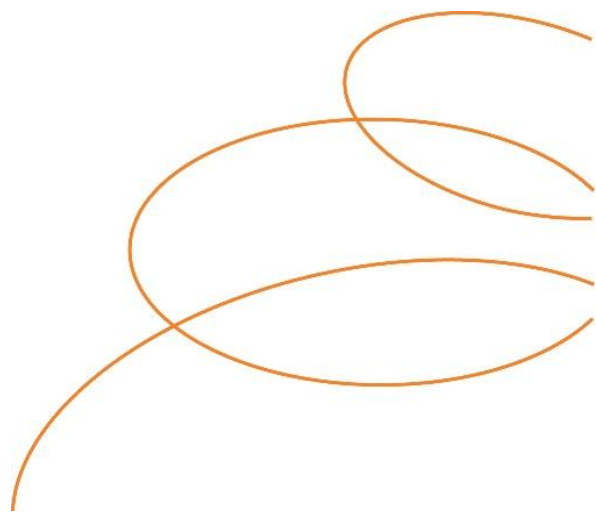




**INTERIM REPORT Q3 2017**  
PROTECTOR FORSIKRING ASA

(UNAUDITED)  
OCTOBER 2017



## Highlights Q3 2017

### 56% growth – combined ratio on track

Protector delivers an operating profit of NOK 149,1 million in the third quarter of 2017. Premium growth continues with gross written premiums up 56,3% compared to Q3 2016 and 18,9% for the YTD. The growth is primarily driven by Norway, Sweden and UK.

Q3 2017 shows the following development compared to Q3 2016:

- Gross premiums written NOK 645,1m, up 56,3% from NOK 412,8m
- Net combined ratio 93,3%, down from 97,1%
- Profit before tax NOK 149,1m, down from NOK 170,5m
- Net financial income of NOK 114,9m (1,2%), down from NOK 160,7m (2,2%)

### Financial highlights and key ratios

[1.000.000 NOK]	Q3 2017	Q3 2016	YTD 2017	YTD 2016	FY 2016
Gross premiums written	<b>645,1</b>	412,8	<b>3 623,0</b>	3 046,7	3 439,0
Gross premiums earned	<b>1 022,2</b>	825,9	<b>2 808,1</b>	2 481,8	3 250,4
Gross claims incurred	<b>(1 106,6)</b>	(775,5)	<b>(3 152,9)</b>	(2 264,7)	(3 005,0)
Earned premiums, net of reinsurance	<b>749,6</b>	692,3	<b>2 217,6</b>	2 044,3	2 669,0
Claims incurred, net of reinsurance	<b>(646,0)</b>	(618,8)	<b>(1 980,0)</b>	(1 907,8)	(2 540,4)
Net commission income	<b>2,3</b>	8,6	<b>122,1</b>	128,2	118,5
Operating expenses	<b>(55,7)</b>	(62,0)	<b>(146,9)</b>	(125,9)	(167,0)
Other income/costs	<b>(15,9)</b>	(10,3)	<b>(44,3)</b>	(17,4)	(38,3)
Net financial income	<b>114,9</b>	160,7	<b>257,5</b>	349,3	499,3
<b>Profit before tax</b>	<b>149,1</b>	<b>170,5</b>	<b>426,0</b>	<b>470,6</b>	<b>541,1</b>
Claims ratio, net of ceded business	(1) <b>86,2 %</b>	89,4 %	<b>89,3 %</b>	93,3 %	95,2 %
Expense ratio, net of ceded business	(2) <b>7,1 %</b>	7,7 %	<b>1,1 %</b>	-0,1 %	1,8 %
<b>Combined ratio, net of ceded business</b>	(3) <b>93,3 %</b>	<b>97,1 %</b>	<b>90,4 %</b>	<b>93,2 %</b>	<b>97,0 %</b>
Gross claims ratio	(4) <b>108,3 %</b>	93,9 %	<b>112,3 %</b>	91,3 %	92,5 %
Gross expense ratio	(5) <b>7,3 %</b>	9,1 %	<b>7,3 %</b>	6,7 %	6,8 %
<b>Gross combined ratio</b>	(6) <b>115,5 %</b>	<b>103,0 %</b>	<b>119,6 %</b>	<b>98,0 %</b>	<b>99,2 %</b>
Retention rate	(7) <b>73,3 %</b>	83,8 %	<b>79,0 %</b>	82,4 %	82,1 %
Earnings per share	(8) <b>1,46</b>	1,66	<b>3,97</b>	4,45	5,25

(1) Claims incurred, net of reinsurance in % of earned premiums, net of reinsurance

(2) Operating expenses in % of earned premiums, net of reinsurance

(3) Net claims ratio + net expense ratio

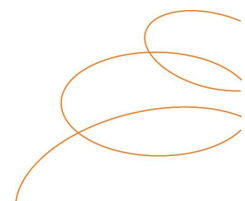
(4) Gross claims incurred in % of gross premiums earned

(5) Sales and administration costs in % of gross premiums earned

(6) Gross claims ratio + gross expense ratio

(7) Earned premiums, net of reinsurance in % of gross earned premiums

(8) Profit before other comprehensive income divided by weighted number of shares



## Protector's operations

Protector Forsikring ASA is a Norwegian general insurance company (P&C) operating in the Nordic region and in the UK.

