Gjensidige

Interim Report 3rd quarter 2016

Gjensidige Insurance Group

Group highlights
Year-to-date and third quarter 2016

In the following, figures in brackets indicate the amount or percentage for the corresponding period last year.

Year-to-date

Group
- Profit/loss before tax expense: NOK 4,834.1 million (3,579.2)
- Profit per share: NOK 7.15 (5.08)

General Insurance
- Earned premiums: NOK 16,756.3 million (15,778.5)
- Underwriting result: NOK 3,034.1 million (2,577.6)
- Combined ratio: 81.9 (83.7)
- Cost ratio: 13.2 (14.8)
- Financial result: NOK 1,593.7 million (881.6)

Third quarter

Group
- Profit/loss before tax expense: NOK 1,515.9 million (951.7)
- Profit per share: NOK 2.34 (1.19)

General Insurance
- Earned premiums: NOK 5,705.5 million (5,471.2)
- Underwriting result: NOK 711.8 million (1,091.0)
- Combined ratio: 87.5 (80.1)
- Cost ratio: 17.3 (14.5)
- Financial result: NOK 700.4 million (150.4)

Special dividend
- Dividend decision: NOK 2 billion excess capital distribution, corresponding to NOK 4.00 per share

Profit performance Group

NOK millions	Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
General Insurance Private	535.7	687.1	1,646.8	1,568.7	2,208.1
General Insurance Commercial	401.0	419.2	1,249.1	1,037.9	1,440.8
General Insurance Nordic	59.7	139.8	226.9	443.5	509.1
General Insurance Baltics	(21.5)	(16.7)	(62.9)	(34.4)	(98.9)
Corporate Centre/costs related to owner	(195.6)	(77.1)	117.7	(229.4)	(331.8)
Corporate Centre/reinsurance [1]	(67.5)	(61.3)	(143.5)	(208.6)	(270.5)
Underwriting result general insurance [2]	**711.8**	**1,091.0**	**3,034.1**	**2,577.6**	**3,456.9**
Pension and Savings	39.3	19.0	96.7	60.9	84.2
Retail Bank	139.1	57.3	334.0	220.8	303.6
Financial result from the investment portfolio [3]	700.4	(150.4)	1,593.7	881.6	1,492.4
Amortisation and impairment losses of excess value – intangible assets	(63.6)	(52.6)	(194.1)	(126.9)	(209.6)
Other items	(11.1)	(12.5)	(30.4)	(34.9)	(77.7)
Profit/(loss) for the period before tax expense	**1,515.9**	**951.7**	**4,834.1**	**3,579.2**	**5,049.7**
Key figures general insurance					
Large losses [4]	321.4	258.5	689.9	618.9	880.3
Run-off gains/(losses) [5]	233.7	240.7	709.1	494.2	724.8
Loss ratio [6]	70.2%	65.6%	68.6%	68.8%	68.6%
Cost ratio [7]	17.3%	14.5%	13.2%	14.8%	15.1%
Combined ratio [8]	87.5%	80.1%	81.9%	83.7%	83.7%

[1] Large losses in excess of NOK 30.0 million are charged to the Corporate Centre, while claims of less than NOK 30.0 million are charged to the segment in which the large losses occur. As a main rule, the Baltics segment has a retention level of EUR 0.5 million. Large losses allocated to the Corporate Centre amounted to NOK 157.9 million (264.5) for the year to date and NOK 73.5 million (89.5) in the quarter. Accounting items related to written reinsurance and reinstatement premium are also included.
[2] Underwriting result general insurance = earned premiums - claims incurred etc. - operating expenses
[3] Excluding the return on financial assets in Pension and Savings and Retail Bank.
[4] Large losses = loss events in excess of NOK 10.0 million. Expected large losses for the quarter were NOK 318.0 million.
[5] Run-off gains/(losses) = changes in estimates from earlier periods. Provisions are based on best estimates, and the expected run-off result over time is zero.
[6] Loss ratio = claims incurred etc./earned premiums
[7] Cost ratio = insurance related operating expenses/earned premiums
[8] Combined ratio = loss ratio + cost ratio

A strong third quarter

Group profit performance

Year-to-date development
The Gjensidige Insurance Group recorded a profit before tax expense of NOK 4,834.1 million (3,579.2) as of the end of the third quarter. The profit from general insurance operations measured by the underwriting result was NOK 3,034.1 million (2,577.6), corresponding to a combined ratio of 81.9 (83.7). A provision of NOK 120.0 million was made in the third quarter to cover one-time restructuring costs related to the reduction of about 190 full-time equivalent positions in staff and support functions. The provision is recognised in the Corporate Centre.

The removal of an annual minimum regulation clause for pension payments under the defined benefit plan contributed non-recurring income of NOK 476.6 million in the first quarter. The amount was classified as a reduction in operating expenses and recognised in full in the Corporate Centre. Adjusted for this and the restructuring provision, the underwriting result was NOK 2,677.5 million, corresponding to a combined ratio of 84.0. The return on financial assets was 2.8 per cent (1.5), or NOK 1,593.7 million (881.6).

The tax expense amounted to NOK 1,258.6 million (1,012.1), corresponding to an effective tax rate of 26.0 per cent (28.3). The effective tax rate is influenced by realised and unrealised gains and losses on equity investments in the EEA.

The profit after tax expense was NOK 3,575.5 million (2,567.1), corresponding to NOK 7.15 (5.08) per share.

The underwriting result was positively influenced by solid premium growth of 6.2 per cent compared with the corresponding period last year. The result reflects continued good customer and risk selection and risk pricing. Profitability year-to-date was better than can normally be expected, mainly due to favourable weather conditions. Total large losses were below expectations, but somewhat higher than in the same period last year. Run-off gains exceeded the expected run-rate and contributed positively.

Earned premiums in the Private segment increased by 1.0 per cent. The underwriting result increased, mainly as a result of higher run-off gains.

Earned premiums in the Commercial segment increased by 2.4 per cent, mainly as a result of one large new contract. Growth, higher run-off gains and a favourable claims development for most products contributed positively to the underwriting result.

In the Nordic segment, earned premiums increased by 13.9 per cent (8.0 per cent in local currency), mainly due to the acquisition of Mondux and Vardia. The underwriting result was lower than in the same period last year, mainly driven by a higher level of large losses, lower run-off gains and a somewhat less favourable frequency claims development.

Earned premiums in the Baltic segment increased by 101.9 per cent (91.6 per cent in local currency), mainly driven by the acquisition of PZU Lietuva. The underwriting result was negative, impacted by several medium-sized frequency claims and pan-Baltic integration costs.

The Retail Bank's profit performance improved in the period, mainly driven by business growth. The profit performance in Pension and Savings was positive, mainly due to higher net financial income.

The return on financial assets was satisfactory, and higher than in the corresponding period last year. This was mainly due to increased returns on current equities and bonds, partly offset by negative returns on private equity investments.

