



# Protector Forsikring ASA

Interim results Q1 2008

April 30th 2008

# Agenda

## → Highlights

Commercial and public lines of business

Change of ownership insurance

Financial information

Outlook 2008

## Highlights Q1 2008

- Strong growth, GPW NOK 318.5 mill, up 34%
- Operating profit, NOK 11.2 mill, down 74%
  - Change in reinsurance structure, effect in Q1 –MNOK 15, operating profit will increase with MNOK 15 in Q2 – Q4
  - Negative return on investments, effect on Q1 -MNOK 20
- Net combined ratio, 93.2%, up from 49.3%
- Return on investments, -0.4%, down from 0.86%
  - Return on investments normalized April 29th

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## Commercial and public lines of business

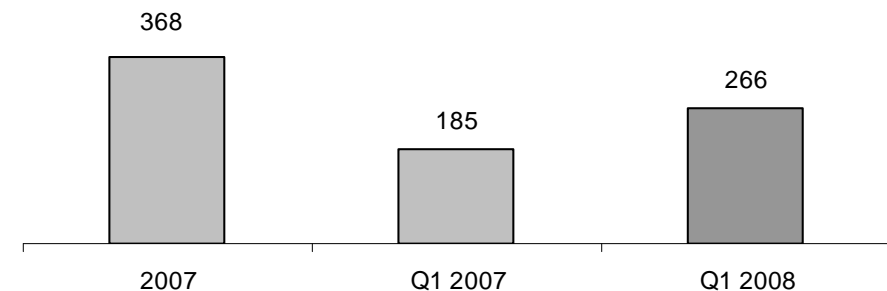
- Fast growing
- Top class in-house underwriting
- Seeking cost leadership
- Preferred by the broker
- Scalable business model

# Commercial and public lines of business

## Highlights Q1 2008

- 44% volume growth (stronger than expected)
  - Better than expected in lower end of market and February 1st.
- Renewal rate 98% supported by index- and some price increases
- New law makes commissions illegal from July 1st. Neutral influence on Protector.
- Skill transfer program started in order to meet sales and renewal season October 1st with higher quality and efficiency
- Normal claims level for Q1
  - One medium sized fire (> 5 MNOK)
- Still very difficult in top end of the market
  - One new customer > 3 MNOK (slightly more)

## Gross written premium (MNOK)



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## Change of ownership insurance

- Market leader
- Quality leader
  - Sale & service
  - Claims handling
- Cost leader
- Best database

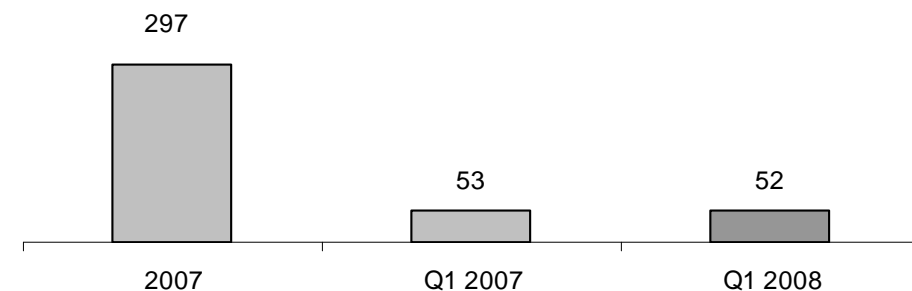


# Change of ownership insurance

## Highlights Q1 2008

- Maintained market share, 54%
- Soft landing Q1 in Norwegian real estate market.
- Hit Ratio stable
- Increased average claims cost slightly higher than expected
- Claims frequency lower than expected
- Lawsuit ratio lower than calculated. Trend or only one quarter?