Protector entered the Swedish insurance market in 2011, the Danish insurance market in 2012 and Finland and UK in 2016.

The company has three business segments: commercial lines of business, public lines of business and change of ownership insurance in Norway. Protector Forsikring ASA is listed on the Oslo Stock Exchange.

## Premiums

Gross premiums written totalled NOK 645,1m, representing a 56,3% growth compared to Q3 2016. In Sweden GWP increased 58,2% to NOK 165,7m compared with Q3 2016. Excluding UK and Finland, Norway had a 36,5% increase to NOK 391,6m and Denmark had an increase of 111,1% to NOK 41,0m in what is a small quarter.

Gross premiums written year to date rose by NOK 576,3m, or 18,9% from NOK 3.046,7m to NOK 3.623,0m, of which UK had a total of NOK 198,3m and Finland a total of NOK 54,1m.

Gross premiums written within the commercial and public sector totalled NOK 486,1m in Q3 2017, up from NOK 275,0m in Q3 2016. Gross premiums written within the change of ownership insurance totalled NOK 158,9m in Q3 2017, a 15,4% increase compared to Q3 2016.

Gross premiums earned increased by NOK 196,3m to a total of NOK 1.022,2m. The growth was 33,8% in Sweden. Excluding UK and Finland, Norway had an increase of 8,3% while Denmark had an increase of 21,2% compared to Q3 2016. Year to date, the gross premiums earned increased by NOK 326,3m to NOK 2.808,1m, of which UK had a total of NOK 98,5m and Finland a total of NOK 40,2m.

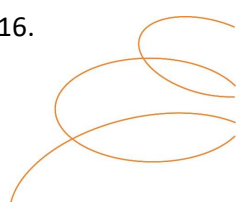
Premiums earned for own account totalled NOK 749,6, an increase of 8,3% compared to Q3 2016, whilst premiums earned for own account year to date increased by 8,5% to NOK 2.217,6m. The company entered into a new quota share agreement effective as of July 1<sup>st</sup>, 2017 with a 10% cession rate, which decrease the growth in premiums earned for own account and the retention rate.

## Results

The operating profit before tax totalled NOK 149,1m, down from 170,5m in Q3 2016. Year to date 2017 the operating profit before tax totalled NOK 426,0m, down 9,5% from the same period last year.

In Q3 the net profit was NOK 112,6m against a net profit of NOK 133,6m in Q3 2016. For Q1-Q3 2017, the net profit totalled NOK 358,6m, compared to NOK 366,0m in Q1-Q3 2016.

The net combined ratio was 93,3%, 3,8 percentage points lower than the 97,1% reported in Q3 2016. Net combined ratio for the quarter was 93,7% in Norway (incl. UK and Finland), 88,8% in Sweden and 97,9% in Denmark. In Q1-Q3, the net combined ratio was 90,4%, compared to 93,2% in Q1-Q3 2016.



The YTD net combined ratio was 89,0% (93,4%) in Norway, 86,0% (81,0%) in Sweden and 101,7% (106,5%) in Denmark.

In Q3 the company had run-off losses of 4,0% and for the year to date the company had run-off gains of 0,3%.

Gross claims ratio was 108,3%, up from 93,9% in Q3 2016 mainly driven by the Grenfell Tower fire in UK. Net claims ratio was 86,2%, down from 89,4% in Q3 2016. The gross expense ratio was 7,3% down from 9,1% in Q3 2016, whilst the net expense ratio was 7,1%, down from 7,7%.

### **Investment return**

Net investment portfolio amounted to a total of NOK 9.304m at 30 September 2017, up 22,6% compared to the portfolio end of Q3 2016.

Investment activities yielded a total return of NOK 114,9m, or 1,2% compared to a return of NOK 160,7m or 2,2% in Q3 2016. Equities accounted for a NOK 52,1m gain (3,3%) against a NOK 58,0m gain (3,6%) in Q3 2016. Return on the fixed income portfolio totalled NOK 62,8m or 0,9% against NOK 102,7m or 1,8% in Q3 2016.

