



GJENSIDIGE



INTERIM REPORT
FOURTH QUARTER
AND PRELIMINARY

2011

GJENSIDIGE INSURANCE GROUP

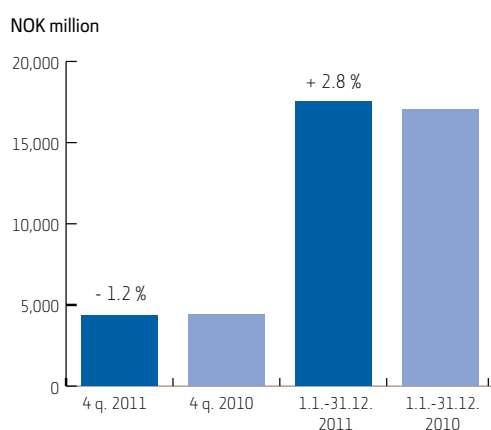
GROUP HIGHLIGHTS

– FOURTH QUARTER AND PRELIMINARY 2011

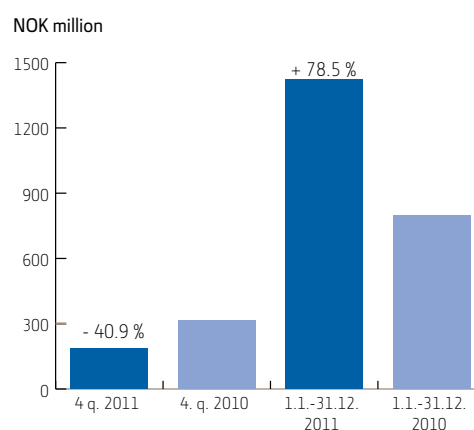
In the following text, figures in parentheses indicate the amount or per cent for the equivalent period last year.

- The Group recorded a profit before tax expense for the quarter of NOK 898.3 million (1,068.1).
- The underwriting result for general insurance operations for the quarter was substantially affected by natural disaster claims and amounted to NOK 186.0 million (314.9). The combined ratio was 95.7 (92.9).
- The return on financial assets for the quarter was satisfactory and amounted to NOK 766.7 million (787.7).
- Earned premiums for general insurance operations showed a slight reduction in the quarter compared with the same period in 2010.
- The cost ratio for the quarter was 16.7 (16.5). The increase was primarily due to increased restructuring provision and collective bonus related to target achievement.
- Based on a profit after tax for the year of NOK 2,831.8 million (2,950.4), the Board of Directors proposes an ordinary dividend of NOK 2,275.0 million, corresponding to 80 per cent of profit after tax and NOK 4.55 per share.

Earned premiums – general insurance



Underwriting result – general insurance



GOOD GROUP PERFORMANCE IN 2011

GROUP PROFIT PERFORMANCE

The Group recorded a profit before tax expense for the fourth quarter of NOK 898.3 million (1,068.1). The profit from general insurance operations measured by the underwriting result amounted to NOK 186.0 million (314.9). For the investment portfolio, the return on financial assets was 1.4 per cent (1.5) or NOK 766.7 million (787.7).

The Group recorded a profit before tax expense of NOK 3,731.3 million (3,254.0) in 2011. The profit from general insurance operations measured by the underwriting result amounted to NOK 1,421.0 million (796.3). For the investment portfolio, the return on financial assets was 4.5 per cent (5.2) or NOK 2,415.2 million (2,704.6). The year's return on financial assets includes a gain on the sale of Hjelp24 of NOK 113.4 million.

From and including the fourth quarter 2011, the classification of indirect claims settlement costs in the Norwegian part of the business has been changed. Indirect claims settlement costs such as part of ICT, management and rent have previously not been classified as claims settlement costs. The new classification will reduce the cost ratio by approximately 0.9 percentage points on a yearly basis and lead to a corresponding increase in the loss ratio. The reclassification therefore has no effect

on the combined ratio. Previously communicated financial targets are unchanged.

DISCOUNTING OF ACTUARIAL PROVISIONS

With the exception of actuarial provisions relating to the Danish workers' compensation portfolio, Gjensidige's actuarial provisions are recognised at nominal value (not discounted). In preparation for expected changes in IFRS and the introduction of Solvency II, Gjensidige has, since the second quarter 2010, calculated but not recognised the effect on the combined ratio of discounting the claims provisions. For the fourth quarter 2011 seen in isolation, the combined ratio on a discounted basis would have been 91.2, a reduction of 4.5 percentage points in relation to the recognised nominal amount.

TAX EXPENSE

The tax expense for 2011 was NOK 899.5 million (303.6), corresponding to an effective tax rate of 24.1 per cent (9.3). Among other things, the effective tax rate was affected by the gain on the sale of the shares in Hjelp24, a high number of natural disaster claims that were not tax deductible from the profit for the year, the reversal of the tax provision relating to the sale of property and profits from associated companies.

EQUITY AND CAPITAL ADEQUACY

The Group's equity amounted to NOK 23,283.4 million at the end of 2011. Return on equity before tax expense for 2011 was 16.3 per cent (14.4). At the end of 2011, the capital adequacy was 16.6 per cent (16.1). The solvency margin was 540.3 (581.9). Both capital adequacy and the solvency margin have been adjusted to take account of the Board's proposed dividend for 2011.

In addition to testing the capital with regard to statutory requirements, a calculation is carried out quarterly of the economic capital requirements and the requirements for maintaining an A rating from Standard and Poor's. The calculation of the economic capital requirements is performed using the Group's internal risk model, which is based on an economic valuation of assets and liabilities. Available capital in excess of this amount constitutes the Group's excess capital. To arrive at the final excess capital, a deduction is made for the estimated additional capital required to maintain the current rating and meet the statutory capital adequacy requirements. At the end of 2011, the excess capital was calculated at NOK 5.3 billion (6.4), adjusted for the Board's proposed dividend for 2011.

RESULT PERFORMANCE GROUP	4 q. 2011	4 q. 2010	1.1.-31.12.2011	1.1.-31.12.2010
NOK million				
General insurance Private Norway	228.7	227.7	1,185.7	662.0
General insurance Commercial Norway	(22.3)	177.2	394.4	368.5
General insurance Nordic	28.6	(40.6)	75.6	(70.4)
General insurance Baltics	3.2	3.1	3.0	17.4
Corporate Centre ¹	(52.2)	(52.5)	(237.8)	(181.2)
Underwriting result general insurance ²	186.0	314.9	1,421.0	796.3
Pension and savings	(2.1)	(0.8)	15.1	(27.9)
Online retail banking	14.4	3.7	66.8	33.1
Return on financial assets ³	766.7	787.7	2,415.2	2,704.6
Amortisation and impairment losses of excess value – intangible assets	(48.6)	(48.8)	(181.5)	(254.3)
Other items ⁴	(18.2)	11.4	(5.3)	2.4
Profit/(loss) for the period before tax expense	898.3	1,068.1	3,731.3	3,254.0
Key figures general insurance				
Loss ratio ⁵	79.1 %	76.4 %	75.5 %	78.9 %
Cost ratio ⁶	16.7 %	16.5 %	16.4 %	16.5 %
Combined ratio ⁷	95.7 %	92.9 %	91.9 %	95.3 %
¹ Large losses in excess of NOK 30.0 million in the segments Private Norway, Commercial Norway and Nordic are charged to the Corporate Centre, while claims incurred of less than NOK 30.0 million are charged to the segment in which the large loss occurred. The segment Baltics has a retention level of Euro 0.5 million. ² Underwriting result general insurance = earned premiums - claims incurred etc. - operating expenses ³ Excluding return on financial assets in Pension and savings and Online retail banking ⁴ Health care services is included in Other items ⁵ Loss ratio = claims incurred etc./earned premiums ⁶ Cost ratio = insurance-related operating expenses/earned premiums ⁷ Combined ratio = loss ratio + cost ratio				

The general insurance segments offer general and accident and health insurance products. Private Norway and Commercial Norway also offer pure risk insurance products in the area of life insurance with duration of no longer than one year.

GENERAL INSURANCE – PRIVATE NORWAY

- Earned premiums showed a positive trend during the quarter, increasing by 1.8 per cent in relation to the same period in 2010.
- The underwriting result for the quarter was NOK 228.7 million (227.7).
- In TNS Gallup's big customer service survey in 2011, Gjensidige was rated best in the insurance industry.

Profit performance

The underwriting result for the quarter was NOK 228.7 million (227.7). The combined ratio for the quarter was 88.6, an increase of 0.2 percentage points on the corresponding period in 2010 (88.4). The increase in the combined ratio was due to more natural disaster claims and provision of NOK 40.0 million for restructuring and a new distribution strategy for the private market.

The underwriting result in 2011 amounted to NOK 1,185.7 million (662.0), which is an increase of 79.1 per cent in relation to 2010. The combined ratio was 85.3, an improvement of 6.1 percentage points on the year before (91.4). The main reasons for the improvement in the underwriting result are growth in earned premiums combined with lower claims incurred, particularly as a result of fewer winter-related claims relating to the property product, and a good trend in motor insurance claims. New price models and increased use of pricing on a micro-segment basis have led to a general improvement in risk selection and profitability for these product groups. More natural disasters had a negative effect on the results.

Earned premiums

Earned premiums amounted to NOK 2,000.9 million during the quarter (1,965.0). There was growth in all the main product areas. The growth was biggest in property and leisure insurance products, followed by motor and accident and health products.

According to the latest official quarterly statistics (Finance Norway – FNO, as of the third quarter 2011), Gjensidige was still the largest insurance company in the Norwegian private market, with a market share of 24.1 per cent. The market share fell by 0.2 percentage points in the third quarter. The number of customers was reduced in 2011, but the net development in the number of customers and insurance policies showed a positive trend in the second half-year as a result of systematic

work on measures aimed at retaining customers. In TNS Gallup's big customer service survey in 2011, Gjensidige was rated best in the insurance industry.

Earned premiums ended at NOK 8,082.8 million in 2011, an increase of 4.7 per cent compared with 2010 (7,719.9).

A breakdown insurance agreement with the Norwegian Automobile Federation (NAF), with an agreed premium of NOK 154 million for 2011, expired at the turn of the year 2011/2012. The agreement was originally part of a former collaboration with NAF. The agreement entailed that this insurance policy would break even over time.

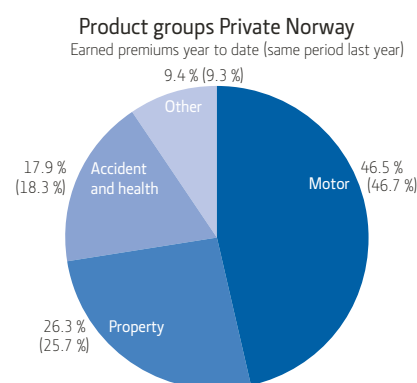
Claims incurred

Claims incurred during the quarter amounted to NOK 1,468.6 million (1,455.2). The loss ratio was 73.4 (74.1). The reclassification of indirect claims settlement costs in the fourth quarter increased the claims incurred by NOK 26.7 million in relation to the previous classification. Without the reclassification, the loss ratio would have been 72.1. Claims incurred were affected by natural disaster claims totalling NOK 72.0 million in connection with the hurricanes Berit in November and Dagmar in December. There were no large losses during the quarter, neither in 2011 nor in 2010. The run-off gain* for the quarter was NOK 21.9 million (34.1).

