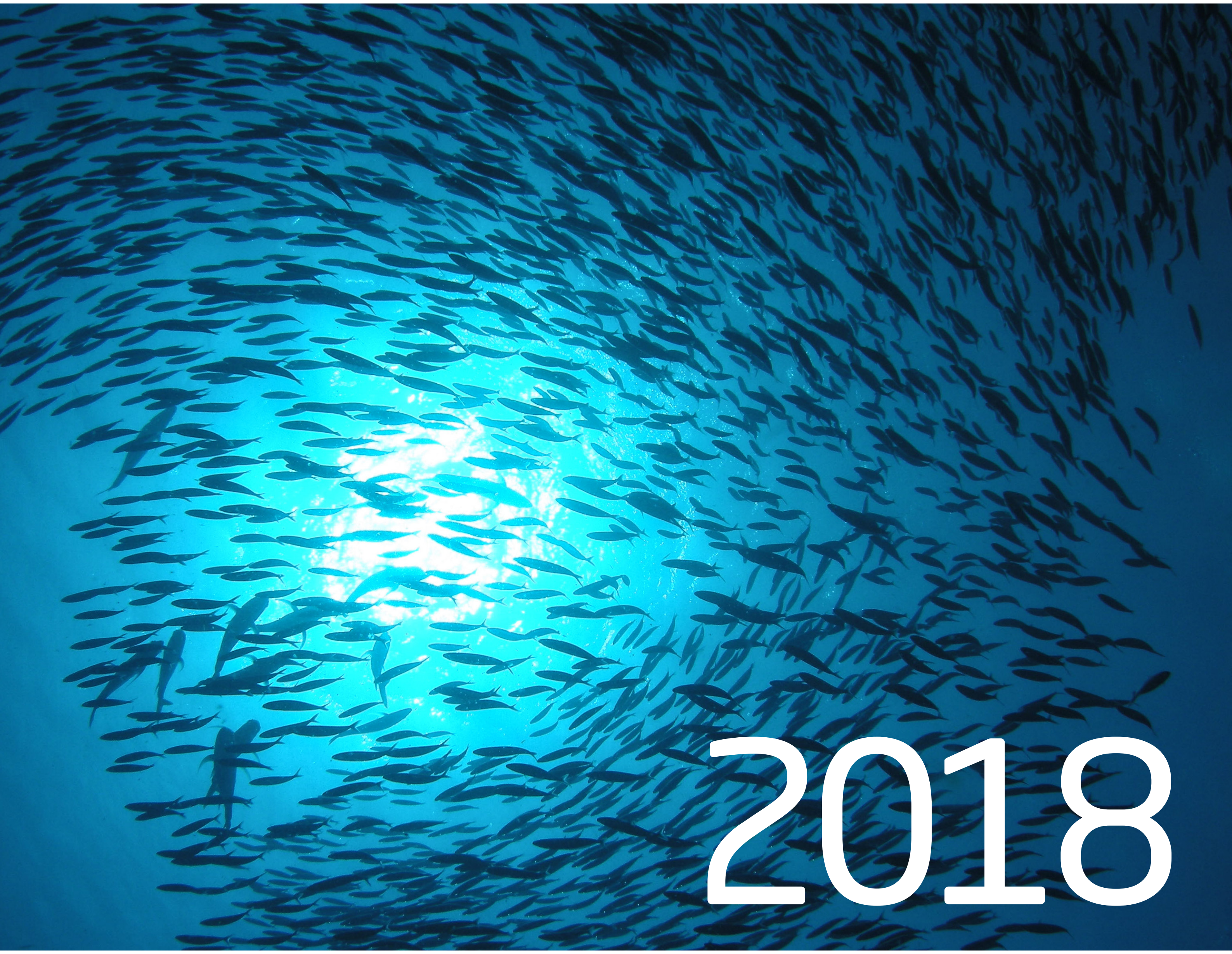
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

for the year to 20 February



gard

FINANCIAL HIGHLIGHTS

775
Gross written premium
USD MILLIONS, ETC BASIS

91
Combined ratio net
PER CENT, ETC BASIS

193
Result
USD MILLIONS, ETC BASIS

6.3
Investment return
PER CENT

1,249
Equity
USD MILLIONS

2.9
Assets
USD BILLIONS

A+
Standard & Poor's rating

20
Reduction in mutual premium
PER CENT

11.2
Average expense ratio
PER CENT

FIVE YEAR COMPARISON

	2014	2015	2016	2017	2018
Gross written premium USD millions, ETC basis	959	991	911	824	775
Total comprehensive income USD millions, ETC basis	89	87	86	215	193
Combined ratio Per cent, ETC basis	97	88	83	83	91
Equity USD millions	920	969	1,017	1,135	1,249
Assets USD billions	2.7	2.7	3.0	2.8	2.9
Non-technical result USD millions	77	23	-54	104	144

CHAIRMAN'S STATEMENT

This being my last Directors' Report as Chairman of Gard, it seems appropriate to reflect briefly on some of the changes and constants that have affected the industries in which Gard operates. I have had the privilege to serve the Gard group for almost 19 years of great internal and external change which has shaped the organisation that Gard has become.

At the end of the last century Gard was a traditional mutual club focusing on P&I and governed ultimately by a Committee which reflected the industry at the time. At my first meeting the Board and management was given a mandate to negotiate with If to manage the Vesta and Storebrand Marine & Energy business. It was a significant decision which has led to what Gard is today.

The group has adapted to serve the changing needs of its Members and customers, expanding its global footprint to provide local service, evolving to provide a comprehensive range of products and building a structure based on good governance, deep expertise and knowledge. It is particularly gratifying that, while growing its size and range of business, it has maintained its South Norway core culture. The Gard model has remained constant – the strategy of being well-capitalised; focusing on efficiency and quality while taking on risk from Members is one that has positioned the group strongly.

2017 was another year in which Gard delivered against this commitment and produced strong results, with a profit after tax of USD 115 million, and again the cancellation of the entire deferred call of USD 79 million. A benign claims environment has undoubtedly helped, but the quality of our Members and customers has certainly been crucial. Demanding Members force an improved standard of operations. I think we are in a virtuous circle with our existing quality membership attracting other quality owners to join the Club.

Changes, opportunities and challenges
Maritime industries are developing swiftly; whether that is fish farming in locations in deeper waters, offshore wind farms or sailing through the North Passage – this wider use of the oceans brings with it new opportunities and challenges. We are also engaging in the insurance of autonomous vessels.

Autonomous vessels – as with cars, will bring about enormous change from the construction of vessels to crewing and operations, and may alter the way shipping companies and insurers think about risk management. It is also likely to affect liability issues. Over three quarters of maritime accidents and casualties are affected by some type of human error such as fatigue, inadequate communication, lack of knowledge of the ship's system and decisions based on incomplete information. It is not surprising that the desire to improve safety and reduce risks to seafarers is a driving factor in the development of autonomous vessels.

There are also broader political challenges facing both shipping and insurance today. It is now under a year until the United Kingdom leaves the European Union and there are more questions than answers about the future shape of trading relations. The political rhetoric from the US is still focused on 'America First' with the clear implications of protectionism. But these are not isolated incidents. According to research by law firm Gowling WLG, the world's top 60 economies have adopted more than 7,000 protectionist trade measures in the last ten years, aimed at shoring up key industries, protecting jobs and maintaining a strategic international advantage.

The use of economic sanctions has serious implications for everyone involved in maritime trade. The US position on Iran and the nuclear agreement creates diplomatic and trading uncertainty and reminding us of the law of unintended consequences. Sanctions place a heavy compliance burden on marine insurers, but of more concern for owners is that the payment of claims incurred in Iranian ports or territorial waters, for entirely lawful voyages, cannot be paid because the international banking sector cannot, or are unwilling, to deal with Iran. So, vessels may be detained longer at great expense for owners.

Until quite recently, cyber-attacks were mainly motivated by attempts to obtain personal or financially sensitive data. Today it is clear that no industry, including the maritime sector. can be complacent. The Maersk cyber security attack in 2017 is a vivid illustration of the severe disruption and high cost suffered as a result.

CHAIRMAN'S STATEMENT
continued

The challenges outlined above are just a few illustrations of the evolution of the maritime sector and the risks it faces. Despite all of this, society at large, rightly, expects the maritime industry to continue to take very seriously its responsibilities in terms of how it looks after the environment – both in day to day operations and after a casualty, as well as the care it offers its employees on and offshore.

Some personal reflections
Stepping down from the Board I have the freedom to make some personal observations on the marine insurance industry. I think the clubs and the International Group of P&I Clubs (IG) must do a much better job in promoting the advantages of the convention based liability regimes backed by insurance – securing the efficient and prompt settlement of claims for the benefit of victims of maritime casualties. The alternative may be long and costly litigation to settle claims

The International Group (IG) is a unique industry body covering about 90 per cent of the world fleet. The IG is a cost-effective vehicle for the mutuals in pooling large claims and the collective purchase of reinsurance. Gard is a strong supporter of the IG including also its role as a forum for knowledge sharing and as an industry voice. Whilst the IG provide a very valuable role with tangible benefits to shipowners and victims of marine casualties I think some reforms is needed. I think it needs to be more progressive in adapting to changing needs of the shipowners including a continuous review of the scope of the mutual cover. In my view governance processes needs to be looked at including voting rights. It is important that the work on strategic issues within the IG is given greater attention and addressed with speed and that there is a willingness to be open for change. I also hope that we will see consolidation among the smaller clubs which would facilitate a larger capacity to take bigger retentions.

Finally, I suspect we will see big changes in distribution as a result of greater digitalization including the use of blockchain and other technologies.

Looking to tomorrow
The progress that Gard has made since deciding to write international business back in the 1960's has been amazing. It has been fortunate in having both a loyal membership, dynamic management and wise leadership along with highly qualified and motivated people. It is quite incredible how a global marine insurance business, second to none, has been built in Arendal on the south coast of Norway.

Gard has a good mix of experience, new thinking, practical skills and those looking to the future. Whether it is improving on what is being done today or thinking about what needs to be done tomorrow, Gard has retained its mutual mindset and values, helping it to fulfil its core purpose of helping Members and customers to mitigate casualties and manage their risks. Mutuality undoubtedly remains the heartbeat of the group and one of the foundations of its success.

I have been very fortunate to have been part of Gard's governance for many years. It has been both stimulating and an education. Shipping and marine insurance is a cosmopolitan business which is very attractive and I have made many friends.

I wish to thank all board members for your engagement to look after Gard's best interests. A special thanks also to those who have devoted additional time to serve on the various committees. Finally, many thanks to the management and staff for your commitment and devotion in developing and making Gard the successful group it is today.

Best wishes,

Bengt Hermelin
Chairman

CEO'S OPERATIONAL REVIEW

The Gard group results for the financial year ending 20 February 2018, show a surplus after tax of USD 193 million on an Estimated Total Call (ETC) basis. The group's income declined by 11 per cent because of ongoing reductions in insurance rates and values. At the same time, the technical result benefited from a continuing benign claims environment. All business areas delivered an underwriting profit, with a combined ratio net of 91 per cent overall. This is 8 percentage points higher than last year, mostly due to a more modest surplus on mutual business.

The non-technical result totalled USD 144 million and the return on investments was 6.3 per cent compared to last year's 4.7 per cent due to unusually strong financial markets.

The consolidated equity, which provides security and stability for the membership, stands at USD 1,249 million, compared to USD 1,135 million on 20 February 2017. This is after a reduction in the premium cost to mutual Members of USD 79 million. Not calling the deferred call on mutual Members reduces the gross written premium in the accounts to USD 681 million and the accounting result to USD 114 million.

Preparing for the future

In 1907, Gard was founded to underwrite only the P&I risks of sailing ships – a single solution for one type of vessel. As the world and technology changed, so did the Club and today the group is still adapting to meet the needs of shipowners and our responsibilities to society. Our core business has developed to include:

- helping our Members' businesses grow by developing our products and services in response to their needs and the evolution of the maritime industries,
- making the oceans cleaner and safer through prevention, casualty preparedness – including improved coordination with emergency response authorities and stakeholders – as well as through proactive and effective casualty handling,
- helping protect the lives and livelihoods of thousands of seafarers and passengers every day, and
- developing risk solutions to support ocean economies around the world.

We integrate social and environmental concerns into our day-to-day activities. We are committed to making a positive contribution to the industries we serve – and society at large, by offering dedicated resources to share knowledge and expertise. Our history is one of responding to change and our future will be the same. Our robust financial performance over time gives us the rock-solid foundation on which to do this.

Fair and predictable pricing

There are many things we need to keep getting right to meet the needs of our Members and customers for high quality service and products. We must excel at fundamental capabilities – assessing and pricing maritime risk as well as handling maritime casualties and claims. We must develop stronger analytical capabilities to take better business decisions. We must remain financially strong through insurance and financial cycles to deliver the stability and consistency that is needed to protect the assets, incomes, and reputations of our Members and customers.

Gard aims to maintain a premium level for mutual Members which is fair, predictable and sustainable long term. There are two key enablers to achieve this. The first is underwriting discipline. Our premium policy of advance calls and an estimated – but deferred – call, allows us to account for changes in claims trends.

Last year there was no general increase in the estimated premium for owners' mutual P&I or for mutual FD&D. In fact, the premiums that our mutual Members pay have reduced over time on a per GT basis, and we believe that our business model allows us to operate at lower mutual premium levels. Still, the renewal result for each Member is determined by the expected risk as well as the individual performance, in combination with existing premium level. For the mutual Members, keeping overall premiums down is a good thing – if the scope of cover is not reduced, and premiums remain sufficient to cater for expected claims. Currently this is justified due to the positive claims environment. However, should that trend reverse, pricing will have to respond.

CEO'S OPERATIONAL REVIEW

continued

Better than expected claims development, investment income and/or results on for-profit operations will allow us to reduce (or in special years, waive) the deferred call to the benefit of mutual Members.

Our well-established capital management framework ensures that when capital targets have been met, surplus can be returned to the mutual membership by way of reductions in the premium paid. The financial result for 2017 reflects that it allowed the Board of Directors to decide not to call any of the deferred call for the 2017 policy year, which represents a 20 per cent reduction compared to the ETC for mutual Members – equal to USD 79 million. Over the last decade, the actual cost of insurance to mutual Members has been reduced by USD 392 million. We will continue to look to reduce the insurance cost for the mutual Members to below the estimated total call whenever our results and capital position allow us to do so.

Business review

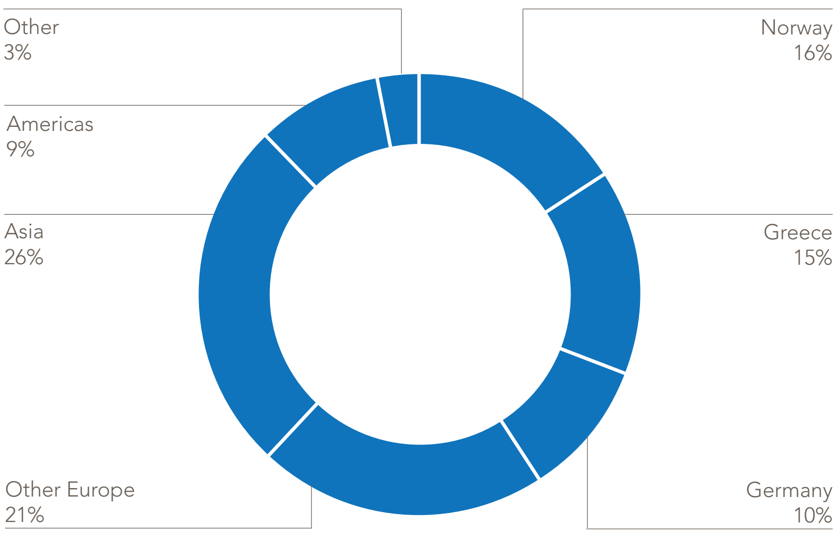
Protection & Indemnity

For P&I, gross written premium for the financial year ending 20 February 2018 amounted to USD 546 million, which is a reduction of 12 per cent compared to the previous year. The 2018 renewal season saw a net tonnage gain. An increase of 8.2 million GT over the last 12 months brought the total owners' mutual to more than 207 million GT. 99 per cent of the existing tonnage stayed with Gard and the overall market share has been stable. The market has experienced a period of decreasing premium volume driven by falling insurance rates and moderate growth in the world fleet.

The combined ratio for P&I was 92 per cent, up from 75 per cent for the previous year. Over the last few years, the insurance performance has been better than forecast due to a benign claims environment. Another critical factor for the strong insurance result has been the quality of our membership, with quality Members driving improvements in operations and reducing accidents and, as result, attracting new owners of a similar quality with whom to share risk. This has allowed for a reduction in premium rates for mutual Members.

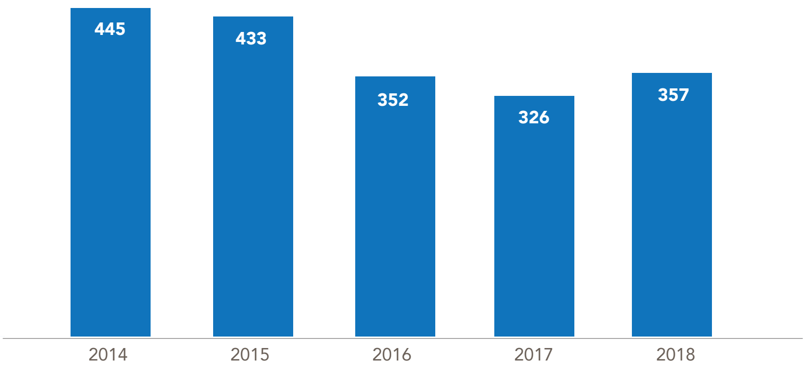
P&I claims incurred totalled USD 357 million, an increase of USD 32 million compared to the previous year. There were fewer large own claims than expected in 2017 across all lines of business and only one claim by Gard on the Pool, but our contributions this year to pool claims from other clubs increased. There were fewer energy-related claims and the non-mutual P&I result was also strong.

Entered tonnage by domicile



CEO'S OPERATIONAL REVIEW
continued

Claims incurred net, USD million
Development of net claims incurred for own account in the last five years.



The strategy of delivering local support where Members and customers are located, and casualties occur, has proved its value. We have seen strong business growth in Greece and in Asia over the last few years and important Members and customers have made significant commitments of entries for the coming year.