YTD, the investment result was NOK 257,5m (3,0%) against NOK 349,3 (4,9%). Equities accounted for a NOK 67,6m gain (4,3%) against NOK 130,3m gain (9,1%). Return on the fixed income portfolio totalled NOK 189,9m or 2,7% against NOK 219,0 or 3,9%.

End of Q3 2017, 17,5% of Protector's financial assets were invested in equities, down from 21,5% at the end of 2016.

### **Capital and shareholder matters**

The company is well capitalized under the Solvency II regime. Solvency capital requirement (SCR) ratio using standard formula is 193% as of 30.09.2017, which is within the company's risk appetite.

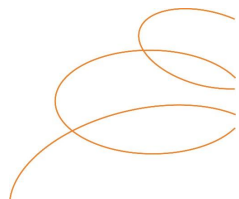
### **Prospects**

The Board is satisfied with the overall premium growth and the financial results and expects continued strong growth in 2017, despite strong competition in all markets.

The Grenfell Tower catastrophe clearly demonstrated the inherent volatility in our core business. Proper reinsurance arrangements have limited the direct net effect on the company. However, uncertainty in claims development, and the inherent volatility of capital markets, are continued to be the most important risk factors that could affect the company's profit in 2017.

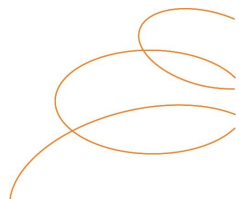
Oslo, 26th October 2017

*The Board of Directors of Protector Forsikring ASA*



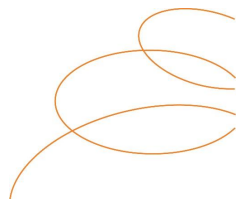
## Income statement

[1.000.000 NOK]	Q3 2017	Q3 2016	YTD 2017	YTD 2016	FY 2016
<b>Premium income</b>					
Gross premiums earned	1 022,2	825,9	2 808,1	2 481,8	3 250,4
Reinsurers' share of earned premiums	(272,6)	(133,6)	(590,5)	(437,5)	(581,3)
<b>Earned premiums, net of reinsurance</b>	<b>749,6</b>	<b>692,3</b>	<b>2 217,6</b>	<b>2 044,3</b>	<b>2 669,0</b>
<b>Other insurance-related income</b>	<b>2,3</b>	<b>2,1</b>	<b>4,3</b>	<b>13,0</b>	<b>15,4</b>
<b>Claims incurred</b>					
Gross claims incurred	(1 106,6)	(775,5)	(3 152,9)	(2 264,7)	(3 005,0)
Reinsurers' share of claims incurred	460,6	156,7	1 172,9	356,9	464,7
<b>Claims incurred, net of reinsurance</b>	<b>(646,0)</b>	<b>(618,8)</b>	<b>(1 980,0)</b>	<b>(1 907,8)</b>	<b>(2 540,4)</b>
<b>Operating expenses</b>					
Sales costs	(18,8)	(13,5)	(59,0)	(41,6)	(53,8)
Administration costs	(55,7)	(62,0)	(146,9)	(125,9)	(167,0)
Commission from reinsurers	21,1	22,0	181,0	169,7	172,3
<b>Total operating expenses, net of reinsurance</b>	<b>(53,4)</b>	<b>(53,4)</b>	<b>(24,8)</b>	<b>2,2</b>	<b>(48,6)</b>
<b>Other insurance-related expenses</b>	<b>(1,9)</b>	<b>(3,5)</b>	<b>(7,1)</b>	<b>(11,6)</b>	<b>(25,8)</b>
<b>Technical result</b>	<b>50,6</b>	<b>18,6</b>	<b>210,0</b>	<b>140,2</b>	<b>69,7</b>
Net income from financial assets	114,9	160,7	257,5	349,3	499,3
Other income	0,0	0,1	0,1	0,3	0,4
Other expenses	(16,3)	(9,0)	(41,6)	(19,2)	(28,2)
<b>Non-technical result</b>	<b>98,6</b>	<b>151,9</b>	<b>216,0</b>	<b>330,5</b>	<b>471,4</b>
<b>Profit before tax</b>	<b>149,1</b>	<b>170,5</b>	<b>426,0</b>	<b>470,6</b>	<b>541,1</b>
Tax	(23,1)	(27,3)	(83,6)	(87,0)	(88,4)
<b>Profit before components of comprehensive in</b>	<b>126,0</b>	<b>143,2</b>	<b>342,4</b>	<b>383,6</b>	<b>452,7</b>
Actuarial gain and loss from defined benefit pension p	-	(6,8)	-	(6,8)	(1,2)
Currency changes from foreign enterprise	(17,9)	(6,2)	21,6	(16,9)	(3,3)
Taxes on components of comprehensive income	4,5	3,4	(5,4)	6,1	1,1
<b>Profit for the period</b>	<b>112,6</b>	<b>133,6</b>	<b>358,6</b>	<b>366,0</b>	<b>449,3</b>
Earnings per share	1,46	1,66	3,97	4,45	5,25
Earnings per share, diluted	1,46	1,66	3,97	4,45	5,25