## Gross written premium (MNOK)



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# Results Q1 2008

MNOK	Q1 2008	Q1 2007	2007
<b>Premiums written gross</b>	<b>318,5</b>	<b>238,2</b>	<b>664,9</b>
Premiums earned gross	164,3	138,7	649,6
Claims incurred gross	(127,7)	(101,7)	(533,6)
Premiums earned for own account	205,8	71,8	375,8
Claims incurred for own account	(178,5)	(43,0)	(268,8)
Operating costs	(13,3)	7,6	(53,9)
Net financial income	(4,6)	5,7	40,2
Other income	1,8	1,1	6,9
<b>Profit before change in security provision etc.</b>	<b>11,2</b>	<b>43,2</b>	<b>100,1</b>
Change in security provision etc.	(14,6)	(8,6)	(51,9)
<b>Profit after change in security provision etc.</b>	<b>(3,4)</b>	<b>34,6</b>	<b>48,2</b>
Net claims ratio	86,8 %	59,9 %	71,5 %
Net cost ratio	6,5 %	-10,5 %	14,4 %
<b>Net combined ratio</b>	<b>93,2 %</b>	<b>49,3 %</b>	<b>85,9 %</b>

Note:

*Net claims ratio = claims incurred for own account / NPE*

*Net cost ratio = (sales costs + admin costs + commission on reinsurance ceded)/NPE*

## Balance sheet Q1 2008

MNOK	31.03.2008	31.03.2007	31.12.2007
Financial assets	1 225,9	667,3	1 143,0
Bank deposits	94,4	125,8	91,2
Other assets	489,5	527,9	474,5
<b>Total assets</b>	<b>1 809,8</b>	<b>1 321,0</b>	<b>1 708,7</b>
Total equity	500,7	292,7	544,4
Total reserves	1 028,5	669,1	832,4
Other liabilities	280,5	359,1	331,8
<b>Total equity and liabilities</b>	<b>1 809,8</b>	<b>1 321,0</b>	<b>1 708,7</b>
Solvency capital	613,5	353,5	642,6
Return on solvency capital	7 %	51 %	21 %
Solvency capital per share (NOK)	6,4	4,2	6,4
Solvency margin	49 %	102 %	161 %
Capital ratio	96 %	89 %	121 %
NAV	590,9	341,3	622,9
NAV per share	6,2	4,1	6,2

Note:

*Solvency Capital = shareholder's funds + security reserve etc.*

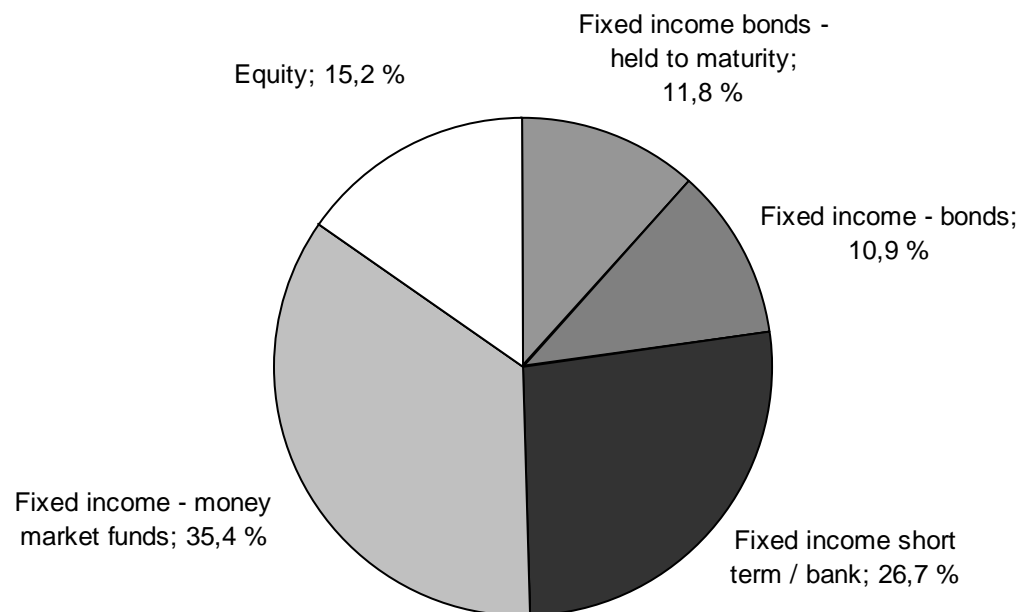
*Return on solvency capital: Operating profit /solvency capital. Quarterly figures are annualised*