Development during the quarter
The Group recorded a profit before tax expense for the quarter of NOK 1,515.9 million (951.7). The profit from general insurance operations measured by the underwriting result was NOK 711.8 million (1,091.0), corresponding to a combined ratio of 87.5 (80.1). The return on financial assets was 1.3 per cent (minus 0.3) or NOK 700.4 million (minus 150.4). The profit after tax expense was NOK 1,171.7 million (624.0), corresponding to NOK 2.34 (1.19) per share.

The lower underwriting result was driven by the previously mentioned restructuring cost provision, a more normal level of large losses and a revision of the actuarial models for calculating future claims provisions that resulted in a positive effect of around NOK 100 million in the third quarter last year. Furthermore, one short period of local heavy rains in parts of Norway to some extent affected the frequency claims level. Adjusted for this, the underlying frequency claims level was hence still relatively benign.

The Retail Bank showed a positive profit development compared to the same period in 2015, mainly driven by portfolio growth. Pension and Savings recorded a somewhat higher profit than in the same period last year due to higher volumes and increased net financial income.

The financial result in the quarter was positively impacted by good returns on bonds and the investments in current equities.

Equity and capital position
The Group's equity amounted to NOK 23,111.2 million (22,019.4) at the end of the period. The return on equity was 21.7 per cent (15.8).

The Solvency II regulation is based on principles. Based on Gjensidige's understanding of the Solvency II regulation and how it is implemented in Norway, the solvency margins at the end of third quarter were:

- Standard Formula (SF): 141 per cent
- Partial Internal Model (PIM): 179 per cent

If the guarantee scheme provision was included as solvency capital, the ratios would be:

- Standard Formula (SF): 144 per cent
- Partial Internal Model (PIM): 183 per cent

Available capital in excess of the risk-based requirement calculated using the Group's partial internal model (PIM) constitutes the Group's economic excess capital. In addition, a deduction is made for the higher of the calculated supplementary capital required to maintain the current A-rating and the capital required to meet the statutory solvency requirements. Excess capital above and beyond this constitutes the strategic buffer. The buffer amounted to NOK 0.6 billion at the end of the third quarter. Adjusted for the capital effect of around NOK 300 million from the realisation of shares in SpareBank 1 SR-Bank on 12 October 2016, the buffer was NOK 0.9 billion.

Total comprehensive income year-to-date is included in the solvency and rating calculations, minus a formulaic dividend pay-out ratio of 70 per cent of net profit.

In addition, the numbers are adjusted for the NOK 2 billion of excess capital distribution adopted by the Board on 25 October 2016. See page 12 for further information on the dividend.

Other matters
Restricted Tier 1 bond issue
On 29 August 2016 Gjensidige Forsikring ASA successfully issued a perpetual restricted Tier 1 bond amounting to NOK 1 billion and with a coupon of 3M NIBOR + 360 bps. The bond has a call option

for the issuer after five years. The bond fulfils the regulatory requirements as Tier 1 eligible capital under Solvency II and achieves intermediate equity content under the S&P rating model. The issue is in line with the existing capital strategy and financial targets and is part of the company's strategy to optimise the capital structure over time. The bond is listed on the Oslo Stock Exchange.

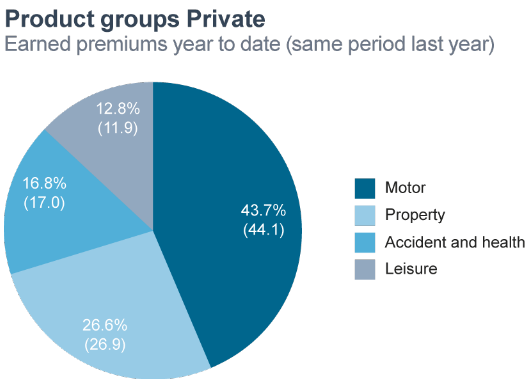
Update on Solvency II-related regulatory uncertainties
There is still some uncertainty about how capital requirements and qualifying funds will be calculated under the new rules.

For Gjensidige, the main remaining uncertainty is whether the guarantee scheme provisions will be included in qualifying funds. The FSA takes the view that the guarantee provision should be treated as a liability. In Gjensidige's opinion, special Norwegian provisions that are actually an equity element must be treated as solvency capital. Gjensidige will continue to make endeavours to ensure that the regulations are in line with this view.

The Norwegian Ministry of Finance has indicated that new rules for the tax valuation of technical provisions could potentially be introduced in 2017 at the earliest. It is still unclear whether new deduction rules will be introduced and, if so, how they will be worded. In Gjensidige's opinion, the new solvency regulations should not entail major changes in tax positions, and it expects a new proposal to reflect this.

Change in the defined benefit plan
The defined benefit plan has included a regulation clause for pension payments, whereby the minimum annual regulation has been linked to the development of the consumer price index. The minimum regulation clause was removed in the first quarter. According to IAS 19 Employee benefits, this is a change in the benefit plan, and non-recurring income of NOK 476.6 million was recognised as a reduction in operating expenses in the Corporate Centre. The change also had a negative impact of NOK 128.9 million (pre-tax) on other comprehensive income in the first quarter.

Proposed new tax on financial services in Norway
On 6 October 2016, a proposal for a new Financial Tax was presented by the Norwegian Government. The proposed new Financial Tax means that Gjensidige's taxable income will continue to be taxed at a rate of 25 per cent. Furthermore it will entail Gjensidige having to pay increased payroll tax. The increase is 5 per cent and will be deductible for tax purposes leading to an effective increase of 3.75 per cent in payroll costs, corresponding to approximately NOK 60 million in isolated net profit effect based on the 2015 full-year accounts. The change in payroll tax is however expected to impact premium levels going forward. Gjensidige will also look into different solutions to minimise the negative effects of the implementation of such a Financial Tax.



General Insurance Private

Year-to-date development

The underwriting result was NOK 1.646,8 million (1,568.7). The improvement in the underwriting result was driven by increased run-off gains. The combined ratio was 73.4 (74.4).

Earned premiums amounted to NOK 6,179.7 million (6,115.8). Premiums showed an increase in all main product lines. The number of customers increased slightly in the period despite fierce competition and somewhat slower market growth. Gjensidige's competitive position remained strong.

Claims incurred amounted to NOK 3,747.3 million (3,778.2). The loss ratio was 60.6 (61.8), partly supported by increased run-off gains. Motor insurance, property insurance and health and accident insurance showed increases in the underlying loss ratio, while leisure insurance showed a decrease in the loss ratio. Overall, both this year-to-date and the corresponding period last year were affected by a benign weather situation, which resulted in a lower frequency claims impact than can normally be expected.

Operating expenses amounted to NOK 785.5 million (769.0) and the cost ratio was 12.7 (12.6).