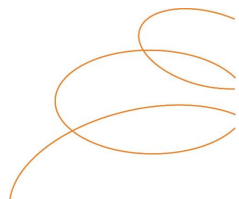
## Balance Sheet

[1.000.000 NOK]	30.09.2017	30.09.2016	31.12.2016
<b>Assets</b>			
<b>Intangible fixed assets</b>			
Other intangible fixed assets	19,2	15,6	15,8
<b>Total intangible fixed assets</b>	<b>19,2</b>	<b>15,6</b>	<b>15,8</b>
<b>Buildings and other real estates</b>			
Owner-occupied property	13,6	13,6	13,7
<b>Total buildings and other real estates</b>	<b>13,6</b>	<b>13,6</b>	<b>13,7</b>
<b>Financial assets</b>			
Shares	1 599,4	1 616,4	1 670,2
Securities, bonds etc	7 592,1	5 846,3	5 225,0
Financial derivatives	6,0	20,0	1,3
Other financial assets	106,8	105,3	651,8
<b>Total financial assets</b>	<b>9 304,4</b>	<b>7 588,0</b>	<b>7 548,3</b>
<b>Reinsurers share of gross technical provisions</b>			
Reinsurers share of gross premium provisions	368,8	151,1	66,0
Reinsurers share of gross claims provisions	1 852,6	630,8	638,2
<b>Total reinsurers share of gross technical provisions</b>	<b>2 221,4</b>	<b>781,9</b>	<b>704,1</b>
<b>Receivables</b>			
Policyholders	143,0	114,7	83,8
Intermediaries	123,3	106,3	76,4
Other receivables	19,4	3,8	16,3
<b>Total receivables</b>	<b>285,7</b>	<b>224,8</b>	<b>176,4</b>
<b>Other assets</b>			
Tangible fixed assets	16,0	13,1	12,4
Cash and bank deposits	268,1	127,0	204,3
<b>Total other assets</b>	<b>284,1</b>	<b>140,1</b>	<b>216,7</b>
<b>Total prepaid expenses</b>	<b>234,7</b>	<b>131,6</b>	<b>182,9</b>
<b>Total assets</b>	<b>12 362,9</b>	<b>8 895,6</b>	<b>8 858,0</b>



## Balance Sheet

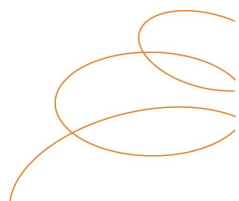
[1.000.000 NOK]	30.09.2017	30.09.2016	31.12.2016
<b>Equity and liabilities</b>			
<b>Shareholders' equity</b>			
Share capital [86.155.605 shares]	86,2	86,2	86,2
Own shares	(0,1)	-	-
Other paid-in equity	267,7	267,7	267,7
<b>Total paid-in equity</b>	<b>353,7</b>	<b>353,7</b>	<b>353,8</b>
<b>Earned equity</b>			
Natural perils fund	29,2	2,0	8,3
Guarantee scheme	85,7	82,0	83,3
Other equity	1 964,7	1 747,1	1 822,7
<b>Total earned equity</b>	<b>2 079,6</b>	<b>1 831,2</b>	<b>1 914,4</b>
<b>Total equity</b>	<b>2 433,3</b>	<b>2 184,9</b>	<b>2 268,2</b>
<b>Subordinated loan capital</b>	<b>1 243,3</b>	645,9	645,9
<b>Technical provisions</b>			
Provisions for unearned premiums	1 413,3	959,9	590,7
Provisions for claims	5 951,6	4 400,1	4 557,2
<b>Total technical provisions</b>	<b>7 364,9</b>	<b>5 360,0</b>	<b>5 148,0</b>
<b>Provisions for other risks and liabilities</b>			
Pension liabilities	10,9	22,3	10,9
Current tax liability	16,4	10,9	8,9
Deferred tax liability	151,9	154,4	156,9
<b>Total provisions for other risks and liabilities</b>	<b>179,2</b>	<b>187,6</b>	<b>176,8</b>
<b>Liabilities</b>			
Liabilities in connection with insurance	61,4	64,8	7,3
Liabilities in connection with reinsurance	884,5	224,4	196,8
Financial derivatives	6,1	0,2	2,9
Other liabilities	46,6	109,0	78,4
<b>Total liabilities</b>	<b>998,6</b>	<b>398,3</b>	<b>285,5</b>
<b>Incurred expenses and prepaid income</b>			
Other incurred expenses and prepaid income	143,6	118,9	333,7
<b>Total incurred expenses and prepaid income</b>	<b>143,6</b>	<b>118,9</b>	<b>333,7</b>
<b>Total equity and liabilities</b>	<b>12 362,9</b>	<b>8 895,6</b>	<b>8 858,0</b>