*Solvency margin = solvency capital / NPW. Quarterly figures are annualised*

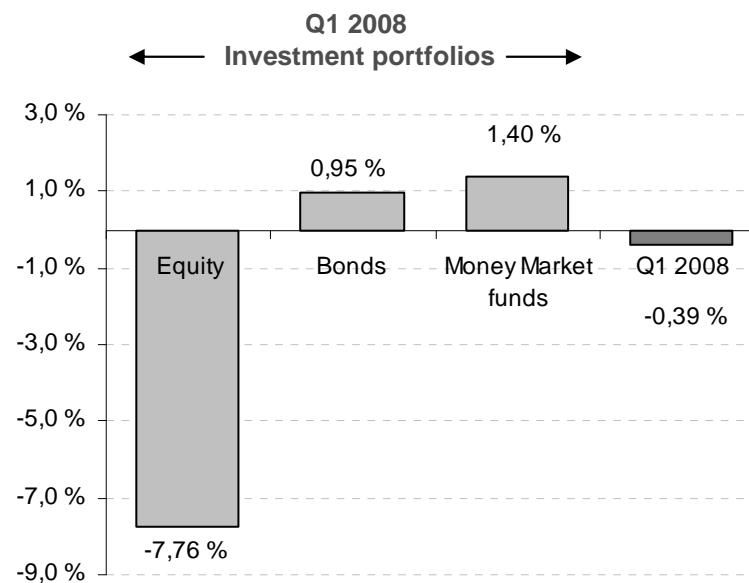
*NAV = total equity pluss 80% of the total security provision etc.*

# Allocation of investments and investment result

Allocation of investments 31 March 08



Investment result Q1 08



Total financial assets 31 March 08:  
Net financial income Q1 08:

MNOK 1.226  
- MNOK 4,6

# Shareholder matters 23 Apr 2008

Shareholder	No. shares	Percent
Protector Forsikring ASA	7 774 047	7,5 %
Verdipapirfond Odin Norden	7 500 755	7,3 %
Bank of New York, Brussels Branch	4 360 410	4,2 %
DNB NOR Luxembourg SA	4 246 456	4,1 %
Ojada AS	3 295 116	3,2 %
Gabler Rådgivning AS	2 652 751	2,6 %
Morgan Stanley and Co.intl PLC	2 540 000	2,5 %
MP Pensjon	2 375 706	2,3 %
ABN Amro Norge +	2 267 500	2,2 %
Deutsche Bank AG London	2 104 497	2,0 %
Bergtor AS	2 083 300	2,0 %
Letra Invest AS	1 873 451	1,8 %
Hathon Eiendom AS	1 835 328	1,8 %
Pecunia Forvaltning AS	1 729 058	1,7 %
Sverre Bjerkeli	1 721 809	1,7 %
Gambak	1 694 136	1,6 %
Frognes AS	1 649 916	1,6 %
ABN Amro Norge	1 579 000	1,5 %
KAS Depository Trust Company	1 500 000	1,5 %
Petroservice AS	1 479 712	1,4 %
<b>Total 20 largest</b>	<b>56 262 948</b>	<b>54,4 %</b>
Others	47 101 104	45,6 %
<b>Total shares</b>	<b>103 364 052</b>	<b>100,0 %</b>

No. Shareholders 1.839

## Option program

- Outstanding options: 2.952.668
  - Strike price of NOK 7,10 – 28 Aug 2008
  - Strike price of NOK 7,75 – 28 Aug 2009
- 855.834 options not allocated so far

## Related parties shareholding

- Management's direct and indirect shareholding totals 4.6 mill. shares or 4.4 % of current outstanding shares
- Board members directly and indirectly own a total of 2.9 mill. shares or 2.8% of current outstanding shares
- 40 employees own directly a total of 4.7 million shares or 4.6 % of current outstanding shares (incl. management)
- Protector own 7.774.047 own shares or 7.5% of current outstanding shares

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→ Outlook 2008

# Outlook 2008 unchanged

- Volume GWP up 15% in 2008
  - Premium for own account up from 58% to 77%
  - Status Q1 ahead of schedule
- Significant stronger growth in operating profit
  - Operating profit growth will mainly take place in Q2-Q3
  - Status Q1 slightly behind schedule
- Maintained gross cost ratio 17%
  - Status Q1 slightly ahead of schedule