Marine & Energy
In Marine & Energy gross written premium totalled USD 229 million, an increase of USD 26 million compared to the previous year. The combined ratio net was 88 per cent, down from 103 per cent in the previous year. For Marine, we are pleased to note that this is the tenth consecutive year that the marine portfolio has made a technical profit and we have also gained market share in some marine products.

While prices have been falling due to an abundance of capacity in the insurance market, more recently there has been signs that the marine market has been firming, with most renewals at as before and increased rates for customers with poor claims records.

At the same time, there has been a hardening of rates in the energy market. Activity in the offshore segment is increasing with more vessels and rigs being employed. At the current time, insurance premiums in the energy market are probably too low to cater for large claims that are inherent over time in this volatile line of business.

Net claims totalled USD 122 million, a decrease of USD 45 million compared to the previous year. The frequency of claims within both marine and energy is low, with only one major marine claim.

Investments
Over the twelve months to the 20 February 2018, the Gard group achieved an investment return of 6.3 per cent against a benchmark of 5.8 per cent. In the previous year, the investment return was 4.7 per cent. The group's investment portfolio increased from USD 2,078 million as at 20 February 2017 to USD 2,156 million as at 20 February 2018.

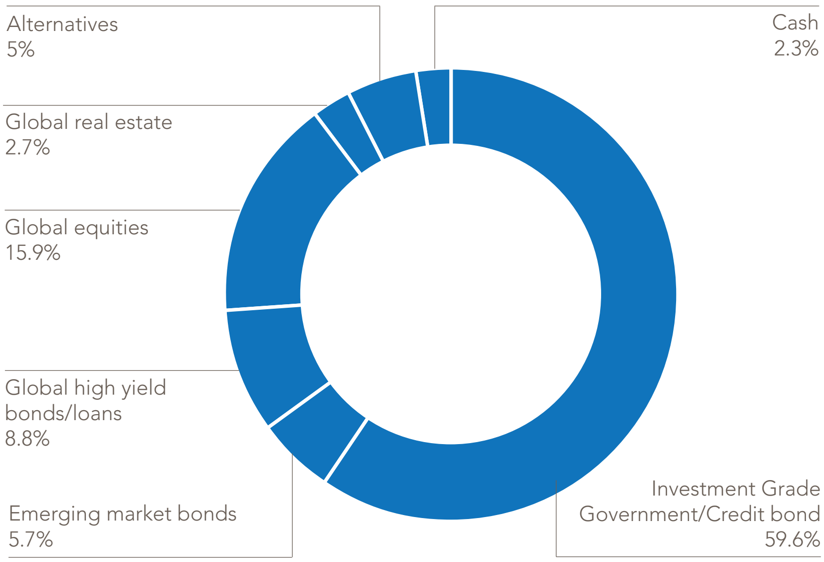
The equity investments returned 21.7 per cent, real estate investments 2.5 per cent and fixed-income investments 3.7 per cent.

The year to 20 February 2018 was an unusually strong year in the financial markets. Global growth accelerated in 2017 while inflation and interest rates remained low. Equity markets, particularly in Asia and other emerging markets, were strong.

We fully support the UN Principles of Responsible Investment and encourage fund managers to sign up to them. These principles recognise that long-term sustainable returns are dependent on stable, well-functioning and well-governed social, environmental and economic systems.

CEO'S OPERATIONAL REVIEW
continued

Investment allocation, per cent



Capital and Risk Management
Over the twelve months to 20 February 2018, the Gard group continued to be very strongly capitalised. The risk profile has been steady with somewhat lower expectation to claims frequency.

Risk management
Gard has an effective system of risk governance, which provides for sound and prudent risk management. Risk governance is based on the three lines of defence model, with clearly defined roles and responsibilities. Risk taking is carried out in the business functions (1st line), risk oversight is carried out by the Risk Management function, Compliance function and the Actuarial function (2nd line). Independent assurance is provided by Internal Audit (3rd line).

Gard's Risk Management function is mandated to ensure that the group and the legal entities have the necessary expertise, frameworks and infrastructure to support good risk-taking. In addition, it performs reporting activities. The independence of the Risk Management function is maintained by a direct reporting line to the Chief Executive Officer when necessary, and regular reporting to the Risk Committee.

Gard's internal risk capital model provides a quantification of the risks to which Gard group and its legal entities are exposed and represents an important tool for managing Gard. The model is used to determine the risk and capital requirements for internal purposes. The internal model and its parameters are reviewed regularly to reflect Gard's experiences and changes in the risk environment and current best practice. The Standard Formula is used for regulatory reporting under Solvency II.

Risk appetite and strategy
Gard's risk appetite is to hold sufficient capital and liquidity as well as constrain its risk taking to ensure that the group can continue to operate following an extreme loss event with the same risk tolerance for insurance risk. The risk-taking must be aligned to Gard's risk-carrying capacity.

Gard aims to fulfil the following key objectives:
- Have a high probability of meeting its insurance liabilities and providing its services;
- Preserve the continuity of its offering after an extreme loss event; and
- Have the flexibility and competence to help Members and customers manage new risks and pursue attractive business opportunities as and when they arise.

The probability that Gard would have to raise additional capital from its mutual Members by way of unbudgeted supplementary calls should be low.

CEO'S OPERATIONAL REVIEW
continued

Eligible own funds	2018	2017
Tier 1 Basic own funds	1,192	996
Tier 2 Ancillary own funds	328	338
Tier 3 Other own funds		
Eligible own funds	1,520	1,334

Capital management
Gard has a simple capital structure consisting of Tier 1 capital through equity, which is earned and available, high quality Tier 2 capital in the form of unbudgeted supplementary calls, and tax assets included as Tier 3 capital.

Gard group aims to manage its capital such that all its regulated entities meet local regulatory capital requirements at all times.

Risk profile
In context of its business operations Gard enters into a broad variety of risks, where the main risks are insurance risk and market risk. Gard is also exposed to counterparty default risk, operational risk, liquidity risk, business risk, compliance risk and reputational risk.

Reinsurance
Gard has an extensive reinsurance programme. The mutual business is pooled between International Group (IG) clubs. For the 2018 policy year the IG clubs pool claims above the club retention of USD 10 million and up to USD 100 million. Above USD 100 million, the group purchases a reinsurance programme with USD 2 billion cover per vessel per event and an overspill protection cover of a further USD 1 billion. For P&I Fixed and the Marine and Energy businesses there are high capacity reinsurance programs in place. The structure of the reinsurance programmes has been stable during the last years.

Liquidity
Liquidity risk is the risk that the Gard group, a legal entity and/or branch either does not have available sufficient financial resources to meet its obligations as they fall due, or can secure such resources only at an excessive cost. The sources of inflows are stable in Gard, where liquidity is generated primarily through premium income. Although payments are fairly stable over time, the nature of the insurance business means that Gard must be prepared to make sudden and large payments.

The amount of liquidity held is largely determined by internal liquidity stress tests. Based on these stress tests, we estimate short-term and long-term liquidity needs. To mitigate liquidity risk, Gard has established several mechanisms including cash pool arrangements within the group and access to credit, in addition to holding deposits and highly liquid assets.

S&P rating
In December 2017 Standard & Poor's affirmed the A+ financial strength of the Gard group and its direct writing subsidiaries (Gard P. & I. (Bermuda) Ltd, Assuranceforeningen Gard – gjensidig -, Gard Marine & Energy Limited and Gard Marine & Energy Insurance (Europe) AS). The rating reflects Gard's strong capital adequacy, strong operating performance and business profile as a leading insurer. The outlook is stable.

Operations
To help our Members and customers to make the most of opportunities at sea, we continue to invest in both our capabilities as an organisation, including improved processes and systems. Improved technology needs to be complemented both by structural and behavioural change. We believe that customer satisfaction will be improved by stronger collaboration and more effective sharing of knowledge across the teams that support them. We deliberately and systematically look for more effective and efficient ways of performing tasks and processes that may generate more customer value.

At the end of November, Gard began trading marine business on the London insurance market's electronic placing platform, PPL (Placing Platform Ltd). This enables brokers and underwriters to quote, negotiate, bind and endorse business digitally on a single market-wide system. By joining the platform, we are taking a natural step in supporting our customers and brokers trading through London – as well as increasing the efficiency of our operations.

CEO'S OPERATIONAL REVIEW
continued

Gard is one of the co-founders of Digital Norway – an industry initiative to cross-fertilise digitalisation ideas and projects across industries.

Industry issues

The world is changing faster than ever, increased globalisation and digitalisation are changing our environment. The future will see Gard more integrated into the entire maritime industry and society at large, and that will mean identifying new trends, implementing new ideas and finding new ways to add value for our customers.

Outreach to emergency response stakeholders

The increasing size of vessels, for example, raises concerns around the resources required in the event of a major casualty. The largest container vessels may now carry more than 21,000 TEU; goods worth more than USD 1 billion and with the ship value exceeding USD 100 million. In addition, size is a driver of complexity and thereby costs of salvage or wreck removal.

To that end, we invest time and effort on our outreach programme – building relationships with casualty response authorities in various countries before any incident occurs. In our experience, getting to know the national and regional governments and responders helps to streamline communication and foster cooperation which are vital to reducing the environmental and societal impact of major casualties when they occur.

We believe in the results that industry collaboration may yield. We also work closely with the International Group of P&I Clubs, Cefor – the Nordic Association of Marine Insurers, and several other industry organisations to look at what can be done better in terms of prevention, preparedness and response. Examples include improved contractual terms for pollution response, salvage and wreck removal services and improved knowledge sharing from past casualties.

Dangerous cargoes

Intercargo has reported that 11 bulk carriers were lost due to cargo liquefaction incidents between 2007 and 2016, with the loss of more than 100 lives at sea. The culprit cargoes included nickel ore, iron ore and bauxite. For the container shipping segment, the risk of loading inherently dangerous and inaccurately described cargoes is still very real. Dangerous cargoes take lives, injure innocent seafarers, endanger the environment and destroy property despite mandatory codes to manage the risks. In 2017, Gard increased its emphasis on sharing information and insights through a series of presentations, including two IUMI webinars with global audiences. Gard has also supported the International Group's workshops to promote understanding in problematic shipping areas of the International Marine Solid Bulk Code, with a special focus on cargoes that may liquify.

Autonomous vessels

Truly autonomous vessels are coming closer to reality: off the drawing board and into the water, and their usage will lead to changes in the risk landscape. The leading cause of maritime accidents has been human error, so autonomous vessels should reduce accidents assuming their systems are properly designed, integrated, implemented and maintained. However, the cornerstone of P&I insurance – liabilities arising in direct connection with the operation of the entered ship – may move along the process or supply chain to the place(s) where such operations are carried out.

It is necessary to review existing insurance terms across different products to ensure they are 'fit for purpose', as well as to intensify industry collaboration and support efforts of international rule-making bodies, class and flag states to create a viable legal platform. Gard takes part in a designated International Group working group for autonomous vessels and is represented in a special Norwegian forum which includes both public and private sector interests.

CEO'S OPERATIONAL REVIEW
continued

The health of our oceans

The world's oceans are our greatest common resource to create growth and jobs in areas including food, energy, minerals and transport. Their long-term health is a key component in the well-being of society at large. The United Nations has recently invited us to join its Action Platform for the Ocean, a working group to take a comprehensive review of the role of the ocean industries in achieving the United Nations' 17 Sustainable Development Goals. Officially, launching in June 2018 Gard employees will be asked to contribute as experts on various issues, delivering concrete improvement initiatives that may enable positive maritime development.

At a day to day level, Gard is playing its part to tackle marine pollution with our global beach clean-up campaign, with employees from across Gard taking to shorelines in their communities to collect plastics and other litter. Gard supports "The Ocean Cleanup" organisation, which develops and deploys new technologies to help rid the world's oceans of plastic.

Partnering with others

We look to build long-term relationships with external stakeholders and maintain a network of partners to enhance knowledge sharing on corporate responsibility issues. Since 2016, Gard has been a Green Award Incentive Provider. We are also involved with key educational establishments such as the World Maritime University and Institute of Maritime Law at the University of Southampton, England. We are an official partner of the Norwegian Red Cross and we have supported the organisation and its international societies in its work handling the aftermath of natural disasters for many years. We go beyond financial support and work to connect the Red Cross with our correspondents to contribute to building resilience in societies that are sporadically struck by natural disasters, civil unrest or similar. Again, the mutual exchange of knowledge and expertise is a foundation stone of this partnership.

The next 100 years

We want our business to keep delivering value for the next century – demonstrating sustainability and resilience, creating long term financial value and contributing to healthy ecosystems and strong communities. We will keep the best of today while adopting and adapting to the new. Whether it is products, technology, skills or people, we look beyond the here and now and invest for the future. This is a strategy that has served our Members and customers well for over a century and we believe will continue to do so for the next 100 years.

Rolf Thore Roppestad
Chief Executive Officer

GARD P. & I. (BERMUDA) LTD
Statement of comprehensive income

Amounts in USD 000's	Notes	Parent company 21.02.17 to 20.02.18	Parent company Restated* 21.02.16 to 20.02.17	Consolidated accounts 21.02.17 to 20.02.18	Consolidated accounts Restated* 21.02.16 to 20.02.17
Technical account					
Gross earned premium	4, 5, 6	345,032	398,945	681,244	767,364
Ceded reinsurance	6	(224,873)	(257,105)	(134,172)	(150,181)
Earned premium for own account	6	**120,159**	**141,840**	**547,073**	**617,183**
Other insurance related income		**221**	**175**	**1,659**	**1,395**
Gross incurred claims	6	281,377	277,179	478,671	530,445
Reinsurers' share of gross incurred claims	6	(139,405)	(122,324)	561	(37,400)
Claims incurred for own account	6	**141,972**	**154,856**	**479,232**	**493,045**
Acquisition costs	7	20,091	18,405	40,743	37,959
Agents' commission	7	21,267	28,551	46,491	58,112
Commission received	7	(38,789)	(41,467)	(7,797)	(11,483)
Insurance related expenses for own account	7	**2,569**	**5,489**	**79,437**	**84,588**
Other insurance related expenses	7	**3,911**	**3,306**	**10,103**	**9,804**
Technical result		**(28,071)**	**(21,636)**	**(20,041)**	**31,140**
Non-technical account					
Income from investments in group companies		55,705	39,514	0	0
Interest and similar income	8	6,951	17,051	30,164	53,889
Change in unrealised gain on investments		32,823	14,601	107,547	74,865
Gain/(loss) on realisation of investments		8,609	(16,687)	9,628	(25,043)
Other investment expenses	23	(1,317)	780	(3,537)	(47)
Non-technical result		**102,771**	**55,258**	**143,802**	**103,664**
Profit before tax		**74,700**	**33,622**	**123,760**	**134,804**
Taxation	9	2,145	2,425	8,956	8,909
Net result		**72,556**	**31,198**	**114,804**	**125,895**
Other comprehensive income/(loss)					
Exchange differences on subsidiaries		0	0	1,945	380
Remeasurement due to change in pension assumptions	20	(66)	(194)	(2,582)	(1,527)
Total comprehensive income		**72,490**	**31,004**	**114,167**	**124,748**

*See note 2.2 and note 23.

GARD P. & I. (BERMUDA) LTD.
Balance sheet

Amounts in USD 000's	Notes	Parent company As at 20.02.18	Parent company Restated* As at 20.02.17	Consolidated accounts As at 20.02.18	Consolidated accounts Restated* As at 20.02.17
Assets					
Intangible					
Developed software	10	0	0	20,575	1,923
Total intangible assets		**0**	**0**	**20,575**	**1,923**
Investments					
Property and plant used in operations	11	0	0	24,975	27,695
Financial investments in subsidiaries					
Investments in subsidiaries	13	597,289	597,289	0	0
Loan to subsidiaries	3, 15	41,501	28,809	0	0
Financial investments at fair value through profit or loss					
Equities and investment funds	14, 15	230,758	287,365	654,595	736,627
Bonds and bond funds	14, 15	373,775	332,782	1,451,139	1,279,977
Financial derivative assets	14, 15, 16	812	1,532	3,186	3,231
Other financial investments	14, 15	13,316	18,124	51,277	65,229
Total investments	23	**1,257,450**	**1,265,901**	**2,185,172**	**2,112,760**
Reinsurers' share of technical provisions					
Reinsurers' share of gross premium reserve		36	14	3,930	3,423
Reinsurers' share of gross claims reserve	6, 15	435,226	441,512	251,052	293,317
Total reinsurers' share of technical provisions		**435,262**	**441,526**	**254,982**	**296,740**
Receivables					
Receivables from direct insurance operations					
Policyholders	5, 17	21,218	16,550	150,277	131,676
Receivables from reinsurance operations					
Receivables from reinsurance operations		0	0	208	1,736
Receivables from subsidiaries		27,496	22,879	0	0
Other receivables					
Other receivables	18	0	25,000	25,055	51,415
Other receivables from subsidiaries	18	238	283	0	0
Total receivables	15	**48,952**	**64,711**	**175,541**	**184,827**
Other assets					
Equipment	12	661	661	6,159	6,162
Cash and cash equivalents	15, 19	72,979	38,875	171,780	176,189
Deferred tax asset	9	0	0	1,763	1,181
Other financial assets	15	9,779	9,248	23,605	23,210
Total other assets		**83,419**	**48,784**	**203,308**	**206,742**
Prepayments and accrued income					
Accrued income and other prepayments		5,468	4,133	27,548	22,058
Total prepayments and accrued income		**5,468**	**4,133**	**27,548**	**22,058**
Total assets		**1,830,550**	**1,825,055**	**2,867,126**	**2,825,050**

*See note 2.2 and note 23.

GARD P. & I. (BERMUDA) LTD.