## Cash flow statement

[1.000.000 NOK]	Q3 2017	Q3 2016	Q1 -Q3 2017	Q1-Q3 2016
<b>Cash flow from operations</b>				
Paid in premiums	793,7	528,9	3 264,2	2 692,5
Paid claims	(547,5)	(393,4)	(1 757,1)	(1 563,7)
Paid reinsurance	34,5	(22,5)	(71,7)	(138,8)
Paid operating expenses including commissions	(197,4)	(77,1)	(231,1)	(217,7)
Interest / dividend income	64,1	35,5	176,1	136,2
Net payments from financial instruments	(318,4)	(407,3)	(2 223,1)	(1 123,9)
Payable tax	48,3	(0,1)	22,8	(122,7)
<b>Net cash flow from operations</b>	<b>(122,7)</b>	<b>(336,0)</b>	<b>(819,9)</b>	<b>(338,0)</b>
<b>Cash flow from investment activities</b>				
Net investments in equities	-	-	(3,6)	-
Invested in own occupied property	-	(0,1)	(0,3)	(0,4)
Invested in fixed assets	(0,5)	(1,2)	(8,8)	(4,0)
Invested in intangible assets	(5,4)	(2,2)	(10,4)	(6,2)
<b>Net cash flow from investment activities</b>	<b>(5,9)</b>	<b>(3,5)</b>	<b>(23,2)</b>	<b>(10,6)</b>
<b>Cash flow from financial activities</b>				
Dividend paid	-	-	(193,8)	(193,9)
Proceeds from subordinated loan	1,9	(2,3)	597,4	497,8
Interest payments on subordinated loan	(14,9)	(6,3)	(41,7)	(14,1)
<b>Net cash flow from financial activities</b>	<b>(13,0)</b>	<b>(8,6)</b>	<b>361,9</b>	<b>289,8</b>
<b>Net cash flow for the period</b>	<b>(141,7)</b>	<b>(348,0)</b>	<b>(481,2)</b>	<b>(58,8)</b>
Net change in cash and cash equivalents	(141,7)	(348,0)	(481,2)	(58,8)
Cash and cash equivalents opening balance	516,6	580,4	856,1	291,1
<b>Cash and cash equivalents closing balance</b>	<b>374,9</b>	<b>232,3</b>	<b>374,9</b>	<b>232,3</b>



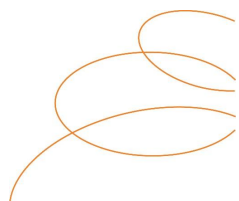


## Statement of changes in equity

	Share Capital	Own shares	Other paid-in equity	Natural perils fund	Guarantee scheme	Other equity	Total
Equity at 31.12.2015	86,2	-	267,7	0,2	77,7	1 580,9	2 012,7
Profit for the period	-	-	-	(8,8)	1,3	17,2	9,7
Equity at 31.03.2016	86,2	-	267,7	(8,6)	79,1	1 598,1	2 022,4
Dividend pay out						(193,9)	(193,9)
Profit for the period	-	-	-	5,8	1,7	215,3	222,7
Equity at 30.06.2016	86,2	-	267,7	(2,8)	80,7	1 619,5	2 051,3
Profit for the period	-	-	-	4,8	1,2	127,6	133,6
Equity at 30.09.2016	86,2	-	267,7	2,0	82,0	1 747,1	2 184,9
Profit for the period	-	-	-	6,3	1,3	75,6	83,3
Equity at 31.12.2016	86,2	267,7	267,7	8,3	83,3	1 822,7	2 268,2
Profit for the period	-		-	8,5	1,4	71,1	81,0
Own shares		(3,6)					(3,6)
Equity at 31.03.2017	86,2	(3,6)	267,7	16,9	84,7	1 893,8	2 345,6
Profit for the period	-	0,0	-	6,9	6,1	151,1	164,2
Dividend pay out						(193,8)	(193,8)
Equity at 30.06.2017	86,2	(3,6)	267,7	23,8	90,8	1 851,6	2 316,4
<b>Profit for the period</b>	-		-	<b>5,4</b>	<b>(5,1)</b>	<b>113,1</b>	<b>113,5</b>
<b>Own shares</b>		<b>3,5</b>					<b>3,5</b>
<b>Equity at 30.09.2017</b>	<b>86,2</b>	<b>(3,6)</b>	<b>267,7</b>	<b>29,2</b>	<b>85,7</b>	<b>1 964,7</b>	<b>2 433,3</b>

