



OSLO PENSJONSFORSIKRING

Results. Second quarter. 2019

15 August 2019

Oslo Pensjonsforsikring AS and Oslo Forsikring AS

About the group



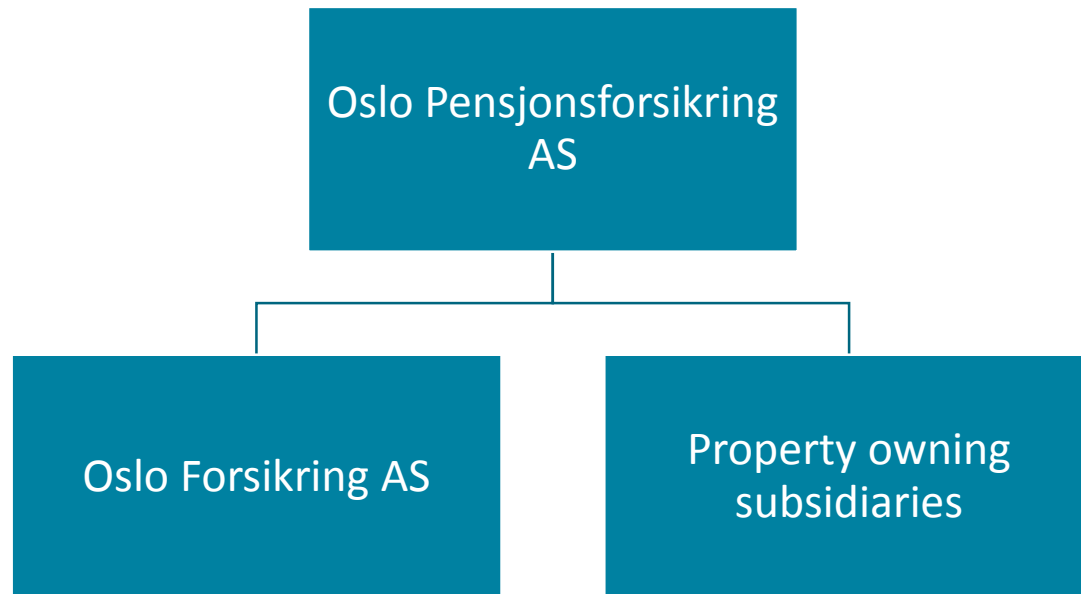
OSLO PENSJONSFORSIKRING

- 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 AS
- to 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, subordinated debt and non-pension insurance reserves are managed in the Corporate Portfolio.
 - The company is regulated by the Norwegian FSA.

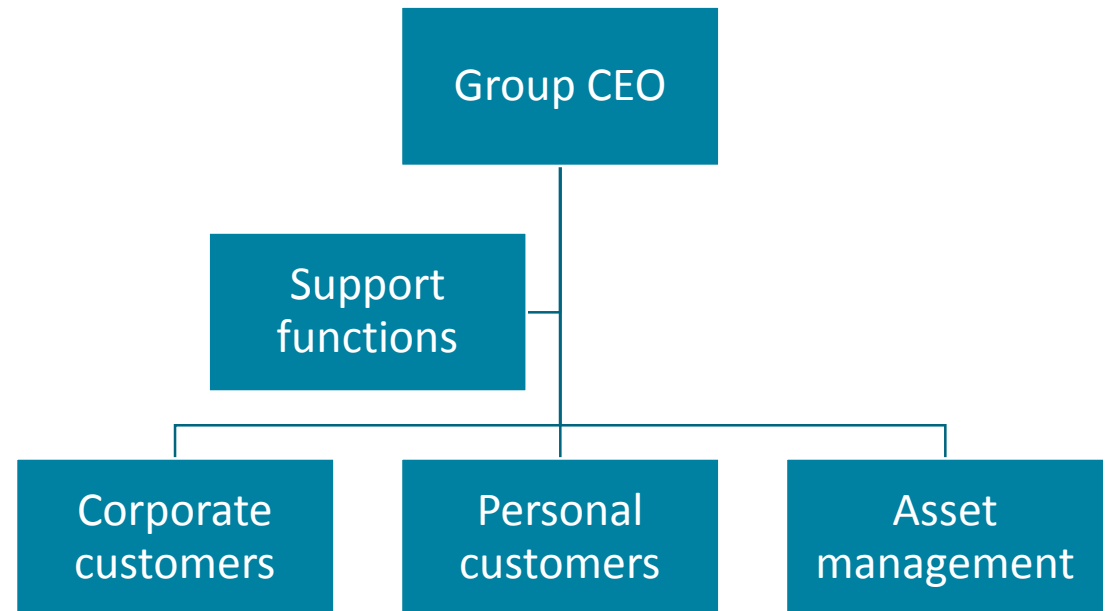
Legal and organizational structure



Group legal structure



Organizational structure





Strong results in the second quarter



- The group's result was NOK 247m (NOK 198m) in the second quarter of 2019.
- Value-adjusted return on customer funds was 5.4 (2.2) per cent as of 30 June.
- Solvency capital ratio was 472 per cent for the parent company (standard model, calculated without transitional measures).

