



# PROTECTOR

forsikring

Preliminary year-end results 2014  
Investor presentation

12 February 2015

---



## Facts about Protector

- A focused Norwegian non-life insurance company
- Established Jan.1, 2004. (Listed Oslo Stock Exchange May 2007)
- Entered the Swedish market in 2011 and Denmark 1 Jan. 2012
- Ownership: Stenshagen Invest, ODIN Norden, Ojada AS, Hansard Europe, Handelsbanken, management/employees etc
- Strong results, average combined ratio 2004 - 2014, 88.4%
- GWP in 2014: MNOK 2.374
- Solvency capital of MNOK 1.576, investment portfolio ~ NOK 5.0 bn.
- Market cap. 31 December 2014, NOK 3,33 bn.

- Vision: “The challenger”
- Main targets:
  - Cost and quality leadership
  - Profitable growth
  - Top three in Protector’s defined business segments

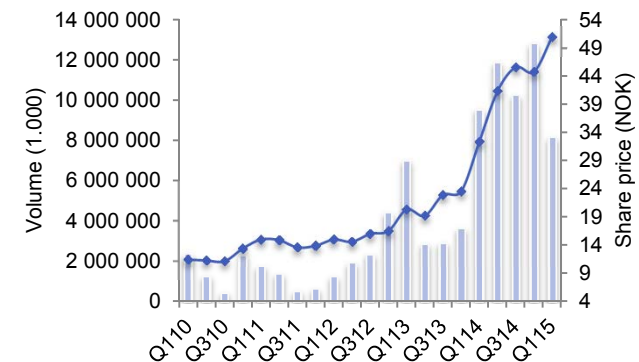
### Outlook 2015:

GWP up 18 %  
CR 88- 90 %

### Dividend policy:

30 – 50% of profit after tax  
Target solvency margin > 250%

Protector share  
Quarterly volume and share price end of quarter<sup>1</sup>



<sup>1</sup> Share buy back not included in the volume figures  
Share price adjusted for dividends  
Data pr. 03.02.2015



# Highlights 2014

Best year ever – Sweden & Denmark in profit

Strong profitable growth

- Volume up 28 % (23%) No. 1 in Nordic market
  - Sweden and Denmark 591 mill volume
- Gross cost ratio down to 7.6 % (8.8 %) No. 1 in Nordic market in our segments
- Net combined ratio 84.5 % (86.7 %) Top 3 in Nordic market
- All time high on quality indexes

Strong financial result

- Operating profit of NOK 502.0 mill (430.3 mill)
  - Net return on investments NOK 236,8m (5,3%) (256.7 mill 7.0%)
- Return on solvency capital 28 % after tax (28%)

2015 guiding, volume up 18% - Combined Ratio 88-90%

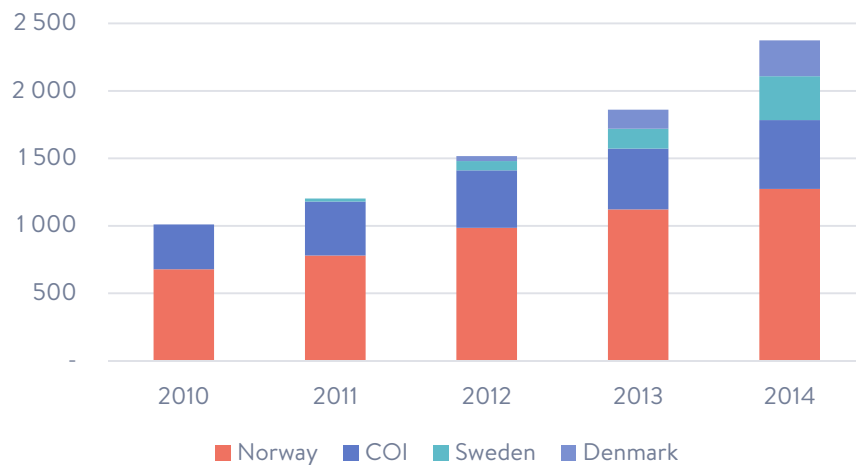
Dividend of NOK 2,00 per share suggested

# Gross written premium 2014

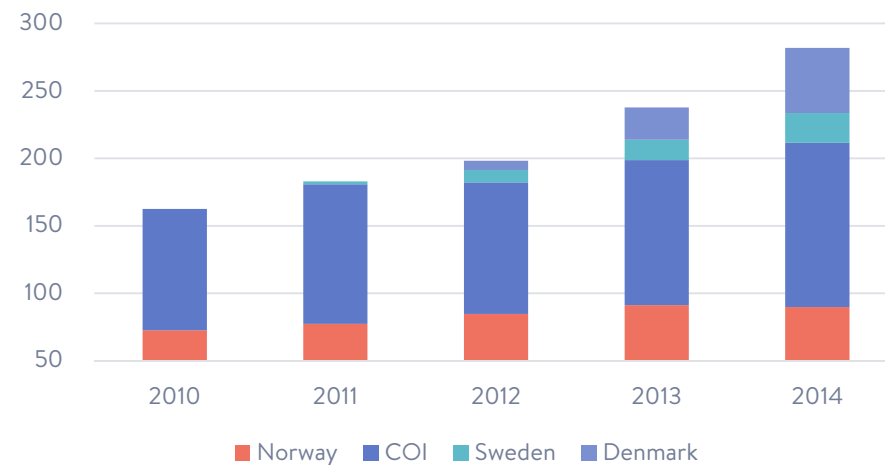
GWP up 28%, from NOK 1,860.6m to NOK 2,374.5m

- Change of ownership insurance, 13% growth
  - Increased real estate prices and increased no. of policies sold
- Norwegian commercial and public lines of business: 14% growth
  - Good renewal rate 95%
- Sweden: 121% growth in GWP
  - Representing 9,6 percentage points of the growth on company level
- Denmark: 89% growth
  - Representing 7 percentage points of the growth on company level