Balance sheet

Amounts in USD 000's	Notes	Parent company As at 20.02.18	Parent company Restated* As at 20.02.17	Consolidated accounts As at 20.02.18	Consolidated accounts Restated* As at 20.02.17
Equity and liabilities					
Equity					
Statutory reserve	21	463	463	463	463
Other equity	21	976,573	904,083	1,248,567	1,134,400
Total equity	22	**977,035**	**904,545**	**1,249,030**	**1,134,862**
Technical provisions					
Gross premium reserve		32	28	115,920	100,709
Gross claims reserve	6, 15	769,979	827,679	1,338,266	1,445,660
Total technical provisions		**770,010**	**827,708**	**1,454,187**	**1,546,369**
Provision for other liabilities					
Pension obligations, net	20	1,271	1,093	38,935	33,533
Income tax payable	9, 15	3,186	4,409	4,567	6,613
Other provision for liabilities		0	0	0	95
Total provisions for other liabilities		**4,457**	**5,501**	**43,502**	**40,242**
Payables					
Payables arising out of direct insurance operations		17,634	20,549	30,430	30,322
Payables arising out of reinsurance operations		11,872	6,975	33,675	20,889
Payables arising out of reinsurance operations - group companies		16,358	2,209	0	0
Payables to group companies		13,844	29,474	0	0
Financial derivative liabilities	14, 15, 16	6,310	1,839	20,945	4,917
Other payables	15, 18	100	13,897	6,800	24,895
Total payables		**66,118**	**74,943**	**91,850**	**81,023**
Accruals and deferred income					
Accruals and deferred income		12,930	12,357	28,558	22,553
Total accruals and deferred income		**12,930**	**12,357**	**28,558**	**22,553**
Total liabilities		**853,515**	**920,509**	**1,618,097**	**1,690,188**
Total equity and liabilities		**1,830,550**	**1,825,055**	**2,867,126**	**2,825,050**

*See note 2.2 and note 23.

GARD P. & I. (BERMUDA) LTD.
Statement of changes in equity

	Parent company			Consolidated accounts		
Amounts in USD 000's	Statutory reserve	Other equity	Total	Statutory reserve	Other equity	Total
Equity as at 21.02.16	**463**	**873,079**	**873,542**	**463**	**1,009,651**	**1,010,114**
Net result	0	31,198	31,198	0	125,895	125,895
Remeasurement due to change in pension assumptions	0	(194)	(194)	0	(1,527)	(1,527)
Exchange differences on subsidiaries	0	0	0	0	380	380
Equity as at 20.02.17	**463**	**904,083**	**904,545**	**463**	**1,134,400**	**1,134,862**
Equity as at 21.02.17	**463**	**904,083**	**904,545**	**463**	**1,134,400**	**1,134,862**
Net result	0	72,556	72,556	0	114,804	114,804
Remeasurement due to change in pension assumptions	0	(66)	(66)	0	(2,582)	(2,582)
Exchange differences on subsidiaries	0	0	0	0	1,945	1,945
Equity as at 20.02.18	**463**	**976,573**	**977,035**	**463**	**1,248,567**	**1,249,030**

GARD P. & I. (BERMUDA) LTD.
Cash flow analysis

Amounts in USD 000's	Notes	Parent company 21.02.17 to 20.02.18	Parent company Restated* 21.02.16 to 20.02.17	Consolidated accounts 21.02.17 to 20.02.18	Consolidated accounts Restated* 21.02.16 to 20.02.17
Cash flow from operating activities					
Profit before tax		74,700	33,622	123,760	134,804
Tax paid	9	(3,537)	(3,003)	(8,177)	(7,523)
Dividends received from subsidiaries		(55,172)	(4,000)	0	0
Change in unrealised gain/loss		(32,823)	(14,601)	(107,547)	(74,865)
Income/loss from sales of equipment		0	0	(77)	(177)
Depreciation, impairment and amortisation expenses	11, 12	0	70	6,023	2,954
Change in pension obligations	20	284	275	5,402	(6,863)
Pension defined benefit plan/pension cost paid		(77)	(71)	(231)	(1,567)
Financial investments		58,437	39,611	48,442	150,831
Change in valuation due to change in exchange rates		(778)	453	195	(338)
Change in receivables and payables		1,932	(53,971)	(1,405)	(84,974)
Change in technical provisions and other accruals		(52,830)	(29,775)	(50,869)	(108,265)
Net cash flow from operating activities		**(9,863)**	**(31,390)**	**15,516**	**4,015**
Cash flow from investment activities					
Dividends received from subsidiaries	3	55,172	4,000	0	0
Purchase of intangible assets	10	0	0	(19,452)	(10)
Purchase of equipment	12	0	0	(650)	(1,081)
Purchase of property and plant	11	0	0	(1,179)	(2,932)
Proceeds from disposal of equipment		0	0	1,358	1,625
Net cash flow from investment activities		**55,172**	**4,000**	**(19,924)**	**(2,398)**
Cash flow from financial activities					
Borrowings		(11,674)	0	0	0
Repayment of borrowings		470	(2,400)	0	0
Net cash flow from financial activities		**(11,205)**	**(2,400)**	**0**	**0**
Net change in cash and cash equivalents		34,104	(29,790)	(4,408)	1,617
Cash and cash equivalents at beginning of year		38,875	68,665	176,189	174,572
Bank overdraft at beginning of year		0	0	0	0
Cash and cash equivalents at end of year		**72,980**	**38,875**	**171,781**	**176,189**

*See note 2.2 and note 23.

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 1 – Corporate information – the Gard group of companies

Gard P. & I. (Bermuda) Ltd. (the "Company") is a mutual insurance association registered and domiciled in Bermuda. The Company is incorporated as an exempted company and licensed by the Bermuda Monetary Authority as a Class 2 insurer. As a mutual insurance association the Company is owned by its Members being the owners and charterers of the ships from time to time insured by the Company for Protection and Indemnity risks ("P&I"). There are no external capital owners.

The principal activities of the Company and its subsidiaries (the "Gard group" or "the group") are; the insurance of marine P&I risk on behalf of its Members; the insurance of marine and energy risks through its wholly owned subsidiary Gard Marine & Energy Limited; and management of assets covering the technical provisions.

The Members of the Company are also Members of Assuranceforeningen Gard – gjensidig - and vice versa. The major part of the two associations' combined portfolio of direct business (currently about 60 per cent) is underwritten by the Company through its Norwegian branch as direct insurer. Assuranceforeningen Gard - gjensidig - is primarily used as a vehicle for a smaller proportion of the combined P&I portfolio being primarily direct P&I business where an EU/EEA based insurer is required in order to comply with the governing regulations with regard to cross border activities.

Assuranceforeningen Gard – gjensidig - ("Gard Norway") is a mutual insurance association registered and domiciled in Norway and licensed by the Norwegian Ministry of Finance to carry out marine liability and legal costs insurances. The principal activity of Gard Norway is the insurance of marine P&I risk on behalf of its Members, including the reinsurance of a proportion of the P&I risk, underwritten by the Company as direct insurer.

Gard Marine & Energy Limited ("Gard M&E") is a wholly owned subsidiary of the Company. Gard M&E is registered and domiciled in Bermuda and licensed by the Bermuda Monetary Authority as a Class 3B insurer covering, inter alia, marine and energy risks. The principal activity of Gard M&E is direct insurance of marine and energy risks.

Gard Marine & Energy Insurance (Europe) AS ("Gard M&E Europe") is a wholly owned subsidiary of Gard M&E. Gard M&E Europe is registered and domiciled in Norway and licensed by the Norwegian Ministry of Finance to carry out direct insurance of marine and energy risks.

Hydra Gard Cell ("Hydra"). Hydra Insurance Company Limited is a reinsurance company established by the parties to the International Group of P&I Clubs' Pooling Agreement pursuant to the Bermuda Segregated Accounts Companies Act 2000, as amended for the purpose of reinsuring certain layers of risks retained by the insurers being parties to the said Pooling Agreement. The Hydra Gard Cell is owned 100 per cent by the Company. The assets and liabilities of the segregated account of the Company, the Hydra Gard Cell, are separated from the general accounts of Hydra Insurance Company and from any other cells.

Safeguard Guarantee Company Ltd. ("Safeguard") is a wholly owned subsidiary of the Company and is registered and domiciled in Bermuda. Safeguard is licensed by the Bermuda Monetary Authority as a Class 3A insurer. It has offered insurance and financial security for special risks falling outside the scope of the traditional marine liability cover. Safeguard has suspended underwriting after 20 February 2015.

Gard Reinsurance Co Ltd ("Gard Re") is a wholly owned subsidiary of the Company registered and domiciled in Bermuda. Gard Re is licensed by the Bermuda Monetary Authority as a Class 3A insurer.

Its principal activity is the reinsurance of an agreed proportion of the risks retained by the Company, Gard M&E and Gard Norway.

Lingard Limited ("Lingard") is an insurance management company registered and domiciled in Bermuda and a wholly owned subsidiary of the Company. Lingard offers insurance management and insurance intermediary services to the Company and its Bermuda based subsidiaries Gard M&E, Gard Re and Safeguard.

Gard AS is a wholly owned subsidiary of the Company. Gard AS is registered and domiciled in Norway. Its principal activity is to provide insurance agent and intermediary services to Lingard, Gard Norway and Gard M&E Europe.

AS Assuransegården is a wholly owned subsidiary of the Company. AS Assuransegården is a Norwegian registered and domiciled company and the owner of various fixed properties in Norway used by the companies in the Gard group.

Note 2 - Accounting policies

2.1 Basis of preparation of the Accounts

Gard P. & I. (Bermuda) Ltd. is incorporated under Bermudian Law. The operations and insurance activities of the Company are carried out by Lingard. This year's accounts include the activity from 21 February 2017 to 20 February 2018.

The financial statements have been prepared in accordance with regulations for annual accounts for general insurance companies approved by the Norwegian Ministry of Finance.

2.2 Changes to presentation and classification

The Gard group has changed its accounting policy on financial investments by moving the booking of entries from transactions at security level to transactions at fund level. The new accounting policy does not influence valuations, but rather the composition of Comprehensive income, Balance sheet and Statement of cash flow, hence the restated numbers due to the change. Subsequently, equities and investments funds will solely be composed of equity funds and similar, and bonds will primarily consist of bond funds and similar.

The most significant impacts to the Comprehensive Income statement are;

a) Interest and similar income is reinvested and will have a yearly income distribution that takes place prior to the financial year end.
b) Change in unrealised gain/(loss) on investments will mainly relate to the change in fund value.
c) Gain/(loss) on realisation of investments will be due to sales of shares in the fund.
d) Investment management expenses are charged to the funds and included in the change in market value of the fund.

Comparative information has been restated accordingly. See Note 23 for further details.

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 2 - Accounting policies continued

2.3 Basis for consolidation

The consolidated financial statements comprise Gard P. & I. (Bermuda) Ltd. and the companies over which the Company has a controlling interest. A controlling interest is normally obtained when ownership is more than 50 per cent of the shares in the company and can exercise control over the company. In as much as the Company has the right to exercise membership rights in Gard Norway, the Company controls all voting rights in Gard Norway, being the legal basis for consolidating the two associations' accounts pursuant to the International Accounting Standard 27 Consolidated and Separate Financial Statements.

Transactions between consolidated companies have been eliminated in the consolidated financial statements. The consolidated financial statements have been prepared in accordance with the same accounting principles for both parent and subsidiaries.

The acquisition method is applied when accounting for business combinations.

2.4 Use of accounting estimates when preparing the accounts

The preparation of the accounts requires the management to make estimates and assumptions that affect valuation of assets, liabilities, revenues, expenses and contingent liabilities. Due to circumstances in the future these estimates may change. Estimates and their assumptions are considered continuously and accounts adjusted accordingly.

2.5 Foreign currency

Functional currency and presentation currency

The accounts are prepared in USD, which is both the functional currency and presentation currency of the Company.

Transactions in foreign currency

Transactions in foreign currencies are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into USD using the exchange rate applicable on the balance sheet date. The currency exposure of the provision for claims is assessed to be equivalent to the same currency exposure as claims paid. The opening and closing balances of the provision for claims in foreign currency are translated into USD based on the same method as for monetary items. Non-monetary items that are measured at fair value expressed in foreign currency are translated into USD using the exchange rate applicable on the transaction date. Translation differences are recognised in the income statement as they occur during the accounting period. Foreign exchange gains and losses that relate to borrowings, cash and cash equivalents and financial investments are presented as part of the non-technical result as 'Interest and similar income' and 'Change in unrealised gain/loss on investments' respectively. All foreign exchange gains and losses relating to technical operations are presented in the income statement as part of the technical result.

The assets and liabilities of group companies that have a functional currency different from USD are converted into USD at the rate of exchange at the closing date. Income and expenses are translated at an average rate of exchange. All resulting exchange differences are recognised in 'Other comprehensive income'.

2.6 Provisions, contingent liabilities and assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. For potential obligations whose likelihood is not remote or probable (i.e. not 'more likely than not'), a contingent liability is disclosed.

Contingent assets are not recognised in the financial statements, but are disclosed if it is likely that resources embodying economic benefits will flow to the Company.

2.7 Events after the reporting period

New and material information on the group's financial position at the end of the reporting period, which becomes known after the end of the reporting period, is recorded in the annual accounts. Events after the reporting period that do not affect the group's financial position at the end of the reporting period, but which will affect the financial position in the future, are disclosed if significant.

2.8 Other significant accounting policies

Other significant accounting policies are presented and described in other notes to the financial statements, together with the more expanded disclosures for that particular area. This is done to make the disclosures more relevant to the users and make it easier to get an overview of the relevant note.

The following table includes other significant accounting policies that are described in other notes to the financial statements, including the number of the note:

Accounting policy	Note
Technical result	6
Technical provisions	6
Insurance related expenses	7
Non-technical items	8
Tax	9
Property, plant and equipment	11
Investments in subsidiaries	13
Financial Investments	14
Financial derivatives	16
Cash and cash equivalents	19
Pensions	20

GARD P. & I. (BERMUDA) LTD.
Notes to the accounts

Note 3 - Intra-group transactions

Reinsurance agreements

Gard P. & I. (Bermuda) Ltd. and Gard Norway have entered into mutual reinsurance agreements. The Company reinsures a proportion amounting to 25 per cent of Gard Norway's insurance portfolio after taking the external reinsurance into account. The Company cedes to Gard Norway by way of reinsurance 2 per cent of the Company's insurance portion after taking the external reinsurance into account.

Amounts in USD 000's	Received from Gard Norway 21.02.17 to 20.02.18	Received from Gard Norway 21.02.16 to 20.02.17	Ceded to Gard Norway 21.02.17 to 20.02.18	Ceded to Gard Norway 21.02.16 to 20.02.17
Reinsurance	24,819	27,101	4,397	5,237
Reinsurers' share of gross settled claims	50,725	32,096	4,017	4,516
Reinsurance commission	5,870	6,480	1,298	1,275

Amounts in USD 000's	Received from Gard Norway As at 20.02.18	Received from Gard Norway As at 20.02.17	Ceded to Gard Norway As at 20.02.18	Ceded to Gard Norway As at 20.02.17
Reinsurers' share of gross claims reserve	85,939	114,087	10,560	11,324

Both the Company and Gard M&E have entered into reinsurance agreements with Gard Re, where the two direct insurers are ceding 50 per cent of their insurance portfolio after taking the external reinsurance into account.

Amounts in USD 000's	Ceded to Gard Re 21.02.17 to 20.02.18	Ceded to Gard Re 21.02.16 to 20.02.17
Reinsurance	120,141	141,854
Reinsurers' share of gross settled claims	106,226	110,988
Reinsurance commission	34,509	34,525

Amounts in USD 000's	Received from Gard Re As at 20.02.18	Received from Gard Re As at 20.02.17
Reinsurers' share of gross claims reserve	276,291	293,709

The Company and Gard Norway have entered into a reinsurance agreement with Hydra, which is a segregated accounts company. The Company's segregated account (cell) in Hydra is covering the former companies' liability to layers of the International Group (IG) Pool and retention in the 1st market excess layer.

Amounts in USD 000's	Ceded to Hydra 21.02.17 to 20.02.18	Ceded to Hydra 21.02.16 to 20.02.17
Ceded reinsurance	30,519	32,756

Insurance management agreement

The Company, Gard M&E, Gard Re and Safeguard have appointed Lingard as their insurance manager and principal representative in Bermuda. The services provided by Lingard are governed by individual insurance management agreements entered into between each of the above four companies and Lingard. The Company and Gard M&E have entered into an insurance services agreement with Gard (Singapore) Pte. Ltd. where Gard (Singapore) Pte. Ltd. is performing certain day-to-day operational functions for the companies' branches in Singapore.

Amounts in USD 000's	Insurance services invoiced 21.02.17 to 20.02.18	Insurance services invoiced 21.02.16 to 20.02.17
Lingard	60,493	57,879
Gard (Singapore) Pte. Ltd.	3,075	4,052

GARD P. & I. (BERMUDA) LTD.
Notes to the accounts

Note 3 - Intra-group transactions continued

Insurance agency agreements

Lingard in its capacity as insurance manager of the Company and Gard M&E has entered into insurance agency agreements with Gard AS and its subsidiaries. Gard AS is the general agent of the Norwegian branches of the Company and Gard M&E, whereby Gard AS is delegated authority as an agent and insurance intermediary to perform claims handling and underwriting functions on behalf of the two Bermuda based risk carriers. A similar agency agreement has been entered into between Gard Norway and Gard M&E Europe as the principal and Gard AS as the agent.

Insurance agency agreements have been concluded between Lingard and each of the subsidiaries of Gard AS for the purpose of sub-delegating certain insurance intermediary functions to regional offices in Finland, Greece, Hong Kong, Singapore, Japan, the United Kingdom and the United States of America.

Loan agreement

The Company has entered into loan agreements with AS Assuransegården and Gard AS.

Amounts in USD 000's	Loan balance As at 20.02.18	 As at 20.02.17
AS Assuransegården (borrower)	13,520	14,405
Gard AS (borrower)	27,981	14,405

Amounts in USD 000's	Interest received 21.02.17 to 20.02.18	 21.02.16 to 20.02.17
AS Assuransegården	186	231
Gard AS	347	288

Amounts in USD 000's	Interest paid 21.02.17 to 20.02.18	 21.02.16 to 20.02.17
Gard AS	0	5

Dividends and capital contributions

Amounts in USD 000's	Dividends received 21.02.17 to 20.02.18	 21.02.16 to 20.02.17
Gard Re	0	35,000
Lingard	3,000	4,000
Hydra	52,172	0

Note 4 - Gross written premium by geographical areas

Amounts in USD 000's	Parent company 21.02.17 to 20.02.18	 21.02.16 to 20.02.17	Consolidated accounts 21.02.17 to 20.02.18	 21.02.16 to 20.02.17
EEA	145,574	185,243	324,608	375,159
Norway	96,537	98,558	114,253	109,732
Other areas	102,924	115,173	257,594	249,670
Total gross written premium	**345,035**	**398,974**	**696,455**	**734,561**

The geographical split is made based on the location of the individual Member or customer.