Development during the quarter

The underwriting result was NOK 535.7 million (687.1). The positive effect from premium growth was counteracted by local heavy rains in August which affected the frequency claims level. The third quarter 2015 was also positively affected by the adjusted actuarial model for motor TPL. The combined ratio was 74.9 (67.4)

Earned premiums amounted to NOK 2,137.6 million (2,109.7). All main product lines contributed to the growth, except for motor, which showed a small decrease in earned premiums despite an increase in the number of cars in the portfolio.

Claims incurred amounted to NOK 1,325.7 million (1,158.1). The loss ratio was 62.0 (54.9). The revised actuarial model for calculating claims provisions in Motor TPL affected the loss ratio positively by approximately 3.5 percentage points in the third quarter last year. The underlying frequency claims development was somewhat weaker compared to the same period last year, partly driven by property insurance being negatively affected by claims related to a short period with heavy rain in parts of the country. Property profitability was very good in the same period last year. Motor profitability was still very good.

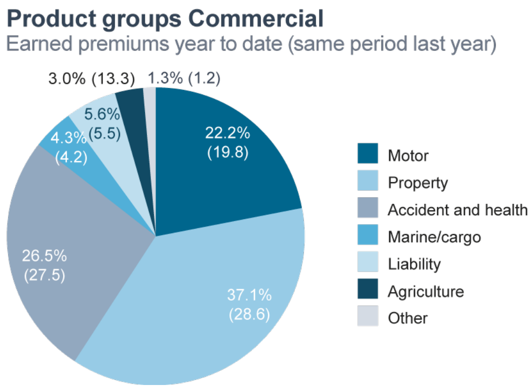
Operating expenses amounted to NOK 276.1 million (264.6) and the cost ratio was 12.9 (12.5).

One large contract with an annual premium volume of around NOK 200 million will not be renewed as from 1 January 2017. Gjensidige is exploring several growth initiatives to compensate for reduced premium volume.

General Insurance Private

NOK millions	Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Earned premiums	2,137.6	2,109.7	6,179.7	6,115.8	8,152.3
Claims incurred etc.	(1,325.7)	(1,158.1)	(3,747.3)	(3,778.2)	(4,908.5)
Operating expenses	(276.1)	(264.6)	(785.5)	(769.0)	(1,035.7)
Underwriting result	**535.7**	**687.1**	**1,646.8**	**1,568.7**	**2,208.1**
Amortisation and impairment losses of excess value – intangible assets	(6.4)	(2.1)	(19.3)	(6.4)	(12.0)
Large losses [1]	24.3	13.5	35.4	34.1	45.1
Run-off gains/(losses) [2]	75.3	64.3	233.6	135.4	261.0
Loss ratio [3]	62.0%	54.9%	60.6%	61.8%	60.2%
Cost ratio [4]	12.9%	12.5%	12.7%	12.6%	12.7%
Combined ratio [5]	74.9%	67.4%	73.4%	74.4%	72.9%

[1] Large losses = loss events in excess of NOK 10.0 million. Claims incurred in excess of NOK 30.0 million per event are charged to the Corporate Centre.
[2] Run-off gains/(losses) = changes in estimates from previous years
[3] Loss ratio = claims incurred etc./earned premiums
[4] Cost ratio = operating expenses/earned premiums
[5] Combined ratio = loss ratio + cost ratio



General Insurance Commercial

Year-to-date development

The underwriting result increased to NOK 1,249.1 million (1,037.9). The increase was driven by premium growth combined with a favourable claims development and higher run-off gains. The combined ratio was 77.1 (80.4).

Earned premiums increased to NOK 5,449.4 million (5,308.6), mainly due to new business initiatives. Growth was partly offset by softening market conditions, affecting accident and health insurance in particular.

Claims incurred amounted to NOK 3,604.4 million (3,657.2) and the loss ratio was 66.1 (68.9). The improvement in the loss ratio was mainly driven by higher run-off gains, as well as improved underlying frequency claims development for most products, driven by a benign weather situation.

Operating expenses amounted to NOK 595.9 million (613.6), corresponding to a cost ratio of 10.9 (11.6). The decrease in the cost ratio reflects ongoing efforts to manage expenses and the headcount in relation to prevailing market conditions.

Development during the quarter

The underwriting result was NOK 401.0 million (419.2). The decrease in the underwriting result was driven by increased frequency claims, mainly driven by local heavy rains. The combined ratio was 78.1 (76.8).

Earned premiums increased to NOK 1,830.5 million (1,807.0), mainly driven by new business initiatives. This was partly offset by softening market conditions, in particular for accident and health insurance. Several products, including cyber risk insurance for SMEs, were launched in the third quarter to increase competitiveness and relevance.

Claims incurred amounted to NOK 1,235.0 million (1,184.6) and the loss ratio was 67.5 (65.6). The increase in the loss ratio was partly driven by one short period with heavy rains in parts of the country, which affected the property product in particular. The effect of increased large losses was offset by increased run-off gains.

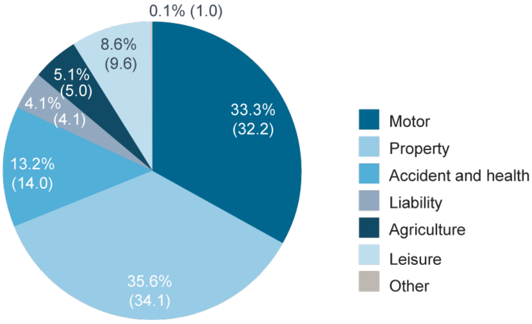
Operating expenses amounted to NOK 194.5 million (203.2) and the cost ratio was 10.6 (11.2).

General Insurance Commercial

NOK millions	Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Earned premiums	1,830.5	1,807.0	5,449.4	5,308.6	7,076.8
Claims incurred etc.	(1,235.0)	(1,184.6)	(3,604.4)	(3,657.2)	(4,826.7)
Operating expenses	(194.5)	(203.2)	(595.9)	(613.6)	(809.3)
Underwriting result	**401.0**	**419.2**	**1,249.1**	**1,037.9**	**1,440.8**
Large losses [1]	180.9	155.5	345.4	301.0	384.7
Run-off gains/(losses) [2]	127.7	92.6	349.4	242.7	341.8
Loss ratio [3]	67.5%	65.6%	66.1%	68.9%	68.2%
Cost ratio [4]	10.6%	11.2%	10.9%	11.6%	11.4%
Combined ratio [5]	78.1%	76.8%	77.1%	80.4%	79.6%

[1] Large losses = loss events in excess of NOK 10.0 million. Claims incurred in excess of NOK 30.0 million per event are charged to the Corporate Centre.
[2] Run-off gains/(losses) = changes in estimates from previous years
[3] Loss ratio = claims incurred etc./earned premiums
[4] Cost ratio = operating expenses/earned premiums
[5] Combined ratio = loss ratio + cost ratio

Product groups Nordic
Earned premiums year to date (same period last year)



General Insurance Nordic

Year-to-date development

The underwriting result was NOK 226.9 million (443.5). The decline in the underwriting result was driven by a higher proportion of large losses, lower run-off gains and a less favourable underlying frequency claims development. The combined ratio was 94.8 (88.5).