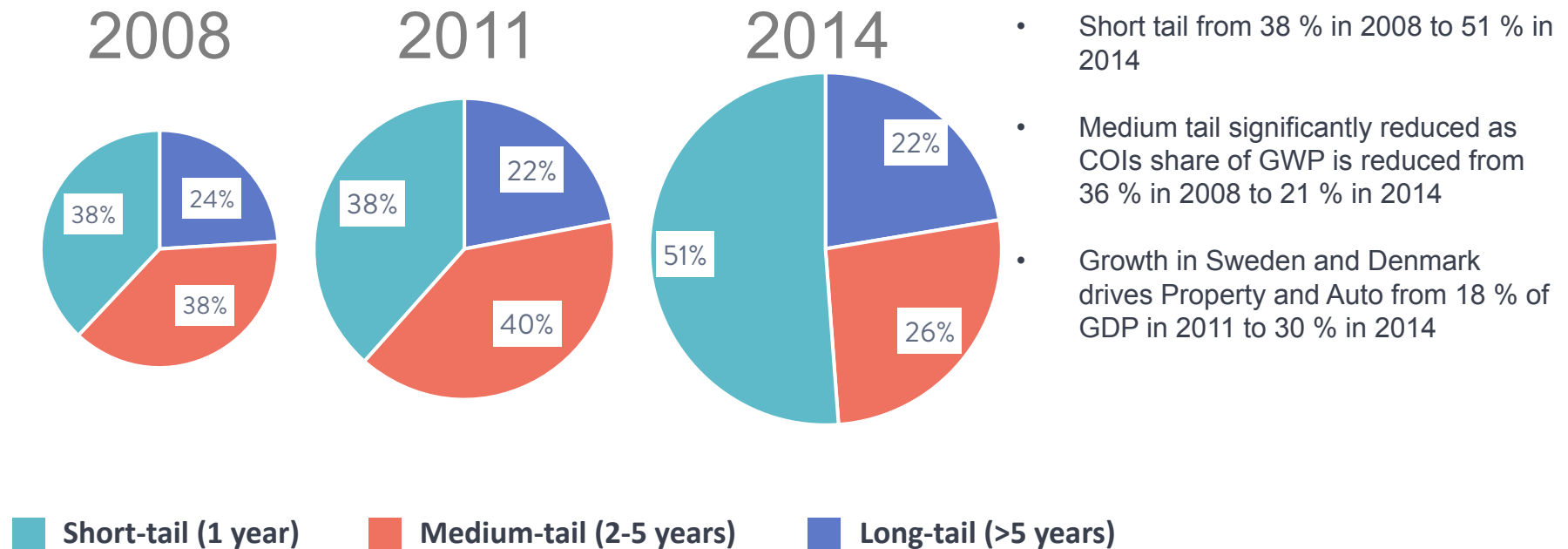
Gross written premium 2010-2014



Gross written premium Q4 2010-Q4 2014



## Increased diversification and reduced risk



## Claims development 2014

- Gross claims ratio<sup>1</sup> 80.4%, slightly up from 79.9% in 2013
  - Strong development within change of ownership insurance
  - Other illness Norway, behind schedule
  - All other products within the commercial and public lines of business in Norway doing well.
- Net run-off-gains of NOK 91.3 m, 5.1% (61.0 mill in 2013)
  - Run-off-gains on all products within the commercial sector
  - Run-off-gains in future expected (2-4%) since FSA min. requirement are conservative
- Net claims ratio 81.1%, down from 82.5%. Higher claims ratio than peers.

<sup>1</sup> Including claims handling expenses, 5.0 (5.0) percentage points

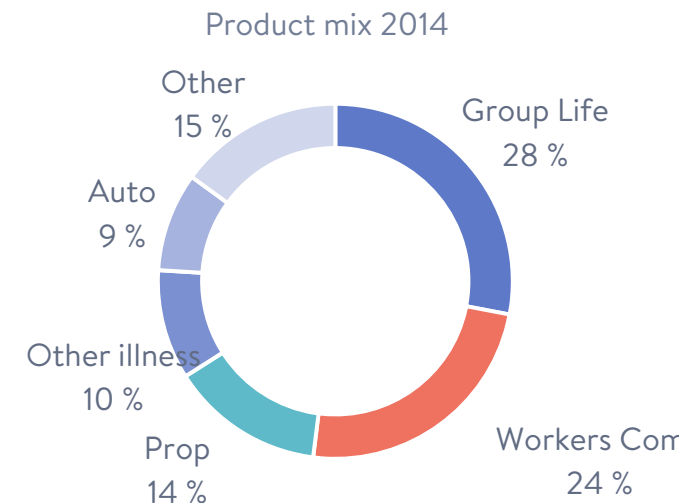
## Cost ratio 2014

- Gross cost ratio<sup>1</sup> 7.6 %, down from 8.8%
  - Critical mass in Sweden and Denmark reducing cost significantly
  - Strengthening of the administration to support the build-up of Swedish and Danish business
  - Average no of employees 2014 177, up from 168 in 2013
- Net cost ratio 3.4 %, down from 4.1 %
- Cost ratio will gradually decrease in 2015-17 due to growth in Sweden and Denmark

<sup>1</sup> Excluding claims handling expenses, 5.0 percentage points (5.0)

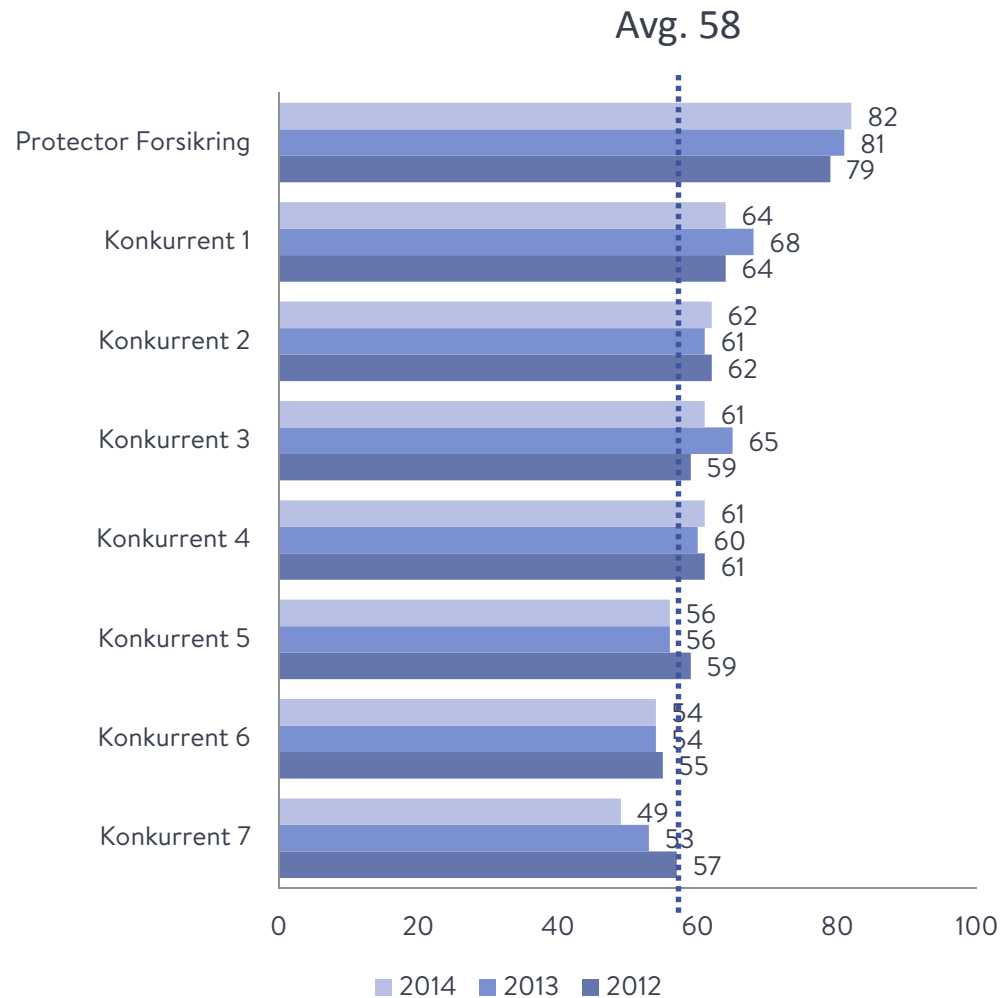
## Highlights 2014 – Norwegian Commercial/public lines

- Volume up 13%
  - 7 % growth in commercial sector, 30 % in the public
  - Hit-ratio slowing down in the commercial sector
  - 3 large and 1 very large wins and 1 large non renewals in the municipality sector
  - 5 large wins and 1 large and 2 very large non renewals in the commercial sector
- Personal lines of business , 70 % of total volume
  - 8 % growth in 2014
  - 24 % growth other lines
- Renewal rate 95 %, on target
- Product mix: Group Life: 28 % - WComp: 24% - Prop: 14% - Other Illness: 10% - Auto 9% - Other 15%
- All time high relationship with leading brokers
  - Rated no. 1 eight years in a row
- Single digit growth expected in 2015
  - Good start in Q1