Oslo Pensjonsforsikring Group: Result NOK 247m in the second quarter

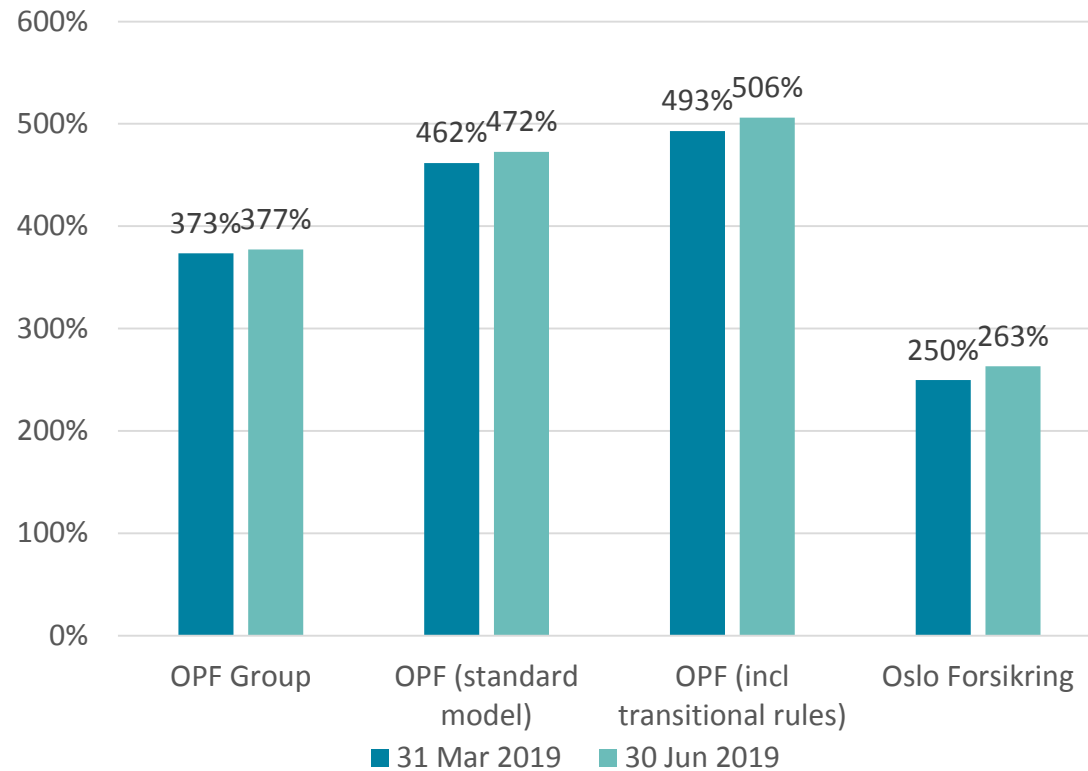


Quarterly results by business line.						
NOK million	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	2018
Result from Pension insurance	90	90	173	144	92	505
The company's share of the risk result	0	0	102	66	11	201
Administration result	14	13	8	11	18	47
Guarantee premiums and risk margin	76	77	63	67	63	257
Result from life and non-life insurance	26	30	44	35	-1	99
Personal risk products (OPF)	12	11	40	19	13	86
Non-life insurance (Oslo Forsikring AS)	14	19	4	16	-14	13
Financial income on capital	131	192	-40	97	107	187
Group result before tax	247	312	176	276	198	791