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 5 - Estimated deferred call

These accounts are prepared on the basis of a Board of Directors' resolution of not calling a deferred call in respect of the 2017 policy year (financial year ending 20 February 2018). The original estimated deferred call was 25 per cent. The deferred call for the 2016 policy year (financial year ending 20 February 2017) was reduced to nil per cent from 25 per cent.

The reduction in deferred call amounts to USD 78.8 million (financial year ending 20 February 2017 USD 89.9 million).

On an estimated total call basis (ETC) the gross written premium for the financial year ending 20 February 2018 is USD 775.2 million (financial year ending 20 February 2017 USD 824.4 million).

Note 6 - Technical result and technical provisions

Accounting policy

Premiums

Premiums are based on the insurance contracts where one party (the insurer) has accepted a significant risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. Premiums are recognised over the insurance policy period. A deferred call for P&I business for the accounting year is subject to approval by the Board of Directors in the following year, but is included as revenue in the accounts for the current year. Supplementary calls for P&I business may be charged to Members for previous policy years.

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated on a daily pro-rata basis. The proportion attributable to subsequent periods is deferred as gross premium reserve.

Reinsurance premiums

Reinsurance premiums are recognised as an expense over the underlying policy period.

Claims expenses

Expenses regarding incurred claims and other administrative expenses are recognised in the period they are incurred. Paid claims include an allocated portion of both direct and indirect claims handling cost.

		Parent company			Consolidated accounts	
			21.02.17 to 20.02.18			21.02.17 to 20.02.18
Amounts in USD 000's	P&I	M&E	Total	P&I	M&E	Total
Technical result						
Gross written premium	345,035	0	345,035	467,423	229,032	696,455
Gross earned premium	345,032	0	345,032	467,425	213,820	681,244
Ceded reinsurance	(224,873)	0	(224,873)	(106,201)	(27,970)	(134,172)
Earned premium for own account	**120,159**	**0**	**120,159**	**361,223**	**185,849**	**547,073**
Claims incurred, gross						
Incurred this year	242,537	0	242,537	329,086	133,059	462,145
Incurred previous years	38,840	0	38,840	7,640	8,887	16,527
Total claims incurred, gross	**281,377**	**0**	**281,377**	**336,726**	**141,946**	**478,671**
Reinsurers' share of gross incurred claims	(139,405)	0	(139,405)	20,662	(20,101)	561
Claims incurred for own account	**141,972**	**0**	**141,972**	**357,388**	**121,844**	**479,232**

Accounting policy

Technical provisions are calculated in accordance with the regulations for annual accounts for insurance companies.

Gross premium reserve

The gross premium reserve is amortised over the risk period and is calculated and accounted for in the balance sheet as a provision for the part of premium written that exceeds the end of the financial year. Changes in the provision are charged to the income statement.

Gross claims reserve

The gross claims reserve comprises estimates of the expected remaining exposure from claims that have been reported to the Company (RBNS), and from claims that have been incurred, but which have not yet been reported (IBNR). Provisions for reported claims are made by assessing the liability of each claim. Actuarial methods are used in estimating the total cost of outstanding claims. The claim provisions have not been discounted. In accordance with the Norwegian regulations for insurance companies provisions for internal claims handling expenses (unallocated loss adjustment expenses, or ULAE) and binary events are included in the 'Gross claims reserve'.

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 6 - Technical result and technical provisions continued

Insurance contract liabilities

Insurance contract liabilities are the main items in the balance sheet based upon judgements and estimates. Estimates have to be made both for the expected total cost of claims reported and for the expected total cost of claims incurred, but not reported, at the balance sheet date. Standard actuarial methods are used in estimating the total cost of outstanding claims. The actuarial method uses historical data as one of the elements in the model to estimate the future claims costs. It can take a significant period of time before the ultimate claims cost can be established with certainty.

	Parent company As at 20.02.18			Consolidated accounts As at 20.02.18		
Amounts in USD 000's	P&I	M&E	Total	P&I	M&E	Total
Technical provisions gross						
Provisions, at the beginning of the year	(827,679)	0	(827,679)	(1,128,040)	(317,619)	(1,445,660)
Claims paid	339,078	0	339,078	425,855	160,210	586,065
Claims incurred - gross this year	(242,537)	0	(242,537)	(329,086)	(133,059)	(462,145)
Claims incurred - gross previous years	(38,840)	0	(38,840)	(7,640)	(8,887)	(16,527)
Foreign currency adjustment	0	0	0	0	0	0
Provisions, at the end of the year	**(769,979)**	**0**	**(769,979)**	**(1,038,912)**	**(299,355)**	**(1,338,267)**
Reinsurers' share of claims provision	435,226	0	435,226	184,097	66,955	251,052
Provisions net, at the end of the year	**(334,753)**	**0**	**(334,753)**	**(854,814)**	**(232,400)**	**(1,087,214)**
Provision for unearned premiums, gross	(32)	0	(32)	(126)	(115,794)	(115,920)
Reinsurers' share of premium provision	36	0	36	40	3,889	3,930
Provision for unearned premiums, net	**4**	**0**	**4**	**(86)**	**(111,905)**	**(111,991)**
The Company is a member of the International Group of P&I Clubs.						
Gross technical provision regarding Pooling Agreement	135,677	0	135,677	152,172	0	152,172
Net technical provision regarding Pooling Agreement	58,701	0	58,701	85,403	0	85,403
Provision for outstanding claims						
Technical provision gross	(769,979)	0	(769,979)	(1,038,911)	(299,354)	(1,338,266)
Technical provision net	(334,753)	0	(334,753)	(854,814)	(232,400)	(1,087,214)

Provided guarantees outside cover, not recognised in the balance sheet, amount to USD 4.5 million as at 20 February 2018 (USD 2.8 million as at 20 February 2017).

Sensitivity analysis has been performed in order to evaluate how sensitive gross claims reserve is dependent on the actuarial methods applied. The Company applied the following methods: Development factor method, Bornhuetter Ferguson, Apriori reduced method and Benktander. Based on these methodologies the gross claim reserve for the group ranges between USD 1,330 million and USD 1,346 million. The claim reserves for the parent company ranges between USD 766 million and 774 million.

GARD P. & I. (BERMUDA) LTD.
Notes to the accounts

Note 7 - Insurance related expenses and number of staff

Accounting policy
Insurance related expenses for own account consist of broker and agent commissions, sales and administrative expenses, less commission received on ceded reinsurance premiums. Sales expenses are recognised in the period in which they are incurred. The administrative expenses and commission received are expensed over the underlying policy period.

Insurance related expenses are accounted for in the period they are incurred.

	Parent company		Consolidated accounts	
Amounts in USD 000's	21.02.17 to 20.02.18	21.02.16 to 20.02.17	21.02.17 to 20.02.18	21.02.16 to 20.02.17
Acquisition costs and commissions				
Sales related salaries and wages	0	0	22,815	22,815
Other acquisition costs	0	0	17,928	15,144
Insurance intermediary	20,091	18,405	0	0
Agents' commission	21,267	28,551	46,491	58,112
Commission received	(38,789)	(41,467)	(7,797)	(11,483)
Insurance related expenses for own account	**2,569**	**5,489**	**79,437**	**84,588**
Number of staff	**0**	**0**	**485**	**484**

Remuneration to Group Leadership Team, Board of Directors and Committees

Amounts in USD 000's	Salary incl. bonus*	Benefits in kind*	Total	Loan balance
Group Leadership Team				
Rolf Thore Roppestad (CEO)	877	81	958	68
Svein Buvik	375	40	416	
Bjørnar Andresen	475	50	525	376
Steinar Bye	471	35	506	
Kristian Dalene	330	21	351	95
Kjetil Eivindstad	390	44	433	73
Christen Guddal	350	34	384	
Ole Rikard Rønning (to 19.5.2017)	205	13	218	
Line Dahle (from 8.3.2017)	240	22	262	200
Hildegunn Danielsen (from 6.3.2017)	171	24	195	
Christopher Mackrill (from 20.5.2017)	224	18	241	
Total	**4,107**	**381**	**4,488**	**812**

* All figures are excluding social security costs.

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 7 - Insurance related expenses and number of staff continued

The table below provides information regarding payments made in the financial year 2018 to members of the Board of Directors within the group. Remuneration relating to the financial year 2018, but not yet paid, is accrued for in the accounts.

			Consolidated accounts	
Amounts in USD 000's	Board remuneration	Board committee remuneration	Board remuneration, other group companies	Total remuneration
Members of the Board of Directors				
Bengt Hermelin (Chairman)	30	8	20	58
Kenneth Hvid (Deputy Chairman)	25	5	5	35
Ian Beveridge (Member)	20	38	30	88
K. C. Chang (Member)	20			20
Trond Eilertsen	20	30	83	133
Herbjørn Hansson (Member)	20	5		25
Morten W. Høegh (Member)	20	25	25	70
Hans Peter Jebsen (Member)	20	5		25
Timothy C. Faries	20		5	25
Carl-Johan Hagman (Member)	20	15		35
Tadeusz Niszczota (Member)	20	15	10	45
Halvor Ribe (Member)	20	10		30
Jane Sy (Member)	20	15	52	87
Jan-Eyvin Wang (Member)	20	5		25
Konstaninos Gerapetritis (Member)	20			20
Yngvild Asheim (Member)	20	23	30	73
Nils Aden (Member)	20	5	27	52
Stephen Knudtzon	20	10		30
Michael Lykiardopulo (Member)	20			20
Saleh Al-Shamekh (Member)	20			20
Ian Blackley (Member)	20			20
Rajalingam Subramaniam (Member)	20			20
Takaya Uchida (Member)	20			20
Andreas Brachel (Employee representative)			12	12
Anne Glestad Lech (Employee representative)			12	12
Erika Markussen (Employee representative)			12	12
Total	**475**	**213**	**324**	**1,011**

Some of the insurance intermediaries offer their employees (minimum 50 per cent position) mortgage loans, secured by real estate. The loans have a rate of interest according to the interest set by the Tax Ministry in Norway and the repayment period is before retirement age.

The CEO has a remuneration guarantee that comes into force if the Board should ask him to leave his position. The remuneration guarantee gives him 12 months' salary in addition to a contractual six months' notice period.

The majority of the Group Leadership Team (GLT) and certain key personnel have a pension scheme that gives them the right to retire at 60 years of age and covers income included and above 12 times the base amount (see note 20 for definition of base amount). The full pension requires a thirty year accrual period in Gard, or it will be reduced accordingly. The accounting expense for the pension benefits earned in the period are for Roppestad (USD 0.5 million), Buvik (USD 0.3 million), Andresen (USD 0.3 million), Bye (USD 0.2 million), Dalene (USD 62 thousand), Eivindstad (USD 0.3 million), Guddal (USD 0.2 million), Rønning (USD 21 thousand), Dahle (USD 21 thousand), Danielsen (USD 19 thousand) and Mackrill (USD 21 thousand).

Gard P. & I. (Bermuda) Ltd. has given a collective bonus promise to all employees within the group including the CEO. A bonus will be paid if predefined targets are met. Members for GLT and other Key Employees, as defined in the legislation, are participating in the collective bonus scheme subject to certain adjustments required in the new Finance Institution Act of 2015 (Finansforetaksloven). The bonus will be paid through the companies where the employees work and refunded by Gard P. & I. (Bermuda) Ltd. A maximum possible bonus is 20 percent of gross salary. For all employees, excluding GLT and other Key Employees, a bonus of 18 percent of gross salary is expected to be paid for the year to 20 February 2018.

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 7 - Insurance related expenses and number of staff continued

The key features of the special terms for members of GLT and Key Employees can be summarized as follows:

1. The maximum bonus payable to members of GLT and other Key Employees shall be reduced to 80 per cent of the bonus payable to employees in general under the collective scheme as outlined above.
2. The payment of a proportion of the bonus triggered by the collective scheme under (1) above shall be deferred for a period of 39 months from the expiry of the financial year the bonus is linked. The payment after three years of the deferred component is subject to some further terms and conditions, including defined financial performance target for the three years period.
3. An individual component based on an individual assessment conducted by the CEO in consultation with the Chairman of the Executive Committee of Gard P. & I. (Bermuda) Ltd.

	Parent company		Consolidated accounts	
Amounts in USD 000's	21.02.17 to 20.02.18	21.02.16 to 20.02.17	21.02.17 to 20.02.18	21.02.16 to 20.02.17
Remuneration auditor				
Auditing fee	281	264	921	894
Tax advising	0	22	133	80
Non audit services	0	3	75	155
Total auditors' fee	**281**	**289**	**1,129**	**1,129**

	Parent company		Consolidated accounts	
Amounts in USD 000's	21.02.17 to 20.02.18	21.02.16 to 20.02.17	21.02.17 to 20.02.18	21.02.16 to 20.02.17
Net operating expenses				
Bad debt	531	331	1,424	1,029
Service cost	63,568	61,931	0	0
Allocated to claims handling and acquisition costs	(62,845)	(61,750)	0	0
Other operating expenses	2,657	2,796	8,680	8,775
Other insurance related expenses	**3,911**	**3,306**	**10,103**	**9,804**

Included in other operating expenses are also revenues related to non-insurance activities.

Note 8 - Non-technical items

Accounting policy

Other income and expenses are accounted for in the period they are incurred.

	Parent company		Consolidated accounts	
Amounts in USD 000's	21.02.17 to 20.02.18	Restated 21.02.16 to 20.02.17	21.02.17 to 20.02.18	Restated 21.02.16 to 20.02.17
Interest and similar income				
Interest income	71	0	651	902
Income financial investments held for trading (portfolio investments)	12,597	35,639	35,832	89,936
Foreign exchange loss	(5,716)	(18,588)	(6,318)	(36,949)
Total interest and similar income	**6,951**	**17,051**	**30,164**	**53,889**

GARD P. & I. (BERMUDA) LTD.
Notes to the accounts

Note 9 - Tax

Accounting policy
The tax expense consists of tax payable and changes in deferred tax.

Deferred tax/tax asset of the subsidiaries is calculated on all differences between the book value and the tax value of assets and liabilities. Deferred tax is calculated at the nominal tax rate of temporary differences and the tax effect of tax losses carried forward at the tax rate at the end of the accounting year. Changes in tax rates are accounted for when the new rate has been approved and changes are presented as part of the tax expense in the period the change has been made. A deferred tax asset is recorded in the balance sheet, when it is more likely than not that the tax asset will be utilised.

The Norwegian branches are liable to pay income tax based on gross earned premiums. Income tax is calculated as 25 per cent of 3 per cent of gross earned premiums irrespective of whether the branches created any profit or suffered any loss in the reporting period.

Taxes are calculated as follows

	Parent company		Consolidated accounts	
Amounts in USD 000's	21.02.17 to 20.02.18	21.02.16 to 20.02.17	21.02.17 to 20.02.18	21.02.16 to 20.02.17
Basis for income tax expense, changes in deferred tax and tax payable				
Gross earned premiums as basis for taxable income (3 per cent of revenue) *	8,319	9,669	12,180	14,096
Total result as basis for tax calculation	0	1,767	18,504	8,043
Basis for calculating tax	**8,319**	**11,436**	**30,684**	**22,139**
Permanent differences	0	0	(11,904)	(6,564)
Pension charged directly to equity	0	0	(3,179)	(1,652)
Basis for the tax expense for the year	**8,319**	**11,436**	**15,601**	**13,923**
Change in temporary differences	0	0	(3,158)	715
Basis for payable taxes in the income statement	**8,319**	**11,436**	**12,443**	**14,638**
Tax losses carried forward	0	0	3,232	3,187
Taxable income (basis for payable taxes in the balance sheet)	**8,319**	**11,436**	**15,675**	**17,825**
Income tax expenses				
Tax payable	2,172	2,425	6,260	4,295
Tax correction earlier year	(27)	0	1,878	709
Change in deferred tax	0	0	645	4,963
Paid foreign withheld tax	0	0	174	(1,058)
Tax expenses ordinary result	**2,145**	**2,425**	**8,956**	**8,909**
Income tax payable				
Tax at the beginning of the year	4,409	4,853	6,613	10,083
Tax payable related to the year	2,172	2,425	3,605	3,990
Tax paid during the year	(3,537)	(3,003)	(8,177)	(7,523)
Tax correction earlier year	0	0	2,331	591
Exchange adjustments	142	135	195	(528)
Tax payable at the end of the year	**3,186**	**4,409**	**4,567**	**6,613**
Deferred tax/tax asset				
Specification of tax effect resulting from temporary differences				
Pension obligations	0	0	36,786	31,579
Portfolio investments	0	0	2,067	3,930
Equipment	0	0	1,904	(783)
Tax loss carried forward	0	0	88,592	84,675
Deferred tax carried forward from earlier years	0	0	0	956
Contingency reserve **	0	0	(123,905)	(117,097)
Other temporary differences	0	0	1,571	1,368
Total temporary differences	**0**	**0**	**7,015**	**4,628**
Net deferred tax asset of total temporary differences ***	0	0	1,763	1,181

* The Norwegian branches are liable to pay income tax based on three per cent of gross earned premiums.

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 9 - Tax continued

** As a result of changes to the Norwegian accounting regulations for insurance companies, contingency reserve has been reclassified to Other equity. Related deferred tax asset has been recognized as applicable depending on tax jurisdiction. Deferred tax has been calculated as the difference between the treatment of contingency reserve in the financial statements and in the tax accounts, and is deemed to be a temporary difference. On 7 February 2018, the Norwegian Ministry of Finance issued a consultation paper with proposals for changes in the tax legislation for insurance and pension entities taking effect from the tax year 2018. No change in the tax treatment of contingency reserves has been decided, nor has there been any change in the equity capital requirements for Assuranceforeningen Gard - gjensidig -.

As a company organised under the laws of Bermuda, the Company is not subject to taxation in Bermuda, as Bermuda does not impose taxation on receipts, dividends, capital gains, gifts or net income. In the event that such taxes are levied, the Company has received an assurance from the Bermuda government to be exempted from all such taxes until 28 March 2035.