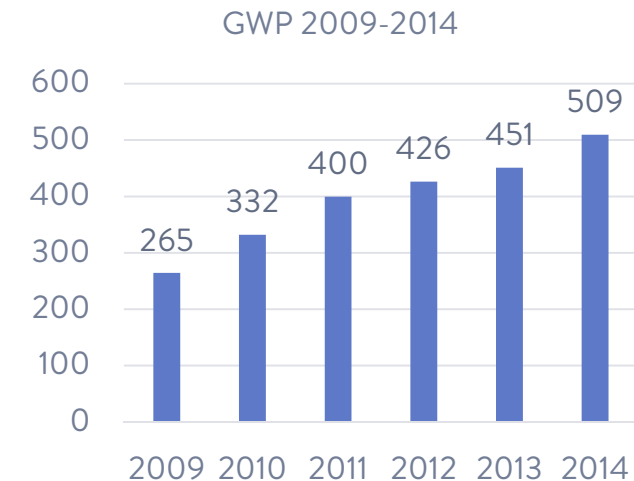
## Quality leader among insurance brokers eight years in a row



Protector receives the highest score when brokers are asked to rank insurance companies according to how satisfied they are with their service and offerings

## Highlights 2014 - Change of ownership insurance

- Volume up 13%
  - Market share above 50%, growing slightly
  - Increased number of policies sold due to:
    - Distribution channels taking market share
    - High real estate market turnover rate
  - Hit-ratio stable on a high level, slightly above 80%
  - Real estate prices in 2014 up 2,0% relatively to 2013<sup>1</sup>
- Good profitability
  - Profitability actions yields results
  - Average claims size increasing
  - Claims handling organization is tuned toward more complex claims
    - Increases technical expertise
- Very good court results
  - Win – draw – losses: 60% - 20% - 20%
- Single-digit growth expected 2015
  - Strong market at the start of 2015



<sup>1</sup> Source: Eiendom Norge

## Key facts - Change of ownership

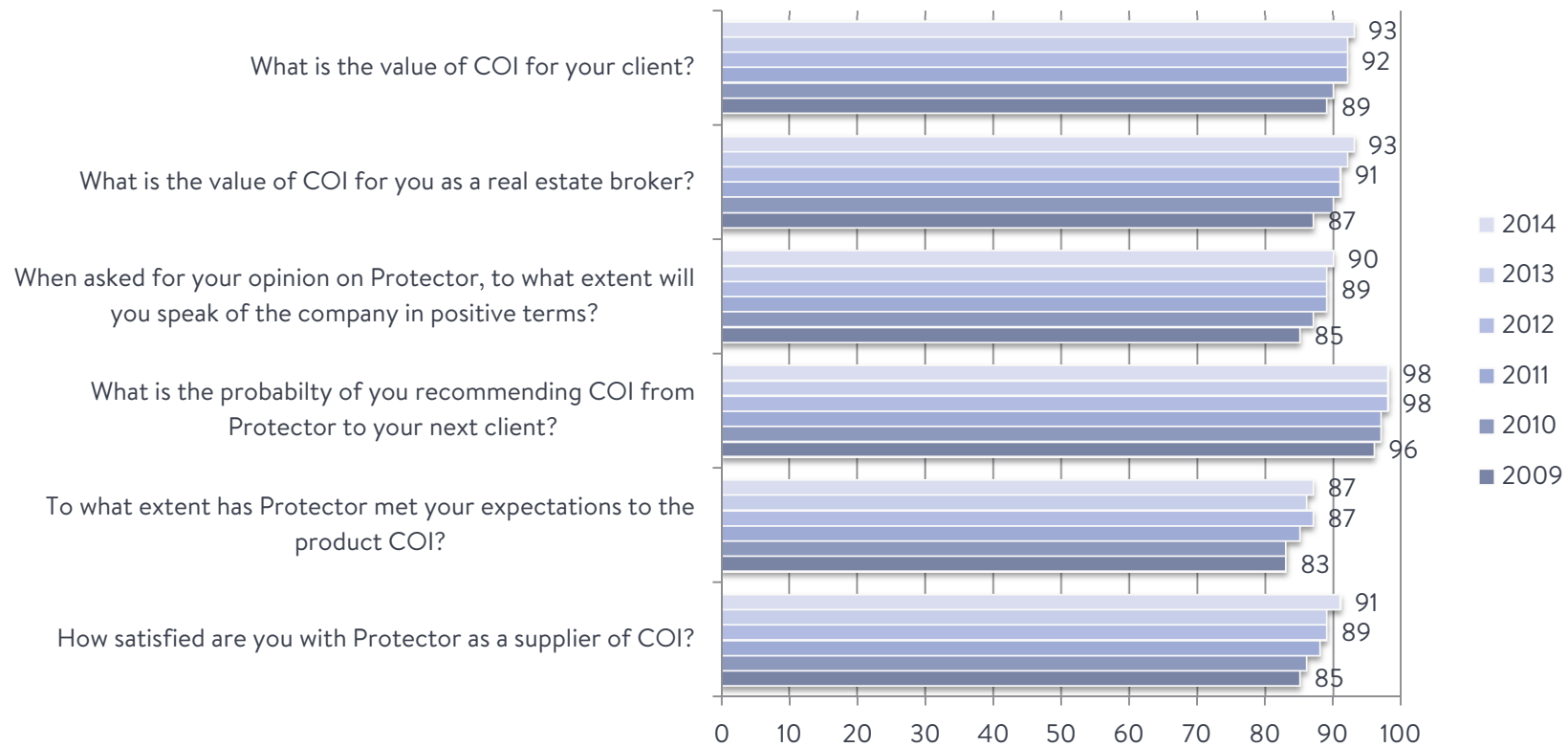
- Conflict level reduced 2004-2014
  - Reduced from claims frequency of 22% in 2004 to 14% in 2014
  - Real estate brokers have contributed through quality improvements
- Stable, but still high, conflict level in 2014
  - Number of claims: 4 513
  - Cases brought before the judicial system: 262
  - Number of cases in the insurance complaints commission: 336
  - Number of employees: 54
- «Boligsalgsrapport»/technical report used in 71% of villa sales in 2014
  - Further increase expected in 2015 – real estate brokers key factor in growing market penetration
  - Some uncertainty regarding the introduction of a new report

		Skadefrekvens
År	Antall ESF	Enebolig
2004	13 095	22 %
2005	43 793	19 %
2006	36 658	18 %
2007	38 699	17 %
2008	35 624	15 %
2009	35 582	15 %
2010	40 995	16 %
2011	45 842	14 %
2012	47 391	14 %
2013	47 179	14 %
2014	52 015	14 %
<b>Sum</b>	<b>436 873</b>	

Kilde: Protector Forsikring ASA, aktuarrapport



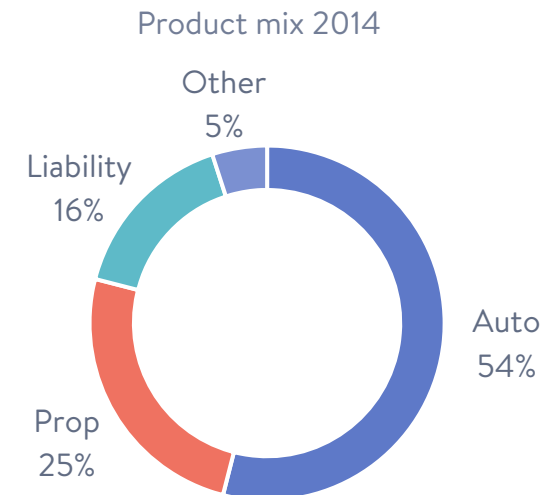
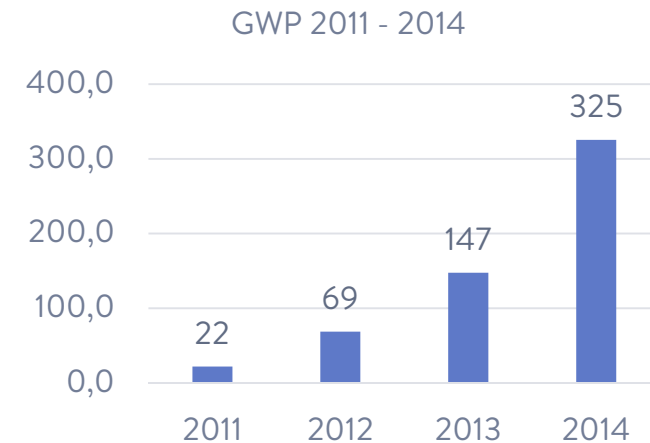
## 2014 Customer satisfaction – “loved” by the customer



