



OSLO PENSJONSFORSIKRING

Results. First quarter, 2018

May 3rd, 2018

Oslo Pensjonsforsikring AS and Oslo Forsikring AS



About the group



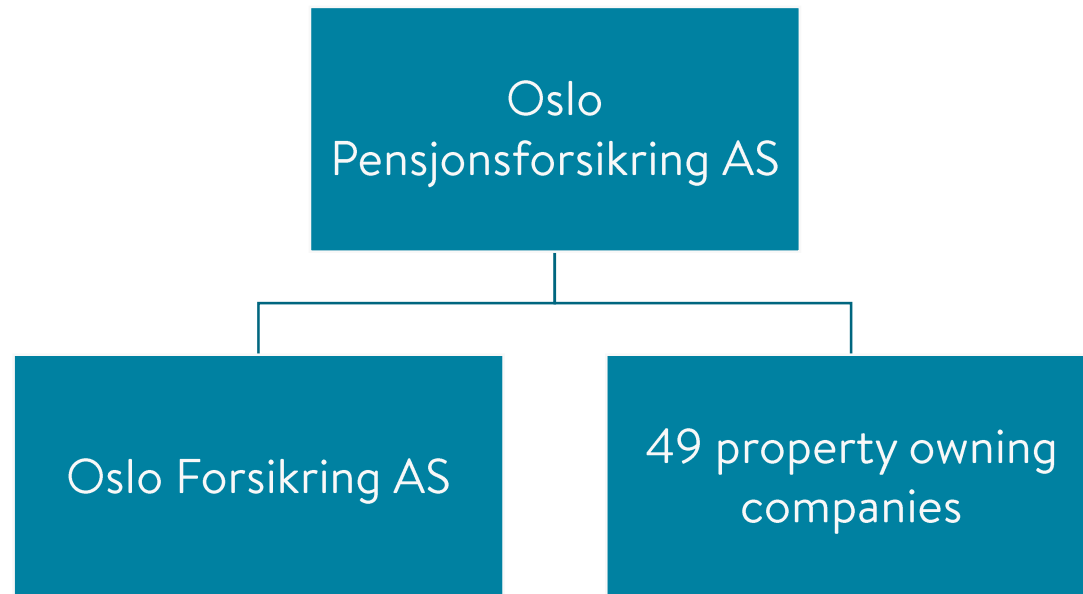
OSLO PENSJONSFORSIKRING

- Oslo Pensjonsforsikring AS is a life insurance company owned by the City of Oslo. Oslo Forsikring AS is wholly owned subsidiary of OPF.
- The OPF group offers
 - Public pension defined benefit schemes,
 - Group life and
 - Occupational injury insurance, all through OPF, and
 - Non-life insurance through Oslo Forsikring ASto the City of Oslo and associated entities. State-owned hospital corporations in Oslo are also pension customers of OPF.
- Assets corresponding to policy holders' funds are managed in the Common Portfolio while equity and capital are managed in the Corporate Portfolio.
- The company is regulated by the Norwegian FSA.