Claims incurred amounted to NOK 5,670.9 million (5,895.5) in 2011. The loss ratio was 70.2 (76.4). Adjusted for the reclassification of indirect claims settlement costs, the loss ratio would have been 69.9. During the first months of the year, the proportion of winter-related claims was considerably lower than in the same period in 2010, and the claims trend for property insurance (excluding natural disaster claims) was therefore substantially improved. However, damages from natural disasters like the flood in June and the hurricanes towards the end of the year, affected the claims incurred negatively in 2011. The level of compensation for motor, leisure and accident and health insurance was lower in 2011 than in 2010. In 2011, large losses accounted for NOK 15.0 million (0.0) of the claims incurred. Run-off gains amounted to NOK 114.5 million, compared with NOK 90.9 million in the same period in 2010.

Operating expenses

The cost ratio for the quarter was 15.2 (14.4). The nominal operating expenses increased by NOK 21.5



million. NOK 40.0 million was charged to income during the quarter as a provision relating to the new distribution strategy for the private market with a subsequent restructuring of the office structure in 2012. A total of 16 local branches will be closed down, and the number of employees reduced by around 25. A new office concept is also being developed, with increased focus on financial advisory services, and work on improved self-service solution is continuing. Provision for collective bonus in the fourth quarter amounted to NOK 20.4 million. NOK 14.3 million was recognised as income in the fourth quarter 2010 in connection with amendments to the AFP early retirement scheme. Without the provision for restructuring (NOK 40.0 million) and the reclassification of indirect claims settlement costs for claims incurred (NOK 26.7 million), the cost ratio for the quarter would have been 14.5.

The cost ratio in 2011 was 15.2 (15.1). The nominal operating expenses increased by NOK 63.9 million. The increase was due to the provision of NOK 40.0 million relating to the new distribution strategy. Provision for collective bonus related to achieved targets set by the group amounted to NOK 27.4 million, an increase of 10.5 million compared with 2010. In 2010 the recognition of income relating to the AFP scheme reduced the cost ratio by 0.5 percentage points. Corrected for the provision for the new distribution strategy and the reclassification of indirect claims settlement costs for claims incurred, the cost ratio in 2011 would have been 15.0.

* Run-off gains/losses = changes in estimates from earlier periods

GENERAL INSURANCE PRIVATE NORWAY	4 q. 2011	4 q. 2010	1.1.-31.12.2011	1.1.-31.12.2010
NOK million				
Earned premiums	2,000.9	1,965.0	8,082.8	7,719.9
Claims incurred etc.	(1,468.6)	(1,455.2)	(5,670.9)	(5,895.5)
Operating expenses	(303.5)	(282.1)	(1,226.2)	(1,162.3)
Underwriting result	228.7	227.7	1,185.7	662.0
Amortisation and impairment losses of excess value – intangible assets	(2.4)	(2.4)	(9.5)	(109.5)
Loss ratio ¹	73.4 %	74.1 %	70.2 %	76.4 %
Cost ratio ²	15.2 %	14.4 %	15.2 %	15.1 %
Combined ratio ³	88.6 %	88.4 %	85.3 %	91.4 %

¹ Loss ratio = claims incurred etc./earned premiums, net of reinsurance
² Cost ratio = operating expenses/earned premiums
³ Combined ratio = loss ratio + cost ratio

GENERAL INSURANCE – COMMERCIAL NORWAY

- Earned premiums showed a positive trend during the quarter, increasing by 1.3 per cent in relation to the same period in 2010.
- The underwriting result for the quarter was a loss of NOK 22.3 million (a profit of NOK 177.2 million).

Profit performance

The underwriting result for the quarter was a loss of NOK 22.3 million (a profit of 177.2), corresponding to a combined ratio of 101.6 (86.9). The decline in the result was due to a combination of a higher proportion of natural disaster claims and several large losses in the quarter.

The underwriting result for 2011 was NOK 394.4 million (368.5). The combined ratio was 92.7 (93.2). An improved risk profile, especially in accident and health and motor insurance, combined with fewer winter-related claims, made a positive contribution in 2011 compared with 2010. Natural disaster claims and considerable large losses had a negative effect on the result.

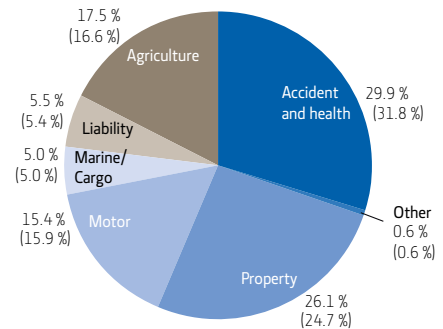
Earned premiums

Earned premiums in the quarter amounted to NOK 1,366.9 million (1,349.2), an increase of 1.3 per cent compared with the corresponding period in 2010. The growth in earned premiums was positive for the agriculture, property, assets and liability products, while premiums were down for accident and health and motor products in the quarter.

Earned premiums in 2011 amounted to NOK 5,411.9 million, an increase of 0.2 per cent compared with 2010 (5,401.0). The increase mainly took place in agriculture, property and assets. Accident and health and motor insurance experienced a reduction, partly because of a controlled termination of some customers to improve the profitability of accident and health products. The switch to multi-channel distribution in the first half-year 2011 had a positive effect on sales activity and earned premiums throughout the year.

Product groups Commercial Norway

Earned premiums year to date (same period last year)



Claims incurred

Claims incurred during the quarter amounted to NOK 1,219.3 million (1,003.9), which corresponds to a loss ratio of 89.2 (74.4). The reclassification of indirect claims settlement costs in the fourth quarter resulted in an increase of NOK 16.1 million in claims incurred in relation to previous classification. Without the reclassification, the loss ratio for the quarter would have been 88.0. Claims incurred were affected by natural disaster claims totalling NOK 108.0 million in connection with the hurricanes Berit in November and Dagmar in December. Claims incurred were also affected by a higher proportion of large losses in the agriculture segment. Large losses amounted to NOK 69.0 million (23.8) in the quarter. The run-off gain in the quarter was NOK 30.0 million, compared with NOK 39.8 million in the same period in 2010.

Claims incurred during 2011 amounted to NOK 4,283.4 million (4,339.6), which corresponds to a loss ratio of 79.1 (80.3). Adjusted for the reclassification of indirect claims settlement costs the loss ratio would have been 78.9. Systematic risk management and customer selection made a positive contribution. Despite several greater fire losses in the second half-year, the agriculture product showed an improvement in the claims trend in 2011 compared with the year before due to many frost and winter-related claims in 2010. New premium rates and changes in the portfolio led to considerable improvements in motor insurance claims. In addition, the level of accident and health claims was low. The number of natural disaster claims was unusually

high in 2011, the highest since 1992. The claims were related in particular to the flood in June and the hurricanes Berit and Dagmar towards the end of the year. Large losses amounted to NOK 281.6 million in 2011, while they were NOK 251.4 million during the corresponding period in 2010. Run-off gains amounted to NOK 71.2 million in 2011, compared with NOK 102.0 million in 2010.

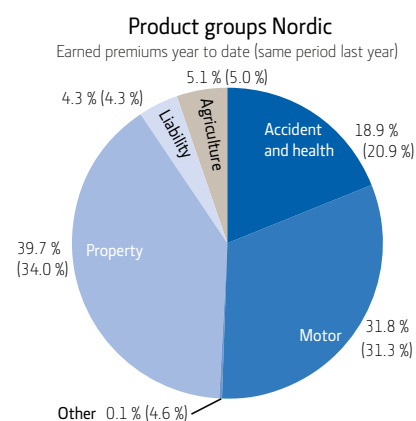
Operating expenses

The cost ratio in the quarter was 12.4 (12.5). The nominal operating expenses increased by NOK 1.8 million during the quarter. Provision for collective bonus in the fourth quarter amounted to NOK 12.8 million. In the fourth quarter 2010 the recognition of income due to changes in the AFP scheme was NOK 6.7 million. Corrected for the reclassification of indirect claims settlement costs of NOK 16.8 million, the cost ratio would have been 13.7.

The cost ratio for 2011 was 13.6 (12.8). Corrected for the reclassification of indirect claims settlement costs, the cost ratio for the year would have been 13.9. The nominal expenses increased by NOK 41.2 million. The increase in nominal expenses was due to a non-recurring effect relating to reorganisation in the first half-year 2011, adjusted for the effect of reclassification of indirect claims settlement costs. Provision for collective bonus related to achieved targets set by the group amounted to NOK 17.1 million, an increase of 6.5 million compared with 2010. The recognition of income relating to the AFP scheme in 2010 reduced the cost ratio last year by 0.5 percentage points.

GENERAL INSURANCE COMMERCIAL NORWAY	4 q. 2011	4 q. 2010	1.1.-31.12.2011	1.1.-31.12.2010
NOK million				
Earned premiums	1,366.9	1,349.2	5,411.9	5,401.0
Claims incurred etc.	(1,219.3)	(1,003.9)	(4,283.4)	(4,339.6)
Operating expenses	(169.9)	(168.2)	(734.1)	(692.9)
Underwriting result	(22.3)	177.2	394.4	368.5
Loss ratio ¹	89.2 %	74.4 %	79.1 %	80.3 %
Cost ratio ²	12.4 %	12.5 %	13.6 %	12.8 %
Combined ratio ³	101.6 %	86.9 %	92.7 %	93.2 %

¹ Loss ratio = claims incurred etc./earned premiums
² Cost ratio = operating expenses/earned premiums
³ Combined ratio = loss ratio + cost ratio



GENERAL INSURANCE – NORDIC

- Earned premiums fell by 10.1 per cent in the quarter compared with the corresponding period in 2010.
- The underwriting result was NOK 28.6 million in the quarter (a loss of 40.6).

Profit performance

The underwriting result for the quarter was NOK 28.6 million (a loss of 40.6). The combined ratio was 96.8 (104.1). The improvement was due to good developments in the underlying profitability, especially in the areas industry/broker and private. The absence of large losses also made a positive contribution.

The underwriting result in 2011 was NOK 75.6 million (a loss of 70.4). The combined ratio was 97.9 (102.0). The improvement is due to a positive development in both the cost ratio and the loss ratio.

Earned premiums

Earned premiums in the quarter amounted to NOK 898.2 million (999.0). Among other things, the reduction was due to an exchange rate effect of NOK 25.9 million. In addition, improved pricing of risk resulted in the loss of part of the commercial portfolio in the Danish market. The premium was also reduced by reinsurance costs relating to rein-

statement in addition to loss of one big customer.