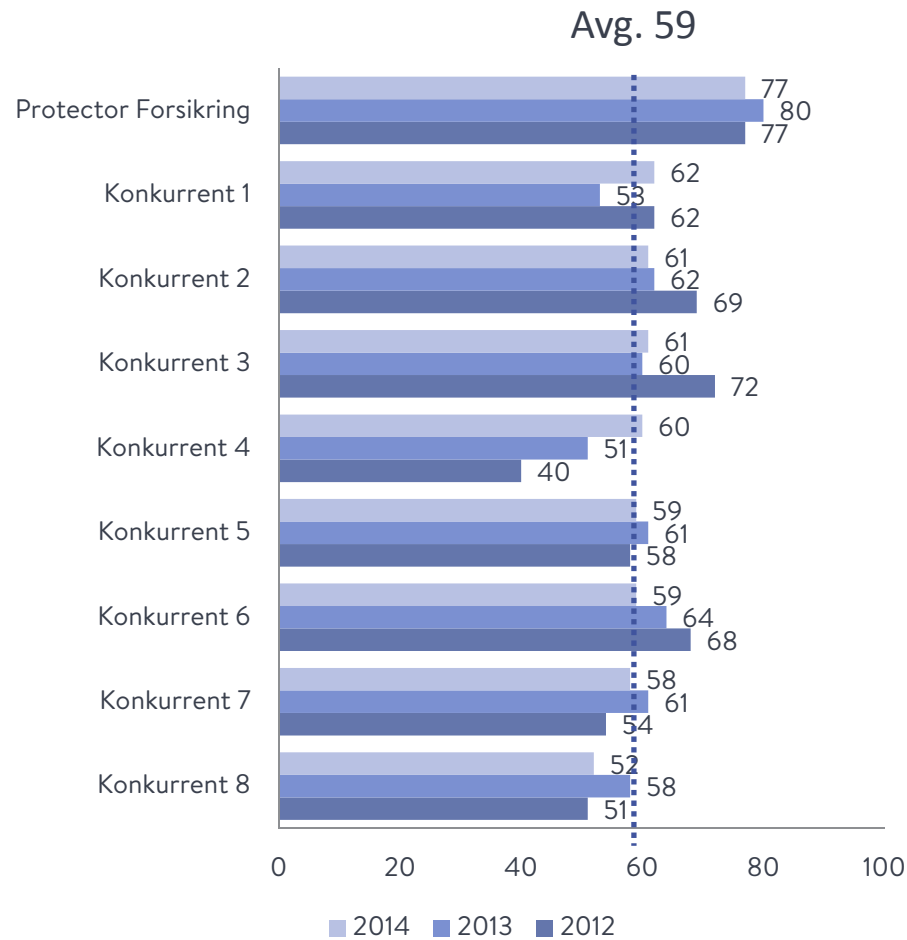


## Highlights 2014 – Sweden

- 121% growth
  - Representing 9,6 percentage points of the growth on company level
  - 2 very large wins and 6 large wins, one large non-renewal
  - Break-through in public transport market (buses)
  - Number 2 in municipality segment
  - Strong renewal rates ~100%
- Net combined ratio 98,5%
- 30 employees, strong organization
- Cost ratio 16.5% - down 2.5 percentage points from 2013
  - Will continue downward
- Product mix: Auto: 54% - Prop: 25% - Liability 16% - Other 5%
- Leading brokers' quality surveys confirm Protector's strong position in the Swedish market
- Will support double digit growth on company level in 2015



# Setting new quality standard in Sweden

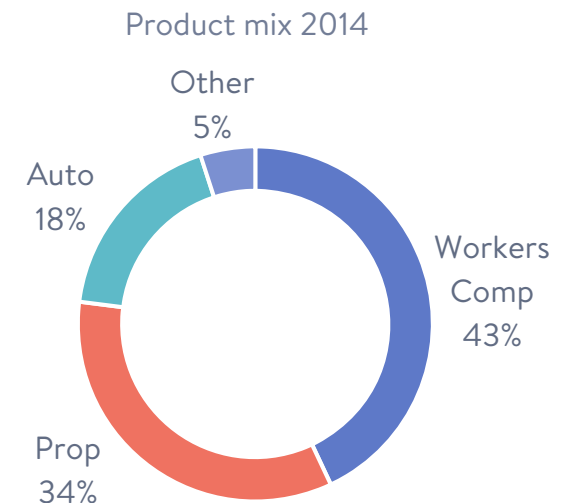


Protector receives the highest score when brokers are asked to rank insurance companies according to how satisfied they are with their service and offerings

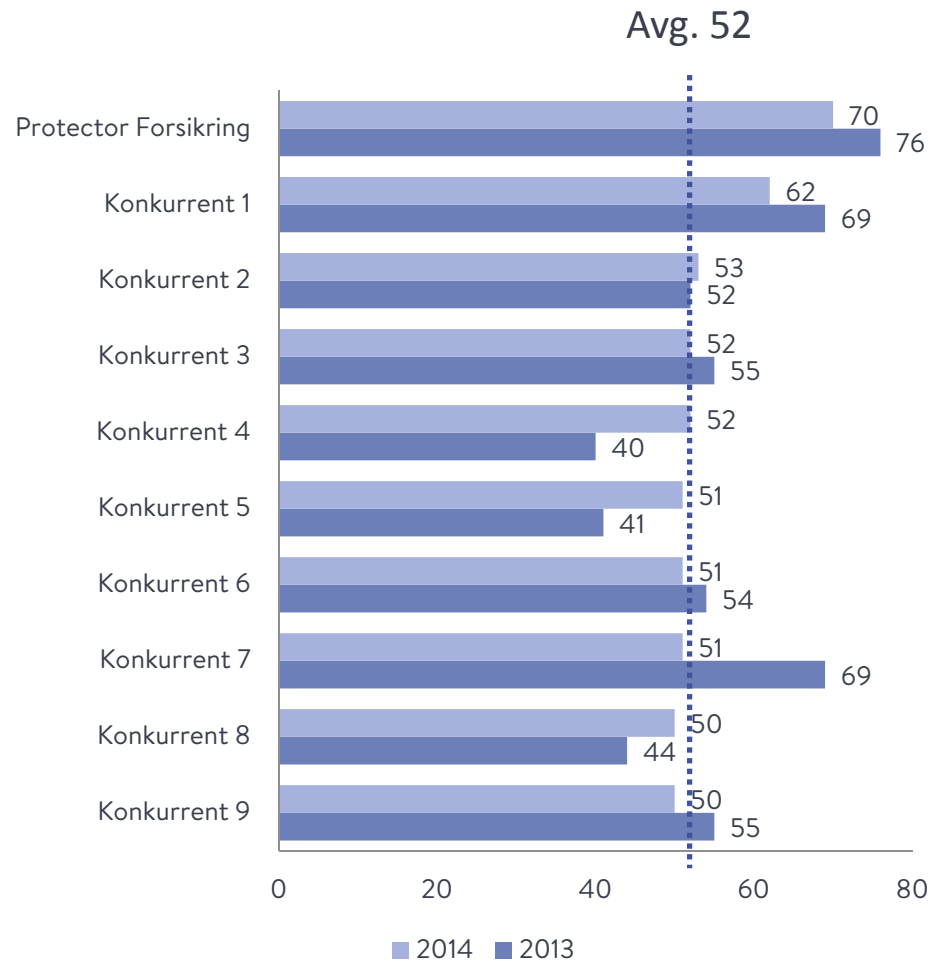


# Highlights 2014 – Denmark

- 89% growth
  - Representing 7 percentage points of the growth on company level
  - 4 large wins and 1 very large win in Denmark
  - No large non-renewals
  - Strong renewal rate, 110%
- Net combined ratio 96,2%
- 20 employees
- Cost ratio 14.3% - down 0.7 percentage points from 2013
  - Will continue downward
- Product mix: WComp: 43% - Prop: 34% - Auto 18% - Other 5%
- Relationship with leading brokers continues to develop
- Will support double digit growth on company level in 2015
  - Strong news sales 01.01.15