## Accounting principles

These interim accounts have been prepared in accordance with the Financial Statement Regulation for Non-life Insurance Companies (Forskrift om årsregnskap for skadeforsikringsselskaper) and IAS 34 and in line with the accounting principles described in the annual report for 2016. The company's financial statements are prepared in accordance with the Norwegian Accounting Act, Financial Statement Regulation for Non-life Insurance Companies and generally accepted accounting principles. For further information, please see the 2016 annual report.



## Segment information

[1.000.000 NOK]	Norway			Sweden			Denmark		
	Q3 2017	Q3 2016	FY 2016	Q3 2017	Q3 2016	FY 2016	Q3 2017	Q3 2016	FY 2016
Gross premiums written	438,3	288,6	1 968,5	165,7	104,7	815,4	41,0	19,4	655,1
Gross premiums earned	582,7	482,8	1 920,1	251,0	187,5	670,2	188,5	155,5	660,1
Gross claims incurred	(761,8)	(433,4)	(1 871,9)	(182,8)	(123,3)	(462,9)	(162,0)	(218,8)	(670,2)
Earned premiums, net of reinsurance	455,4	426,0	1 666,7	171,2	150,6	511,1	123,0	115,7	491,3
Other income	1,4	2,0	15,1	0,0	0,0	(0,0)	0,9	0,1	0,4
Claims incurred, net of reinsurance	(400,3)	(352,6)	(1 602,8)	(128,6)	(105,2)	(386,1)	(117,1)	(161,0)	(551,5)
Sales costs	(0,8)	(0,8)	(1,7)	(18,0)	(12,6)	(52,1)	-	-	-
Administration costs	(31,8)	(28,5)	(64,5)	(14,6)	(16,9)	(51,9)	(9,3)	(16,6)	(50,7)
Commission from reinsurers	6,0	9,2	86,4	9,3	4,5	39,8	5,8	8,4	46,1
Other expenses	(1,8)	(3,5)	(25,4)	(0,1)	(0,0)	(0,3)	(0,0)	(0,0)	(0,1)
Net financial income	100,4	129,7	437,0	16,5	15,6	29,6	(1,9)	15,5	32,7
Other income/costs	(16,2)	(8,9)	(27,7)	(0,0)	(0,0)	(0,1)	(0,0)	(0,0)	(0,1)
<b>Operating profit before tax</b>	<b>112,2</b>	<b>172,6</b>	<b>483,0</b>	<b>35,5</b>	<b>35,8</b>	<b>90,1</b>	<b>1,5</b>	<b>(38,0)</b>	<b>(32,0)</b>
Claims ratio, net of ceded business	87,9 %	82,8 %	96,2 %	75,2 %	69,9 %	75,5 %	95,1 %	139,2 %	112,3 %
Expense ratio, net of ceded business	5,8 %	4,7 %	-1,2 %	13,7 %	16,6 %	12,6 %	2,8 %	7,1 %	0,9 %
<b>Combined ratio, net of ceded business</b>	<b>93,7 %</b>	<b>87,5 %</b>	<b>95,0 %</b>	<b>88,8 %</b>	<b>86,5 %</b>	<b>88,1 %</b>	<b>97,9 %</b>	<b>146,3 %</b>	<b>113,2 %</b>
Gross claims ratio	130,7 %	89,8 %	97,5 %	72,8 %	65,8 %	69,1 %	85,9 %	140,7 %	101,5 %
Gross expense ratio	5,6 %	6,1 %	3,4 %	13,0 %	15,7 %	15,5 %	4,9 %	10,7 %	7,7 %
<b>Gross combined ratio</b>	<b>136,3 %</b>	<b>95,8 %</b>	<b>100,9 %</b>	<b>85,9 %</b>	<b>81,5 %</b>	<b>84,6 %</b>	<b>90,8 %</b>	<b>151,3 %</b>	<b>109,2 %</b>