Earned premiums in 2011 amounted to NOK 3,635.0 million (3,453.1), primarily as a result of greater volume following the acquisition of Nykredit Forsikring. Changes in the exchange rate had a negative effect of NOK 61.6 million on earned premiums in 2011 compared with 2010. In addition, reinsurance costs in the amount of NOK 65.5 million relating to reinstatement were charged to earned premiums in 2011.

Claims incurred

Claims incurred in the quarter totalled NOK 692.5 million (850.9). The loss ratio was 77.1 (85.2). The storm in November accounted for NOK 32.3 million of the claims incurred. There were large losses of NOK 30.0 million (31.1) in the period. The run-off result for the quarter was a gain of NOK 59.2 million (a loss of NOK 4.4 million). Continuous efforts are being made to improve the underlying profitability.

Claims incurred amounted to NOK 2,933.3 million (2,882.7) in 2011. This resulted in a loss ratio of 80.7 (83.5) for the period. There was a higher percentage of weather-related claims than expected during the period. The torrential downpour in Copenhagen in July was charged to income in the amount of NOK 83.7 million. The figures were also

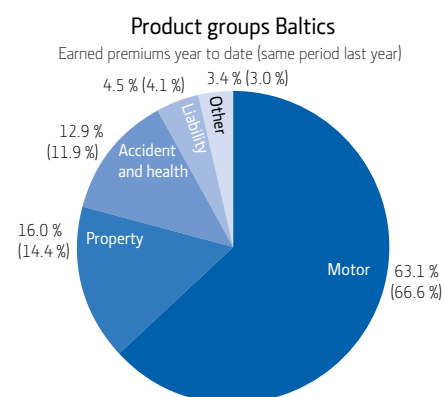
affected by two storms in February and November. The level of large losses in 2011 was somewhat lower than in 2010. They amounted to NOK 132.4 million (153.8). The run-off gain was NOK 160.8 million (77.3).

Operating expenses

The cost ratio for the quarter was 19.7 (18.9). The nominal operating expenses were reduced by NOK 11.5 million. The reduction in operating expenses was due to the realisation of synergies following the acquisition of Nykredit Forsikring as well as other cost reductions in both Denmark and Sweden. Provision for collective bonus related to achieved targets set by the group amounted to NOK 8.3 million.

The cost ratio in 2011 was 17.2 (18.6). Provision for collective bonus related to achieved targets set by the group amounted to NOK 13.4 million. The nominal operating expenses were reduced by NOK 14.6 million in relation to 2010. This development was due to increased costs as a result of greater business volume and exchange rate effects, combined with cost reductions as a result of the realisation of synergies following the acquisition of Nykredit Forsikring. Expected cost synergies were fully realised at the end of 2011.

GENERAL INSURANCE NORDIC	4 q. 2011	4 q. 2010	1.1.-31.12.2011	1.1.-31.12.2010
NOK million				
Earned premiums	898.2	999.0	3,635.0	3,453.1
Claims incurred etc.	(692.5)	(850.9)	(2,933.3)	(2,882.7)
Operating expenses	(177.2)	(188.7)	(626.1)	(640.7)
Underwriting result	28.6	(40.6)	75.6	(70.4)
Amortisation and impairment losses of excess value – intangible assets	(37.4)	(34.5)	(142.0)	(117.0)
Loss ratio ¹	77.1 %	85.2 %	80.7 %	83.5 %
Cost ratio ²	19.7 %	18.9 %	17.2 %	18.6 %
Combined ratio ³	96.8 %	104.1 %	97.9 %	102.0 %
¹ Loss ratio = claims incurred etc./earned premiums				
² Cost ratio = operating expenses/earned premiums				
³ Combined ratio = loss ratio + cost ratio				



GENERAL INSURANCE – BALTICS

- The development in earned premiums was stable in the quarter compared with the same period in 2010.
- The underwriting result was NOK 3.2 million in the quarter (3.1).

Profit performance

The underwriting result was NOK 3.2 million (3.1) in the quarter. The combined ratio was 97.0 (97.1). The quarter was affected by several medium-sized claims.

For 2011, the underwriting result was NOK 3.0 million (17.4), while the combined ratio was 99.2 (96.2). The profit performance in 2011 was affected by one large fire loss, a high number of winter-related claims plus several medium-sized claims.

Earned premiums

Earned premiums in the quarter amounted to NOK 105.5 million (105.9). Previously implemented increases in premiums for motor insurance made a positive contribution to developments, and earned premiums increased compared with the third quarter 2011.

Earned premiums amounted to NOK 395.8 million (459.3) in 2011. The reduction is due to negative developments in the Baltic market in recent years. However, premiums written have developed in a positive direction in recent quarters because of improved market development. In order to increase the growth in earned premiums, intensive sales training will be carried out in 2012, as well as strengthening of the broker channel in Lithuania. Further sales activities will also be considered.

Claims incurred

Claims incurred in the quarter totalled NOK 72.0 million (73.2). The loss ratio was 68.3 (69.1). No large losses occurred in the segment, neither in the fourth quarter 2011 nor in the corresponding quarter 2010. The run-off gain for the quarter was NOK 1.2 million (5.4).

Claims incurred amounted to NOK 270.7 million (305.3) in 2011. This corresponded to a loss ratio of 68.4 (66.5). A high number of winter-related claims had a negative effect on the first quarter, in both 2011 and 2010. Analyses of several years show that seasonal variations in the Baltics are becoming stronger. There was also one large fire loss

and several medium-sized claims during the year. Large losses charged to the segment amounted to NOK 3.9 million (0.0) in 2011. The run-off gain in 2011 was NOK 19.8 million (30.9). The run-off gains are primarily attributable to the reduction in the general price level in the Baltic markets.

Operating expenses

The cost ratio in the quarter was 28.7 (28.0). The nominal operating expenses amounted to NOK 30.3 million (29.6).

The cost ratio for 2011 was 30.9 (29.8). The nominal operating expenses amounted to NOK 122.2 million (136.7), a reduction of NOK 14.5 million compared with 2010. Together with a lower business volume, which gave lower commission costs, cost-cutting measures implemented in the past two years have helped to reduce operating expenses despite the increase in direct and indirect taxes.

GENERAL INSURANCE BALTICS	4 q. 2011	4 q. 2010	1.1.-31.12.2011	1.1.-31.12.2010
NOK million				
Earned premiums	105.5	105.9	395.8	459.3
Claims incurred etc.	(72.0)	(73.2)	(270.7)	(305.3)
Operating expenses	(30.3)	(29.6)	(122.2)	(136.7)
Underwriting result	3.2	3.1	3.0	17.4
Amortisation and impairment losses of excess value – intangible assets	(1.1)	(3.7)	(5.5)	(8.6)
Loss ratio ¹	68.3 %	69.1 %	68.4 %	66.5 %
Cost ratio ²	28.7 %	28.0 %	30.9 %	29.8 %
Combined ratio ³	97.0 %	97.1 %	99.2 %	96.2 %

¹ Loss ratio = claims incurred etc./earned premiums
² Cost ratio = operating expenses/earned premiums
³ Combined ratio = loss ratio + cost ratio

PENSION AND SAVINGS

- New distributors contributed to increased volumes and revenues.
- Marked growth in assets under management as a result of a new institutional customer.
- The year's return in addition to guaranteed interest on the paid-up policy portfolio is allocated to cover future commitments associated with higher life expectancy.

Profit performance

The result before tax expense for the quarter was a loss of NOK 2.1 million (a loss of 0.8). Gjensidige Pensjonsforsikring pursued a conservative investment strategy throughout 2011 and achieved a good return on financial assets in a turbulent year for the financial markets. The Financial Supervisory Authority of Norway has urged the life insurance companies to allocate all or large parts of any return on financial assets in 2011 to cover future investment needs associated with higher life expectancy. These needs will materialise when the Financial Supervisory Authority stipulates a new mortality basis. Gjensidige Pensjonsforsikring has therefore allocated the company's share of the return on financial assets for the year of NOK 7.1 million for this purpose. Without this provision, the profit before tax expense would have been NOK 5.0 million in the quarter.

For 2011, the profit before tax expense amounted to NOK 15.1 million (a loss of 27.9). This improvement can be attributed to increased revenues as a result of growth in the customer portfolio, and to a non-recurring effect relating to VAT reimbursement (NOK 9.1 million) in the first and fourth quarters. Adjusted for the provision explained above, the profit before tax expense would have amounted to NOK 22.2 million.

Earned premiums and management income

Earned premiums in the quarter amounted to NOK 151.8 million (72.9). The growth is due to an increase

in the customer portfolio and non-recurring effects in connection with portfolio acquisitions from external distributors. Earned premiums for 2011 as a whole amounted to NOK 532.7 million (335.8).

Management income in the savings operations amounted to NOK 6.8 million (6.7) in the quarter. The increase was primarily due to growth in assets under management. Management income amounted to NOK 31.3 million (22.4) in 2011. The increase is due to an increase in assets under management and to an increase in other management income.

The profit margin for savings was 0.41 per cent in 2011, compared with 0.61 per cent in 2010. This reduction is due to an increasing proportion of large customers with lower margins.

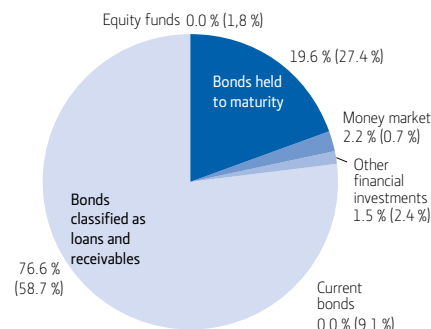
Operating expenses

Total operating expenses amounted to NOK 38.3 million for the quarter (37.4). NOK 25.9 million (26.0) of this amount was related to the insurance operations. The increase is due to commission expenses for a growing number of external distributors.

Expenses for 2011 totalled NOK 151.6 million (156.7), NOK 104.3 million (109.6) of which were operating expenses relating to the insurance operations. VAT reimbursements totalling NOK 9.1 million were taken to income in the first and fourth quarters, which explains the reduction in total expenses.

Asset allocation the group policy portfolio

At the end of the period (same period last year)



Assets under management

Assets under management in the pension operations increased by NOK 596.6 million during the quarter (617.0). The weaker growth is due to weaker market development. At the end of 2011, the pension capital totalled NOK 8,188.9 million (6,674.1). The group policy portfolio accounted for NOK 2,620.6 million of this amount (2,146.0).

The recognised return on the paid-up policy portfolio was 5.33 per cent in 2011 (5.29). This is a satisfactory result seen in relation to the risk exposure, which reflects a conservative investment profile. The annual average interest-rate guarantee was 3.6 per cent. The entire return in excess of the interest-rate guarantee was allocated to take account of higher life expectancy.

The savings operations experienced growth in assets under management of NOK 3,585.9 million during the quarter (1,150.3). The high growth is primarily due to one new institutional customer. The assets under management for the savings operations totalled NOK 9,558.7 million at the end of 2011 (5,697.2).