## Front runner on quality in Denmark



Protector receives the highest score when brokers are asked to rank insurance companies according to how satisfied they are with their service and offerings



# Results 2014

NOKm	Q4 2014	Q4 2013	FY 2014	FY 2013
<b>Premiums written gross</b>	<b>281,8</b>	<b>237,7</b>	<b>2 374,5</b>	<b>1 860,6</b>
Premiums earned gross	593,7	468,4	2 306,8	1 814,6
Claims incurred gross	(451,6)	(362,4)	(1 854,5)	(1 450,6)
Premiums earned for own account	453,4	352,5	1 775,3	1 373,6
Claims incurred for own account	(337,7)	(291,9)	(1 439,5)	(1 133,5)
Operating costs for own account	(37,5)	(36,0)	(60,3)	(56,9)
Other income/costs	(2,0)	(1,8)	(10,2)	(9,5)
Net financial income	13,6	83,9	236,8	256,7
<b>Profit before change in security provision etc</b>	<b>89,8</b>	<b>106,6</b>	<b>502,0</b>	<b>430,3</b>
Change in security provision etc.	27,0	19,6	(26,3)*	(54,8)
<b>Profit after change in security provision etc.</b>	<b>116,8</b>	<b>126,2</b>	<b>475,7</b>	<b>375,5</b>
Tax	(14,1)	(32,4)	(93,0)	(88,5)
<b>Profit before comprehensive income</b>	<b>102,7</b>	<b>93,8</b>	<b>382,8</b>	<b>287,0</b>
Comprehensive income inc. tax	(14,9)	(1,5)	(24,0)	5,7
<b>Profit for the period</b>	<b>87,8</b>	<b>92,3</b>	<b>358,8</b>	<b>292,6</b>
Gross claims ratio	76,1 %	77,4 %	80,4 %	79,9 %
Gross expense ratio	8,2 %	10,0 %	7,6 %	8,8 %
<b>Gross combined ratio</b>	<b>84,3 %</b>	<b>87,4 %</b>	<b>88,0 %</b>	<b>88,7 %</b>
Net claims ratio	74,5 %	82,8 %	81,1 %	82,5 %
Net expense ratio	8,3 %	10,2 %	3,4 %	4,1 %
<b>Net combined ratio</b>	<b>82,7 %</b>	<b>93,0 %</b>	<b>84,5 %</b>	<b>86,7 %</b>
Retention rate	76,4 %	75,3 %	77,0 %	75,7 %

• 28% growth,

• 502m operating profit

• Net CR 84,5 %

\* Lower security provisions due to reduced uncertainty in Sweden and Denmark.

# Return on solvency capital 28%, after tax

NOKm 31.12.2014 31.12.2013

Financial assets	4 957,9	3 999,8
Bank deposits	207,9	153,3
Other assets	786,9	590,9
<b>Total assets</b>	<b>5 952,7</b>	<b>4 744,1</b>
Total equity	991,4	777,2
Subordinated loan capital	148,1	148,1
Total reserves	4 113,3	3 368,8
Other liabilities	699,8	450,0
<b>Total equity and liabilities</b>	<b>5 952,7</b>	<b>4 744,1</b>
Solvency capital	1 575,9	1 335,3
Return on solvency capital, after tax	28 %	28 %
Solvency capital per share, end of period	19,1	16,2
Solvency ratio	85 %	93 %
Solvency margin	296 %	315 %
Capital adequacy ratio (risk weighted)	18 %	20 %
NAV	1 418,1	1 184,6
NAV per share, end of period	17,2	14,3

- Return on solvency capital 28%, after tax
- 24% growth in investment portfolio
- Solvency margin 296%, after eventual dividend
- Historical to date Return on solvency capital after tax 22.4%

Note:

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

*Return on solvency capital: Operating profit after tax / average solvency capital*

*Solvency ratio = solvency capital / NPW*

*Solvency margin calculated according to regulations from the FSA of Norway.*

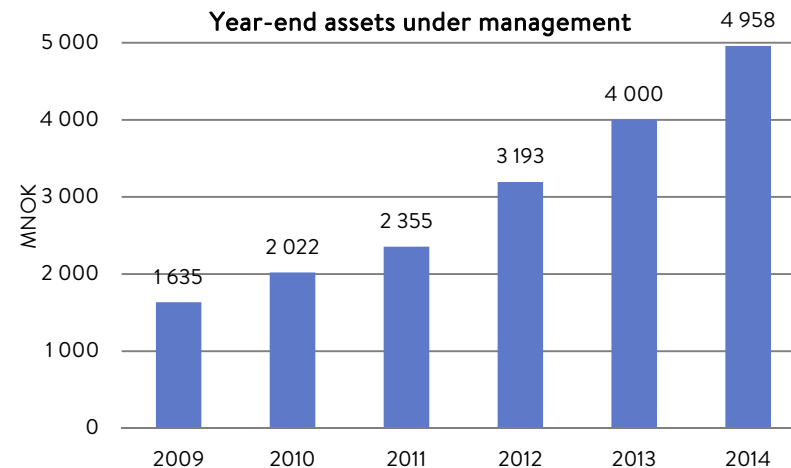
*NAV = total equity plus 73% of the total security provision etc.*

*No. of shares = total outstanding shares ex own shares*



# Asset management development

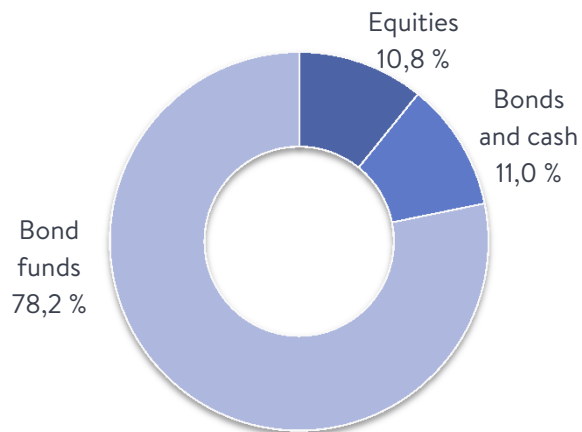
- 2014 year end investment portfolio of NOK 4.958 m (NOK 3.999m), 24% growth
- Investment philosophy change:
  - Gradual build-up of discretionary in-house asset management; increased flexibility to react to changing market conditions
- Diversified investment base gradually implemented
  - Significantly decreased exposure to oil and oil services sector
  - Increased exposure to US high-yield in Q4 and to European equities after 2014 year end
  - Nordic investment grade fixed income portfolio built up on a sound basis



# Asset allocation

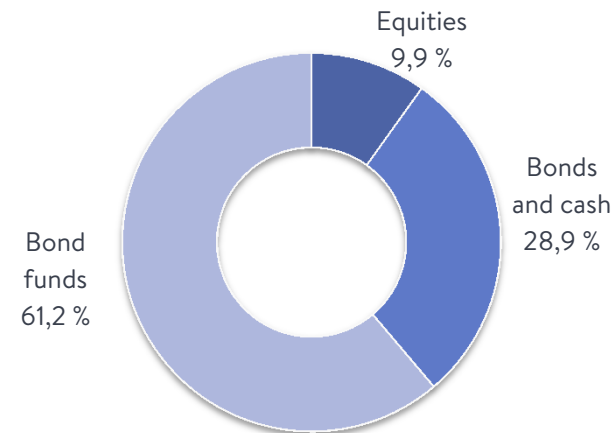
- Year end 2014; Fixed income 85,8% of portfolio, Nordic equities 14,2%
- Increased allocation to equities in November
  - Through discretionary equity portfolio; limited exposure to oil and oilservices sector