	Parent company		Consolidated accounts	
Amounts in USD 000's	21.02.17 to 20.02.18	21.02.16 to 20.02.17	21.02.17 to 20.02.18	21.02.16 to 20.02.17
Reconciliation of the tax expense				
Basis for calculating tax	8,319	11,436	15,675	17,825
Calculated tax 25 per cent * **	**2,080**	**2,859**	**3,919**	**4,456**
Tax expense	2,145	2,425	8,956	8,909
Difference	**(65)**	**434**	**(5,037)**	**(4,452)**
The difference consists of:				
Change in deferred tax due to change in tax rate *	0	0	0	124
Differences related to different basis of calculation	0	167	(1,576)	325
Changes in temporary differences not subject to deferred tax	0	0	(96)	(1,754)
Tax regarding tax audit earlier year	0	0	(2,471)	0
Differences related to different tax rates within the group	0	267	(869)	(1,916)
Other differences	(65)	0	(25)	(1,231)
Sum explained differences	**(65)**	**434**	**(5,037)**	**(4,452)**

*** For one company the tax rate was reduced to 23 per cent as of 01.01.2017 (from 24 per cent).

Note 10 - Intangible assets

Accounting policy

Intangible assets relate to key software used in the Group's operation. External cost of acquiring and implementing software as well as employee costs directly attributable to implementation are capitalized.

Amortisation is charged to comprehensive income on a straight-line basis over the estimated useful life of each intangible asset, starting from the point at which the asset is ready for use.

	Consolidated accounts	
Amounts in USD 000's	As at 20.02.18	As at 20.02.17
Developed software at cost		
Costs at the beginning of the year	8,220	7,965
Net additions/(disposals)	19,452	10
Exchange adjustments	514	245
Costs at the end of the year	**28,186**	**8,220**
Depreciation and impairment at the beginning of the year	6,296	5,733
Depreciation	921	385
Exchange adjustments	394	178
Depreciation at the end of the year	**7,611**	**6,296**
Net book value at the end of the year	**20,575**	**1,923**
Amortisation period		3-5 years
Amortisation type		linear

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 11 - Property and plant used in operation

Accounting policy

Property, plant and equipment, note 11 and 12, is capitalised and depreciated linearly over its estimated useful life. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and are depreciated with the related asset. If the carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount.

			Consolidated accounts
	Real estate	Property, plant	Total
	As at	As at	As at
Amounts in USD 000's	20.02.18	20.02.18	20.02.18
Costs at the beginning of the year	20,984	16,562	37,547
Net additions/(disposals)	720	(773)	(53)
Exchange adjustments	640	1,049	1,689
Costs at the end of the year	**22,344**	**16,839**	**39,183**
Depreciation at the beginning of the year	6,311	3,541	9,852
Depreciation charge for the year	372	150	522
Impairment	3,579	(363)	3,216
Exchange adjustments	387	232	619
Depreciation at the end of the year	**10,649**	**3,560**	**14,208**
Net book value at the end of the year	**11,696**	**13,279**	**24,975**

			Consolidated accounts
	Real estate	Property, plant	Total
	As at	As at	As at
Amounts in USD 000's	20.02.17	20.02.17	20.02.17
Costs at the beginning of the year	19,883	14,489	34,373
Net additions/(disposals)	1,271	1,661	2,932
Exchange adjustments	(170)	412	242
Costs at the end of the year	**20,984**	**16,562**	**37,547**
Depreciation at the beginning of the year	5,891	3,197	9,087
Depreciation charge for the year	345	274	619
Exchange adjustments	75	70	146
Depreciation at the end of the year	**6,311**	**3,541**	**9,852**
Net book value at the end of the year	**14,674**	**13,021**	**27,695**
Amortisation period	67 years	5-20 years	
Amortisation type	linear	linear	

Rent included in the consolidated accounts is charged to Comprehensive income in the period the offices are used. Any remaining rental liabilities are not included in the balance sheet. Rental liabilities amount to USD 6.9 million as at the balance sheet date (USD 8.2 million as at 20 February 2017). Total costs regarding rent in the consolidated account amount to USD 4.0 million (USD 4.8 million as at 20 February 2017).

GARD P. & I. (BERMUDA) LTD.
Notes to the accounts

Note 12 - Equipment

Amounts in USD 000's	Parent company Art As at 20.02.18	Art	Equipment	Consolidated accounts Total As at 20.02.18
Acquisition costs at the beginning of the year	1,356	4,383	13,669	18,052
Net additions/(disposals)	0	0	578	578
Exchange adjustments	0	28	880	907
Costs at the end of the year	**1,356**	**4,411**	**15,126**	**19,537**
Depreciation at the beginning of the year	695	1,439	10,451	11,889
Depreciation charge for the year	0	0	779	779
Impairment	0	0	0	0
Exchange adjustments	0	23	686	709
Depreciation at the end of the year	**695**	**1,462**	**11,915**	**13,377**
Net book value at the end of the year	**661**	**2,949**	**3,211**	**6,159**

Amounts in USD 000's	Parent company Art As at 20.02.17	Art	Equipment	Consolidated accounts Total As at 20.02.17
Acquisition costs at the beginning of the year	1,356	4,383	14,009	18,392
Net additions/(disposals)	0	0	(544)	(544)
Exchange adjustments	0	0	204	204
Costs at the end of the year	**1,356**	**4,383**	**13,669**	**18,052**
Depreciation at the beginning of the year	625	1,377	10,682	12,059
Depreciation charge for the year	0	0	(472)	(472)
Impairment	70	70	0	70
Exchange adjustments	0	(8)	241	233
Depreciation at the end of the year	**695**	**1,439**	**10,451**	**11,889**
Net book value at the end of the year	**661**	**2,944**	**3,218**	**6,162**
Amortisation period			3-5 years	
Amortisation type			linear	

Note 13 - Investments in subsidiaries

Accounting policy

Investments in the subsidiaries are valued at the lower of cost and fair value in the parent company accounts. The investments are valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Amounts in USD 000's	Ownership	Voting share	Place of office		Share capital	Cost price USD As at 20.02.18
AS Assuransegården	100%	100%	Norway	NOK	22,220	21,095
Gard AS	100%	100%	Norway	NOK	30,000	70,932
Gard Marine & Energy Limited	100%	100%	Bermuda	USD	190,000	197,737
Gard Reinsurance Co Ltd	100%	100%	Bermuda	USD	150,000	295,000
Hydra Insurance Company Ltd. (Gard's cell)	100%	100%	Bermuda	USD	7,698	7,698
Lingard Limited	100%	100%	Bermuda	USD	900	900
Safeguard Guarantee Company Ltd.	100%	100%	Bermuda	USD	300	3,926
Total						**597,289**

GARD P. & I. (BERMUDA) LTD.
Notes to the accounts

Note 14 - Financial instruments at fair value through profit or loss

Accounting policy

Classification

The group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and held to maturity investments. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of the financial assets at initial recognition.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivative financial investments are also categorised as held for trading.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as receivables and payables in the balance sheet.

Held-to-maturity financial assets

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the group's management has the positive intention and ability to hold to maturity, other than:

- Those that the group upon initial recognition designates as at fair value through profit or loss;
- Those that meet the definition of loans and receivables.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date – the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Loans, receivables and held to maturity investments are initially recognised at fair value including direct and incremental transaction costs and measured subsequently at amortised cost, using the effective interest method.

Unrealised gains or losses arising from changes in the fair value of the 'Financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within 'Change in unrealised gain/loss on investments' in the period in which they arise. Realised gains or losses are presented within 'Gains on realisation of investments'. Dividends and interest income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of 'Interest and similar income' when the right to receive payments is established. Dividends from investments are recognised when the Company has an unconditional right to receive the dividend.

Dividend paid is recognised as a liability at the time when the General Meeting approves the payment of the dividend.

Interest on held-to-maturity investments is included in the consolidated statement of comprehensive income and reported as 'Interest and similar income'. In the case of impairment, the impairment loss is reported as a deduction from the carrying value of the investment and recognised in the consolidated statement of comprehensive income.

Offsetting financial investments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Impairment of financial assets

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event'), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For the loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. The Company may measure impairment on the basis of an investment's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 14 - Financial instruments at fair value through profit or loss continued

Determination of fair value

The following describes the methodologies and assumptions used to determine fair values.

Financial investments at fair value through profit or loss

The fair value of financial assets classified as financial investments at fair value through profit or loss and the fair value of bonds included is determined by reference to published price quotations in an active market. For unquoted financial assets the fair value has been estimated using a valuation technique based on assumptions that are supported by observable market prices.

Assets for which fair value approximates carrying value

For financial assets and liabilities that have a short-term maturity, it is assumed that the carrying amounts approximate to their fair value. This assumption is also applied to demand deposits and savings accounts without a specific maturity.

Fair value hierarchy

The Gard group uses the following hierarchy for determining and disclosing the fair value of financial investments by valuation technique.

Financial investments in Level 1

The fair value of financial investments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the last trade price (these investments are included in Level 1). US government bonds and other financial investments have been classified on level 1 in the pricing hierarchy.

Financial investments in Level 2

The fair value of financial investments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value of an investment are observable, the investment is included in Level 2.

Investments listed in the following have been classified on level 2 in the pricing hierarchy:

- Equity funds and bond funds where fair values are determined by using quoted market prices of the assets where the funds have invested.
- Equity futures, interest futures, currency futures, currency forwards and interest rate swaps where fair values are determined on the basis of the price development on an underlying asset or instrument. All deriviatives are priced by standard and well recognized methods.

If one or more of the significant inputs is not based on observable market data, the investment is included in Level 3.

Specific valuation techniques used to value financial investments include:

- Quoted market prices or dealer quotes for similar investments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial investments.

Note that all of the resulting fair value estimates are included in Level 2 except for financial investments explained below.

Financial investments in Level 3

Level 3 includes securitised debt investments and investments in less liquid fund structures.

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 14 - Financial instruments at fair value through profit or loss continued

	Parent company				Parent company Restated			
	As at 20.02.18				As at 20.02.17			
Amounts in USD 000's	Quoted market prices Level 1	Observable market data Level 2	Non observable market data Level 3	Total	Quoted market prices Level 1	Observable market data Level 2	Non observable marrket data Level 3	Total
Financial investments								
Equities and investment funds	0	229,275	1,482	230,758	0	282,716	4,649	287,365
Bonds and bond funds	41,061	332,714	0	373,775	13,147	319,635	0	332,782
Financial derivative assets	0	812	0	812	0	1,532	0	1,532
Cash incl. in other financial investments	5,204	0	0	5,204	3,074	0	0	3,074
Other financial investments	8,111	0	0	8,111	15,051	0	0	15,051
Total financial investments	**54,376**	**562,801**	**1,482**	**618,660**	**31,272**	**603,883**	**4,649**	**639,804**
Financial liabilities								
Financial derivative liabilities	0	6,310	0	6,310	0	1,839	0	1,839
Financial liabilities incl. in other payables	0	0	0	0	13,213	0	0	13,213
Total financial liabilities	**0**	**6,310**	**0**	**6,310**	**13,213**	**1,839**	**0**	**15,052**

	Consolidated accounts				Consolidated accounts Restated			
	As at 20.02.18				As at 20.02.17			
Amounts in USD 000's	Quoted market prices Level 1	Observable market data Level 2	Non observable market data Level 3	Total	Quoted market prices Level 1	Observable market data Level 2	Non observable marrket data Level 3	Total
Financial investments								
Equities and investment funds	0	606,970	47,625	654,595	0	691,841	50,232	742,073
Bonds and bond funds	94,307	1,356,831	0	1,451,139	17,129	1,257,402	0	1,274,531
Financial derivative assets	0	3,186	0	3,186	0	3,231	0	3,231
Cash incl. in other financial investments	37,038	0	0	37,038	39,572	0	0	39,572
Other financial investments	14,240	0	0	14,240	25,657	0	0	25,657
Total financial investments	**145,585**	**1,966,988**	**47,625**	**2,160,198**	**82,358**	**1,952,474**	**50,232**	**2,085,065**
Financial liabilities								
Financial derivative liabilities	0	20,945	0	20,945	0	4,917	0	4,917
Financial liabilities incl. in other payables	0	0	0	0	17,209	0	0	17,209
Total financial liabilities	**0**	**20,945**	**0**	**20,945**	**17,209**	**4,917**	**0**	**22,126**

Equities and investment funds

The majority of investments held are subfunds of the Gard Common Contractual Fund, a legal fund structure establised in Ireland. Each subfund hold well diversified portfolios with different investment objectives, and the underlying holdings are common stocks traded on regional stock exchanges. The Group possesses only minority interests in quoted companies.

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 14 - Financial instruments at fair value through profit or loss continued

Amounts in USD 000's	Investment profile	Currency	Parent company As at 20.02.18 Market value
Equity funds			
Gard Emerging Markets Value Equity Fund	Emerging market equity	USD	18,331
Gard Euro Equity Fund 2	European equity	USD	129,027
Gard Global Equity Fund	Global equity	USD	3,903
Gard Global Equity Fund II	Global equity	USD	42,814
Aberdeen Frontier Equity Fund	Frontier equity	USD	23,736
Invesco Global Real Estate Fund	Real estate investment trust equity	EUR	11,464
Phoenix Global Real Estate Fund I	Global real estate	USD	1,482
Total Equity funds			**230,758**
Total Equities and investment funds			**230,758**
The part of Equity fund invested in quoted shares			229,275

Bonds and bond funds

Amounts in USD 000's	Investment profile	Currency	Parent company As at 20.02.18 Market value
Bonds			
US Treasury Bills	US Treasury bond	USD	28,367
Total Bonds			**28,367**
Bond funds			
Gard Emerging Market Debt Fund	Emerging market debt	USD	49,279
Gard Global Credit Bond Fund I	Global corporate bonds	USD	68,047
Gard Global Bond Fund	Global corporate bonds	USD	123,918
Gard Global Treasury Fund	Government debt	USD	74,599
CQS Credit Fund	Global multi asset credit	USD	16,871
Northern Trust Cash Fund	Money market US Dollar	USD	12,694
Total Bond funds			**345,408**
Total Bonds and bond funds			**373,775**

Equities and investment funds

The Group has an equity exposure of 16.6 per cent of it's total investments.

Amounts in USD 000's	Investment profile	Currency	Consolidated accounts As at 20.02.18 Market value
Equities			
Toppindustrisenteret AS	Private equity	NOK	11
Total Equities			**11**

GARD P. & I. (BERMUDA) LTD.
Notes to the accounts

Note 14 - Financial instruments at fair value through profit or loss continued

Amounts in USD 000's	Investment profile	Currency	Consolidated accounts As at 20.02.18 Market value
Equity funds			
Gard Emerging Markets Equity Growth Fund	Emerging market equity	USD	47,334
Gard Emerging Markets Value Equity Fund	Emerging market equity	USD	29,649
Gard Euro Equity Fund 2	European equity	USD	129,027
Gard Global Equity Fund	Global equity	USD	81,251
Gard Global Equity Fund II	Global equity	USD	102,797
Gard Japan Fund	Japan equity	USD	73,112
Aberdeen Frontier Equity Fund	Frontier equity	USD	23,736
Bridgewater Pure Alpha Fund	Global tactical asset allocation	USD	108,589
Invesco Global Real Estate Fund	Real estate investment trust equity	EUR	11,464
Phoenix Global Real Estate Fund I	Global real estate	USD	1,482
Phoenix Global Real Estate Fund II	Global real estate	USD	46,143
Total Equity funds			**654,584**
Total Equities and investment funds			**654,595**
The part of Equity fund invested in quoted shares			498,370

Bonds and bond funds

Amounts in USD 000's	Investment profile	Currency	Consolidated accounts As at 20.02.18 Market value
Bonds			
US Treasury Bills	US Treasury bond	USD	36,406
Total Bonds			**36,406**
Bond funds			
Gard Emerging Market Debt Fund	Emerging market debt	USD	123,781
Gard Global Bond Fund 1	Global aggregate bonds	USD	477,874
Gard Global Credit Bond Fund I	Global corporate bonds	USD	226,026
Gard Global Treasury Fund	Government debt	USD	338,876
CQS Credit Fund	Global multi asset credit	USD	190,274
Northern Trust Cash Fund	Money market US Dollar	USD	57,901
Total Bond funds			**1,414,733**
Total Bonds and bond funds			**1,451,139**

Note 15 - Financial risk

Risk management framework
The purpose of the risk management system is to ensure that material risks are managed in accordance with the Company's corporate objectives and risk-bearing capacity. The risk management system consists of the following components:

Risk appetite and limits: Overall Risk Appetite and Comfort Zone (target range for capitalisation) are defined in accordance with risk-bearing capacity and corporate objectives. This cascades into limits by risk type and legal entities. This forms the basis for all risk management, monitoring and reporting.

Risk policies: There are group policies describing the processes and procedures for managing material risk exposures. The purpose of the policies is to ensure consistent and adequate risk and capital management.

Risk management cycle: Material risks are identified, assessed regulary, managed proactively, monitored regulary and reported to the relevant responsible body.

Main financial risks
Credit risk
The risk of economic losses resulting from the default of third parties, split into:

GARD P. & I. (BERMUDA) LTD.
Notes to the accounts

Note 15 - Financial risk continued

Credit default risk
The risk that actual credit losses will be higher than expected due to the failure of counterparties to meet their contractual debt obligation.

Credit spread risk
The risk of economic losses due to the difference in yield between a defined rating class bucket and trasury bills/bonds with the same duration.

Credit migration risk
The risk that a portfolio's credit quality will materially deteriorate over time, without allowing a re-pricing of the constituent loans to compensate the creditor for the higher default risk being undertaken.

Counterparty default risk
The main sources of counterparty default risk are reinsurers, cash deposits at banks, derivative counterparties, and receivables from policyholders.

The credit exposure on the reinsurance program is in line with the guidelines of only accepting reinsurers with an A- or higher rating. The Group is, however, faced with BBB rating exposure through the IG Pooling agreement. Among the thirteen clubs, four have ratings of BBB or lower.

Banks and custodians are in line with the guidelines with a credit rating of at least A/stable.

The Group also has counterparty default risk over-the-counter (OTC) financial derivative positions. However, common risk mitigation techniques are exercised to minimise the default risk towards counterparties. The credit risk in respect of receivables is handled by policies and by close follow up. Outstanding receivables can be netted off against outstanding claims payments to reduce the risk of doubtful debts.

The tables below show the credit risk exposure as at 20 February 2018. Assets are classified according to the median rating amongst the three market leading providers, Standard & Poor's, Moody's and Fitch. Top rated assets are denoted with AAA rating and US long-term sovereign credit rating is equivalent to a AAA rating due to an applied median approach.

Credit risk exposure in balance sheet

For accounting purposes bond funds are presented as unrated in the table below.