Total assets under management increased by NOK 4,182.5 million during the quarter (1,767.3) and amounted to NOK 17,747.7 million at the end of 2011 (12,371.3).

PENSION AND SAVINGS	4 q. 2011	4 q. 2010	1.1.-31.12.2011	1.1.-31.12.2010
NOK million				
Earned premiums	151.8	72.9	532.7	335.8
Claims incurred etc.	(131.2)	(58.0)	(438.0)	(258.1)
Operating expenses	(25.9)	(26.0)	(104.3)	(109.6)
Underwriting result	(5.2)	(11.0)	(9.6)	(31.8)
Management income	6.8	6.7	31.3	22.4
Net financial income	3.0	10.7	18.7	14.5
Other income	5.7	4.2	22.0	14.1
Other expenses	(12.4)	(11.4)	(47.3)	(47.1)
Profit/(loss) before tax expense	(2.1)	(0.8)	15.1	(27.9)
Profit margin savings, in per cent ¹			0.41	0.61
Recognised return on the paid-up policy portfolio ²			5.33	5.29
Value-adjusted return on the paid-up policy portfolio ³			4.96	5.10

¹ Profit margin savings, in per cent = management income/average assets under management, savings

² Recognised return on the paid-up policy portfolio = realised return of the portfolio

³ Value-adjusted return on the paid-up policy portfolio = total return of the portfolio

ONLINE RETAIL BANKING

- Positive developments resulted in a profit before tax expense of NOK 14.4 million (3.7) for the quarter.
- Stable customer portfolios resulted in a healthy development in margins in underlying operations.
- Launch of mobile phone bank and the reintroduction of high-interest accounts.
- OPP Finans, a new brand for consumer financing, was launched in December.

Profit performance

The profit before tax expense in the quarter amounted to NOK 14.4 million (3.7), primarily as a result of cost savings and better quality in the loan portfolio.

The profit before tax expense for 2011 was NOK 66.8 million (33.1). The improvement is a result of better quality in the loan portfolio, increased income from financial instruments and growth in volume.

Net interest and credit commission income

Net interest and credit commission income in the quarter amounted to NOK 108.5 million (103.4). The increase of NOK 5.2 million is largely due to the reclassification of loan charges from net financial income and other income to net interest and credit commission income at the end of 2010.

Net interest and credit commission income for 2011 amounted to NOK 430.8 million (407.0). The increase of NOK 23.8 million is largely due to the reclassification of loan charges from net financial income and other income to net interest and credit commission income at the end of 2010.

Net interest in relation to average assets under management at the end of the quarter amounted to 2.71 per cent (2.88). The reduction is mainly due to increased interest expenses and a greater proportion of loans being secured by a residential mortgage than in 2010. Increased volume in the loan portfolio compensated for the reduction in income as a result of the decrease in the interest margin.

Operating expenses

Operating expenses in the quarter amounted to NOK 76.0 million (83.4). The improvement in relation to 2010 was primarily related to reduced ICT costs as a result of system integration.

Operating expenses in 2011 amounted to NOK 308.9 million (302.1), an increase of NOK 6.7 million compared with 2010. The increase is mainly due to costs relating to structural reorganisation as a result of the integration process in connection with the acquisition of a consumer financing business in 2009.

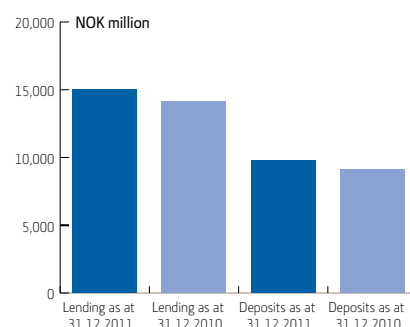
Impairment losses and losses on loans

The bank expensed NOK 24.4 million (27.6) in group impairment losses, individual impairment losses and losses on loans in the quarter. The decrease of NOK 3.3 million compared with the same period in 2010 is a result of improved quality in the loan portfolio, among other things due to higher proportion of loans secured by mortgage. In line with the Financial Supervisory Authority of Norway's recommendation to banks to review group provisions in light of the unrest in the international economy and a possible effect on the loss situation, the bank increased its group impairment losses in the quarter.

In 2011, the bank expensed NOK 94.2 million in impairment losses and losses on loans (109.4). The decrease of NOK 15.2 million compared with the same period in 2010 is due to an improvement in the development of the loan portfolio. Total losses and impairment loss figures are mainly related to increased group impairment losses intended to cover potential bad debts.

Loss expenses as a percentage of gross loans were 0.65 per cent (0.84) in 2011. The reduction is due both to a better quality in the total loan portfolio and to the higher proportion of loans secured by mortgage.

Online retail banking
Deposits and lending at the end of the period (same period last year)



The loss situation is in line with expectations.

Loans and deposits

The growth in lendings in the quarter was NOK 267.5 million (544.7), and gross lendings at the end of the quarter amounted to NOK 15,019.0 million (14,119.5). The loan portfolio increased by NOK 899.5 million (2,543.9) in 2011.

The bank's deposits increased by NOK 525.0 million (1,222.7) during the quarter. The deposit-to-loan ratio increased in the quarter, among other things as a result of the re-launching of high-interest accounts. In 2011, the bank's deposits increased by NOK 656.2 million (2,569.6) to NOK 9,776.2 million (9,120.0).

The deposit-to-loan ratio was 65.1 per cent (64.6) at the end of the period.

Market financing

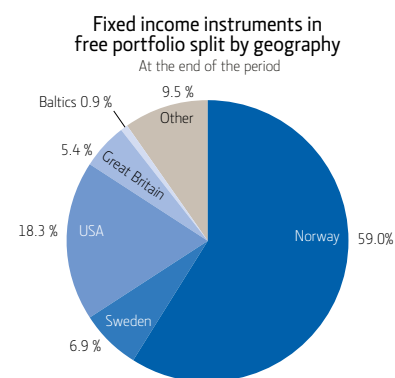
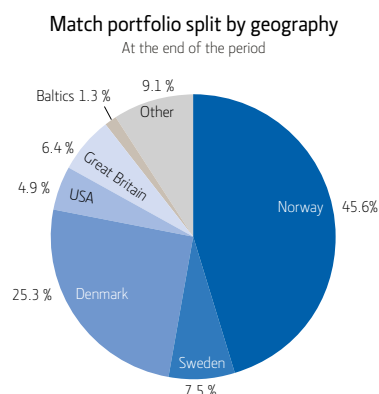
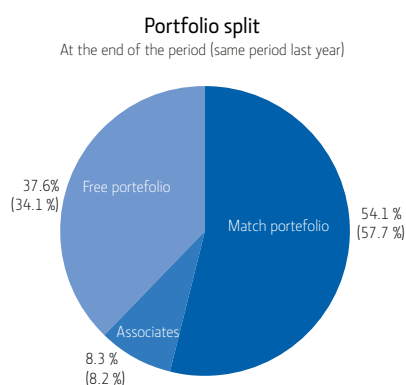
The bank group issued bonds in the amount of NOK 800 million in the fourth quarter, NOK 600 million of which were covered bonds issued via Gjensidige Bank Boligkreditt AS. At the end of the quarter, the housing credit company had issued covered bonds totalling NOK 3,300 million divided between eight loans, the first of which falls due for payment on 19 September 2014.

For further information about the bank's profit performance, see the interim report for Gjensidige Bank at www.gjensidige.com.

ONLINE RETAIL BANKING	4 q. 2011	4 q. 2010	1.1.-31.12.2011	1.1.-31.12.2010
NOK million				
Interest income and related income	230,5	209,7	886,7	782,6
Interest expenses and related expenses	(121,9)	(106,3)	(455,8)	(375,6)
Net interest and credit commission income	108,5	103,4	430,8	407,0
Net financial income and other income	6,3	11,4	39,0	37,5
Operating expenses	(76,0)	(83,4)	(308,9)	(302,1)
Impairment and losses on loans	(24,4)	(27,6)	(94,2)	(109,4)
Profit/(loss) before tax expense	14,4	3,7	66,8	33,1
Net interest income in per cent, annualised ¹			2,71	2,88
Capital adequacy ²			15,0	16,1

¹ Net interest income in per cent, annualised = net interest and credit commission income/average assets under management

² Capital adequacy = primary capital/basis of calculation for credit risk, market risk and operational risk



MANAGEMENT OF FINANCIAL ASSETS AND PROPERTIES

Total investment portfolio

The Group's investment portfolio includes all investment funds in the Group except for investment funds in the segments Pension and savings and Banking. At the end of the quarter, the investment portfolio totalled NOK 54,541.5 million (52,347.0).

The investment portfolio comprises three parts: a match portfolio, a free portfolio and associated companies. The match portfolio corresponds to the group's actuarial provisions. The portfolio is invested in interest instruments whose duration is adapted to disbursements of the actuarial provisions. The free portfolio consists of various assets. The allocation of assets in this portfolio must be seen in connection with the Group's capitalisation and pertaining risk capacity. Associated companies mainly comprise the holdings in Storebrand and Sparebank 1 SR-Bank.

The return on the investment portfolio was NOK 766.7 million for the quarter, compared with NOK 787.7 million for the same quarter in 2010. This resulted in a return on financial assets of 1.4 per cent (1.5). The interest instruments made a stable contribution to the positive return. Property produced a positive return in the quarter. The return on shares including private equity was positive, but the contribution from listed shares was marginally negative.

For 2011, the return on the investment portfolio was NOK 2,415.2 million (2,704.6), which corresponds to a return on financial assets for the year of 4.5 per cent (5.2).

The match portfolio

The match portfolio amounted to NOK 29.5 billion (30.2) at the end of 2011. It consists of three sub-portfolios: money market instruments, bonds at amortised cost and current bonds. The average duration at the end of 2011 was 3.3 years. The average term to maturity for the insurance debt was approximately 3.6 years.

The counterparty risk in the match portfolio breaks down as 14.9 per cent central government and other public sector, 67.3 per cent banks and financial institutions, and 17.8 per cent industry. Broken down by credit rating, 73.4 per cent was classified as so-called 'investment grade' and 0.1 per cent was classified as 'high yield', while the remaining 26.6 per cent did not have any official credit rating. Of the latter category, 23.3 per cent was issued by Norwegian savings banks, while the remainder was mostly issued by Norwegian power producers and distributors, property companies or government-guaranteed companies. Bonds with a coupon that is adjusted on the basis of the Norwegian consumer price index accounted for 9.7 per cent of the match portfolio.