Earned premiums increased to NOK 4,374.8 million (3,841.1), of which NOK 210.2 million was related to currency effects. The Mondux acquisition increased earned premiums by NOK 145.0 million, and the Vardia acquisition contributed NOK 160.3 million. Underlying earned premiums increased marginally compared with the same period last year. The premiums in the Danish portfolio accounted for around 80 per cent of total premiums in the segment. They increased organically by 2.6 per cent in local currency. The growth was driven in particular by property and motor insurance in the commercial portfolio. Premium development was negative in the Swedish portfolio, mainly due to repricing measures implemented to improve the profitability of the commercial portfolio.

Claims incurred amounted to NOK 3,481.2 million (2,808.2). Currency effects had a negative impact of NOK 153.8 million. The loss ratio was 79.6 (73.1). The higher loss ratio was primarily due to a higher proportion of large losses and lower run-off gains, in combination with a less favourable underlying frequency claims development in commercial motor, private property insurance and product insurance. Profitability in the Swedish portfolio was improving.

Operating expenses were NOK 666.7 million (589.4). Currency effects had a negative impact on operating expenses of NOK 32.5 million. The cost ratio was 15.2 (15.3).

Development during the quarter

The underwriting result decreased to NOK 59.7 million (139.8). The decline in the underwriting result was mainly due to a higher proportion of large losses and lower run-off gains. The combined ratio was 96.2 (89.8).

Earned premiums increased to NOK 1,565.2 million (1,373.3). NOK 4.6 million of the increase in earned premiums was related to currency effects. Vardia contributed NOK 160.3 million. The underlying premium development was positive, particularly driven by growth in property insurance in the commercial portfolio in Denmark and private insurance in the Swedish portfolio.

Claims incurred amounted to NOK 1,274.9 million (1,034.0). NOK 5.0 million of the increase was related to currency effects. The loss ratio was 81.5 (75.3). The higher loss ratio was mainly due to a higher proportion of large losses and lower run-off gains. The underlying profitability in the Danish portfolio was weaker than in the corresponding period last year, mainly due to adjustments in the provision modelling in product insurance and higher loss ratio in commercial property insurance. The acquired Vardia portfolio has a higher loss ratio, but profitability development was satisfactory in the existing Swedish portfolio.

Operating expenses amounted to NOK 230.6 million (199.5). NOK 0.2 million of the increase in operating expenses was related to currency effects. The cost ratio was 14.7 (14.5).

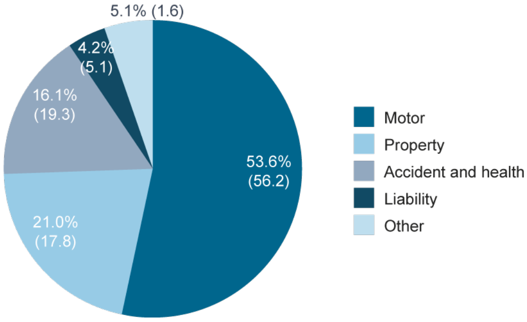
General Insurance Nordic

NOK millions	Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Earned premiums	1,565.2	1,373.3	4,374.8	3,841.1	5,233.3
Claims incurred etc.	(1,274.9)	(1,034.0)	(3,481.2)	(2,808.2)	(3,905.2)
Operating expenses	(230.6)	(199.5)	(666.7)	(589.4)	(819.0)
Underwriting result	**59.7**	**139.8**	**226.9**	**443.5**	**509.1**
Amortisation and impairment losses of excess value – intangible assets	(53.6)	(49.0)	(163.4)	(116.4)	(175.2)
Large losses [1]	42.6		151.3	19.4	68.0
Run-off gains/(losses) [2]	19.3	33.5	89.7	117.0	145.8
Loss ratio [3]	81.5%	75.3%	79.6%	73.1%	74.6%
Cost ratio [4]	14.7%	14.5%	15.2%	15.3%	15.6%
Combined ratio [5]	96.2%	89.8%	94.8%	88.5%	90.3%

[1] Large losses = loss event in excess of NOK 10.0 million. Claims incurred in excess of NOK 30.0 million per event are charged to the Corporate Centre.
[2] Run-off gains/(losses) = changes in estimates from previous years
[3] Loss ratio = claims incurred etc./earned premiums
[4] Cost ratio = operating expenses/earned premiums
[5] Combined ratio = loss ratio + cost ratio

Product groups Baltics

Earned premiums year to date (same period last year)



General Insurance Baltics

Year-to-date development

The underwriting result was minus NOK 62.9 million (minus 34.4). The underwriting result was negatively affected by several medium-sized frequency claims and investments related to integration activities. The combined ratio was 108.0 (108.9).

Earned premiums increased to NOK 783.9 million (388.3), driven by the PZU Lietuva acquisition. NOK 20.8 million of the increase was related to currency effects. The underlying premium development was largely stable, influenced by portfolio re-underwriting and repricing activities. The relative proportion of property insurance in the portfolio has increased after the acquisition, and the new joint organisation is on track with the integration of IT systems and with initiatives related to claims handling and distribution channels.

Claims incurred amounted to NOK 553.4 million (295.5). NOK 15.9 million of the increase was related to currency effects. The loss ratio was 70.6 per cent (76.1), positively affected by run-off gains. The loss ratio was negatively affected by a number of medium-sized property and motor insurance claims. Tariffs based on group best practice were introduced in Latvia at the end of 2015, and in Lithuania during April 2016, with the aim of improving profitability in a highly price-sensitive market. There has been a certain improvement in the frequency claims, and such improvements are expected to continue as more of the portfolio is underwritten using improved tariffs.

Nominal operating expenses amounted to NOK 293.4 million (127.2). NOK 6.8 million of the increase in operating expenses was related to currency effects. The cost ratio increased to 37.4 per cent (32.8). The increase in the cost ratio was mainly due to a higher cost ratio run-rate in the acquired company, combined with increased investments in IT systems, distribution improvements and pan-Baltic rebranding initiatives. Numerous initiatives that are expected to improve profitability going forward have been implemented in the first three quarters, and profitability is expected to be achieved in 2018.

Development during the quarter

The underwriting result was minus NOK 21.5 million (minus 16.7). The weak underwriting result was impacted by several medium-sized claims as well as integration activities. The combined ratio was 108.2 per cent (111.9).

Earned premiums increased to NOK 261.9 million (140.5), driven by the PZU Lietuva acquisition. NOK 0.6 million of the increase in earned premiums was related to currency effects.