Money-weighted allocation of investments 31.12.2014



Total financial assets end of 2014; NOK 4.894m

Money-weighted allocation of investments 31.12.2013

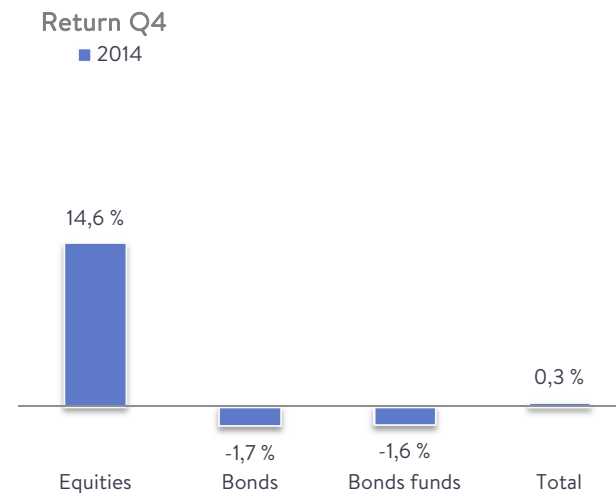
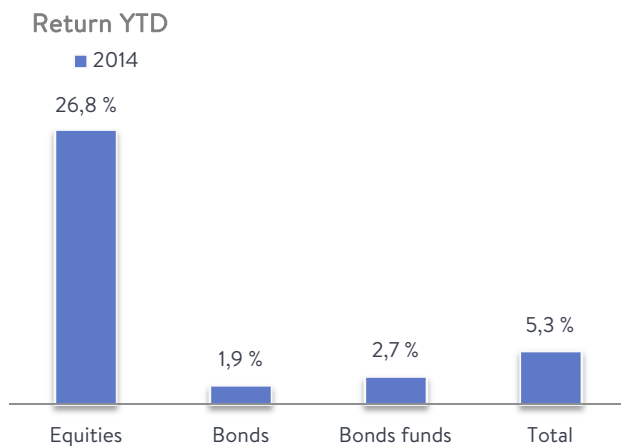


Total financial assets end year 2013; NOK 3.999m

# Investment performance 2014

5,3% return on the investment portfolio

- Net investment result of NOK 236,8m, 5,3% return\*
  - Q4; Net investment result of NOK 13,6m, 0,3% return
- Equities, return of 26,8%, OSEBX 5,0%, OSEFX 5,7%
  - Q4; 14,6%, OSEBX -5,5%, OSEFX -3,2%
- Fixed income portfolio, return of 0,8%
  - Q4; -1,6%
  - Credit spreads increased
  - Yield end of 2014; 4,0 %

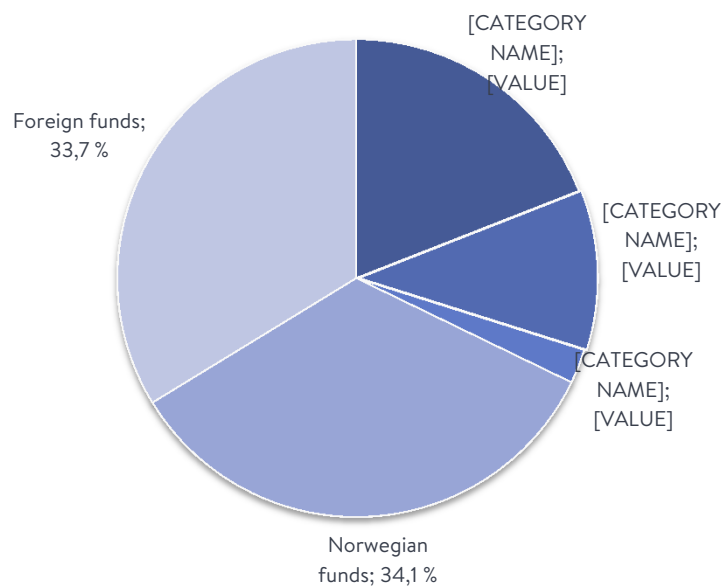


\* 2014 investment return inkl. own shares 6,8%

# Portfolio structure and quality bond portfolio

- No currency risk
- Duration 1,34 years (0,57), average maturity is 3,29 years (3,23 years)

**Bond portfolio 31 December 2014**

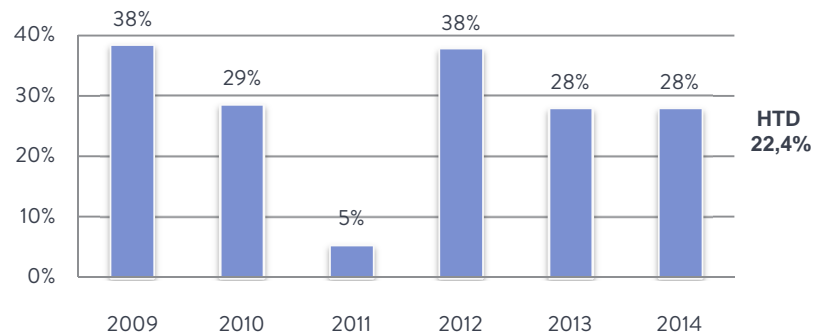


**Quality bond portfolio 31 December 2014**

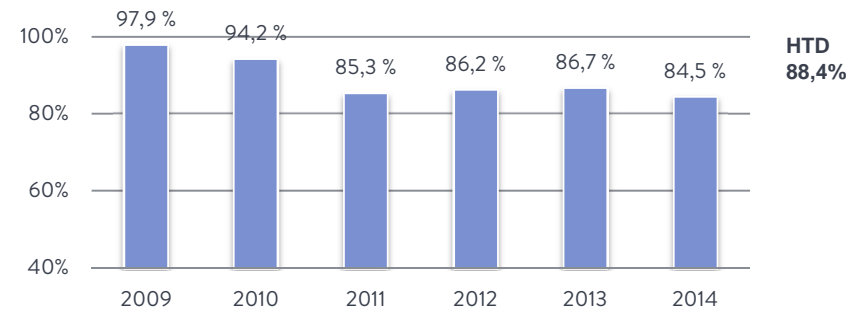
<b>Split of fixed income portfolio</b>	<b>NOK mill</b>	<b>%</b>
Bonds	906	22 %
Bond funds	2 848	68 %
Bank deposits	446	11 %
<b>Total</b>	<b>4 200</b>	<b>100 %</b>
<b>Rating including internal rating by Norwegian financial institutions</b>		
Investmentgrade	1 152	27 %
BB	83	2 %
B	117	3 %
Non rated (funds)	2 848	68 %
<b>Total</b>	<b>4 200</b>	<b>100 %</b>

# Development in earnings and key ratios

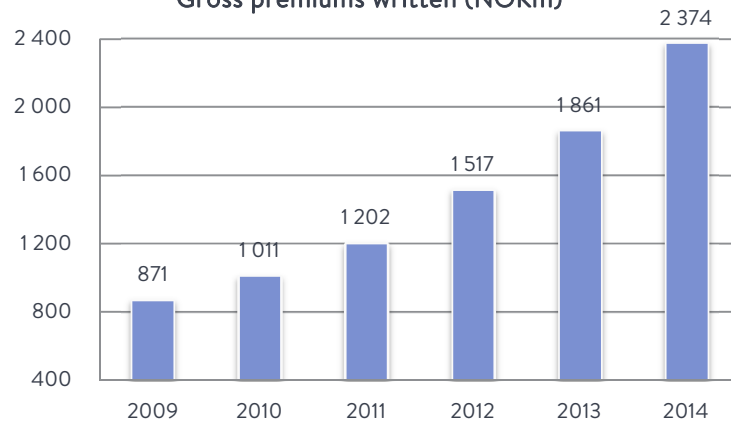
**Return on solvency capital after tax**