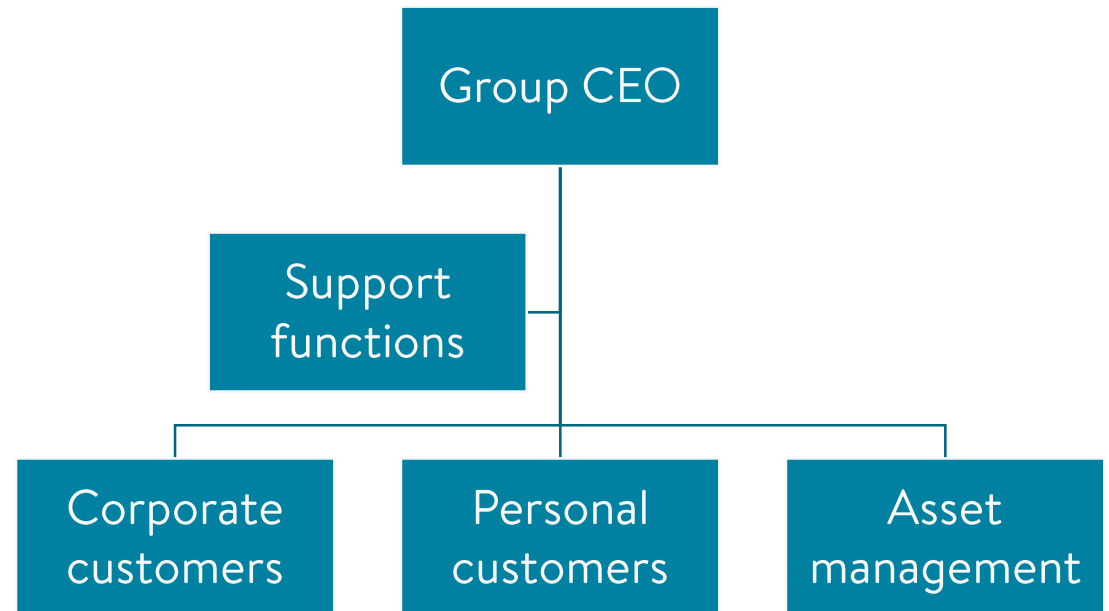


Legal and organizational structure

Group legal structure



Organizational structure





Results lower due to reduced premium margins and weak equity markets



- The group's result was 140 million (290 million) NOK in the first quarter of 2018.
 - Lower result from pension insurance due to reduced margins on disability and lower guarantee premiums.
 - Reduced financial income on capital in both companies due to weak equity markets
- Value-adjusted return on customer funds was 0,6 (2,8) per cent.
- Solvency capital ratio (standard model) was 506 per cent for the parent company and 415 per cent for the group.

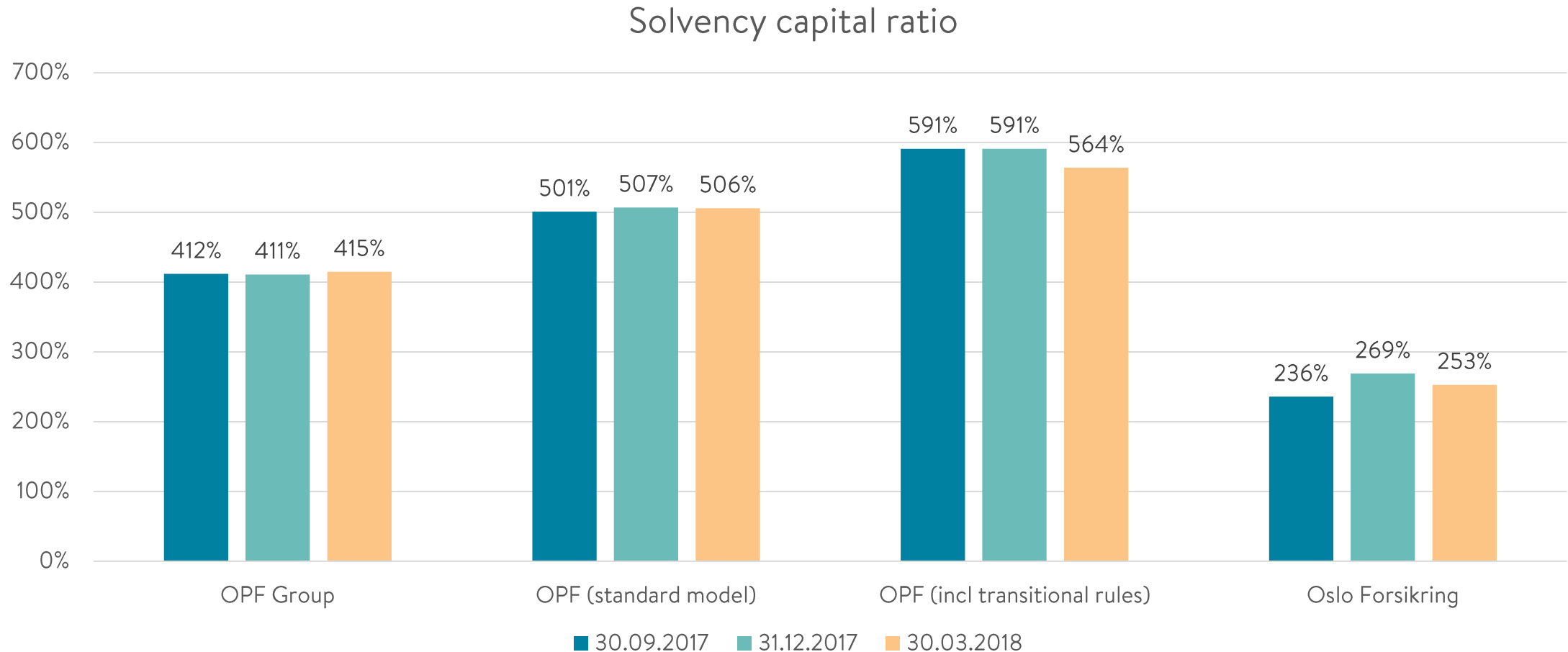


Oslo Pensjonsforsikring Group. Quarterly results by business line.