Claims incurred amounted to NOK 182.4 million (110.5). NOK 0.7 million of the increase in claims was related to currency effects. The loss ratio was 69.7 per cent (78.7). The improvement was related to the implementation of new tariffs, a lower level of frequency claims and run-off gains.

Operating expenses increased to NOK 100.9 million (46.6). NOK 0.2 million of the increase in operating expenses was related to currency effects. The cost ratio increased to 38.5 per cent (33.2), driven by a higher expense run-rate in the acquired company. Cost savings resulting from acquisition synergies are being realised and the cost base of the consolidated company is expected to decrease.

General Insurance Baltics

NOK millions	Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Earned premiums	261.9	140.5	783.9	388.3	642.0
Claims incurred etc.	(182.4)	(110.5)	(553.4)	(295.5)	(524.8)
Operating expenses	(100.9)	(46.6)	(293.4)	(127.2)	(216.0)
Underwriting result	**(21.5)**	**(16.7)**	**(62.9)**	**(34.4)**	**(98.9)**
Amortisation and impairment losses of excess value – intangible assets	(3.6)	(1.4)	(11.4)	(4.1)	(22.4)
Run-off gains/(losses) [2]	3.5	(2.9)	14.6	(7.1)	(30.1)
Loss ratio [3]	69.7%	78.7%	70.6%	76.1%	81.8%
Cost ratio [4]	38.5%	33.2%	37.4%	32.8%	33.6%
Combined ratio [5]	108.2%	111.9%	108.0%	108.9%	115.4%

[1] Large losses = loss events in excess of EUR 0.5 million. Claims incurred in excess of this per event are as a rule charged to the Corporate Centre.

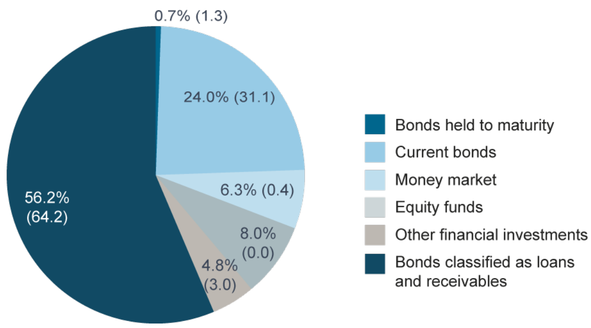
[2] Run-off gains/(losses) = changes in estimates from previous years

[3] Loss ratio = claims incurred etc./earned premiums

[4] Cost ratio = operating expenses/earned premiums

[5] Combined ratio = loss ratio + cost ratio

Asset allocation the group policy portfolio



Pension and Savings

Year-to-date development

The profit before tax expense increased to NOK 96.7 million (60.9).

Net insurance revenue was NOK 132.7 million (120.7) and management income was NOK 93.3 million (89.2). The positive development was driven by higher volumes.

Operating expenses increased to NOK 171.0 million (163.8) as a consequence of increased business volume.

Net financial income, including both the return on the group policy portfolio and the corporate portfolio, amounted to NOK 41.7 million (14.8). The increase was due to higher insurance reserves and a narrowing bond portfolio spread, in addition to increased return on real estate investments. The company's share of the profit relating to the paid-up policy portfolio was allocated in its entirety as a provision for longevity.

At the end of the period, pension assets under management amounted to NOK 22,116.6 million (19,070.0) including the group policy portfolio of NOK 5,259.9 million (4,726.1).

The recognised return on the paid-up policy portfolio was 3.30 per cent (3.66). The average annual interest guarantee was 3.5 per cent (3.6).

Savings assets under management amounted to NOK 15,996.9 million (15,238.6) at the end of the period.

In total, assets under management increased by NOK 2,525.4 million for the year-to-date. Total assets under management amounted to NOK 38,113.5 million (34,308.6) at the end of the period.

In order to strengthen the solvency capital ratio and to optimise the capital structure, Gjensidige Pensjonsforsikring AS (GPF) issued a subordinated bond (Tier 2) of NOK 300 million in June.

Development during the quarter

The profit before tax expense was NOK 39.3 million (19.0). Net insurance revenue was NOK 46.8 million (40.9), and management income amounted to NOK 32.1 million (29.5). The increased revenue was due to a growing customer portfolio and increased assets under management.

Operating expenses increased to NOK 56.3 million (54.1), driven by increased business volume.

Net financial income increased to NOK 16.7 million (2.7), driven by higher insurance reserves and increased investment returns.

Pension and Savings

NOK millions	Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Earned premiums	418.0	327.3	1,029.2	963.6	1,431.5
Claims incurred etc.	(371.2)	(286.4)	(896.5)	(842.9)	(1,275.7)
Net insurance revenue	**46.8**	**40.9**	**132.7**	**120.7**	**155.9**
Management income etc.	32.1	29.5	93.3	89.2	119.5
Operating expenses	(56.3)	(54.1)	(171.0)	(163.8)	(222.0)
Net operating income	**22.6**	**16.3**	**55.0**	**46.0**	**53.4**
Net financial income	16.7	2.7	41.7	14.8	30.8
Profit/(loss) before tax expense	**39.3**	**19.0**	**96.7**	**60.9**	**84.2**
Operating margin [2]	28.64%	23.11%	24.35%	21.94%	19.37%
Recognised return on the paid-up policy portfolio [3]			3.30%	3.66%	5.43%
Value-adjusted return on the paid-up policy portfolio [4]			3.78%	3.78%	5.42%

[1] Run-off gains/(losses) = changes in estimates from previous years
[2] Operating margin = net operating income/(net insurance revenue + management income etc.)
[3] Recognised return on the paid-up policy portfolio = realised return on the portfolio
[4] Value-adjusted return on the paid-up policy portfolio = total return on the portfolio

Retail Bank

Year-to-date development

The profit before tax expense increased to NOK 334.0 million (220.8). The increase in income, mainly driven by portfolio growth, was partly offset by increased expenses. Financial instruments performed better than in the same period last year.

Net interest income amounted to NOK 586.8 million (529.7). The improvement was driven by business growth.

Net commission income and other income increased to NOK 73.2 million (13.2). The increase was a result of gains on financial instruments, partly offset by higher acquisition costs. The improvement also included a gain on the Visa Europe sale to Visa International, of which Gjensidige Bank's share was NOK 12.3 million.

The net interest margin was 1.84 per cent (2.18). The decrease was driven by a changed portfolio mix and overall margin pressure.

Operating expenses were NOK 282.9 million (268.8). The increase was driven by business growth and somewhat increased depreciation. The cost/income ratio fell to 42.9 per cent (49.5).