Bond investments in the so-called PIIGS countries amounted to NOK 361.2 million at the end of the quarter. Of this amount, NOK 298.3 million was invested in Spanish bonds issued by credit institutions that are government-guaranteed, while NOK 62.9 million was invested in Italian senior bank loans. These bond investments were part of

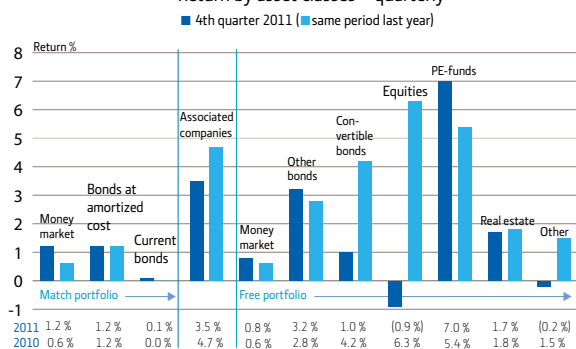
FINANCIAL ASSETS AND PROPERTIES	Result 4 q.		Result 1.1.-31.12.		Carrying amount 31.12.	
	2011	2010	2011	2010	2011	2010
NOK million						
<i>Match portfolio</i>						
Money market	45.1	22.5	128.2	93.9	3,637.5	3,559.4
Bonds at amortized cost	229.4	214.8	896.6	925.9	18,407.8	17,814.1
Current bonds ¹	5.3	(1.7)	158.7	155.5	7,458.1	8,856.8
Match portfolio total	279.9	235.5	1,183.5	1,175.4	29,503.4	30,230.2
Associated companies	152.9	192.8	515.5	488.7	4,533.0	4,275.5
<i>Free portfolio</i>						
Money market	53.2	29.1	173.3	99.5	7,248.5	4,715.4
Other bonds ²	96.6	62.9	86.7	340.7	3,365.4	2,142.5
Convertible bonds	6.9	17.1	(42.8)	19.3	674.7	523.2
Equities	(6.9)	55.8	(192.3)	4.2	776.5	1,365.4
PE-funds	87.0	59.2	178.1	210.4	1,293.4	1,134.9
Property	99.1	114.4	418.6	359.2	5,753.9	6,445.1
Other ³	(2.1)	20.8	94.5	7.0	1,392.8	1,514.7
Free portfolio total	333.9	359.3	716.1	1,040.5	20,505.1	17,841.3
Financial profit/(loss) on the investment portfolio	766.7	787.7	2,415.2	2,704.6	54,541.5	52,347.0
Financial income in Pension and savings and Online retail banking	8.9	15.3	44.3	43.7		
Net income from investments	775.6	803.0	2,459.5	2,748.2		

¹ The item includes the discounting effects of insurance obligations in Denmark and mismatch between interest rate adjustments on the liability side in Denmark versus the interest rate hedge.

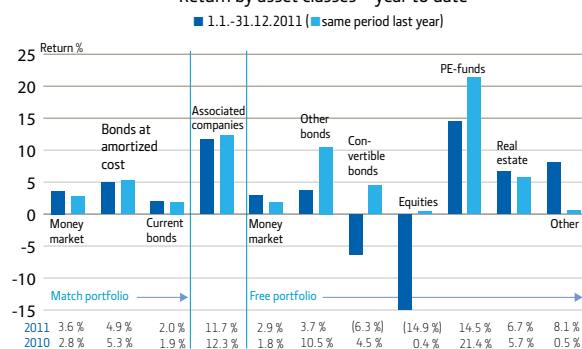
² The item consist of total investment grade, high yield and current bonds.

³ The item includes currency hedging of Gjensidige Sverige, Gjensidige Baltic and Gjensidige Denmark.

Return by asset classes – quarterly



Return by asset classes – year to date



the portfolio of bonds at amortised cost. No impairment losses have been recognised for these bonds during the quarter.

The return on the match portfolio was 0.9 per cent in the quarter, excluding changes in the value of the portfolio at amortised cost. Unrealised excess value from bonds valued at amortised cost amounted to NOK 0.4 billion at the end of the quarter, which is more or less unchanged during the quarter.

Free portfolio

The free portfolio amounted to NOK 20.5 billion (17.8) at the end of 2011. It consisted mainly of fixed income instruments, equities and property investments. The return from the free portfolio was 1.7 per cent in the fourth quarter.

FIXED INCOME INSTRUMENTS

Fixed income instruments accounted for NOK 11.3 billion (7.4) of the free portfolio at the end of 2011. The fixed income portfolio consisted of five sub-portfolios: money market instruments, short-term bonds, investment grade bonds, high yield bonds and convertible bonds. The average duration was approximately 1.4 years at the end of the year. Investment grade, high yield and convertible bonds are investments in externally-managed internationally diversified funds.

The counterparty risk broke down as 24.8 per cent central government and other public sector, 42.7 per cent banks and financial institutions, and 32.5 per cent industry. Broken down by credit rating, 54.0 per

cent was classified as so-called 'investment grade' and 13.5 per cent was classified as 'high yield', while the remaining 32.5 per cent did not have any official credit rating. Of the latter category, 21.2 per cent was issued by Norwegian savings banks, while the remainder was mostly issued by Norwegian power producers and distributors, property companies or government-guaranteed companies.

The return on the fixed income portfolio in the free portfolio was 1.5 per cent in the quarter.

EQUITY PORTFOLIO

At the end of the quarter, the equity exposure (excluding associated companies) amounted to NOK 2.1 billion (2.5) and consisted of fund investments in private equity and short-term shareholdings.

The equity portfolio yielded a profit of NOK 80.1 million (115.1) for the quarter, which is equivalent to a return of 3.9 per cent. Private equity yielded a return of 7.0 per cent, while short-term shareholdings contributed with a loss of 0.9 per cent.

PROPERTY PORTFOLIO

Property investments amounted to NOK 5.8 billion (6.4) at the end of the quarter. Property investments are concentrated in office properties in Oslo, but they also include shopping centres and office properties in other Norwegian cities and two office buildings in Copenhagen. In addition, a small part of the portfolio was invested in international property funds.

The general required rate of return for valuation of the properties was 6.6 per cent, which is unchanged from the end of the third quarter. The individual valuations resulted in a write-up of approximately NOK 4.6 million as a result of adjustments for certain individual properties. External valuations of 18 individual properties were carried out in the fourth quarter.

Property yielded a total profit of NOK 99.1 million for the quarter (114.4), which is equivalent to a return of 1.7 per cent (1.8).

Associated companies

Associated companies amounted to NOK 4.5 billion at the end of the quarter. The shareholding in Storebrand was recognised in the amount of NOK 3,506.0 million. The corresponding figure for the investment in SpareBank1 SR-Bank was NOK 995.4 million.

Profit from associate companies amounted to NOK 152.9 million in the fourth quarter, corresponding to a return of 3.5 per cent. NOK 127.9 million of this amount was Gjensidige's estimated share of Storebrand's profit for the quarter, including the amortisation of excess value and estimate deviations from earlier periods. Gjensidige's estimated share of Sparebanken1 SR-Bank's profit for the quarter amounted to NOK 19.0 million, including the amortisation of excess value and estimate deviations from earlier periods.

ORGANISATION

The Group had a total of 3,116 employees at the end of the fourth quarter, down from 3,131 employees at the end of the third quarter.

The number of employees broke down as follows at the end of the fourth quarter: 1,969 employees in general insurance operations in Norway (1,947), 125 employees in Gjensidige Bank (129), and 50 employees in Gjensidige Pensjon og Sparing (50). The Gjensidige Group had 449 (445) employees in Denmark at the end of the quarter, 90 (124) in Sweden and 433 (436) (excluding agents) in the Baltics. Employees of Tennant Forsikring NUF were previously reported as employees in Sweden. After Tennant Forsikring NUF was merged into Gjensidige Forsikring ASA, they are now reported as part of this entity. This explains the increase in the number of employees in general insurance operations in Norway and the decrease in Sweden. (The figures in brackets refer to the number of employees at the end of the third quarter.)

In connection with presentation of the result for the third quarter 2011, employees of Gjensidige were for the first time given an opportunity to buy Gjensidige shares through a newly established share savings programme for employees. The scheme will be continued as a savings programme with quarterly purchases.

EVENTS AFTER THE BALANCE SHEET DATE

On 23 January 2012, a binding agreement was entered into for the sale of four shopping centres in the property portfolio in the amount corresponding to their carrying amount. The transaction is expected to be completed with accounting effect in the first quarter 2012.

OUTLOOK

The financial sector in Norway and abroad is facing considerable changes in statutory regulations and framework conditions. The final solutions and consequences are not yet clear. Combined with a weak international economic situation and financial challenges in several of the key economies, the situation means increased uncertainty in the time ahead, also for Gjensidige, especially in relation to financial income. Gjensidige has a relatively robust investment strategy, while the Group has considerable financial strength and high business exposure in the Norwegian general insurance market. The Board therefore considers the Group to be well equipped to meet developments in the time ahead.

The work on product simplification and better self-service solutions is progressing according to plan, and it contributes to supporting the Group's long-term financial targets of a combined ratio of 90 to 93 and its ambition of being the most customer-oriented company in the Nordic insurance industry.

Combined with the training of employees and continuous work on further developing price models, new customer-oriented improvement measures are expected to lead to more satisfied customers and increased market power in the time ahead. It is therefore pleasing to note that Gjensidige's customer centres were rated best in the insurance industry in 2011 in a comprehensive survey conducted by TNS Gallup.

Gjensidige has substantial capital buffers in relation to both internal risk models and statutory capital adequacy requirements. The Board considers the Group's capital situation and financial strength to be good.

OTHER

The Board of Directors has proposed an ordinary dividend of NOK 2,275.0 million for the 2011 financial year, corresponding to 80 per cent of profit after tax and NOK 4.55 per share.

The Board has decided to give a collective bonus of NOK 57.9 million to employees of Gjensidige Forsikring ASA, corresponding to NOK 22,500 per employee, based on the achieved underwriting result and return on equity for 2011.

The Board also wishes to thank all its employees for their efforts and the contribution to Gjensidige's results in 2011.