[1.000.000 NOK]	Norway			Sweden			Denmark		
	YTD 2017	YTD 2016	FY 2016	YTD 2017	YTD 2016	FY 2016	YTD 2017	YTD 2016	FY 2016
Gross premiums written	2 015,7	1 700,6	1 968,5	939,3	737,1	815,4	668,0	609,0	655,1
Gross premiums earned	1 628,2	1 442,2	1 920,1	661,5	547,7	670,2	518,3	491,8	660,1
Gross claims incurred	(2 131,9)	(1 418,8)	(1 871,9)	(537,6)	(346,8)	(462,9)	(483,5)	(499,1)	(670,2)
Earned premiums, net of reinsurance	1 372,8	1 246,2	1 666,7	487,4	427,2	511,1	357,3	370,9	491,3
Other income	3,3	12,7	15,1	0,1	0,0	(0,0)	0,9	0,3	0,4
Claims incurred, net of reinsurance	(1 199,1)	(1 199,6)	(1 602,8)	(390,0)	(306,8)	(386,1)	(390,9)	(401,4)	(551,5)
Sales costs	(7,2)	(1,3)	(1,7)	(51,7)	(40,3)	(52,1)	-	-	-
Administration costs	(75,5)	(42,7)	(64,5)	(38,9)	(40,8)	(51,9)	(32,5)	(42,4)	(50,7)
Commission from reinsurers	59,6	79,2	86,4	61,5	41,8	39,8	59,9	48,8	46,1
Other expenses	(6,8)	(10,2)	(25,4)	(0,2)	(0,1)	(0,3)	(0,0)	(1,3)	(0,1)
Net financial income	214,3	304,4	437,0	27,6	21,8	29,6	15,6	23,2	32,7
Other income/costs	(41,1)	(18,8)	(27,7)	(0,3)	(0,0)	(0,1)	(0,1)	(0,0)	(0,1)
<b>Operating profit before tax</b>	<b>320,3</b>	<b>369,9</b>	<b>483,0</b>	<b>95,5</b>	<b>102,8</b>	<b>90,1</b>	<b>10,2</b>	<b>(2,0)</b>	<b>(32,0)</b>
Claims ratio, net of ceded business	87,4 %	96,3 %	96,2 %	80,0 %	71,8 %	75,5 %	109,4 %	108,2 %	112,3 %
Expense ratio, net of ceded business	1,7 %	-2,8 %	-1,2 %	6,0 %	9,2 %	12,6 %	-7,7 %	-1,7 %	0,9 %
<b>Combined ratio, net of ceded business</b>	<b>89,0 %</b>	<b>93,4 %</b>	<b>95,0 %</b>	<b>86,0 %</b>	<b>81,0 %</b>	<b>88,1 %</b>	<b>101,7 %</b>	<b>106,5 %</b>	<b>113,2 %</b>
Gross claims ratio	130,9 %	98,4 %	97,5 %	81,3 %	63,3 %	69,1 %	93,3 %	101,5 %	101,5 %
Gross expense ratio	5,1 %	3,0 %	3,4 %	13,7 %	14,8 %	15,5 %	6,3 %	8,6 %	7,7 %
<b>Gross combined ratio</b>	<b>136,0 %</b>	<b>101,4 %</b>	<b>100,9 %</b>	<b>95,0 %</b>	<b>78,1 %</b>	<b>84,6 %</b>	<b>99,6 %</b>	<b>110,1 %</b>	<b>109,2 %</b>

## Financial assets, fair value estimation

Financial assets through profit or loss [1.000.000 NOK]	Currency	Level 1	Level 2	Level 3	Total
Shares	NOK	1465	134	-	<b>1 599</b>
Bonds and other fixed income securities	NOK	6 532	1060	0	<b>7 592</b>
Cash and cash equivalents	NOK	107	-	-	<b>107</b>
Foreign currency contracts	NOK	-	6	-	<b>6</b>
<b>Total assets Q3 2017</b>	<b>NOK</b>	<b>8 104</b>	<b>1200</b>	<b>0</b>	<b>9 304</b>
<b>Total assets Q3 2016</b>	<b>NOK</b>	<b>5 188</b>	<b>2 401</b>		<b>7 588</b>

Financial liabilities at fair value through profit or loss [1.000.000 NOK]	Currency	Level 1	Level 2	Level 3	Total
Foreign exchange contracts	NOK	-	-6	-	<b>-6</b>
Liabilities to credit institutions	NOK	0	-	-	<b>0</b>
<b>Total financial liabilities Q3 2017</b>		<b>0</b>	<b>-6</b>	<b>0</b>	<b>-6</b>
<b>Total financial liabilities Q3 2016</b>		<b>(75)</b>	<b>0</b>	<b>-</b>	<b>-76</b>

During the quarter, changes were made to the classification of currency derivatives. Previously, currency derivatives were posted gross.