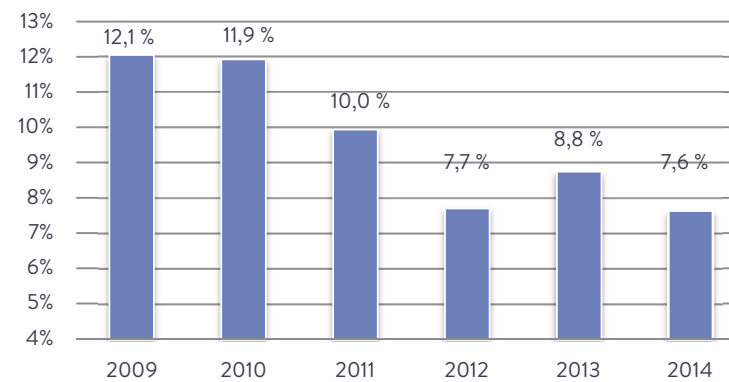
**Net Combined Ratio**



**Gross premiums written (NOKm)**



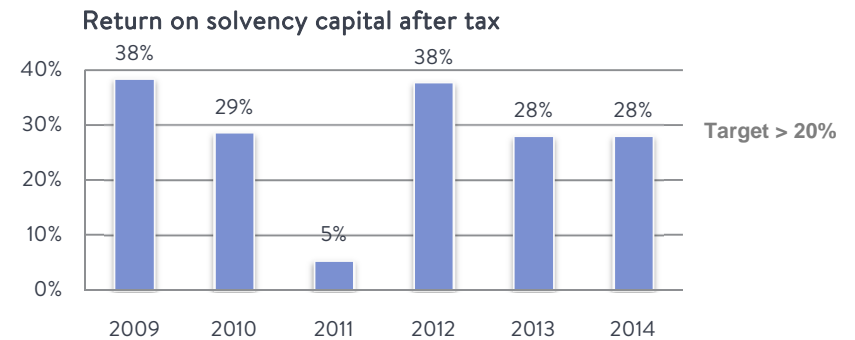
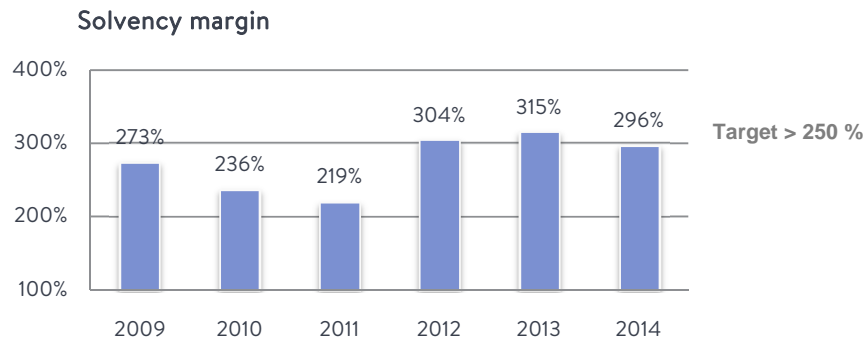
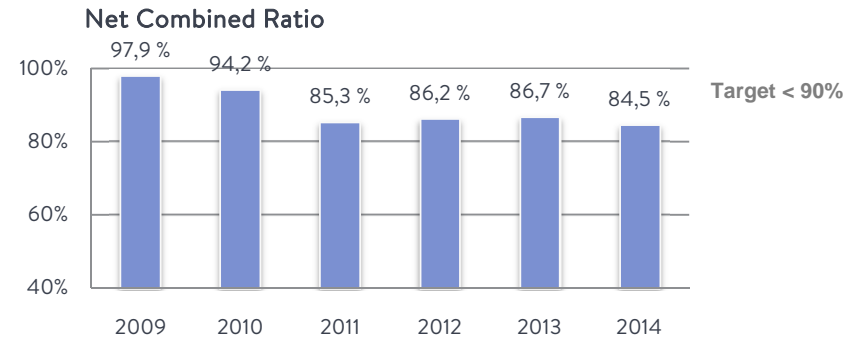
**Gross cost ratio**





# Long-term financial objectives

- GWP growth rate: 10%
- Net combined ratio: 90%
- Solvency margin: > 250%
- Return on solvency capital: 20%





# Annual volume growth 2008-2014

(Gross written premium)

	2008	2009	2010	2011	2012	2013	2014	Vol.weighted 2008-2014
PRF	9,6 %	19,5 %	16,1 %	19,0 %	26,1 %	22,7 %	27,6 %	22,0 %
KLP skade*	3,4 %	4,7 %	5,0 %	3,0 %	15,4 %	10,9 %	9,7 %	7,9 %
Gjensidige*	4,4 %	1,3 %	8,3 %	2,9 %	1,7 %	5,3 %	8,6 %	4,6 %
LF*	4,2 %	2,3 %	2,2 %	3,3 %	3,2 %	3,5 %	6,3 %	3,5 %
Codan**	12,8 %	1,7 %	0,3 %	-0,3 %	7,2 %	-1,0 %	-2,3 %	3,0 %
If*	-0,5 %	-3,7 %	8,4 %	5,3 %	5,7 %	2,7 %	-2,2 %	2,5 %
Tryg*	4,4 %	5,2 %	9,1 %	2,4 %	1,8 %	-4,0 %	-5,2 %	2,2 %
Top*	0,8 %	-3,1 %	-1,4 %	1,4 %	1,0 %	1,5 %	2,8 %	0,4 %
<b>Avg. Ex. PF</b>	<b>4,2 %</b>	<b>1,2 %</b>	<b>4,6 %</b>	<b>2,6 %</b>	<b>5,1 %</b>	<b>2,7 %</b>	<b>2,5 %</b>	<b>3,4 %</b>

\* 2014 vekst pr. 30.09; \*\* 2014 vekst pr. 30.06

Protector's growth is organic, while some competitors buys significant portfolios or makes large acquisitions during the period

## Gross cost ratio (ex claims handling)

	2008	2009	2010	2011	2012	2013	2014
PRF	11,2 %	12,1 %	11,9 %	10,0 %	7,7 %	8,8 %	7,6 %
Tryg*	17,1 %	17,2 %	17,0 %	16,6 %	16,4 %	15,6 %	14,5 %
Gjensidige*	17,0 %	17,7 %	16,5 %	16,4 %	15,5 %	15,3 %	14,9 %
Top*	14,7 %	14,9 %	15,4 %	15,7 %	15,8 %	16,2 %	15,7 %
If*	17,4 %	17,6 %	17,2 %	17,3 %	16,9 %	16,8 %	16,6 %
LF*	21,0 %	22,0 %	22,0 %	21,0 %	21,0 %	19,0 %	18,0 %
KLP skade*	26,7 %	29,1 %	30,4 %	26,5 %	26,4 %	26,2 %	21,8 %
Codan**	20,2 %	20,4 %	19,9 %	21,5 %	22,4 %	22,7 %	23,6 %
Average xPRF	19,2 %	19,8 %	19,8 %	19,3 %	19,2 %	18,8 %	17,9 %