Sollerud, 8 February 2012
The Board of Gjensidige Forsikring ASA

Inge K. Hansen
Chairman

Gunnhild H. Andersen

Trond Vegard Andersen

Hans-Erik F. Andersson

Per Arne Bjørge

Kjetil Kristensen

Gisele Marchand

Gunnar Mjåtvedt

Mari T. Skjærstad

Randi B. Sætershagen

Helge Leiro Baastad
CEO

CONSOLIDATED INCOME STATEMENT

NOK million	Notes	4 q. 2011	4 q. 2010	1.1.-31.12.2011	1.1.-31.12.2010
Operating income					
Earned premiums from general insurance		4,371.6	4,426.8	17,548.1	17,063.3
Earned premiums from pension		151.8	72.9	532.7	335.8
Interest income and credit commission income from banking operations		230.5	209.7	886.7	782.6
Other income including eliminations		17.1	173.2	414.1	609.1
Total operating income	3	4,771.0	4,882.6	19,381.5	18,790.8
Net income from investments					
Income from investments in associates		152.9	192.8	515.5	488.7
Net operating income from property		99.2	111.7	419.9	422.8
Interest income and dividend etc. from financial assets		188.7	421.9	1,449.2	1,385.4
Net changes in fair value on investments (incl. property)		483.8	24.2	(112.2)	262.3
Net realised gain and loss on investments		(80.6)	100.8	379.7	331.4
Expenses related to investments		(68.4)	(48.5)	(192.6)	(142.4)
Total net income from investments		775.6	803.0	2,459.5	2,748.2
Total operating income and net income from investments		5,546.6	5,685.6	21,841.0	21,539.0
Claims, loss etc.					
Claims incurred etc. from general insurance	5, 6	(3,457.2)	(3,383.2)	(13,249.3)	(13,456.6)
Claims incurred etc. from pension		(131.2)	(58.0)	(438.0)	(258.1)
Interest expenses etc. and loss on loans/quarantees from banking operations		(146.3)	(134.0)	(550.0)	(484.9)
Total claims, interest expenses, loss etc.		(3,734.7)	(3,575.2)	(14,237.2)	(14,199.6)
Operating expenses					
Operating expenses from general insurance		(728.4)	(728.7)	(2,877.9)	(2,810.4)
Operating expenses from pension		(25.9)	(26.0)	(104.3)	(109.6)
Operating expenses from banking operation		(76.0)	(83.4)	(308.9)	(302.1)
Other operating expenses		(34.8)	(155.6)	(399.9)	(608.9)
Amortisation and impairment losses of excess value - intangible assets		(48.6)	(48.8)	(181.5)	(254.3)
Total operating expenses		(913.6)	(1,042.4)	(3,872.5)	(4,085.3)
Total expenses		(4,648.3)	(4,617.5)	(18,109.7)	(18,285.0)
Profit/(loss) for the period before tax expense	3	898.3	1,068.1	3,731.3	3,254.0
Tax expense		(238.5)	94.3	(899.5)	(303.6)
PROFIT/(LOSS) FOR THE PERIOD		659.8	1,162.4	2,831.8	2,950.4
Earnings per share, NOK (basic and diluted)		1.32	2.32	5.66	5.90

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NOK million	4 q. 2011	4 q. 2010	1.1.-31.12.2011	1.1.-31.12.2010
Profit/(loss) for the period	659.8	1,162.4	2,831.8	2,950.4
Components of other comprehensive income				
Exchange differences	(3.0)	(42.1)	(5.9)	(19.4)
Share of other comprehensive income of associates	(17.3)	(22.5)	(77.3)	17.6
Actuarial gains and losses on pension	(198.4)	11.9	(339.8)	(118.0)
Tax on other comprehensive income	43.3	(49.8)	89.8	(28.5)
Total components of other comprehensive income	(175.4)	(102.4)	(333.3)	(148.4)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	484.4	1,059.9	2,498.5	2,802.0

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NOK million	Notes	1.1.-31.12.2011	1.1.-31.12.2010
ASSETS			
Goodwill		2,374.8	2,580.7
Other intangible assets		1,201.7	1,349.5
Deferred tax assets		7.4	199.4
Investments in associates		4,533.0	4,275.5
Owner-occupied property		270.7	318.5
Plant and equipment		238.4	345.1
Investment properties		5,248.1	5,900.3
Financial assets			
Financial derivatives		547.4	536.6
Shares and similar interests		4,021.7	4,282.9
Bonds and other securities with fixed income		19,747.1	18,389.9
Bonds held to maturity		11,693.4	14,497.5
Loans and other receivables		24,456.5	19,537.8
Assets in life insurance with investment options		5,542.1	4,503.6
Reinsurance deposits		0.8	0.6
Reinsurers' share of insurance-related liabilities in general insurance, gross		1,022.8	487.0
Receivables related to direct operations and reinsurance		3,791.1	3,585.1
Other receivables		227.6	342.2
Prepaid expenses and earned, not received income		108.9	84.5
Cash and cash equivalents		3,513.3	2,889.9
TOTAL ASSETS		88,546.7	84,106.8
EQUITY AND LIABILITIES			
Equity			
Share capital		999.9	999.9
Premium reserve		1,430.0	1,430.0
Other equity		20,853.5	20,707.9
Total equity		23,283.4	23,137.8
Provision for liabilities			
Provision for unearned premiums, gross	8	9,531.4	9,078.3
Claims provision, gross	7	29,961.6	28,339.3
Other technical provisions		126.9	119.0
Pension liabilities		951.6	705.3
Other provisions		174.9	138.5
Financial liabilities			
Financial derivatives		69.4	155.3
Deposits from and liabilities to customers		9,776.2	9,120.0
Interest-bearing liabilities		5,263.4	5,254.9
Other liabilities		1,172.6	1,234.4
Deferred tax liabilities		950.3	442.7
Liabilities related to direct insurance		1,003.6	1,274.6
Accrued dividend		477.1	392.5
Liabilities in life insurance with investment options		5,542.1	4,503.6
Accrued expenses and deferred income		262.2	210.7
Total liabilities		65,263.4	60,969.1
TOTAL EQUITY AND LIABILITIES		88,546.7	84,106.8

Sollerud, 8 February 2012
The Board of Gjensidige Forsikring ASA

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

NOK million	Share capital	Own shares	Premium reserve	Exchange differences	Actuarial gains/los. pension	Other paid in capital	Other earned equity	Total equity
Equity as at 31.12.2009	1,000.0		1,430.0	(115.4)	(2,005.9)		21,659.6	21,968.2
1.1.-31.12.2010								
Profit/(loss) for the period							2,950.4	2,950.4
Components of other comprehensive income								
Exchange differences				(19.4)				(19.4)
Share of other comprehensive income of associates							17.6	17.6
Actuarial gains and losses on pension					(118.0)			(118.0)
Tax on other comprehensive income							(28.5)	(28.5)
Total components of other comprehensive income				(19.4)	(118.0)		(10.9)	(148.4)
Total comprehensive income for the period				(19.4)	(118.0)		2,939.5	2,802.0
Own shares		(0.1)					(3.1)	(3.1)
Paid dividend							(1,650.0)	(1,650.0)
Equity-settled share-based payment transactions						7.5		7.5
Tax on items recognised directly in equity							13.2	13.2
Equity as at 31.12.2010	1,000.0	(0.1)	1,430.0	(134.8)	(2,124.0)	7.5	22,959.1	23,137.8
1.1.-31.12.2011								
Profit/(loss) for the period							2,831.8	2,831.8
Components of other comprehensive income								
Exchange differences				(7.0)	1.0			(5.9)
Share of other comprehensive income and expenses of associates							(77.3)	(77.3)
Actuarial gains and losses on pension					(339.8)			(339.8)
Tax on other comprehensive income							89.8	89.8
Total components of other comprehensive income				(7.0)	(338.8)		12.4	(333.3)
Total comprehensive income for the period				(7.0)	(338.8)		2,844.2	2,498.5
Own shares		(0.1)					(3.9)	(4.0)
Paid dividend							(2,349.9)	(2,349.9)
Actuarial gains and losses on pension in other companies					(13.3)		13.3	
Equity-settled share-based payment transactions						1.0		1.0
Equity as at 31.12.2011	1,000.0	(0.1)	1,430.0	(141.7)	(2,476.1)	8.4	23,462.9	23,283.4

CONSOLIDATED STATEMENT OF CASH FLOWS

NOK million	1.1.-31.12.2011	1.1.-31.12.2010
Cash flow from operating activities		
Premiums paid, net of reinsurance	20,380.9	20,166.5
Claims paid, net of reinsurance	(13,307.5)	(12,970.2)
Net payment of loans to customers	(857.8)	(2,489.2)
Net payment of deposits from customers	656.2	2,569.6
Payment of interest from customers	848.3	731.8
Payment of interest to customers	(281.5)	(208.1)
Net receipts/payments on premium reserve transfers	(235.5)	(142.6)
Net receipts/payments from financial assets	(2,095.0)	933.6
Net receipts/payments from properties	1,131.3	(88.8)
Operating expenses paid, including commissions	(3,540.1)	(3,932.9)
Taxes paid	(364.5)	(1,155.2)
Net other receipts/payments	381.2	642.9
Net cash flow from operating activities	2,716.1	4,057.3
Cash flow from investing activities		
Net receipts/payments from sale/aquisition of subsidiaries and associated companies	229.6	(2,629.9)
Net receipts/payments on sale/aquisition of owner-occupied property, plant and equipment	(56.9)	(214.5)
Dividends from associated companies	177.4	36.2
Net cash flow from investing activities	350.1	(2,808.2)
Cash flow from financing activities		
Payment of dividend	(2,349.9)	(1,677.6)
Net receipts/payments on loans to credit institutions	61.4	395.3
Net receipts/payments on other short-term liabilities	14.0	(15.9)
Net receipts/payments on interest on funding activities	(169.6)	(146.1)
Net cash flow from financing activities	(2,444.2)	(1,444.3)
Effect of currency exchange rate changes on cash and cash equivalents	1.3	(18.5)
Net cash flow for the period	623.3	(213.6)
Cash and cash equivalents at the start of the period	2,889.9	3,103.5
Cash and cash equivalents at the end of the period	3,513.3	2,889.9
Net cash flow for the period	623.3	(213.6)
Specification of cash and cash equivalents		
Cash and deposits with central banks	3,151.4	2,830.7
Deposits with credit institutions	361.9	59.2
Total cash and cash equivalents	3,513.3	2,889.9

NOTES

1. ACCOUNTING POLICIES

The consolidated financial statements as of the fourth quarter of 2011, which ended on 31 December 2011, include Gjensidige Forsikring and its subsidiaries (together referred to as the Group) and the Group's holdings in associated companies. The accounting policies used in this interim report are the same as those used in the annual report for 2010.

The consolidated financial statements as of the fourth quarter of 2011 have been prepared in accordance with IFRS and IAS 34 Interim Financial Reporting. The interim financial statements do not contain all the information required in complete annual financial statements and should be read with reference to the annual report for 2010.

The following International Financial Reporting Standards (IFRS) and interpretation statements have been published up until 8 February 2012, without them having entered into force or having been implemented early:

Standards that can influence accounting principles

- Amendments to IAS 12 *Income Taxes*, which enter into force on 1 January 2012, but have not yet been approved by the EU, will not have any significant effect.
- IFRS 9 *Financial Instruments*, issued in November 2009 and October 2010, is expected to enter into force on 1 January 2015. This is the first phase of the International Accounting Standards Board's (IASB) three-phase project aimed at replacing IAS 39. It concerns the classification and measurement of financial assets and liabilities. Financial assets will be classified either at fair value or at amortised cost, depending on how they are managed and on what contractual cash flow characteristics they have. Phases two and three concern impairment losses and hedge accounting, respectively. The standard is still being prepared and is not yet completed. Our preliminary

assessment is that the standard can result in the reclassification of financial instruments in the consolidated financial statements.