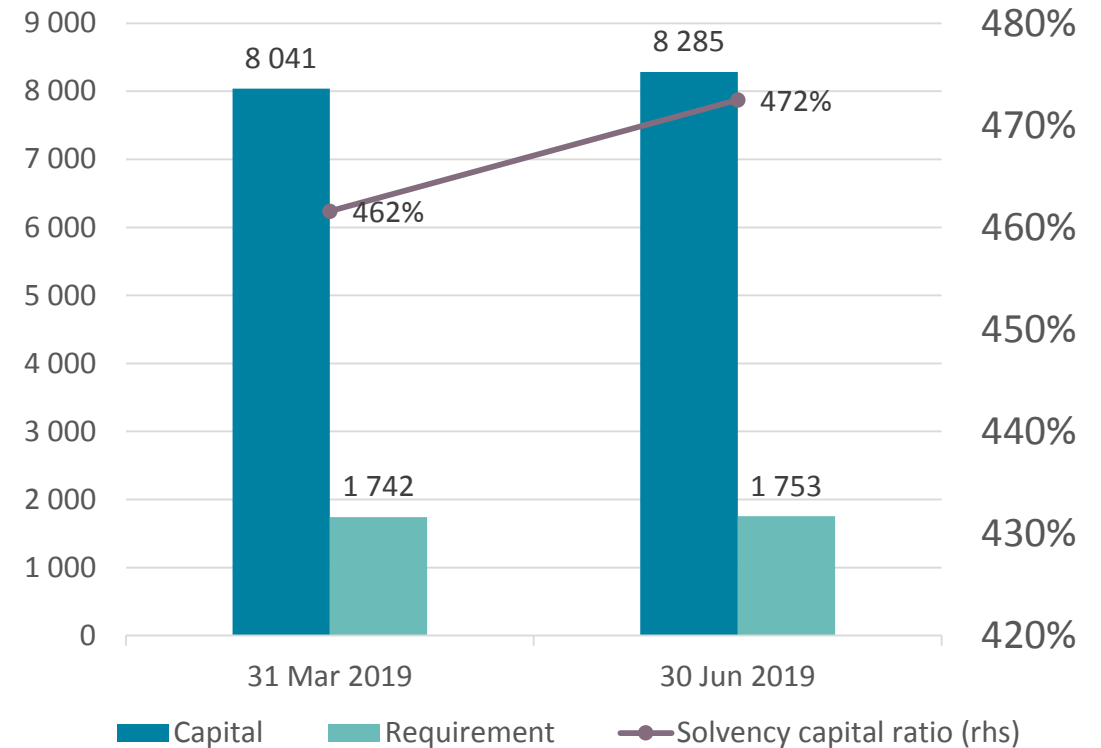
OPF's solvency capital ratio (standard model) was 472 per cent as of 30 June 2019



Solvency capital ratio



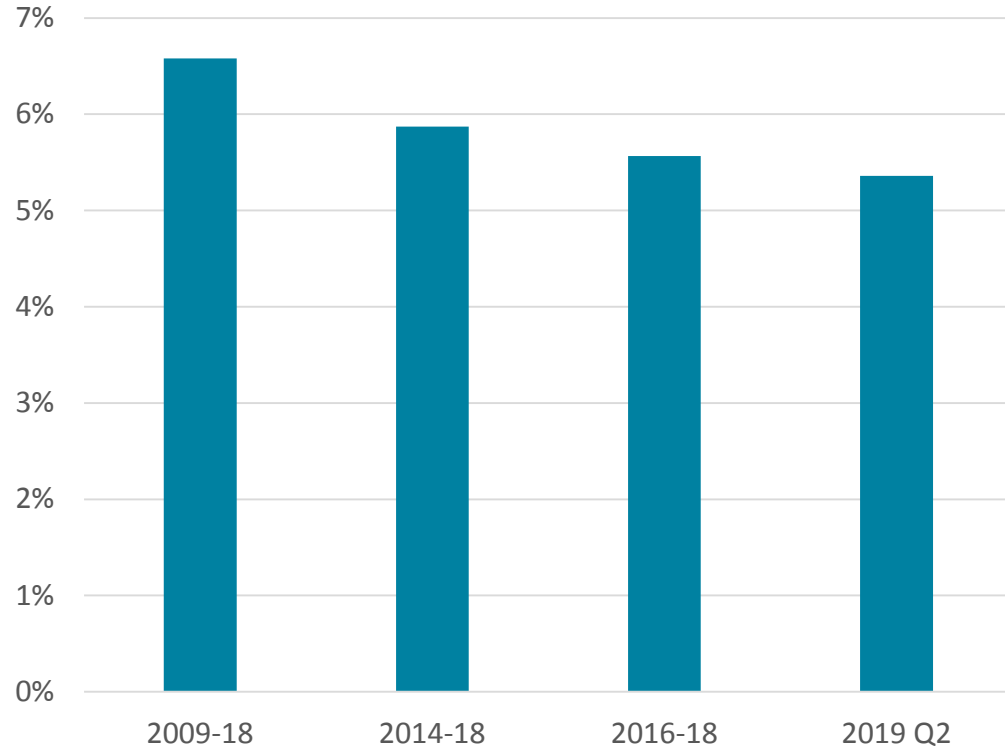
OPF solvency capital, capital requirement and coverage ratio.
NOK million and per cent.