\* 2014: pr. 30.09; \*\* 2014: pr. 30.06

## Net Combined ratio

	2008	2009	2010	2011	2012	2013	2014	Vol.weighted 2008-2014
PRF	95,8 %	97,8 %	94,2 %	85,3 %	86,2 %	86,7 %	84,5 %	88,4 %
Top*	82,4 %	91,1 %	93,3 %	90,3 %	88,0 %	91,5 %	86,7 %	89,1 %
If*	91,8 %	92,1 %	92,8 %	92,0 %	89,3 %	88,1 %	87,8 %	90,5 %
Tryg*	88,2 %	92,2 %	98,8 %	93,2 %	88,2 %	87,7 %	84,5 %	90,7 %
Gjensidige*	94,4 %	94,8 %	95,3 %	91,9 %	85,3 %	89,2 %	86,5 %	91,0 %
LF*	93,0 %	96,0 %	102,0 %	100,0 %	98,0 %	97,0 %	94,0 %	97,2 %
Codan**	98,5 %	100,4 %	101,8 %	102,4 %	94,3 %	95,3 %	94,7 %	98,4 %
KLP skade*	97,3 %	95,5 %	121,9 %	118,1 %	107,8 %	103,7 %	97,9 %	105,9 %
<b>Avg.ex.PF</b>	<b>92,2 %</b>	<b>94,6 %</b>	<b>100,8 %</b>	<b>98,3 %</b>	<b>93,0 %</b>	<b>93,2 %</b>	<b>90,3 %</b>	<b>94,7 %</b>

\* 2014: pr. 30.09; \*\* 2014: pr. 30.06

Danish insurers included part of their estimated future invested income (discounted) in their combined ratio. The effect is 3-4% lower CR.

## Return on investments

	2008	2009	2010	2011	2012	2013	2014	Avg. 2008-2014
PRF	-2,1 %	16,1 %	9,7 %	-2,3 %	8,9 %	7,0 %	5,3 %	6,0 %
KLP Skade*	0,4 %	8,3 %	7,2 %	4,5 %	6,5 %	6,5 %	4,6 %	5,5 %
If*	-3,1 %	12,4 %	7,4 %	1,8 %	6,1 %	5,0 %	3,6 %	4,8 %
Tryg*	3,5 %	6,6 %	4,3 %	4,8 %	5,1 %	2,5 %	3,2 %	4,3 %
Gjensidige*	-0,6 %	5,5 %	5,2 %	4,4 %	5,4 %	4,3 %	3,6 %	4,0 %
Codan**	5,6 %	5,9 %	3,5 %	3,0 %	3,9 %	-0,4 %	1,6 %	3,5 %
Top*	-6,9 %	7,3 %	4,8 %	3,1 %	6,9 %	2,8 %	3,3 %	3,0 %
LF*	-14,0 %	10,0 %	6,0 %	-2,0 %	5,0 %	6,1 %	3,7 %	2,1 %
<b>Avg. ex-PF</b>	<b>-2,8 %</b>	<b>8,8 %</b>	<b>5,7 %</b>	<b>2,5 %</b>	<b>5,5 %</b>	<b>4,0 %</b>	<b>3,4 %</b>	<b>3,9 %</b>

\* 2014: pr. 30.09; \*\* 2014: pr. 30.06

Our assesment is that Protector's risk-adjusted return is above average

# NORDIC CHAMPION: **PROTECTOR** forsikring



# Shareholder matters 23 January 2015

Shareholder	No. shares	Percent
STENSHAGEN INVEST AS	6 200 000	7,20 %
ODIN NORDEN	5 531 904	6,42 %
PROTECTOR FORSIKRING ASA	3 570 661	4,14 %
OJADA AS	3 563 116	4,14 %
HANSARD EUROPE LTD	3 221 126	3,74 %
VERDIPAPIRFONDET HANDELSBANKEN	3 100 000	3,60 %
TJONGSFJORD INVEST AS*	2 811 809	3,26 %
AVANZA BANK AB	2 449 044	2,84 %
MP PENSJON PK	2 325 706	2,70 %
JP MORGAN CHASE BANK, NA	2 100 000	2,44 %
ARTEL HOLDING A/S	1 873 451	2,17 %
GABLER RÅDGIVNING AS**	1 702 751	1,98 %
FROGNES AS	1 649 916	1,92 %
VEVLEN GÅRD AS	1 550 000	1,80 %
NORDNET BANK AB	1 520 465	1,76 %
J.P. MORGAN CHASE BANK N.A. LONDON	1 496 234	1,74 %
JOHAN VINJE AS	1 437 841	1,67 %
PETROSERVICE AS	1 343 815	1,56 %
VPF NORDEA NORGE VERDI	1 259 854	1,46 %
VERDIPAPIRFONDET ALFRED BERG NORGE	1 232 137	1,43 %
<b>TOTAL 20 LARGEST</b>	<b>49 939 830</b>	<b>57,96 %</b>
<b>OTHERS</b>	<b>36 215 775</b>	<b>42,04 %</b>
<b>TOTAL SHARES</b>	<b>86 155 605</b>	<b>100,00 %</b>

No. Shareholders 2.554

\* CEO Sverre Bjerkeli

\*\* Chairman of the Board, Jostein Sørvoll

## Related parties shareholding

- Management's direct and indirect shareholding totals 3.2m shares or 3.7% of current outstanding shares
- Board members directly and indirectly own a total of 11.5m shares or 13.3% of current outstanding shares
- 32 employees own directly a total of 4.9 m shares or 4.1% of current outstanding shares (incl. management)
- Protector own 3.570.661 own shares or 4.14% of current outstanding shares

# Outlook 2015

## Volume up 18 %

- + 50% growth in Sweden/Denmark, single digit in Norway
- + January 1st volume on a strong level
- + Very strong start in Denmark, strong start in Sweden

## Gross cost ratio <7.5% (7.7% in 2014)

- + Some volume growth and scalability Norway
- + Critical mass Sweden/Denmark will gradually strengthen

## Net Combined ratio 88-90%

- + Profitability measures claims handling (Commercial and Change of ownership) yielding results
- Rate pressure in commercial and public sector
- Run off gains on a lower level

# CEO summary, risk outlook 2015

**Slightly decreased risk**  
**Sweden & Denmark contribute to diversification**

	Risk
+ Volume up in commercial & public sector Norway	Low
+ Sweden and Denmark support double digit growth	No
+ Balance sheet growing leads to increased financial income	No
+ Cost ratio Gross & Net going down	No
+ Price inflation higher than claims inflation in Change of Ownership	Medium
0 Unchanged volume in Change of Ownership sector	Medium
- Rate pressure driving claims ratio upwards	High
- One or two negative surprises will occur	Medium
- Profitability behind guiding in Sweden	Low
- Profitability behind guiding in Denmark	Medium



# Outlook 2015

NOKm	Res 2014	Outlook 2015
Premium growth (%)	28	18
Operating profit	502	~500
Investment Income	237	225
Gross cost ratio (%)	7.6	<7.5
Net combined ratio (%)	84.5	88-90
Changes in security provisions (mNOK)	26.3	~100
Return on solvency (%)	28	25
Earnings per share	4.6	~4.8

**Return assumptions 2015:**

Equity allocation approx. 15%

Return equities: 8% p.a.

Return bonds: 3,6% p.a.

Average invested capital: NOK 5.5b

Strong Q1 2015 expected



# Summary 2014

Best year ever – Sweden & Denmark in profit

Strong profitable growth

- Volume up 28 % (23%) No. 1 in Nordic market
  - Sweden and Denmark 591 mill volume
- Gross cost ratio down to 7.6 % (8.8 %) No. 1 in Nordic market in our segments
- Net combined ratio 84.5 % (86.7 %) Top 3 in Nordic market
- All time high on quality indexes

Strong financial result

- Operating profit of NOK 502.0 mill (430.3 mill)
  - Net return on investments NOK 236,8m (5,3%) (256.7 mill 7.0%)
- Return on solvency capital 28 % after tax (28%)

2015 guiding, volume up 18% - Combined Ratio 88-90%

Dividend of NOK 2,00 per share suggested