- Based on our preliminary assessments and on the basis of Gjensidige's current operations, neither IFRS 10 *Consolidated Financial Statements* nor IFRS 11 *Joint Arrangements*, which enter into force on 1 January 2013, but which it is uncertain whether the EU will have approved by that date, will have a significant effect on our accounting items.
- Based on our preliminary assessments and on the basis of Gjensidige's current operations, IFRS 13 *Fair Value Measurements*, which enters into force on 1 January 2013, will not have any significant effect.
- Amendments to IAS 19 *Employee Benefits*, which enter into force on 1 January 2013, will, using the same interest rate to calculate the expected return on the pension assets as for discounting the pension commitments, entail higher recognised pension costs, but it is not expected that this change will be significant for the overall group profit/loss. The other amendments will not have any significant effect for Gjensidige.

Standards that will affect disclosure requirements

- Several amendments have been made to IFRS 7 *Disclosure – Financial Instruments* with different commencement dates, and to IFRS 12 *Disclosure of Interests in Other Entities*, which enters into force on 1 January 2013, but which it is uncertain when the EU will approve. All these will entail additional disclosure requirements for us.

Based on our preliminary assessments and on the basis of Gjensidige's current operations, other amendments to standards and interpretation statements will not have any significant effect.

2. SEASONAL VARIATIONS

For some insurance products, seasonal premiums are used. This is because the incidence of claims is not evenly distributed throughout the year, but follows a stable seasonal pattern. Normally, premium income (earned premiums) is accrued evenly over the period of insurance, but for products with a seasonal pattern, premium income must also be allocated according to the incidence of claims. Gjensidige Forsikring has a seasonal premium for the following products: pleasure craft, snowmobiles and motorcycles. For example, for motorcycles, earned premiums for the period from April to September amount to a full 85 per cent of the annual premiums.

Another consequence of a seasonal premium is that if the customer cancels the insurance contract before the renewal date, only the portion of the seasonal premium is refunded for which the Company did not bear any risk. For motorcycle insurance taken out on 1 April, but cancelled on 1 October, the policyholder will only be refunded 15 per cent of the annual premium, even though the insurance was in effect only for six months.

3. SEGMENT INFORMATION

The Group's core activities consist of the segments general insurance – Private Norway, Commercial Norway, Nordic and Baltics. In addition, the Group has operations in the segments Pension and savings and Online retail banking.

The subsidiary Hjelp24 AS which previously constituted the segment Health care services is sold. Hence the segment is removed from the segment information as from the second quarter. See note 11 for further information.

The segments are evaluated regularly by Gjensidige's Senior Group Management on the basis of financial and operational information prepared especially for each segment for the purpose of following up performance and allocating necessary resources.

Segment income is defined as earned premiums for general insurance, earned premiums, management income and other income for Pension and savings and

interest and credit commission income and other income for Online retail banking. Segment result is defined as underwriting result for general insurance and profit before tax expense for Pension and savings and Online retail banking.

Effective 1 January 2011, the division into segments has been modified by transferring the Agriculture business area from the Private Norway segment to the Commercial Norway segment. In addition, the Group's white label business has been transferred from the Nordic segment to the Private Norway segment. The changes in the segments are attributed to changes in the management structure in the Group.

In addition, all large losses (net) over NOK 30.0 million have been removed from the individual segment and transferred to the Corporate Centre. The corresponding figures have been equivalently modified.

GENERAL INSURANCE																
FOURTH QUARTER NOK million	Private Norway		Commercial Norway		Nordic		Baltics		Pension and savings		Online retail banking		Eliminations etc. ¹		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Segment income																
Segment income – external	2,000.9	1,965.0	1,366.9	1,349.2	898.2	999.0	105.5	105.9	164.3	83.8	230.8	216.5	4.3	163.1	4,771.0	4,882.6
Segment income – group ²																
Total segment income	2,000.9	1,965.0	1,366.9	1,349.2	898.2	999.0	105.5	105.9	164.3	83.8	230.8	216.5	4.3	163.1	4,771.0	4,882.6
- Claims, interest expenses, loss etc.	(1,468.6)	(1,455.2)	(1,219.3)	(1,003.9)	(692.5)	(850.9)	(72.0)	(73.2)	(131.2)	(58.0)	(146.3)	(134.0)	(4.8)		(3,734.7)	(3,575.2)
- Operating expenses	(303.5)	(282.1)	(169.9)	(168.2)	(177.2)	(188.7)	(30.3)	(29.6)	(38.2)	(37.4)	(76.0)	(83.4)	(118.4)	(253.0)	(913.6)	(1,042.4)
+ Net income from investments									3.0	10.7	5.9	4.6	766.7	787.7	775.6	803.0
Segment result/profit/(loss) before tax expense	228.7	227.7	(22.3)	177.2	28.6	(40.6)	3.2	3.1	(2.1)	(0.8)	14.4	3.7	647.8	697.8	898.3	1,068.1

¹ Eliminations etc. consist of internal eliminations and other income and expenses not directly attributable to one single segment.

² There is no significant income between the segments at this level in 2011 and 2010.

GENERAL INSURANCE																
1.1.-31.12. NOK million	Private Norway		Commercial Norway		Nordic		Baltics		Pension and savings		Online retail banking		Eliminations etc. ¹		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Segment income																
Segment income – external	8,082.8	7,719.9	5,411.9	5,401.0	3,635.0	3,453.1	395.8	459.3	586.0	372.4	900.1	790.9	369.9	594.2	19,381.5	18,790.8
Segment income – group ²																
Total segment income	8,082.8	7,719.9	5,411.9	5,401.0	3,635.0	3,453.1	395.8	459.3	586.0	372.4	900.1	790.9	369.9	594.2	19,381.5	18,790.8
- Claims, interest expenses, loss etc.	(5,670.9)	(5,895.5)	(4,283.4)	(4,339.6)	(2,933.3)	(2,882.7)	(270.7)	(305.3)	(438.0)	(258.1)	(550.0)	(484.9)	(91.0)	(33.5)	(14,237.2)	(14,199.6)
- Operating expenses	(1,226.2)	(1,162.3)	(734.1)	(692.9)	(626.1)	(640.7)	(122.2)	(136.7)	(151.6)	(156.7)	(308.9)	(302.1)	(703.5)	(993.9)	(3,872.5)	(4,085.3)
+ Net income from investments									18.7	14.5	25.5	29.2	2,415.2	2,704.6	2,459.5	2,748.2
Segment result/profit/(loss) before tax expense	1,185.7	662.0	394.4	368.5	75.6	(70.4)	3.0	17.4	15.1	(27.9)	66.8	33.1	1,990.7	2,271.4	3,731.3	3,254.0

¹ Eliminations etc. consist of internal eliminations and other income and expenses not directly attributable to one single segment.

² There is no significant income between the segments at this level in 2011 and 2010.

4. EARNED PREMIUMS FROM GENERAL INSURANCE

NOK million	4 q. 2011	4 q. 2010	1.1.-31.12.2011	1.1.-31.12.2010
Gross premiums written	3,735.3	3,748.3	18,111.9	17,466.8
Ceded reinsurance premiums	(49.6)	(53.5)	(517.2)	(457.3)
Premiums written, net of reinsurance	3,685.7	3,694.7	17,594.7	17,009.5
Change in gross provision for unearned premiums	769.4	811.2	(32.3)	38.5
Change in provision for unearned premiums, reinsurers' share	(83.5)	(79.1)	(14.2)	15.2
Total earned premiums from general insurance	4,371.6	4,426.8	17,548.1	17,063.3

5. CLAIMS INCURRED ETC. FROM GENERAL INSURANCE

NOK million	4 q. 2011	4 q. 2010	1.1.-31.12.2011	1.1.-31.12.2010
Gross paid claims	(3,406.6)	(3,308.1)	(13,101.8)	(12,229.1)
Paid claims, reinsurers' share	194.1	42.4	485.2	255.6
Change in gross provision for claims	(307.4)	(73.4)	(1,023.8)	(1,524.5)
Change in provision for claims, reinsurers' share	100.9	(14.8)	545.1	204.9
Premium discounts and other profit agreements	(38.3)	(29.3)	(154.0)	(163.6)
Total claims incurred etc. from general insurance	(3,457.2)	(3,383.2)	(13,249.3)	(13,456.6)

From and including the fourth quarter 2011, the classification of indirect claims settlement costs in the Norwegian part of the business has been changed. Indirect claims settlement costs such as part of ICT, management and rent have previously not been classified as claims settlement costs.

6. RUN-OFF GAIN/(LOSS)

NOK million	4 q. 2011	4 q. 2010	1.1.-31.12.2011	1.1.-31.12.2010
General insurance				
Earned premiums from general insurance	4,371.6	4,426.8	17,548.1	17,063.3
Run-off gain/(loss) for the period, net of reinsurance	112.2	75.0	366.3	301.1
In per cent of earned premiums from general insurance	2.6	1.7	2.1	1.8

7. CLAIMS PROVISION, GROSS

NOK million	31.12.2011	31.12.2010
General insurance		
Claims provision, gross, 1.1.	28,214.4	25,755.4
Additions from acquisitions		1,133.2
Claims for the year	14,490.4	14,026.8
Claims incurred in prior years, gross	(364.9)	(314.0)
Claims paid	(13,101.8)	(12,229.1)
Discounting of claims provisions	114.7	130.2
Change in discounting rate	453.0	21.8
Exchange differences	(20.2)	(309.8)
Claims provision, gross, at the end of the period	29,785.7	28,214.4
Pension		
Claims provision, gross, 1.1.	124.9	101.8
Claims for the year	438.0	258.1
Claims paid	(108.2)	(62.6)
Transfer of pension savings	(278.9)	(172.4)
Claims provision, gross, at the end of the period	175.9	124.9
Group		
Claims provision, gross, 1.1.	28,339.3	25,857.2
Additions from acquisitions		1,133.2
Claims for the year	14,928.4	14,284.9
Claims incurred in prior years, gross	(364.9)	(314.0)
Claims paid	(13,209.9)	(12,291.8)
Discounting of claims provisions	114.7	130.2
Change in discounting rate	453.0	21.8
Transfer of pension savings	(278.9)	(172.4)
Exchange differences	(20.2)	(309.8)
Claims provision, gross, at the end of the period	29,961.6	28,339.3
Discounted claims provision, gross - Gjensidiges Arbejdsskadeforsikring A/S	3,960.9	3,515.4
Undiscounted claims provision, gross - Gjensidiges Arbejdsskadeforsikring A/S	5,011.9	4,853.0

The claims provisions shall cover future claims payments. The claims provisions for Gjensidiges Arbejdsskadeforsikring A/S are converted to present value (discounted), whereas other provisions are undiscounted.

The reason why the claims provisions for Gjensidiges Arbejdsskadeforsikring A/S are discounted is that this portfolio consists exclusively of Danish workers' compensation business with very long payment flows and substantial future interest income.

The claims for occupational injuries in Denmark are paid either as annuities or as lump-sum indemnities (which are calculated mainly as discounted annuities). Therefore, it is most expedient to regard the whole portfolio as annuities.

The discount rate that is used has been determined by Finanstilsynet (the Financial Supervisory Authority) in Denmark pursuant to Danish accounting standards (Danish GAAP).