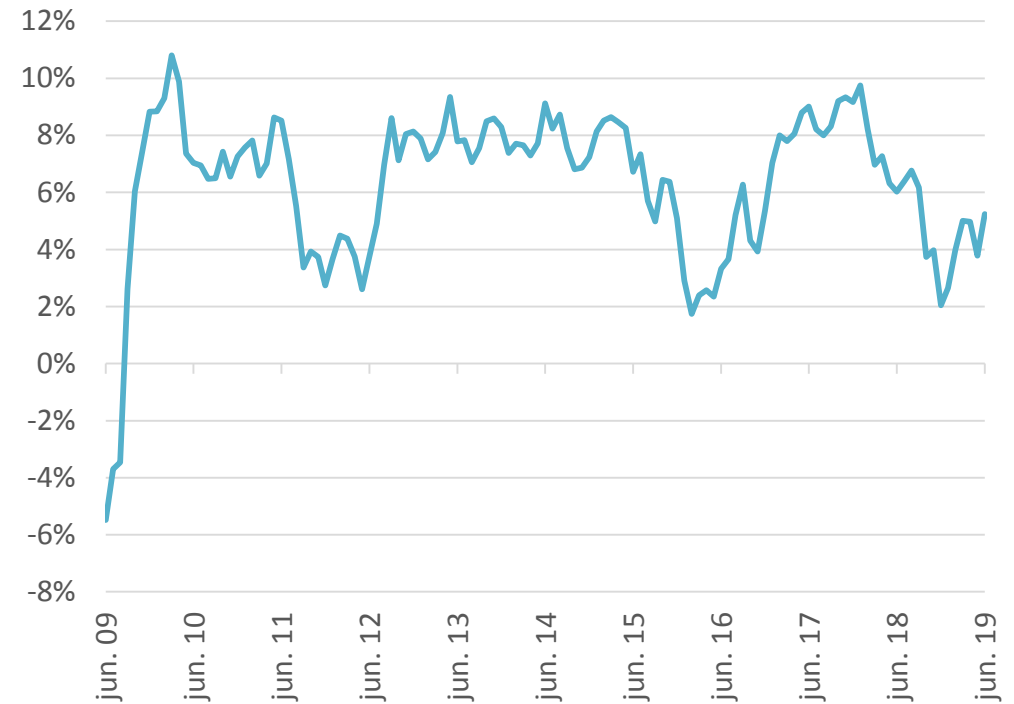


Pension insurance: 5.4 per cent value adjusted return in the Common Portfolio in the first half year

Value adjusted return. Annual average.
Common Portfolio.



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





Pension insurance: High investment returns to customers in the first half year

Allocation and returns in per cent	Allocation 30 June 2019	Return YTD	Allocation 31 Dec 2018
Hedging assets	62.2	2.1	66.5
Money market	4.0	0.8	6.0
Mortgage loans	3.5	1.2	3.7
Domestic bonds	6.9	1.8	7.1
International bonds	4.8	4.8	4.8
Bonds held to maturity	21.6	1.9	23.0
Real interest rate bonds	1.7	3.8	1.6
Hedge funds	3.4	-0.6	3.6
Property and infrastructure	16.3	2.8	16.7
Return assets	37.7	11.6	33.3
Convertible bonds	2.7	6.3	2.7
High yield bonds	1.7	4.8	1.4
Private Equity	2.8	4.9	2.5
Equities	21.3	16.5	18.8
Other financial assets	9.2	5.5	7.9
Other assets	0.1	-	0.2
Total	100.0	5.4	100.0



Pension insurance Common Portfolio: Financial income NOK 4.5bn vs NOK 1.7bn in the first half year

NOK million	H1 2019	H2 2018
Net financial result	0	1 048
Financial income Common portfolio	4 526	1 724
Guaranteed interest on reserves	-891	- 857
From (+)/to (-) Market value adjustment reserve	-3 884	181
Temporary contribution from the company to cover the interest guarantee	249	0
Customers' share of the risk result	91	33
Surplus funds to pension customers	91	1 081