Million NOK	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	2017
Result from Pension insurance	96	101	143	146	134	525
The company's share of the risk result	22	16	54	57	52	179
Administration result	10	9	12	13	6	39
Guarantee premiums and risk margin	64	76	77	76	77	306
Coverage of loss in customer income	-	-	-	-	-	-
Result from life and non-life insurance	20	78	36	5	30	149
Personal risk products (OPF)	14	64	20	19	16	119
Non-life insurance (Oslo Forsikring AS)	6	14	16	-14	14	30
Financial income on capital	24	178	91	97	126	492
Group result before tax	140	357	270	249	290	1 166



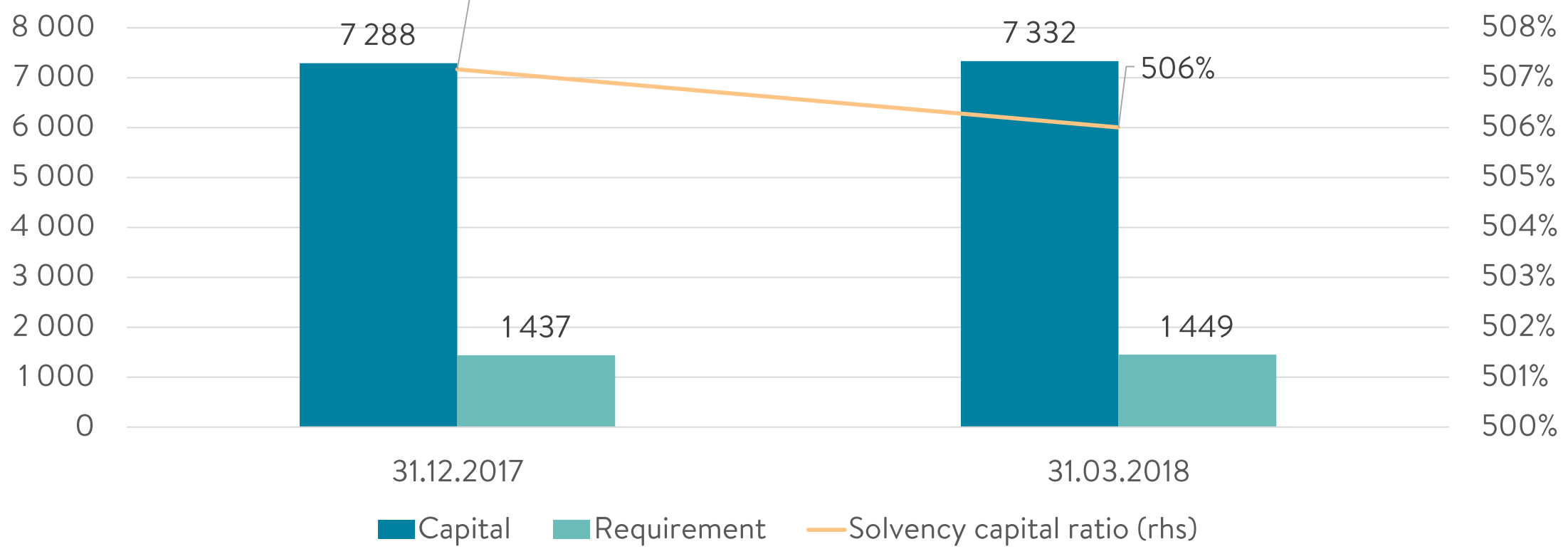
The group's solvency capital ratio (standard model) was 415 per cent as of March 31st, 2018