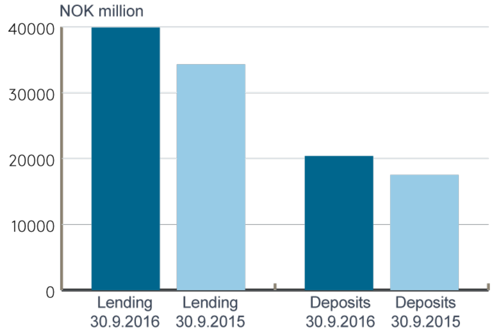
Total write-downs and losses amounted to NOK 43.0 million (53.3). They were primarily related to the unsecured lending portfolio. The bank agreed to sell NOK 14.6 million of impaired customer loans in the first quarter. The sale led to the release of the provisions made for this group of loans. The portfolio continues to be of high quality, and underlying total write-downs and losses are at similar levels as last year. Write-downs and losses were 0.15 per cent (0.24) of average gross lending. Adjusted for the above-mentioned sale of impaired customer loans, the percentage was 0.19 per cent. The weighted average loan-to-value ratio [1] was estimated to be 63.1 per cent (63.5) for the mortgage portfolio.

Gross lending increased by 16.4 per cent year on year and amounted to NOK 39,915.1 million (34,305.3) at the end of the period. Deposits increased by 16.4 per cent year on year, reaching NOK 20,378.3 million (17,508.1) at the end of the period. The deposits to loans ratio was to 51.1 per cent (51.0).

Business growth led to an increased need for capital during the period. The total capital was increased by NOK 300 million, split between the issuance of a Tier 2 subordinated bond amounting to NOK 100 million and an equity increase of NOK 200 million from the parent company.

At the end of the second quarter, S&P Global Ratings raised its long-term and short-term counterparty credit ratings for Gjensidige Bank ASA and its subsidiary Gjensidige Bank Boligkreditt AS to 'A/A-1' from 'A-/A-2'. The outlook remained stable. This was driven by the reassessment of Gjensidige Bank's strategic position within the parent company.

Deposits and lending
Year to date (same period last year)



Gjensidige Bank ASA has applied to the Norwegian Financial Supervisory Authority for a licence to provide investment services in order to pursue a merger with Gjensidige Investeringsrådgivning AS. A merger plan is being prepared. A merger is expected to improve competitiveness in the savings market and ensure more efficient operations in the Group. In order to gain access to international capital markets, Gjensidige Bank established, through Gjensidige Bank Boligkreditt, a Euro Medium Term Covered Bond Programme amounting to Euro 2 billion during the second quarter.

Development during the quarter

The profit before tax expense amounted to NOK 139.1 million (57.3). The increase was driven by portfolio growth and a better return on financial instruments. The improvement also included the gain from the Visa Europe sale, of which Gjensidige Bank's share was NOK 12.3 million.

Net interest income increased to NOK 207.1 million (175.1), driven by business growth. Net commission income and other income increased to NOK 43.6 million (negative 12.7), driven by gains on financial instruments and the gain from the Visa Europe sale.

Operating expenses amounted to NOK 92.3 million (93.2). The cost/income ratio was 36.8 per cent (57.4). The improvement was mainly driven by the change in net commission income and other income.

Total write-downs and losses amounted to NOK 19.4 million (11.8), predominantly related to the unsecured lending portfolio. The increase was mainly driven by portfolio growth.

Gross lending growth was NOK 956.0 million (2,816.2), while deposits decreased by NOK 304.0 million (negative 91.7).

1 The Loan to value ratio estimate is calculated on the basis of the exposure on the reporting date and the property valuation, including any higher priority pledge(s), at the time the loan was approved.

Retail Bank

NOK millions	Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Interest income and related income	352.3	324.2	1,045.8	981.6	1,311.0
Interest expenses and related expenses	(145.1)	(149.1)	(459.0)	(451.9)	(589.8)
Net interest income	**207.1**	**175.1**	**586.8**	**529.7**	**721.2**
Net commission income and other income	43.6	(12.7)	73.2	13.2	4.1
Total income	**250.8**	**162.4**	**659.9**	**542.9**	**725.2**
Operating expenses	(92.3)	(93.2)	(282.9)	(268.8)	(359.3)
Write-downs and losses	(19.4)	(11.8)	(43.0)	(53.3)	(62.3)
Profit/(loss) before tax expense	**139.1**	**57.3**	**334.0**	**220.8**	**303.6**
Net interest margin, annualised [1]			1.84%	2.18%	2.12%
Write-downs and losses, annualised [2]			0.15%	0.24%	0.20%
Cost/income ratio [3]	36.8%	57.4%	42.9%	49.5%	49.5%

[1] Net interest margin, annualised = net interest income/average total assets
[2] Write-downs and losses, annualised = write-downs and losses/average gross lending
[3] Cost/income ratio = operating expenses/total income

Management of financial assets and properties

The Group's investment portfolio includes all investment funds in the Group, except for investment funds in the Pension and Savings, and Retail Bank segments. The investment portfolio is split into two parts: a match portfolio and a free portfolio. The match portfolio is intended to correspond to the Group's technical provisions. It is invested in fixed-income instruments with a duration that matches the duration of the technical 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 risk capacity, as well as the Group's risk appetite at all times. Results from the use of derivatives for tactical and risk management purposes are assigned to the respective asset classes depending on whether the derivatives used are equity or fixed-income derivatives. Foreign-exchange risk in the investment portfolio is generally hedged close to 100 per cent, within a permitted limit of +/- ten per cent per currency.

At the end of the third quarter, the investment portfolio totalled NOK 55.9 billion (57.0). The financial result at the end of the third quarter was NOK 1,593.7 million (881.6), which correspond to a return on total assets of 2.8 per cent (1.5).

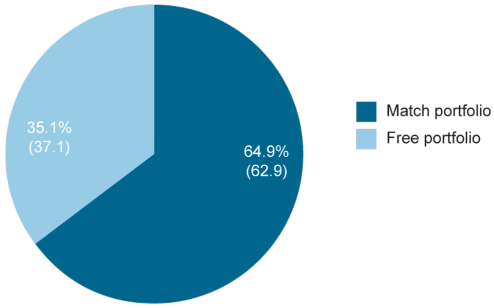
Match portfolio

The match portfolio amounted to NOK 36.3 billion (35.9). The portfolio yielded a return of 2.8 per cent (2.0), excluding changes in the value of the bonds recognised at amortised cost.

Bonds recognised at amortised cost amounted to NOK 17.7 billion (19.2). Unrealised excess value amounted to NOK 1,679.2 million (1,532.5) at the end of the period. The reinvestment rate for new investments in the portfolio of bonds held at amortised cost was approximately 2.9 per cent on average in the period, and the running yield was 4.6 per cent at the end of the period.