	Parent company		Consolidated accounts	
		Restated		Restated
Amounts in USD 000's	As at 20.02.18	As at 20.02.17	As at 20.02.18	As at 20.02.17
Bonds and bond funds				
AA	41,061	13,147	94,307	17,130
Not rated (rating of underlying securities presented in a separate table)	332,714	319,635	1,356,831	1,257,401
Total bonds and bond funds	**373,775**	**332,782**	**1,451,139**	**1,274,531**
Financial derivative assets				
A	812	1,532	3,186	3,231
Total financial derivative assets	**812**	**1,532**	**3,186**	**3,231**
Other financial investments				
A	13,316	18,124	51,277	65,229
Total other financial investments	**13,316**	**18,124**	**51,277**	**65,229**
Reinsurers` share of gross claims reserve				
AA	16,499	18,900	76,164	80,325
A	412,575	411,857	142,805	178,015
BBB	6,152	10,756	28,868	32,062
Not rated	0	0	3,215	2,916
Total reinsurers' share of gross claims reserve	**435,226**	**441,512**	**251,052**	**293,317**
Receivables				
A	37,337	49,691	8,686	25,000
BBB	1,163	1,449	1,240	1,768
Not rated	10,452	13,571	165,614	158,059
Total receivables	**48,952**	**64,711**	**175,541**	**184,827**

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 15 - Financial risk continued

Amounts in USD 000's	Parent company As at 20.02.18	Parent company Restated As at 20.02.17	Consolidated accounts As at 20.02.18	Consolidated accounts Restated As at 20.02.17
Cash and cash equivalents				
AA	72,979	38,852	134,306	137,187
A	0	0	37,381	35,157
BB	0	0	80	154
BBB	0	23	0	3,672
Not rated	0	0	13	18
Total cash and cash equivalents	**72,979**	**38,875**	**171,780**	**176,189**
Other financial assets presented in balance sheet*				
A	9,779	9,248	23,605	23,210
Not rated	41,501	28,809	0	0
Total other financial assets presented in balance sheet	**51,280**	**38,057**	**23,605**	**23,210**

* Includes loan to subsidiaries and other financial assets.

The table below presents the rating of underlying securities held in bond funds on a look-through basis.

Amounts in USD 000's	Parent company As at 20.02.18	Parent company As at 20.02.17	Consolidated accounts As at 20.02.18	Consolidated accounts As at 20.02.17
Bond funds				
AAA	141,772	70,626	579,162	364,185
AA	61,610	65,083	263,094	174,525
A	55,679	54,146	73,673	182,348
BBB	42,558	88,757	233,411	287,273
BB	26,414	21,629	121,074	86,109
B	15,434	17,240	134,276	148,795
CCC/lower	1,942	2,153	10,042	14,167
Total bond funds	**345,408**	**319,635**	**1,414,732**	**1,257,401**

Age analysis of receivables after provision for bad debt

Amounts in USD 000's	Parent company As at 20.02.18	Parent company As at 20.02.17	Consolidated accounts As at 20.02.18	Consolidated accounts As at 20.02.17
Not due	43,775	58,385	136,488	155,317
0-60 days	1,834	3,063	28,896	19,398
61-90 days	460	185	1,701	1,630
Above 90 days	2,883	3,079	8,456	7,003
Total receivables	**48,952**	**64,711**	**175,541**	**183,347**

Impaired receivables

As at 20 February 2018 there are impaired receivables in the parent company of USD 1.3 million (20 February 2017 USD 1.8 million) and there are impaired receivables in the consolidated accounts of USD 6.6 million (20 February 2017 USD 7.3 million), related to past due. No collateral is held as security for the impaired receivables, but the receivables can be deducted from future claim payments if any. Impairment allowance is included in net operating expenses.

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 15 - Financial risk continued

Analysis of provision for bad debt

	Parent company		Consolidated accounts	
Amounts in USD 000's	As at 20.02.18	As at 20.02.17	As at 20.02.18	As at 20.02.17
Balance as at the beginning of the period	1,760	1,691	7,269	6,719
Provision for receivables impairment	745	461	1,705	899
Receivables written off during the year as uncollectable	(996)	(261)	(2,064)	(205)
Unused amounts reversed	(230)	(133)	(320)	(161)
Exchange adjustment	16	2	38	17
Balance as at the end of the period	**1,295**	**1,760**	**6,628**	**7,269**

The creation and release of provisions for impaired receivables has been included in 'Other insurance related expenses' in the income statement. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

Market risk

Market risk arises from the investment activities and the sensitivity of liabilities to changes in market price. The sensitivity analysis of investments assets aims to illustrate the risk of economic losses resulting from deviations in the value of assets caused by changes in observable market prices differing from expected values. The five main market risks selected for testing of sensitivity due to price changes are;

Equity risk

The risk of economic losses resulting from deviations of market values of equities from expected values. The equity portfolio is well diversified, although with skewedness towards emerging markets and smaller companies compared to a global market capitalised benchmark. This is expected to generate a slightly higher return combined with higher volatility over time. The equity portfolio is being managed by a selection of specialist fund managers in which portfolios are partly hedged through a rolling equity index futures program. The sensitivity analysis for equity risk includes equities net of equity index derivatives.

Interest rate risk

The risk of economic losses resulting from deviations in actual interest rates from expected interest rates. The term structure of interest bearing assets is broadly matched to the expected duration of the liabilities. The sensitivity analysis for bond instruments is testing the portfolio's interest rate sensitivity with a weighted average duration approach. Interest sensitive liabilities are not part of the analysis.

Alternatives risk

The risk that the actual return or performance relative to benchmark of investments due to active management decisions will be lower than expected. The sensitivity analysis for alternative risk is assigned to a global alternative fund which aims to generate excess return by tactically adjusting asset allocation across a variety of asset classes.

Real estate risk

The risk of economic losses resulting from deviations of actual values and/or income from real estate from those expected.The sensitivity analysis for real estate risk is performed on funds which represent the part that is strategically allocated to real estate.

Currency risk

The risk of economic losses resulting from actual foreign exchange rates differing from expected foreign exchange rates. Foreign currency exposures are assumed to be tightly matched across the balance sheet and managed with an emphasis on major currency exposures. Currency forward derivatives may also serve as an effective tool for mismatch adjustments. The sensitivity analysis for foreign currencies only applies to investments assets and illustrates the impact on values given changes in exchange rates against USD.

GARD P. & I. (BERMUDA) LTD.
Notes to the accounts

Note 15 - Financial risk continued

The table below splits the balance sheet into the major currencies USD, EUR and GBP, and remaining currencies are grouped into Other.

Currency split balance sheet

Amounts in USD 000's	Parent company As at 20.02.18	Parent company Restated As at 20.02.17	Consolidated accounts As at 20.02.18	Consolidated accounts Restated As at 20.02.17
Assets				
USD	1,564,288	1,544,086	2,525,876	2,526,628
EUR	67,604	69,033	71,222	72,665
GBP	50,182	48,425	23,088	24,144
Other	148,476	163,511	246,940	201,613
Total assets	**1,830,550**	**1,825,055**	**2,867,126**	**2,825,050**
Equity and liabilities				
USD	1,529,802	1,490,394	2,170,367	2,092,970
EUR	139,548	142,348	222,859	256,185
GBP	111,263	123,213	158,405	178,415
Other	49,936	69,100	315,496	297,480
Total equity and liabilities	**1,830,550**	**1,825,055**	**2,867,126**	**2,825,050**
Net asset exposure				
USD	34,486	53,692	355,509	433,658
EUR	(71,944)	(73,315)	(151,637)	(183,520)
GBP	(61,081)	(74,788)	(135,316)	(154,271)
Other	98,540	94,411	(68,556)	(95,867)

Currency split balance sheet

The table below presents the balance sheet split into major currencies including the foreign exchange exposure of the underlying securities held in equity and bond funds on a look-through basis.

Amounts in USD 000's	Parent company As at 20.02.18	Parent company Restated As at 20.02.17	Consolidated accounts As at 20.02.18	Consolidated accounts Restated As at 20.02.17
Assets				
USD	1,303,375	1,291,587	2,162,653	1,827,676
EUR	157,257	165,945	212,827	234,731
GBP	109,542	97,234	167,868	150,404
Other	260,376	270,289	323,778	612,239
Total assets	**1,830,550**	**1,825,055**	**2,867,126**	**2,825,050**
Equity and liabilities				
USD	1,529,802	1,490,394	2,170,367	2,092,970
EUR	139,548	142,348	222,859	256,185
GBP	111,263	123,213	158,405	178,415
Other	49,936	69,100	315,496	297,480
Total equity and liabilities	**1,830,550**	**1,825,055**	**2,867,126**	**2,825,050**
Net asset exposure				
USD	(226,427)	(198,807)	(7,714)	(265,294)
EUR	17,709	23,597	(10,032)	(21,454)
GBP	(1,722)	(25,979)	9,464	(28,011)
Other	210,441	201,189	8,282	314,759

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 15 - Financial risk continued

Financial investments - sensitivity analysis

The analysis below is performed for reasonably possible movements in key market variables with all other variables held constant.

	Parent company		Consolidated accounts	
		Restated		Restated
Amounts in USD 000's	As at 20.02.18	As at 20.02.17	As at 20.02.18	As at 20.02.17
Impact on fixed income portfolio investments given an increase of 50 basis points	(4,304)	(6,110)	(16,389)	(18,956)
Impact on equity portfolio given a 10 per cent drop in quoted market prices	(11,196)	(12,939)	(34,258)	(34,674)
Impact on total investment portfolio given a change of 10 per cent in foreign exchange rates against USD	(16,421)	(24,939)	(41,812)	(62,947)
Impact on real estate portfolio given a 10 per cent drop in quoted market prices*	(1,586)	(1,295)	(6,144)	(5,909)
Impact on alternatives portfolio given a 10 per cent drop in quoted market prices*	0	0	(10,859)	(10,179)

The sensitivity analysis assumes no correlation between equity price, property market and foreign currency rate risk. It also assumes that all other receivables and payables remain unchanged and that no management action is taken. The Gard group has no significant risk concentrations which are not in line with the overall investment guidelines set by the Company's Board of Directors. Any impact from risk tested in the table above is not, due to tax regulations, assumed to have any taxable impact.

The methods used above for deriving sensitivity information and significant variables have not changed from the previous year, however, sensitivity analysis for real estate and alternatives risk as at 20 February 2017 have been included as comparative information.

Liquidity risk

The risk that cash and other liquid assets are insufficient to meet financial obligations when they fall due. In respect of catastrophic events there is also a liquidity risk associated with the timing differences between gross cash outflows and expected reinsurance recoveries. Liquidity risk arises primarily due to the unpredictability of the timing of payment of insurance liabilities and the illiquidity of the assets held or when market depth is insufficient to absorb the required volumes of assets to be sold, resulting in asset sale at a discount. The risk is mitigated through a credit facility with Nordea Bank AB (publ), filial i Norge and a cash pool agreement between Gard P. & I. (Bermuda) Ltd., Gard Marine & Energy Limited, Gard AS and AS Assuransegården improves access to liquidity across the legal entities.

Maturity profile

The following tables set out the maturity profile of liabilities combining amounts expected to be recovered within one year, between one and five years and more than five years.

The Gard group maintains highly marketable financial investments and diverse assets that can be liquidated in the event of an unforeseen interruption of cash flow. This, combined with the credit facility and cash pool to meet liquidity needs, gives a presentation of how assets and liabilities have been matched.

					Parent company
Amounts in USD 000's	Within 1 year	1-5 years	More than 5 years	No maturity date	As at 20.02.18 Total
Gross claims reserve	226,952	487,001	56,026	0	769,979
Income tax payable	3,186	0	0	0	3,186
Payables and accruals	72,638	0	0	0	72,638
Other payables	100	0	0	0	100

					Parent company
					Restated
Amounts in USD 000's	Within 1 year	1-5 years	More than 5 years	No maturity date	As at 20.02.17 Total
Gross claims reserve	243,959	523,495	60,224	0	827,679
Income tax payable	4,409	0	0	0	4,409
Payables and accruals	71,564	0	0	0	71,564
Other payables	13,897	0	0	0	13,897

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 15 - Financial risk continued

Amounts in USD 000's	Within 1 year	1-5 years	More than 5 years	No maturity date	Consolidated accounts As at 20.02.18 Total
Gross claims reserve	426,386	828,498	83,382	0	1,338,266
Income tax payable	4,567	0	0	0	4,567
Payables and accruals	92,664	0	0	0	92,664
Other payables	6,800	0	0	0	6,800

Amounts in USD 000's	Within 1 year	1-5 years	More than 5 years	No maturity date	Consolidated accounts Restated As at 20.02.17 Total
Gross claims reserve	459,988	895,330	90,342	0	1,445,660
Income tax payable	6,613	0	0	0	6,613
Payables and accruals	73,764	0	0	0	73,764
Other payables	24,895	0	0	0	24,895

Portfolio asset allocation

The table below presents the balance sheet items together with an asset allocation perspective. The portfolio asset allocation is deemed as a better way of representing the actual underlying exposures, Financial derivatives adjust the equity exposure by selling equity futures and simultaneously adjusts fixed income exposure by buying interest rate swap contracts.

Amounts in USD 000's	Fair value 20.02.18				Parent company As at 20.02.18
Financial investments		Equity	Fixed income	Real estate	Other
Equities and investment funds	230,758	217,812	0	12,946	0
Bonds and bond funds	373,775	0	373,775	0	0
Financial derivative assets *	812	(94,333)	94,316	0	829
Other financial investments **	13,316	0	0	0	13,316
Total financial investments	**618,661**	**123,479**	**468,091**	**12,946**	**14,145**
Financial liabilities					
Financial derivative liabilities	6,310	0	600	0	5,710
Total financial liabilities	**6,310**	**0**	**600**	**0**	**5,710**
Net financial investments	**612,350**	**123,479**	**467,491**	**12,946**	**8,434**
Net per cent	**100%**	**20%**	**76%**	**2%**	**1%**

Amounts in USD 000's	Fair value 20.02.18				Consolidated accounts As at 20.02.18
Financial investments		Equity	Fixed income	Real estate	Other
Equities and investment funds	654,595	486,917	108,589	59,089	0
Bonds and bond funds	1,451,139	0	1,451,139	0	0
Financial derivative assets *	3,186	(132,194)	132,154	0	3,226
Other financial investments **	51,277	0	0	0	51,277
Total financial investments	**2,160,197**	**354,723**	**1,691,882**	**59,089**	**54,503**
Financial liabilities					
Financial derivative liabilities	20,945	0	2,819	0	18,126
Total financial liabilities	**20,945**	**0**	**2,819**	**0**	**18,126**
Net financial investments	**2,139,253**	**354,723**	**1,689,063**	**59,089**	**36,378**
Net per cent	**100%**	**17%**	**79%**	**3%**	**2%**

* The asset allocations for financial deriviative assets are stated at their notional values (note 16).
** 'Other financial investments' includes cash and cash equivalents.

GARD P. & I. (BERMUDA) LTD.
Notes to the accounts

Note 16 - Financial derivatives at fair value through profit or loss

Accounting policy
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The Company does not practice hedge accounting.

Financial derivatives
Financial derivatives are integrated components in the investment philosophies and strategies of the Gard group's fund management. They are used for risk management, liquidity improvement, cost reduction and to optimise return within the guidelines set for the Gard group's investment management. The Gard group has implemented a derivative overlay programme whereby regional equity specialists are employed with mandates which have historically provided value creation from active management. The market exposure is then hedged out through equity futures contracts in order to maintain total equity market exposure within the allowed range, and simultaneously fixed income exposure is gained through interest rate swap contracts.

Investment guidelines
The key features of the Gard group's derivative guidelines are as follows:
The aggregate economic exposure of the group's investment portfolio may not exceed 100 per cent of the portfolio's market value, i.e., there must be no leverage or gearing of the portfolio.

Compliance monitoring
Compliance with the guidelines is monitored on an ongoing basis through the use of both internal and external resources. Even though the investment managers have internal risk analysis and compliance monitoring processes there is independent verification based on alternative sources of data. The global custodian is responsible for compliance monitoring and reporting both at the overall fund level and the individual portfolio level. The investment managers are also subject to a bi-annual independent assessment of investment processes and skills to ensure that, inter alia, risk management and compliance monitoring routines are satisfactory.

Valuation and reporting
All derivative investments are carried at independently sourced market values. Underlying contract values represent the value of the underlying gross commitments of all open contracts.

Types of financial derivatives used during the financial year
Forward exchange contracts
A forward exchange contract is a contract between two parties whereby one party contracts to sell and the other party contracts to buy one currency for another, at an agreed future date, at a rate of exchange which is fixed at the time the contract is entered into.

Interest rate options
An option is a contract in which the writer of the option grants the buyer of the option the right to purchase from or sell to the writer a designated investment at a specific price within a specified period of time. An interest rate option can be written on cash investments or futures, and is used to manage the interest rate and volatility exposure of the portfolio. Written options generate gains in stable rate environments, but may create obligations to buy or sell underlying securities under greater rate movements. Purchased options are used to generate gains based on interest rate forecasts.

Interest rate futures
An interest rate futures contract is a standardised agreement between a buyer (seller) and an established exchange or its clearing house in which the buyer (seller) agrees to take (make) delivery of a financial rate investment at a specified price at the end of a designated period of time.

Interest rate swaps
An interest rate swap is an agreement between two parties to exchange periodic interest payments. In the most common type of swap, one party agrees to pay the other party fixed-interest payments at designated dates for the life of the contract. This investment is used to change interest rate risk by changing the cash flow of fixed rate bonds to adjustable rate bonds or vice versa.

Equity index futures
An equity index future contract is a standardised agreement between a buyer (seller) and an established exchange or its clearing house in which the buyer (seller) agrees to take (make) delivery of an amount based on an equity index at designated point in time.