This has now been changed so that each contract are posted net. Derivatives with a positive market value are shown as assets and derivatives with a negative market value are shown as liabilities. Comparable figures have been restated

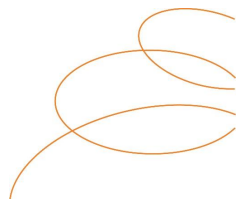
Fair value of financial assets traded in active markets are based on market value on the accounting day. A market is considered active if the market rates are easily and regularly available from a stock exchange, distributor, broker, industrial classification, price-setting service or regulatory authority, and these prices represent actual and regularly occurring market transactions at arm's length. The market price applied to financial assets is the existing bid price. These instruments are included in level 1.

Fair value of financial instruments not traded in an active market is determined by using valuation methods. These valuation methods maximise the use of observable data where available, and are based as little as possible on own estimates. The instrument is included in level 2 if all essential data are based on observable market data.

The instrument is included in level 3 if one or more essential data are not based on observable market data.

## Capital Ratio and Solvency Margin

(1.000.000 NOK)	30.09.2017	30.09.2016	31.12.2016
Total solvency capital requirement	<b>1 757</b>	1602	1573
<b>Total eligible own funds to meet SCR</b>	<b>3 383</b>	2 487	2 562
Ratio of Eligible own funds to SCR	<b>193 %</b>	155 %	163 %
Total minimum capital requirement	<b>783</b>	646	677
Ratio of Eligible own funds to MCR	<b>340 %</b>	299 %	298 %



## Quarterly outline

[1.000.000 NOK]	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015
<b>Gross premiums written</b>	<b>645,1</b>	<b>890,5</b>	<b>2 087,4</b>	<b>392,3</b>	<b>412,8</b>	<b>721,8</b>	<b>1 912,2</b>	<b>325,3</b>	<b>366,5</b>
Gross premiums earned	1 022,2	927,3	858,6	768,6	825,9	873,0	782,9	698,7	719,9
Gross claims incurred	(1 106,6)	(1 262,0)	(784,4)	(740,3)	(775,5)	(781,4)	(707,7)	(617,0)	(585,2)
Earned premiums, net of reinsurance	749,6	757,8	710,2	624,7	692,3	720,4	631,6	535,1	562,4
Other income	2,3	0,8	1,1	2,4	2,1	0,8	10,1	0,9	1,1
Claims incurred, net of reinsurance	(646,0)	(675,7)	(658,3)	(632,6)	(618,8)	(679,0)	(610,0)	(475,7)	(461,5)
Sales costs	(18,8)	(25,1)	(15,1)	(12,2)	(13,5)	(13,7)	(14,4)	(9,9)	(8,0)
Administration costs	(55,7)	(44,9)	(46,3)	(41,1)	(62,0)	(30,7)	(33,2)	(56,9)	(37,8)
Commission from reinsurers	21,1	58,3	101,6	2,5	22,0	48,1	99,6	25,5	8,7
Other expenses	(1,9)	(1,6)	(3,6)	(14,3)	(3,5)	(4,0)	(4,1)	(2,5)	(1,4)
Net financial income	114,9	116,1	26,6	149,9	160,7	220,5	(31,9)	152,8	(19,9)
Other income/costs	(16,3)	(16,2)	(9,0)	(9,0)	(8,9)	(7,4)	(2,6)	(2,8)	(2,8)
<b>Profit before tax</b>	<b>149,1</b>	<b>169,5</b>	<b>107,3</b>	<b>70,5</b>	<b>170,5</b>	<b>254,9</b>	<b>45,2</b>	<b>166,5</b>	<b>40,7</b>
Tax	(23,1)	(22,9)	(37,5)	(1,4)	(27,3)	(31,1)	(28,6)	(16,4)	6,7
<b>Profit before components of comprehensive income</b>	<b>126,0</b>	<b>146,6</b>	<b>69,8</b>	<b>69,1</b>	<b>143,2</b>	<b>223,8</b>	<b>16,6</b>	<b>150,1</b>	<b>47,4</b>
Components of comprehensive income	(17,9)	24,5	15,0	19,2	(13,0)	(1,5)	(9,2)	2,8	15,1
Taxes on components of comprehensive income	4,5	(6,1)	(3,7)	(4,9)	3,4	0,4	2,3	0,9	(5,7)
<b>Profit for the period</b>	<b>112,6</b>	<b>165,0</b>	<b>81,0</b>	<b>83,3</b>	<b>133,6</b>	<b>222,7</b>	<b>9,7</b>	<b>153,8</b>	<b>56,8</b>