Portfolio split

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



The average duration of the match portfolio was 3.5 years. The average term to maturity for the corresponding insurance liabilities was 3.8 years. The distribution of counterparty risk and credit rating is shown in the charts on page 12. Securities without an official credit rating amounted to NOK 12.1 billion (11.0). Of these securities, 10.2 per cent (13.0) were issued by Norwegian savings banks, while the remainder were mostly issued by Norwegian power producers and distributors, property companies or municipalities. A third-party internal rating existed for 66.0 per cent (69.6) of the portfolio without an official rating. Bonds with a coupon linked to the development in the Norwegian consumer price index accounted for 9.8 per cent (11.2) of the match portfolio.

The geographical distribution [1] of the match portfolio is shown in the chart on page 11.

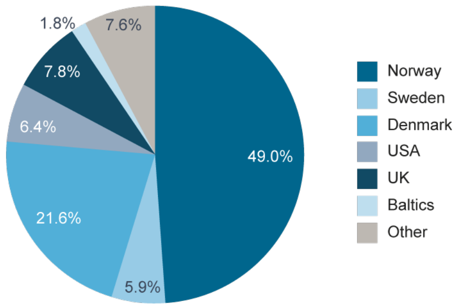
[1] The geographical distribution is related to issuers and does not reflect actual currency exposure.

Financial assets and properties

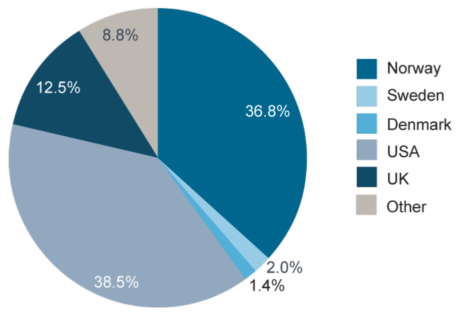
	Result Q3		Result 1.1.-30.9.		Carrying amount 30.9.	
NOK millions	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
Match portfolio						
Money market	28.5	(24.6)	112.7	20.4	6,300.7	6,053.2
Bonds at amortised cost	226.4	210.0	666.1	708.8	17,712.0	19,247.1
Current bonds [1]	72.0	(7.7)	229.3	(23.7)	12,275.6	10,595.0
Match portfolio total	**326.8**	**177.7**	**1,008.1**	**705.5**	**36,288.3**	**35,895.2**
Free portfolio						
Money market	7.0	3.8	34.8	19.1	4,536.3	3,135.6
Other bonds [2]	133.1	(58.4)	497.5	72.3	5,648.0	4,247.3
Convertible bonds [3]	34.1	(28.2)	14.4	8.7	782.4	819.7
Current equities [4]	154.7	(446.9)	192.9	(294.1)	2,788.0	3,250.6
PE funds	18.4	(12.9)	(128.8)	(85.4)	1,138.7	1,467.2
Property [5]	49.6	262.2	136.0	494.2	3,246.5	6,565.1
Other [6]	(23.3)	(47.7)	(161.3)	(38.7)	1,458.6	1,668.3
Free portfolio total	**373.5**	**(328.2)**	**585.5**	**176.1**	**19,598.6**	**21,153.8**
Financial result from the investment portfolio	**700.4**	**(150.4)**	**1,593.7**	**881.6**	**55,886.9**	**57,049.1**
Financial income in Pension and Savings and Retail Bank	44.4	(14.9)	90.2	13.7		
Interest expense on subordinated loan Gjensidige Forsikring ASA	(7.8)	(8.8)	(23.5)	(26.8)		
Net income from investments	**737.0**	**(174.0)**	**1,660.4**	**868.4**		

[1] The item includes discounting effects of the insurance liabilities in Denmark and a mismatch between interest rate adjustments on the liability side in Denmark and the corresponding interest rate hedge.
[2] The item includes total investment grade, high yield and current bonds. Investment grade and high yield bonds are investments in internationally diversified funds that are externally managed.
[3] Investments in internationally diversified funds that are externally managed.
[4] The item includes the investment in SpareBank 1 SR-Bank. In addition, there is derivative exposure of NOK (96.0) million.
[5] Gjensidige halved its property exposure through the sale of 50 per cent of Oslo Areal AS in late 2015. In addition, there is a forward contract on the IPD index that further increases Gjensidige's property exposure by approximately NOK 1.6 billion throughout 2016.
[6] The item includes currency hedging related to Gjensidige Sweden and Gjensidige Denmark, lending, paid-in capital in Gjensidige Pensjonskasse, profit/loss effects from total return swaps with Gjensidige Pensjonsforsikring AS and Gjensidige Pensjonskasse, hedge funds, commodities and finance-related expenses.

Geographic distribution match portfolio
At the end of the period



Geographic distribution fixed income instruments in free portfolio
At the end of the period



Free portfolio
The free portfolio amounted to NOK 19.6 billion (21.2) at the end of the period. The return was 3.0 per cent (0.8).

Fixed-income instruments
The fixed-income instruments in the free portfolio amounted to NOK 11.0 billion (8.2), of which money market investments, including cash, accounted for NOK 4.5 billion (3.1). The rest of the portfolio was invested in international bonds (investment grade, high yield and convertible bonds). The total fixed-income portfolio yielded a return of 5.1 per cent (1.1). It was positively affected by good returns on investment grade and high yield bonds and a moderate return on money market investments and convertible bonds.

The average duration in the portfolio was approximately 3.2 years at the end of the period. The distribution of counterparty risk and credit rating is shown in the charts on the next page. Securities without an official credit rating amounted to NOK 2.0 billion (1.2). Of these securities, 14.1 per cent (8.4) were issued by Norwegian savings banks, while the remainder were mostly issued by Norwegian power producers and distributors, property companies or municipalities. A third-party internal rating existed for 70.1 per cent (65.5) of the portfolio without an official rating.

The geographical distribution [1] of the fixed-income instruments in the free portfolio is shown in the chart above.

Equity portfolio
The total equity exposure at the end of the period was NOK 3.9 billion (4.7), of which NOK 2.8 billion (3.3) was current equities and NOK 1.1 billion (1.5) PE funds. The return on current equities was 7.1 per cent (minus 7.8). The good return on equities was due to a combination of a strong return on the equity holding in SpareBank 1 SR-Bank and a moderate return on the diversified equity portfolio. On 12 October 2016, approximately half of the investment in SpareBank 1 SR-Bank was sold. The return on PE funds was minus 10.5 per cent (minus 5.6). The negative return was particularly driven by a fall in the net asset value of funds exposed to the oil sector during the first quarter. Exposure to oil-related PE funds was around NOK 600 million at the end of the period.

Property portfolio
At the end of the period, the exposure to commercial real estate in the portfolio was NOK 3.2 billion (6.6) plus a forward contract of NOK 1.6 billion. The property portfolio yielded a return of 4.3 per cent (7.6).

Total return swaps have been entered into between Gjensidige Forsikring ASA (GF) and Gjensidige Pensjon og Sparing AS (GPS), whereby GPS will receive a return on property, while GF will receive a return on money market instruments plus a margin. The underlying amount in the agreement is NOK 0.35 billion.