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 16 - Financial derivatives at fair value through profit or loss continued

Amounts in USD 000's	Within 1 year	1-5 years	More than 5 years	Total Notional 20.02.18	Parent company Fair value 20.02.18
Type of derivatives					
Interest rate related					
Futures	50,536	48,639	68,926	168,102	0
Swaps	56,232	42,232	16,334	114,798	(618)
Net interest rate related	**106,768**	**90,871**	**85,260**	**282,900**	**(618)**
Equity related contracts					
Futures	155,383	0	0	155,383	0
Net equity related	**155,383**	**0**	**0**	**155,383**	**0**
Foreign currency related					
Forward foreign exchange contracts	169,571	0	0	169,571	(4,881)
Net foreign currency related	**169,571**	**0**	**0**	**169,571**	**(4,881)**
Net financial derivative liabilities					**(5,499)**
Financial derivative assets					812
Financial derivative liabilities					(6,311)
Net financial derivative liabilities					**(5,499)**

Amounts in USD 000's	Within 1 year	1-5 years	More than 5 years	Total Notional 20.02.17	Parent company Restated Fair value 20.02.17
Type of derivatives					
Interest rate related					
Futures	18,976	24,478	0	43,454	0
Swaps	44,742	113,026	0	157,768	256
Net interest rate related	**63,718**	**137,505**	**0**	**201,222**	**256**
Equity related contracts					
Futures	142,927	0	0	142,927	0
Net equity related	**142,927**	**0**	**0**	**142,927**	**0**
Foreign currency related					
Forward foreign exchange contracts	361,578	0	0	361,578	(563)
Net foreign currency related	**361,578**	**0**	**0**	**361,578**	**(563)**
Net financial derivative liabilities					**(307)**
Financial derivative assets					1,532
Financial derivative liabilities					(1,839)
Net financial derivative liabilities					**(307)**

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 16 - Financial derivatives at fair value through profit or loss continued

Amounts in USD 000's	Within 1 year	1-5 years	More than 5 years	Total Notional 20.02.18	Consolidated accounts Fair value 20.02.18
Type of derivatives					
Interest rate related					
Futures	126,018	99,958	111,888	337,864	0
Swaps	137,227	108,355	46,334	291,916	(2,859)
Net interest rate related	**263,245**	**208,313**	**158,222**	**629,780**	**(2,859)**
Equity related contracts					
Futures	231,758	0	0	231,758	0
Net equity related	**231,758**	**0**	**0**	**231,758**	**0**
Foreign currency related					
Forward foreign exchange contracts	510,257	0	0	510,257	(14,899)
Net foreign currency related	**510,257**	**0**	**0**	**510,257**	**(14,899)**
Net financial derivative assets/liabilities					**(17,758)**
Financial derivative assets					3,186
Financial derivative liabilities					(20,945)
Net financial derivative assets/liabilities					**(17,758)**

Amounts in USD 000's	Within 1 year	1-5 years	More than 5 years	Total Notional 20.02.17	Consolidated accounts Restated Fair value 20.02.17
Type of derivatives					
Interest rate related					
Futures	79,915	100,395	0	180,310	0
Swaps	127,503	289,430	0	416,933	(773)
Net interest rate related	**207,418**	**389,825**	**0**	**597,243**	**(773)**
Equity related contracts					
Futures	231,298	0	0	231,298	0
Net equity related	**231,298**	**0**	**0**	**231,298**	**0**
Foreign currency related					
Forward foreign exchange contracts	504,236	0	0	504,236	(913)
Net foreign currency related	**504,236**	**0**	**0**	**504,236**	**(913)**
Net financial derivative assets/liabilities					**(1,685)**
Financial derivative assets					3,231
Financial derivative liabilities					(4,917)
Net financial derivative assets/liabilities					**(1,685)**

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 17 - Receivables from direct insurance operations

Amounts in USD 000's	Parent company As at 20.02.18	As at 20.02.17	Consolidated accounts As at 20.02.18	Restated As at 20.02.17
Direct and received premium	22,506	17,621	32,122	35,703
Direct and received premium through broker	0	0	67,313	58,648
Accrued deferred call	7	689	6	735
Not closed premium	0	0	35,960	18,672
Claims related debtors, co-insurers	0	0	18,357	22,215
Provision for bad debts	(1,296)	(1,760)	(3,481)	(4,296)
Receivables from direct insurance operations	**21,218**	**16,550**	**150,277**	**131,676**

Note 18 - Other receivables and other payables

Amounts in USD 000's	Parent company As at 20.02.18	As at 20.02.17	Consolidated accounts As at 20.02.18	Restated As at 20.02.17
Other receivables				
Other receivables	0	25,000	1,423	26,424
Other receivables from subsidiaries	238	283	0	0
Loan to employees	0	0	23,632	24,991
Total other receivables	**238**	**25,283**	**25,055**	**51,415**
Other payables				
Other payables	100	684	6,800	7,686
Investment transactions in progress *	0	13,213	0	17,209
Total other payables	**100**	**13,897**	**6,800**	**24,895**

* Investment transactions in progress refers to sales and purchases of investments at the balance sheet date, where settlements are executed after the balance sheet date.

Note 19 - Cash and cash equivalents

Accounting policy

Cash and cash equivalents include cash in hand and deposits held at call with banks, brokers and fund managers. In the balance sheet, cash and cash equivalents that relate to investment management is presented as other financial investments. All other cash is presented as cash and cash equivalents. In the cash flow statement, cash and cash equivalents do not include cash and cash equivalents presented as other financial investments.

Cash and cash equivalents

Cash and cash equivalents include restricted cash amounting to USD 26.7 million as at 20 February 2018 (USD 29.6 million as at 20 February 2017). The Company has a group account agreement and participates in a cash pool agreement. Both agreements are made with the Company's main bank, Nordea Bank AB (publ), filial i Norge. The group account agreement implies that the Company can make overdrafts on individual bank accounts as long as the Company's total bank deposit is positive.

The Company has an overdraft facility with Nordea Bank AB (publ), filial i Norge for an amount of USD 40 million (USD 40 million as at 20 February 2017). Through the cash pool agreement all the participating companies can make use of this overdraft facility. The cash pool agreement secures efficient use of the operating bank deposits through the companies' opportunities to make use of the overdraft facility on individual bank accounts accumulating up to USD 40 million in aggregate for the companies participating in the agreement. Each company participating in the cash pool agreement is jointly liable for the overdraft facility through unsecured guarantees.

GARD P. & I. (BERMUDA) LTD.
Notes to the accounts

Note 20 - Pensions

Accounting policy
The Gard group operates various pension schemes and employees are covered by pension plans, which comply with local laws and regulations in each country in which the group operates. The companies have a defined contribution plan and a closed defined benefit plan.

Pension obligations
The liability recognised in the balance sheet in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using a straight-line earnings method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in technical result.

For defined contribution plans, the companies pay contributions to privately administered pension insurance plans on a contractual basis. The companies have no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Pensions
The companies have entered into pension contracts with some former and current employees. These contracts are mainly financed directly through the companies' operations. The subsidiaries have entered into various pension plans with both former and present employees.

The companies have collective pension agreements in place in accordance with the Norwegian Pension Act. As of 31 December 2015 the defined benefit plan was terminated for active employees, with the option for employees born in or before 1954 to remain in the previous defined benefit plan. All other active employees have been transferred to a defined contribution plan with effect of 1 January 2016, with contribution levels of 7 per cent from 0 – 12 G, and an additional 18.1 per cent from 7.1 – 12 G. G is a base rate used as the basis for calculating benefits. G is adjusted annually and is approved each year by the Norwegian parliament. The last time G was updated was in May 2017. As of 20 February 2017 G equals NOK 93.634 (USD 11,943). Retired and disabled employees were not subject to change and remain in the defined benefit plan. All employees hired after February 2009 are covered by the new levels in the defined contribution scheme.

The contribution plan as of 1 January covers a total of 319 employees, including four of the employees who made the active choice to be transferred. In the defined contribution plan one employee is disabled.

In relation to the defined benefit plan, 19 employees born in 1954 or earlier remain active members, 14 are partly or wholly disabled and 72 are retired.

In addition to the collective agreement, all employees can apply for a tariff based lifelong retirement pension (AFP) which the employee may start to draw from the age of 62. The AFP pension is partially financed by Gard AS.

The closed pension scheme for part of the Group Leadership Team, which provides coverage for an amount above 12 G as well as early retirement, is secured by an agreement with Norsk Tillitsmann Pensjon/Nordic Trustee. The obligation is secured through a pledge deposit on a bank account owned by Gard AS. The same solution is in place with respect to a compensation agreement for GLT members being transferred from the defined benefit plan to the defined contribution plan with effect from 1 January 2016.

For the defined benefit pension plan actuarial calculations are made with regard to pension commitments and funds at year end and resulting changes in pension obligations are charged to the income statement and other comprehensive income. Pension costs and pension liabilities have been accounted for in accordance with IAS19.

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 20 - Pensions continued

Consolidated accounts Amounts in USD 000's	As at 20.02.18	As at 20.02.17	Parent company As at 20.02.18	As at 20.02.17
Pension cost				
Defined benefit pension plans				
Pension benefits earned during the year	87	64	1,887	1,976
Interest expense on earned pension	20	9	1,672	1,520
Settlement/curtailment	0	0	(956)	0
Yield on pension funds	0	0	(780)	(736)
Past service cost	0	0	0	(13)
Net pension cost earning related plan	**106**	**73**	**1,823**	**2,747**
Defined contribution pension plan	**0**	**0**	**6,674**	**7,468**
Total pension cost charged to the Statement of comprehensive income	**106**	**73**	**8,497**	**10,215**
Changes in pension assumptions charged to Other comprehensive income	**66**	**194**	**2,582**	**1,527**
Liabilities according to the actuarial calculations				
Pension obligation gross	(1,271)	(1,093)	(69,479)	(61,819)
Pension funds at market value	0	0	30,544	28,286
Net pension obligation at the end of the year	**(1,271)**	**(1,093)**	**(38,935)**	**(33,533)**
Changes in pension funds at market value				
Fair value of assets at the beginning of the year	0	724	28,286	28,112
Exchange differences	0	(104)	2,773	(110)
Expected return on plan assets	0	0	780	736
Settlement	0	(619)	(735)	(764)
Actuarial gains or losses	0	0	(21)	(160)
Employer contribution	0	0	1,052	1,921
Benefits paid	0	0	(1,591)	(1,450)
Fair value of assets at the end of the year	**0**	**0**	**30,544**	**28,286**
Financial assumptions	Per cent	Per cent	Per cent	Per cent
Discount rate	2.40	2.60	2.40	2.60
Assumed annual salary regulation	2.50	2.50	2.50	2.50
Assumed pension increase	1.50	1.50	1.50	1.50
Assumed regulations of public pensions	2.25	2.25	2.25	2.25
Assumed yield on funds	2.40	2.60	2.40	2.60
Actual yield on funds	5.70	5.00	5.70	5.00

Note 21 - Statutory reserve

Gard P. & I. (Bermuda) Ltd. is registered under and regulated by the Insurance Act 1978 and the regulations. Under these regulations the Company is required to maintain USD 250,000 in statutory capital and surplus. The Company is under the supervision of the Bermuda Monetary Authority (BMA) and has to be in compliance with a set of regulatory requirements. Gard P. & I. (Bermuda) Ltd. Maintained a statutory reserve of USD 462,500 and all regulatory requirements are complied with as at 20 February 2018.

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 22 - Statutory and regulatory requirement

Gard P. &. I. (Bermuda) Ltd. including subsidiaries have operations which are subject to laws and regulations in the jurisdictions in which they operate, of which the most significant ones are Bermuda and Norway. The statutory capital and surplus in Bermuda and Norway as at 20 February 2018 and 2017 was as follows:

		Parent Bermuda (a)		Regulated by Bermuda (b)		Regulated by Norway (c)
Amounts in USD 000's	As at 20.02.18	As at 20.02.17	As at 20.02.18	As at 20.02.17	As at 20.02.18	As at 20.02.17
Required statutory capital and surplus	250	250	75,214	248,536	341,968	349,411
Actual capital and surplus	977,035	904,545	714,749	659,576	424,761	418,537

(a) As a Class 2 company, Gard P. & I. (Bermuda) Ltd. is required to maintain minimum statutory capital and surplus equal to the Minimum Solvency Margin ("MSM").

(b) The Company's Bermuda based insurance subsidiaries are required to maintain minimum statutory capital and surplus equal to the greater of a Minimum Solvency Margin ("MSM") and the Enchanced Capital Requirement ("ECR"). The ECR is equal to the higher of each insurers' MSM or the Bermuda Solvency Capital Requirement ("BSCR") model or approved internal capital model. The BSCR for the relevant insurers for the year ended 20 February 2018 will not be filed with the BMA until June 2018. As a result, the required statutory capital and surplus as at 20 February 2018, as set out above, is based on the MSM of all relevant insurers, whereas the required statutory capital and surplus as at 20 February 2017 is based on the MSM and ECR where applicable for all relevant insurers. Required statutory capital and surplus includes Gard P. & I. (Bermuda) Ltd., Gard Marine & Energy Limited, Gard Re, Safeguard Guarantee Company Ltd and Hydra Gard Cell.

(c) Gard P. & I. (Bermuda) Ltd., Norwegian branch, Gard Marine & Energy Limited, Norwegian branch, Assuranceforeningen Gard -gjensidig- and Gard Marine & Energy Insurance (Europe) AS are required to maintain minimum capital and surplus equal to the Solvency Capital Requirement ("SCR") under Solvency II. The statutory capital and surplus for Gard P. & I. (Bermuda) Ltd., Norwegian branch and Assuranceforeningen Gard -gjensidig- include supplementary calls based on gross written premium for the last three open policy years. The SCR, which is part of the Solvency II reporting package, will not be filed with the Norwegian Financial Services Authority (Finanstilsynet) until July 2018. As a result, preliminary figures as at 20 February 2018 are included.

Statutory capital and surplus and actual capital and surplus for Gard P. & I. (Bermuda) Ltd., Norwegian branch and Gard Marine & Energy Limited, Norwegian branch are included in both (a) and (c).

Note 23 - Change in accounting policy

The Gard group entities manage the majority of investments through an Irish Common Contractual Fund (CCF). This umbrella fund structure has several sub funds enabling investment pooling across the legal entities within the Group. In its capacity as a transparent structure for both tax and regulatory purposes, investors can enjoy the option of choosing reports from fund level and security level. Transactions are generated on a fund level based on the number of shares held by the investor, and on an investor level where underlying security transactions are allocated to investor accounts according to the number of shares held by the investor in the fund.

The Group has changed its accounting policy on investments managed through the CCF by moving the booking of entries from transactions at security level to transactions at fund level. The new accounting policy does not influence valuations, but rather the composition of Comprehensive income, Balance sheet statements and Statement of cash flow, hence the restated numbers due to the change. Subsequently, equities and investment funds will solely be composed of equity funds and similar, and bonds will primarily consist of bond funds and similar.

The change in accounting policy does not impact the tax reporting and the look-through approach still prevails.

An account has been reclassified from 'Policyholders' to 'Payables arising out of direct insurance' compared to last year.

GARD P. & I. (BERMUDA) LTD.
Notes to the accounts

Note 23 - Change in accounting policy continued

Impact of change in accounting policy on balance sheet

Amounts in USD 000's	Previously stated As at 20.02.17	Change in accounting policy	Parent company Restated As at 20.02.17
Assets			
Investments			
Financial investments at fair value through profit or loss			
Equities and investment funds	250,887	36,478	287,365
Bonds and bond funds	317,398	15,384	332,782
Financial derivative assets	3,674	(2,142)	1,532
Other financial investments	181,928	(163,804)	18,124
Total investments	**1,379,985**	**(114,084)**	**1,265,901**
Receivables			
Receivables from direct insurance operations			
Policyholders	16,550	0	16,550
Total receivables	**64,711**	**0**	**64,711**
Total assets	**1,939,139**	**(114,084)**	**1,825,055**
Equity and liabilities			
Payables			
Payables arising out of direct insurance operations	15,650	4,899	20,549
Payables arising out of reinsurance operations	2,793	4,182	6,975
Payables arising out of reinsurance operations - group companies	2,209	0	2,209
Payables to group companies	29,474	0	29,474
Financial derivative liabilities	3,186	(1,347)	1,839
Other payables	135,716	(121,818)	13,897
Total payables	**189,027**	**(114,084)**	**74,943**
Total liabilities	**1,034,593**	**(114,084)**	**920,509**
Total equity and liabilities	**1,939,139**	**(114,084)**	**1,825,055**

Amounts in USD 000's	Previously stated As at 20.02.17	Change in accounting policy	Consolidated accounts Restated As at 20.02.17
Assets			
Investments			
Financial investments at fair value through profit or loss			
Equities and investment funds	935,726	(199,099)	736,627
Bonds and bond funds	1,053,875	226,102	1,279,977
Financial derivative assets	9,420	(6,188)	3,231
Other financial investments	309,605	(244,376)	65,229
Total investments	**2,336,321**	**(223,561)**	**2,112,760**

GARD P. & I. (BERMUDA) LTD.
Notes to the accounts

Note 23 - Change in accounting policy continued

Impact of change in accounting policy on balance sheet

			Consolidated accounts
Amounts in USD 000's	Previously stated As at 20.02.17	Change in accounting policy	Restated As at 20.02.17
Assets			
Receivables			
Receivables from direct insurance operations			
Policyholders	130,196	1,480	131,676
Total receivables	**183,347**	**1,480**	**184,827**
Total assets	**3,047,131**	**(222,081)**	**2,825,050**
Equity and liabilities			
Payables			
Payables arising out of direct insurance operations	30,709	(387)	30,322
Payables arising out of reinsurance operations	6,656	14,233	20,889
Payables arising out of reinsurance operations - group companies	0	0	0
Payables to group companies	0	0	0
Financial derivative liabilities	8,799	(3,882)	4,917
Other payables	256,940	(232,045)	24,895
Total payables	**303,104**	**(222,081)**	**81,023**
Total liabilities	**1,912,268**	**(222,081)**	**1,690,188**
Total equity and liabilities	**3,047,131**	**(222,081)**	**2,825,050**

Impact of change in accounting policy on statement of comprehensive income

			Parent company
Amounts in USD 000's	Previously stated 21.02.16 to 20.02.17	Change in accounting policy	Restated 21.02.16 to 20.02.17
Non-technical account			
Income from investments in group companies	39,514	0	39,514
Interest and similar income	3,015	14,036	17,051
Change in unrealised gain/(loss) on investments	25,605	(11,005)	14,601
Gain/(loss) on realisation of investments	(8,899)	(7,788)	(16,687)
Other investment expenses	(3,977)	4,757	780
Non-technical result	**55,258**	**0**	**55,258**

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 23 - Change in accounting policy continued

Impact of change in accounting policy on statement of comprehensive income

			Consolidated accounts
Amounts in USD 000's	Previously stated 21.02.16 to 20.02.17	Change in accounting policy	Restated 21.02.16 to 20.02.17
Non-technical account			
Income from investments in group companies	0	0	0
Interest and similar income	23,751	30,137	53,889
Change in unrealised gain/(loss) on investments	94,744	(19,879)	74,865
Gain/(loss) on realisation of investments	(4,858)	(20,185)	(25,043)
Other investment expenses	(9,974)	9,927	(47)
Non-technical result	**103,664**	**0**	**103,664**

Impact of change in accounting policy on statement of cash flow

			Parent company
Amounts in USD 000's	Previously stated 21.02.16 to 20.02.17	Change in accounting policy	Restated 21.02.16 to 20.02.17
Cash flow from operating activities			
Profit before tax	33,622	0	33,622
Tax paid	(3,003)	0	(3,003)
Dividends received from subsidiaries	(4,000)	0	(4,000)
Change in unrealised (gain)/loss on investments	(25,605)	11,005	(14,601)
Depreciation, impairment and amortisation expenses	70	0	70
Change in pension obligations	131	144	275
Pension costs charged to statement of comprehensive income	73	(73)	0
Pension defined benefit plan/pension cost paid	0	(70)	(70)
Financial investments	(63,468)	103,079	39,611
Change in valuation due to change in exchange rates	453	0	453
Change in receivables and payables	60,113	(114,084)	(53,971)
Change in technical provisions and other accruals	(29,775)	0	(29,775)
Net cash flow from operating activities	**(31,390)**	**0**	**(31,390)**
Change in pension obligations	131	144	275
Pension costs charged to statement of comprehensive income	73	(73)	0
Pension defined benefit plan/pension cost paid	0	(70)	(70)
Total	**204**	**0**	**204**

GARD P. & I. (BERMUDA) LTD.