8. PROVISION FOR UNEARNED PREMIUMS, GROSS

NOK million	31.12.2011	31.12.2010
General insurance	7,132.0	7,094.2
Pension	2,399.4	1,984.1
Provision for unearned premiums, gross	9,531.4	9,078.3

9. CONTINGENT LIABILITIES

NOK million	31.12.2011	31.12.2010
Guarantees and committed capital		
Gross guarantees	0.1	0.6
Committed capital, not paid	746.0	705.8

As part of its ongoing financial management the Company has undertaken to invest up to NOK 746.0 million in various private equity and real estate investments, over and above the amounts recognised in the balance sheet. Investments in private equity and real estate funds totalled NOK 1,514.9 million at the end of the period.

There are contractual commitments regarding developing of investment properties amounting to NOK 39.0 million, and a commitment to invest NOK 15.0 million in a residential development project. The latter commitment will fall due during the period from 2012 to 2013, depending on the project's progress.

Gjensidige Forsikring is liable externally for any insurance claim arising in the cooperating mutual fire insurers' fire insurance operations.

10. RELATED PARTIES

Gjensidige Forsikring ASA owns all of the shares in Tennant Holding AB, a company that is domiciled in Sweden. As per 17 March 2011, it was agreed that Gjensidige Forsikring ASA should acquire all of the shares in Tennant Forsäkringsaktiebolag, also domiciled in Sweden, from Tennant Holding AB. The remuneration for the shares was set at fair value and amounts to NOK 470.0 million. The remuneration was interest-bearing until settlement before year-end. Finanstilsynet (the Financial Supervisory Authority of Norway) has approved the transactions. On October 14 2011 Tennant Försäkringsaktiebolag

was merged into Gjensidige Forsikring ASA. The merger was carried through as a mother-daughter merger. In the consolidated accounts, all of the consequences of the transactions and the merger have been eliminated.

There have not been any significant transactions with related parties other than ordinary current agreements conducted at arm's length and the transaction/merger mentioned above.

11. AGREEMENT ON SALE OF SUBSIDIARY

Gjensidige's wholly-owned subsidiary Glitne Invest AS has in the third quarter sold 100 per cent of the shares in Hjelp24 at an agreed sales price of NOK 315.8 million to a fund managed by Herkules Capital. The sale gave Gjensidige an accounting profit of NOK 113.4 million after transaction costs. The business relationship between Gjensidige and Hjelp24 will continue as before.

In the consolidated income statement, income and expenses from Hjelp24 is presented under Other income and Other operating expenses respectively.

KEY FIGURES

		4 q. 2011	4 q. 2010	1.1.-31.12. 2011	1.1.-31.12. 2010
GJENSIDIGE INSURANCE GROUP					
Return on financial assets ¹	%	1.4	1.5	4.5	5.2
Equity	NOK mill.			23,283.4	23,137.8
Return on equity, annualised ²	%			16.3	14.4
Equity per share	NOK			46.6	46.3
Capital adequacy ratio ³	%			16.6	16.1
Solvency margin Gjensidige Forsikring (restated for 2010) ⁴	%			540.3	581.9
SHARE CAPITAL					
Issued shares, at the end of the period	Number			500,000,000	500,000,000
Earnings per share in the period ⁵ (basic and diluted)	NOK	1.32	2.32	5.66	5.90
GENERAL INSURANCE					
Market share non-marine insurance Norway (FNO) per Q3 11	%			26.5	27.9
Gross premiums written					
Private	NOK mill.	1,892.7	1,787.0	8,216.9	8,031.7
Commercial	NOK mill.	1,190.9	1,187.7	5,658.1	5,682.7
Nordic	NOK mill.	544.5	683.3	3,807.3	3,357.1
Baltics	NOK mill.	107.2	90.3	429.5	395.2
Total	NOK mill.	3,735.3	3,748.3	18,111.9	17,466.8
Premiums, net of reinsurance ⁶	%			97.1	97.4
Earned premiums					
Private	NOK mill.	2,000.9	1,965.0	8,082.8	7,719.9
Commercial	NOK mill.	1,366.9	1,349.2	5,411.9	5,401.0
Nordic	NOK mill.	898.2	999.0	3,635.0	3,453.1
Baltics	NOK mill.	105.5	105.9	395.8	459.3
Eliminations	NOK mill.	0.1	7.6	22.6	30.0
Total	NOK mill.	4,371.6	4,426.8	17,548.1	17,063.3
Loss ratio ⁷					
Private	%	73.4	74.1	70.2	76.4
Commercial	%	89.2	74.4	79.1	80.3
Nordic	%	77.1	85.2	80.7	83.5
Baltics	%	68.3	69.1	68.4	66.5
Total	%	79.1	76.4	75.5	78.9
Cost ratio ⁸					
Private	%	15.2	14.4	15.2	15.1
Commercial	%	12.4	12.5	13.6	12.8
Nordic	%	19.7	18.9	17.2	18.6
Baltics	%	28.7	28.0	30.9	29.8
Total	%	16.7	16.5	16.4	16.5
Combined ratio ⁹					
Private	%	88.6	88.4	85.3	91.4
Commercial	%	101.6	86.9	92.7	93.2
Nordic	%	96.8	104.1	97.9	102.0
Baltics	%	97.0	97.1	99.2	96.2
Total	%	95.7	92.9	91.9	95.3

		4 q. 2011	4 q. 2010	1.1.-31.12. 2011	1.1.-31.12. 2010
PENSION AND SAVINGS					
Assets under management pension, addition in the period	NOK mill.	596.6	617.0	1,514.9	2,303.8
Assets under management savings, addition in the period	NOK mill.	3,585.9	1,150.3	3,861.5	4,016.6
Assets under management pension at the end of the period	NOK mill.			8,188.9	6,674.1
of which the group policy portfolio	NOK mill.			2,620.6	2,146.0
Assets under management savings at the end of the period	NOK mill.			9,558.7	5,697.2
Profit margin savings, in per cent ¹⁰	%			0.41	0.61
Recognised return on the paid-up policy portfolio ¹¹	%			5.33	5.29
Value-adjusted return on the paid-up policy portfolio ¹²	%			4.96	5.10
Number of customers (pension), addition in the period	Number	7,716	4,319	14,328	14,813
Number of customers (savings), addition in the period	Number	(99)	(73)	(334)	(2,191)
Number of customers (pension), at the end of the period	Number			80,796	66,468
Number of customers (savings), at the end of the period	Number			5,145	5,479
Customers (pension) with insur. agreem. at the end of the per.	Number			68,677	56,498
Customers (savings) with insur. agreem. at the end of the per.	Number			4,219	4,493
ONLINE RETAIL BANKING					
Gross lending, addition in the period	NOK mill.	267.5	544.7	899.5	2,543.9
Deposits, addition in the period	NOK mill.	525.0	1,222.7	656.2	2,569.6
Gross lending, at the end of the period	NOK mill.			15,019.0	14,119.5
Deposits, at the end of the period	NOK mill.			9,776.2	9,120.0
Deposits-to-loan ratio in the period ¹³	%	196.2	224.5	73.0	101.0
Deposits-to-loan ratio at the end of the period ¹³	%			65.1	64.6
Net interest income in per cent, annualised ¹⁴	%			2.71	2.88
Customers, addition in the period	Number	1,850	5,303	8,589	13,649
Customers, at the end of the period	Number			98,183	89,594
Customers with insurance agreements, at the end of the period	Number			47,396	43,764
Capital adequacy ¹⁵	%			15.0	16.1

¹ Return on financial assets = net financial income in per cent of average financial assets including property, excluding Pension and savings and Online retail banking

² Return on equity, annualised = profit before tax expense for the period/average equity for the period

³ Capital adequacy ratio = net subordinated capital/risk-weighted calculation basis, calculated on the basis of NGAAP for the Group

⁴ The solvency margin is calculated at the company level and in accordance with the rules of the Financial Supervisory Authority of Norway

⁵ Earnings per share in the period = the shareholders' share of the profit or loss for the period/average number of outstanding shares in the period

⁶ Premiums, net of reinsurance = gross premiums written, net of reinsurance/gross premiums written (general insurance)

⁷ Loss ratio = claims incurred etc./earned premiums

⁸ Cost ratio = operating expenses/earned premiums

⁹ Combined ratio = loss ratio + cost ratio

¹⁰ Profit margin savings, in per cent = management income/average assets under management, savings

¹¹ Recognised return on the paid-up policy portfolio = realised return of the portfolio

¹² Value-adjusted return on the paid-up policy portfolio = total return of the portfolio

¹³ Deposit-to-loan ratio = deposits as a per centage of gross lending

¹⁴ Net interest income in per cent, annualised = net interest and credit commission income/average assets under management

¹⁵ Capital adequacy = primary capital/basis of calculation for credit risk, market risk and operational risk

QUARTERLY EARNINGS PERFORMANCE

NOK million	4 q. 2011	3 q. 2011	2 q. 2011	1 q. 2011	4 q. 2010	3 q. 2010	2 q. 2010	1 q. 2010
Earned premiums from general insurance	4,371.6	4,537.8	4,414.0	4,224.6	4,426.8	4,535.9	4,289.4	3,811.2
Other income	399.3	418.7	523.5	492.0	455.8	426.5	462.5	382.7
Total operating income	4,771.0	4,956.5	4,937.5	4,716.6	4,882.6	4,962.3	4,751.9	4,193.9
Total net income from investments	775.6	240.9	652.4	790.6	803.0	803.9	294.9	846.4
Total income	5 546.6	5 197.4	5,589.9	5,507.2	5,685.6	5,766.3	5,046.8	5,040.3
Claims incurred etc. from general insurance	(3,457.2)	(3,278.5)	(3,059.5)	(3,454.1)	(3,383.2)	(3,260.0)	(3,269.3)	(3,544.1)
Other claims, loss etc.	(277.5)	(254.8)	(239.1)	(216.6)	(191.9)	(187.0)	(215.4)	(148.7)
Total claims, loss etc.	(3,734.7)	(3,533.3)	(3,298.6)	(3,670.6)	(3,575.2)	(3,447.0)	(3,484.7)	(3,692.8)
Operating expenses from general insurance	(728.4)	(689.1)	(739.6)	(720.8)	(728.7)	(714.4)	(731.5)	(635.8)
Other operating expenses	(185.2)	(201.9)	(306.8)	(300.7)	(313.7)	(292.9)	(300.9)	(367.5)
Total operating expenses	(913.6)	(891.0)	(1,046.4)	(1,021.5)	(1,042.4)	(1,007.3)	(1,032.4)	(1,003.3)
Total expenses	(4,648.3)	(4,424.3)	(4,345.0)	(4,692.2)	(4,617.5)	(4,454.3)	(4,517.1)	(4,696.0)
Profit/(loss) for the period before tax expense	898.3	773.1	1 244.9	815.0	1,068.1	1,311.9	529.7	344.3
Underwriting result general insurance	186.0	570.2	615.0	49.7	314.9	561.5	288.6	(368.7)



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