Solvency capital and capital requirement stable in the first quarter

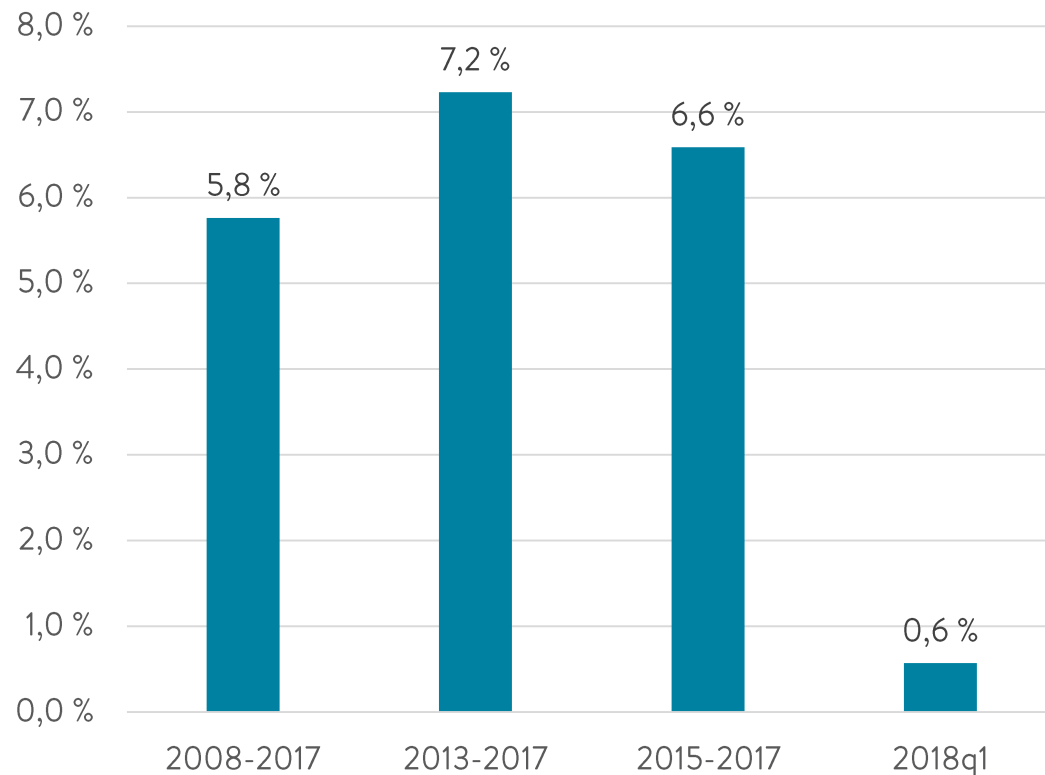
OPF. Solvency capital, capital requirement and coverage ratio. Million NOK and per cent. Standard model





Pension insurance: 0,6 per cent value adjusted return in the Common Portfolio in the first quarter

Value adjusted return. Annual average.
Common Portfolio.



Value adjusted return. 12 months avg.
last ten years. Common Portfolio.



Pension insurance: Moderate returns for all asset classes



Allocation and returns in per cent	Allocation 31.03.2018	Return as of 31.03.2018	Allocation 31.12.2017
Hedging assets	65,7	1,3	66,7
Money market	5,6	0,2	6,7
Mortgage loans	3,8	0,5	3,8
Domestic bonds	7,3	0,0	7,3
International bonds	5,1	-0,1	5,0
Bonds held to maturity	21,3	1,0	21,1
Real interest rate bonds	1,6	0,8	1,9
Hedge funds	4,4	0,9	4,0
Property and infrastructure	16,6	3,3	16,9
Return assets	34,0	-0,7	32,9
Convertible bonds	2,8	-0,1	2,9
High yield bonds	1,5	0,9	1,5
Private Equity	2,1	4,0	2,0
Equities	20,4	-1,6	20,2
Other financial assets	7,2	0,6	6,3
Other assets	0,3	-	0,4
I alt	100,0	0,6	100,0



Pension insurance common portfolio: Financial income of 476 million in the first quarter

Million NOK	Q1 2018	Q1 2017
Financial result	460	1 008
Financial income Common portfolio	476	2 033
Guaranteed interest on reserves	-429	-419
To (-)/from (+) Market value adjustment reserve	413	-606
To (-)/from (+) Additional allocations	0	0
Customers' share of the Risk result	22	52
Contribution from OPF	-	-
Unallocated surplus funds to pension customers	482	1 060