Life and non-life insurance: Combined ratio of 63 per cent



NOK million	H1 2019			H1 2018
	Total	Personal risk products	Non-life	Total
Insurance result	32.6	17.3	15.3	5.8
Insurance premiums	101.3	52.2	49.1	100.1
Total claims	-46.0	-32.0	-14.0	-89.9
- Claims paid	-40.7	-26.8	-13.9	-38.3
- Changes in technical reserves	-5.3	-5.2	-0.1	-51.6
Operating expenses	-11.7	-2.0	-9.7	-12.9
Net reinsurance result	-10.9	-0.8	-10.1	8.5
Financial income and other items	23.7	6.0	17,7	13.5
Business area result	56.4	23.4	33.0	19.3
<i>Combined ratio net of reinsurance</i>	<i>63 %</i>	<i>65 %</i>	<i>61 %</i>	<i>94%</i>



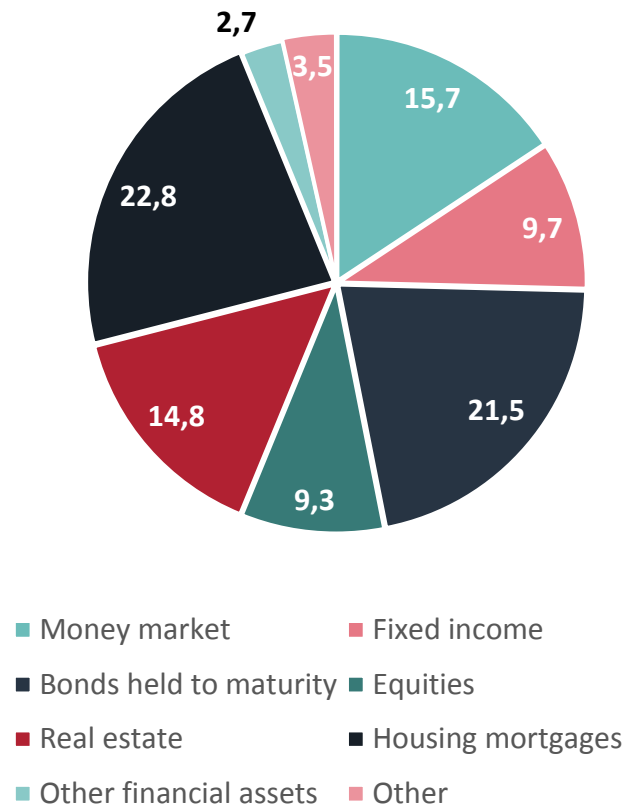
Non-life insurance: Oslo Forsikring AS's result was NOK 13.8m in the second quarter

NOK million	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	2018
Insurance result	7.8	7.4	9.9	11.7	-19.9	7.7
Premium income. gross	24.6	24.4	23.5	22.8	21.9	90.4
Claims paid. gross	-8.4	-5.6	-5.2	-27.9	-51.4	-90.4
Reinsurance result	-4.7	-5.4	-4.6	20.3	13.9	25.1
Operating expenses. gross	-3.7	-6.0	-3.8	-3.5	-4.3	-17.4
Net financial income	5.9	10.5	-7.5	5.5	6.3	3.6
Other income and expenses	0.1	1.3	0.8	-0.5	0.3	1.4
Result before tax	13.8	19.2	3.2	16.7	-13.3	12.7
<i>Combined ratio gross</i>	<i>49 %</i>	<i>48 %</i>	<i>38 %</i>	<i>137 %</i>	<i>254 %</i>	<i>119 %</i>
<i>Combined ratio net of reinsurance</i>	<i>61 %</i>	<i>61 %</i>	<i>48 %</i>	<i>36 %</i>	<i>214 %</i>	<i>89 %</i>



The Corporate Portfolio returned 3.6 per cent in the first half year

Corporate Portfolio. Asset allocation in per cent. 30 June 2019



Financial income on capital

NOK million	30 June 2019	2018
Financial income Corporate Portfolio	357	203
Other income	3	7
Paid interests	-38	-75
Financial Income Risk adj. fund	32	65
Correction Oslo Forsikring AS	-33	-13
Financial income on capital	323	187

Total assets of NOK 100.6bn and equity of NOK 8.9bn



OPF AS. NOK million	30 June 2019	31 Dec 2018
Assets	100 589	95 170
Corporate Portfolio	10 574	9 914
Common Portfolio	90 015	85 256
Liabilities and Own funds	100 589	95 170
Pension premium reserve	64 648	63 589
Additional allocations	7 503	7 492
Market value adjustment reserve	13 188	9 304
Premium fund	2 963	3 249
Insurance fund personal risk products	422	364
Unallocated surplus funds to pension customers	91	0
Other debt and Deferred taxes	1 555	1 241
Subordinated debt	1 240	1 240
Equity	8 978	8 691



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