Notes to the accounts

Note 23 - Change in accounting policy continued

Impact of change in accounting policy on statement of cash flow

Amounts in USD 000's	Consolidated accounts Previously stated 21.02.16 to 20.02.17	Change in accounting policy	Restated 21.02.16 to 20.02.17
Cash flow from operating activities			
Profit before tax	134,804	0	134,804
Tax paid	(7,523)	0	(7,523)
Change in unrealised (gain)/loss on investments	(94,744)	19,879	(74,865)
Income/loss from sales of equipment	(177)	0	(177)
Depreciation, impairment and amortisation expenses	2,954	0	2,954
Change in pension obligations	3,486	(10,349)	(6,863)
Pension costs charged to statement of comprehensive income	(11,916)	11,916	0
Pension defined benefit plan/pension cost paid	0	(1,567)	(1,567)
Financial investments	(52,851)	203,682	150,831
Change in valuation due to change in exchange rates	(338)	0	(338)
Change in receivables and payables	138,587	(223,561)	(84,974)
Change in technical provisions and other accruals	(108,265)	0	(108,265)
Net cash flow from operating activities	**4,015**	**0**	**4,015**
Change in pension obligations	3,486	(10,349)	(6,863)
Pension costs charged to statement of comprehensive income	(11,916)	11,916	0
Pension defined benefit plan/pension cost paid	0	(1,567)	(1,567)
Total	**(8,430)**	**0**	**(8,430)**

AUDITOR'S REPORT

To the Members of Gard P. & I. (Bermuda) Ltd.

Independent Auditor's Report

Opinion
We have audited the accompanying financial statements of Gard P. & I. (Bermuda) Ltd., which comprise:
- the financial statements of the parent company (the "Company") which comprise the balance sheet as at February 20, 2018 and the statement of comprehensive income, statement of cash flow and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.
- the consolidated financial statements of the group (together the "Group") which comprise the balance sheet as at February 20, 2018 and the statement of comprehensive income, statement of cash flow and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion:
- the accompanying financial statements of the Company present fairly, in all material respects, the financial position of the Company as at February 20, 2018, and its financial performance and its cash flows for the year then ended in accordance with "Regulations for Annual Accounts for Insurance Companies" approved by the Norwegian Ministry of Finance.
- the accompanying consolidated financial statements of the Group present fairly, in all material respects, the consolidated financial position of the Group as at February 20, 2018, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with "Regulations for Annual Accounts for Insurance Companies" approved by the Norwegian Ministry of Finance.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the ethical requirements of the Chartered Professional Accountants of Bermuda Rules of Professional Conduct (CPA Bermuda Rules) that are relevant to our audit of the financial statements of the Company and the consolidated financial statements of the Group in Bermuda. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the CPA Bermuda Rules.

Other information
Management is responsible for the other information. The other information comprises the Chairman's Report, the CEO's Operational Review, Corporate Social Responsibility and Policy Year Accounts, but does not include the financial statements of the Company or the consolidated financial statements of the Group and our auditor's report thereon.

Our opinion on the financial statements of the Company and the consolidated financial statements of the Group does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company and the consolidated financial statements of the Group, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Company or the consolidated financial statements of the Group or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Board of Directors and the Chief Executive Officer for the Financial Statements

The Board of Directors and the Chief Executive Officer (together "Management") are responsible for the preparation and fair presentation of the financial statements of the Company and the consolidated financial statements of the Group in accordance with the "Regulations for Annual Accounts for Insurance Companies" approved by the Norwegian Ministry of Finance, and for such internal control as Management determines is necessary to enable the preparation of financial statements of the Company and the consolidated financial statements of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company and the consolidated financial statements of the Group, Management is responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company and/or Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements of the Company and the consolidated financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from

AUDITOR'S REPORT CONTINUED

fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements, both the Company's and the Group's.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:
- Identify and assess the risks of material misstatement of the financial statements of the Company and the consolidated financial statements of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements of the Company and the consolidated financial statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and/or Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Company and the consolidated financial statements of the Group, including the disclosures, and whether the financial statements of the Company and the consolidated financial statements of the Group represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers Ltd.
Chartered Professional Accountants

Hamilton, Bermuda
May 7, 2018

KEY FINANCIALS GARD GROUP
2009 - 2018

Amounts in USD millions, ETC basis	2009	2010	2011	2012	2013	2014	2015	2016	2017	20 February 2018
Gross written premium	796	812	792	855	884	959	991	911	824	775
Earned premium for own account	701	701	678	700	712	764	842	764	707	626
Claims incurred for own account	-436	-527	-533	-595	-600	-643	-631	-532	-493	-479
Operating expenses net	-108	-121	-101	-92	-122	-97	-110	-99	-94	-90
Result on technical account	**157**	**54**	**44**	**13**	**-10**	**24**	**101**	**133**	**120**	**59**
Result on non-technical account	**-293**	**195**	**141**	**49**	**113**	**76**	**23**	**-54**	**104**	**144**
Net result before tax	-136	249	185	62	103	100	124	79	224	203
Tax	-14	-9	-9	-11	-5	-11	-6	-8	-8	-9
Total comprehensive income	**-150**	**240**	**176**	**51**	**98**	**89**	**87**	**86**	**215**	**193**
Changes in deferred call	-	-41	-28	-14	-31	-35	-37	-37	-89	-79
Combined ratio (ETC-basis)	78%	92%	94%	98%	101%	97%	88%	83%	83%	91%
Equity	430	638	790	826	895	920	969	1,017	1,135	1,249

GARD P. & I. (BERMUDA) LTD.

Policy year accounts

Amounts in USD 000's		Consolidated accounts	
Policy year	2017	2016	2015
Premiums and calls			
Premiums	459,812	529,985	554,018
Additional calls debited	5,373	217	56,725
Estimated deferred call	0	0	0
Total premiums and deferred calls	**465,185**	**530,202**	**610,743**
Reinsurance premiums	(107,537)	(127,202)	(124,442)
Net premium earned	**357,648**	**403,000**	**486,301**
Incurred claims net			
Claims paid	115,518	172,820	336,298
Estimates on outstanding claims	163,132	133,282	109,854
IBNRs	98,030	10,152	2,271
Unallocated Loss Adjustment Expenses	5,660	4,300	3,721
Incurred claims net	**382,340**	**320,554**	**452,144**
Acquisition cost and net operating expenses	45,490	50,752	50,494
Technical result	**(70,182)**	**31,694**	**(16,337)**

Notes to the consolidated policy year accounts

1 Premiums, supplementary calls, reinsurances and claims are credited/charged to the policy year to which they relate. Operating expenses are charged/credited to the same policy year as the financial year in which they are brought to account.

2 The annual accounts include 0 per cent deferred call levied for the 2017 policy year. The original estimate for the year was 25 per cent.

3 The approximate additional premium of 10 per cent from a supplementary call on the open policy years would be:
2015 policy year USD 36.9 million
2016 policy year USD 36.0 million
2017 policy year USD 31.5 million

4 Incurred claims net comprises claims paid net of reinsurance recoveries, together with contributions to other P&I associations under the Group Pooling arrangement and net estimates for outstanding and unreported claims. Estimates on outstanding claims refer to those incidents which have been notified to the Association (RBNS) and on which estimates of the expected exposure have been placed. Incurred but not reported claims (IBNRs) have been calculated on a basis approved by the Company's actuary.

Due to the characteristics of P&I claims, both RBNS and IBNR, in particular in respect of the more recent years, may change substantially.

5 Provision for outstanding and unreported claims for closed years before policy year 2015, USD 329.9 million, consists of estimated outstanding claims in the amount of USD 272 million and estimates for IBNR claims of USD 57.9 million.

AVERAGE EXPENSE RATIO (AER) P&I

In accordance with Schedule 3 of the International Group Agreement 1999 the group is required to disclose the AER for the group's P&I business for the five years ended 20 February 2018. The ratio of 11.21 per cent (12.02 per cent last year) has been calculated in accordance with the Schedule and the guidelines issued by the International Group and is consistent with the relevant financial statements.

The five year AER for the group's P&I business expresses the operating costs on a consolidated basis as a percentage of the relevant premiums and investment income earned. Operating costs of the P&I business exclude all claims handling costs. Investment income earned is stated after deducting all investment management costs. Internal claims handling and internal investment management costs include a reasonable allocation for general overhead expenses..

NOTICE OF AGM

To: The Members of Gard P. & I. (Bermuda) Ltd.

NOTICE IS HEREBY GIVEN that the 2018 Annual General Meeting of Gard P. & I. (Bermuda) Ltd. (the "Company") will be held on Thursday, 21 June 2018 at the offices of its Manager, Lingard Limited, Trott & Duncan Building, 17A Brunswick Street, Hamilton HM 10, Bermuda at 12:00 noon or as soon thereafter as possible, for the following purposes:

Agenda

1. To appoint a Chairman and a Secretary of the Meeting.
2. To read the Notice calling the Meeting and to confirm that a quorum is present.
3. To consider the Minutes of the 2017 Annual General Meeting of the Company held on 22 June 2017.
4. To approve amendments to the Company's Bye-Laws as recommended by the Board of Directors.
5. To receive the Auditor's report and Financial Statements for the year ended 20 February 2018.

6. a) To elect Directors and Alternate Directors;
   b) To authorise the Directors to fill any vacancies on the Board;
   c) To authorise the Directors to appoint Alternate Directors; and
   d) To determine the remuneration of the Directors and the Alternate Directors.

7. To elect the members of the Election Committee.

8. To determine the Terms of Reference for the Election and Governance Committee.

9. To appoint Auditors for the financial year to 20 February 2019.

10. To ratify and confirm the actions of the Directors and Officers of the company in relation to the Company duties.

By order of the Board of Directors

7 May 2018

Graham W. Everard
Secretary

MEETING DATES

The Board of Directors and the various Committees of Gard P. & I. (Bermuda) Ltd. held the following meetings during the year:

The Annual General Meeting 2017
Thursday, 22 June 2017, Bermuda

The Board of Directors
Saturday, 6 May 2017, Bermuda
Monday, 8 May 2017, Bermuda
Thursday, 22 June 2017, Bermuda
Tuesday, 24 October 2017, Copenhagen
Wednesday, 25 October 2017, Copenhagen

The Executive Committee
Wednesday, 19 and Thursday, 20 and Friday, 21 April 2017, Copenhagen
Saturday, 6 May 2017, Bermuda
Thursday, 15 June 2017 by telephone
Thursday, 31 August 2017, Arendal
Thursday, 21 September 2017, Hamburg
Tuesday, 24 October 2017, Copenhagen
Thursday, 25 January 2017, London

The Audit Committee
Tuesday, 18 April 2017 by telephone
Friday, 5 May 2017, Bermuda
Wednesday, 14 June 2017 by telephone
Wednesday, 20 September 2017, Hamburg
Monday, 23 October 2017, Copenhagen
Monday, 11 December 2017 by telephone
Wednesday, 24 January 2018, London

BOARD OF DIRECTORS AND COMMITTEES

Board of Directors of Gard P. & I. (Bermuda) Ltd.

Bengt Hermelin, Chairman	Bermuda
Morten W. Høegh, Deputy Chairman	Leif Höegh (UK) Ltd., London
Nils Aden	E.R. Schiffahrt GmbH & Cie. KG, Hamburg
Yngvil Åsheim	BW Maritime, Singapore/Oslo
Ian Beveridge	Bernhard Schulte GmbH & Co. KG, Hamburg
Ian Blackley	International Seaways Inc., New York
Pawel Brzezicki	Polish Steamship Co., Szczecin
K. C. Chang	Evergreen Marine Corp. (Taiwan) Ltd., Taipei
Trond Eilertsen	Oslo
Timothy C. Faries	Bermuda
Costas Gerapetritis	Navios Shipmanagement Inc., Piraeus
Carl Johan Hagman	Stena Rederi AB, Gothenburg
Herbjørn Hansson	Nordic American Tankers Limited, Bermuda
Kenneth Hvid	Teekay Shipping (Canada) Ltd., Vancouver
Hans Peter Jebsen	Kristian Gerhard Jebsen Skipsrederi AS, Bergen
Stephen Knudtzon	Oslo
Michael Lykiardopulo	Neda Maritime Agency Co Ltd, Switzerland
Halvor Ribe	J.J. Ugland Companies, Grimstad
Rajalingam Subramaniam	AET Group, Singapore
Jane Sy	Stolt Tankers B.V., Rotterdam
Takaya Uchida	Meiji Shipping Co. Ltd., Tokyo
Jan Eyvin Wang	Wallenius Wilhelmsen Logistics ASA, Oslo
Rolf Thore Roppestad, President	Arendal

Executive Committee

Trond Eilertsen, Chairman	Oslo
Yngvil Åsheim	BW Maritime, Singapore/Oslo
Nils Aden	E.R. Schiffahrt GmbH & Cie. KG, Hamburg
Jane Sy	Stolt Tankers B.V., Rotterdam
Ian Beveridge	Bernhard Schulte GmbH & Co. KG, Hamburg
Carl Johan Hagman	Stena Rederi AB, Gothenburg
Rolf Thore Roppestad, President	Arendal

Election Committee

Bengt Hermelin, Chairman	Bermuda
Hans Peter Jebsen	Kristian Gerhard Jebsen Skipsrederi AS, Oslo
Herbjørn Hansson	Nordic American Tanker Limited, Bermuda
Morten W. Høegh	Leif Höegh (UK) Ltd., London

Audit Committee

Ian Beveridge, Chairman	Bernhard Schulte GmbH & Co. KG, Hamburg
Halvor Ribe	J.J. Ugland Companies, Grimstad
Stephen Knudtzon	Oslo

Risk Committee

Morten W. Høegh, Chairman	Leif Höegh (UK) Ltd., London
Ian Beveridge,	Bernhard Schulte GmbH & Co. KG, Hamburg
Yngvil Åsheim	BW Maritime, Singapore/Oslo

Remuneration Committee

Trond Eilertsen, Chairman	Oslo
Jan Eyvin Wang	Wallenius Wilhelmsen Logistics ASA, Oslo
Costas Gerapetritis	Navios Shipmanagement Inc., Piraeus

CONTACT DETAILS FOR GARD'S GLOBAL NETWORK

Lingard Limited
Trott & Duncan Building
17A Brunswick Street
Hamilton HM 10
Bermuda

Tel +1 441 292 6766
Email companymail@lingard.bm

Gard AS
Kittelsbuktveien 31
NO-4836 Arendal
Norway

Tel +47 37 01 91 00
Email companymail@gard.no

Gard AS
Skipsbyggerhallen
Solheimsgaten 11
NO-5058 Bergen
Norway

Tel +47 37 01 91 00
Email companymail@gard.no

Gard AS
Dronning Eufemias gate 6
NO-0191 Oslo
Norway

Tel +47 37 01 91 00
Email companymail@gard.no

Oy Gard (Baltic) Ab
Bulevardi 46
FIN-00120 Helsinki
Finland

Tel +358 30 600 3400
Email gardbaltic@gard.no

Gard (Greece) Ltd
2, A. Papanastasiou Avenue
185 34 Kastella, Piraeus
Greece

Tel + 30 210 413 8752
Email gard.greece@gard.no

Gard (HK) Ltd
Room 3003, 30/F
The Centrium, 60 Wyndham Street
Central
Hong Kong

Tel +852 2901 8688
Email gardhk@gard.no

Gard (Japan) K.K.
Shiodome City Center 8F
1-5-2 Higashi Shinbashi
Minato-ku, Tokyo 105-7108
Japan

Tel +81 3 5537 7266
Email gardjapan@gard.no

Gard (Japan) K.K.
Vogue 406,
3-9-36 Higashimura, Imabari-City,
Ehime 799-1506,
Japan

Tel +81 898 35 3901
Email gardjapan@gard.no

Gard (North America) Inc.
40 Fulton Street
New York, NY 10038
USA

Tel +1 212 425 5100
Email gardna@gard.no

Gard (Singapore) Pte. Ltd.
72 Anson Rd
#13-02 Anson House
Singapore 079911
Singapore

Tel +65 6709 8450
Email gardsingapore@gard.no

Gard (UK) Limited
85 Gracechurch Street
London EC3V 0AA
United Kingdom

Tel +44 (0)20 7444 7200
Email garduk@gard.no

Gard Marine & Energy- Escritório de Representação no Brasil Ltda
Rua Lauro Muller 116 – suite 2401
Botafogo, 22290-160,
Rio de Janeiro, RJ,
Brazil

Tel +55 (21) 3037 9764
Email gardbrasil@gard.no

Emergency Telephone Number
+47 90 52 41 00

www.gard.no

gard