Life and non-life insurance: Combined ratio of 62 per cent in the first quarter

Million NOK	Q1 2018			Q1 2017
	Total	Personal lines	Non-life	Total
Insurance result	17,0	10,9	6,1	20,1
Insurance premiums	50,1	27,9	22,2	51,1
Total claims	-20,9	-14,9	-6,0	-20,5
- Claims paid	-17,0	-13,0	-4,0	-21,3
- Changes in technical reserves	-3,9	-1,9	-2,0	0,8
Operating expenses	-7,4	-1,7	-5,7	-5,6
Net reinsurance result	-4,8	-0,4	-4,4	-4,8
Financial income and other items	3,4	3,4	0	9,8
Business area result	20,4	14,3	6,1	29,8
<i>Combined ratio net of reinsurance</i>	<i>62 %</i>	<i>60 %</i>	<i>66 %</i>	<i>56 %</i>



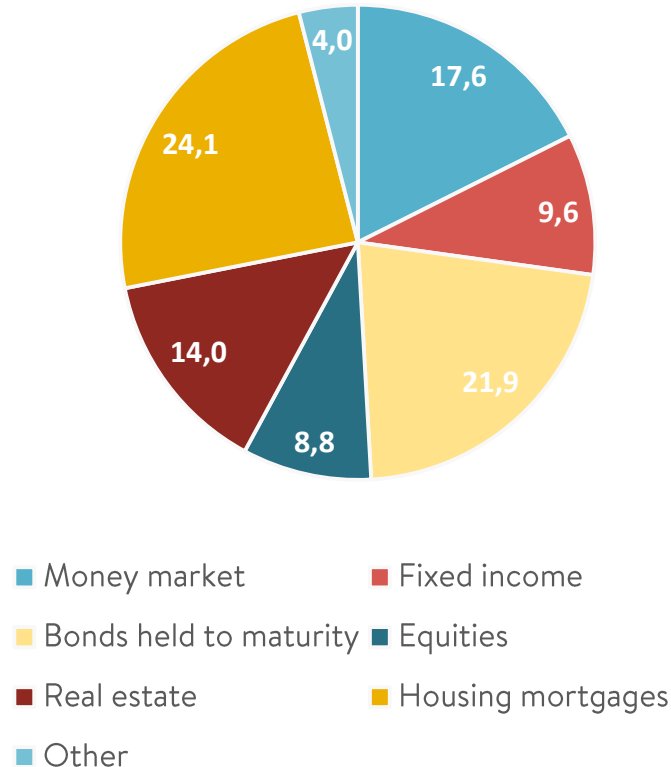
Life and non-life insurance: Oslo Forsikring's result was 6 mill NOK in the first quarter

Million NOK	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	2017
Insurance result	6,1	7,3	12,0	-19,6	8,2	7,9
Premium income, gross	22,2	22,0	22,0	21,8	21,5	87,4
Claims paid, gross	-6,0	-30,2	-2,8	-46,8	-4,5	-84,3
Reinsurance result	-4,4	16,8	-4,2	8,5	-4,2	16,8
Operating expenses, gross	-5,7	-1,3	-3,0	-3,1	-4,6	-12,0
Net financial income	-0,5	6,4	4,3	4,9	4,8	20,5
Other income and expenses	0,5	0,2	0,2	0,3	1,2	1,8
Result before tax	6,1	13,9	16,5	-14,4	14,2	30,2
<i>Combined ratio gross</i>	53 %	143 %	26 %	229 %	42 %	110 %
<i>Combined ratio net of reinsurance</i>	66 %	60 %	73 %	171 %	53 %	89 %



The Corporate portfolio returned 0,4 per cent in the first quarter of 2018

Corporate Portfolio. Asset allocation in per cent. 31.03.2018



Financial income on capital. First quarter 2018

Million NOK	Q1 2018	Q1 2017
Financial income Corporate Portfolio	33	147
Other income	2	1
Paid interests	-19	-19
Financial Income Risk adj. fund	14	11
Correction Oslo Forsikring AS	-6	-14
Financial income on capital	24	126



Total assets of 92 billion and equity of 8 billion NOK

OPF. Million NOK	31.03.2018	31.12.2017
Assets	92 424	91 349
Corporate Portfolio	9 747	9 319
Common Portfolio	82 677	82 030
Liabilities and Own funds	92 424	91 349
Pension premium reserve	61 002	60 336
Additional allocations	7 101	7 101
Market value adjustment reserve	10 520	10 933
Premium fund	2 216	2 303
Insurance fund personal risk products	472	385
Unallocated surplus funds to pension customers	482	-
Other debt and Deferred taxes	1 367	1 131
Subordinated debt	1 240	1 240
Equity	8 024	7 920



OSLO PENSJONSFORSIKRING

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