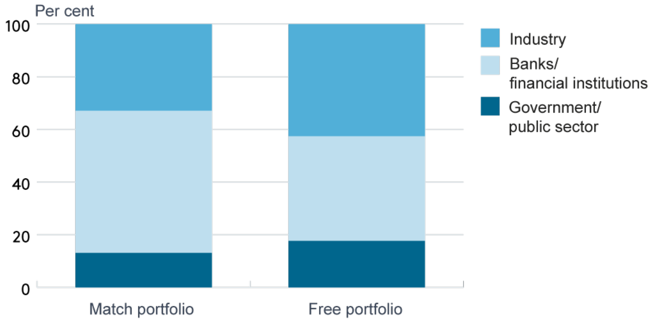
[1] The geographical distribution is related to issuers and does not reflect actual currency exposure.

Return per asset class

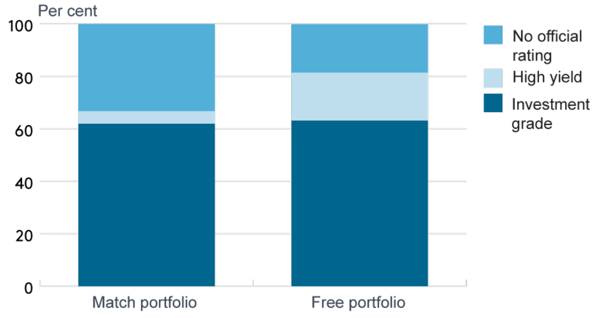
Per cent	Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Match portfolio					
Money market	0.5	(0.4)	1.8	0.3	0.8
Bonds at amortised cost	1.2	1.1	3.6	3.8	4.9
Current bonds [1]	0.6	(0.1)	2.0	(0.2)	0,0
Match portfolio total	**0.9**	**0.5**	**2.8**	**2.0**	**2.8**
Free portfolio					
Money market	0.2	0.1	0.8	0.5	0.7
Other bonds [2]	2.5	(1.4)	8.8	1.6	1.4
Convertible bonds [3]	4.3	(3.5)	1.7	1.1	2.5
Current equities [4]	5.8	(12.8)	7.1	(7.8)	(10.3)
PE funds	1.6	(0.8)	(10.5)	(5.6)	(6.8)
Property [5]	1.5	4.1	4.3	7.6	16.6
Other [6]	(1.5)	(3.1)	(9.7)	(2.5)	(6.1)
Free portfolio total	**2.0**	**(1.5)**	**3.0**	**0.8**	**2.3**
Return on financial assets	**1.3**	**(0.3)**	**2.8**	**1.5**	**2.6**

[1] The item includes discounting effects of the insurance liabilities in Denmark and a mismatch between interest rate adjustments on the liability side in Denmark, and the corresponding interest rate hedge.
[2] The item includes total investment grade, high yield and current bonds. Investment grade and high yield bonds are investments in internationally diversified funds that are externally managed.
[3] Investments in internationally diversified funds that are externally managed.
[4] The item includes the investment in SpareBank 1 SR-Bank. In addition, there is derivative exposure of NOK (96.0) million.
[5] Gjensidige halved its property exposure through the sale of 50 per cent of Oslo Areal AS in late 2015. In addition, there is a forward contract on the IPD index that further increases Gjensidige's property exposure by approximately NOK 1.6 billion throughout 2016.
[6] The item includes currency hedging related to Gjensidige Sweden and Denmark, lending, paid-in capital in Gjensidige Pensjonskasse, profit/loss effects from total return swaps with Gjensidige Pensjonsforsikrikng AS and Gjensidige Pensjonskasse, hedge funds, commodities and finance-related expenses.

Counterparty risk fixed income instruments
At the end of the period



Credit rating fixed income instruments
At the end of the period



Development during the quarter

The financial result for the total investment portfolio was NOK 700.4 million (150.4) in the quarter. This corresponds to a return on financial assets of 1.3 per cent (minus 0.3).

The match portfolio returned 0.9 per cent (0.5), excluding changes in the value of the portfolio valued at amortised cost. The return on the free portfolio was 2.0 per cent (minus 1.5). The improved return was primarily driven by good returns on bonds (including convertibles) and the investment in SpareBank1 SR-Bank.

Organisation

The Group had a total of 3,990 employees at the end of the third quarter, compared with 3,859 at the end of the second quarter.

The number of employees broke down as follows: 2,048 (2,022) in general insurance operations in Norway, 144 (150) in Gjensidige Bank, 73 (71) in Gjensidige Pensjon og Sparing, 703 (702) in Denmark, 366 (216) in Sweden and 656 (698) in the Baltic states (excluding agents). The figures in brackets refer to the number of employees at the end of the second quarter. The increase in Sweden is due to the acquisition of Vardia Försäkring AB.

Events after the balance sheet date

On 25 October 2016, the Board adopted a special dividend of NOK 2,000 million (see below). No other significant events have occurred after the end of the period.

Dividend decision

The Board has decided to distribute excess capital (based on the capacity in the 2015 financial year accounts) of NOK 2,000 million, corresponding to NOK 4.00 per share. The decision was made on the basis of the Board's current authorisation to determine distribution of dividend granted by the ordinary General Meeting on 7 April 2016. The distribution is in accordance with the current capital strategy and dividend policy.

Shareholders registered on 31 October 2016 will be entitled to receive the dividend. The ex-dividend date is 1 November 2016 and the record date is 2 November 2016. The dividend will be distributed on 10 November 2016.

Outlook

The Group targets a 15 per cent return on equity after tax. There is always considerable uncertainty associated with the assessment of future developments. However, the Board remains confident in Gjensidige's ability to deliver solid earnings and dividend growth over time. Strong underwriting profitability is expected to offset a more challenging environment as regards achieving investment returns.

1. Organic growth is expected to be in line with nominal GDP growth in Gjensidige's market areas in the Nordic countries and the Baltic states over time. In addition, profitable growth will be achieved by pursuing a disciplined acquisition strategy, as has been done successfully over the past ten years.
2. The annual combined ratio is expected to be at the lower end of the target corridor of 90–93 (undiscounted and given zero run-off effects). The target cost ratio is around 15 per cent. A reduction is expected in the underlying cost ratio and loss ratio, but Gjensidige will aim to strike a balance between good profitability and increased investments in order to ensure strong competitiveness going forward. Extraordinary circumstances relating to the weather and the proportion of large losses and run-off can contribute to a combined ratio above or below the target range.
3. Over the next 2-4 years, average annual run-off gains are expected to be around NOK 800 million, moving the expected reported combined ratio to the lower end of the 86-89 corridor (undiscounted).
4. Regulatory uncertainty relating to Solvency II has decreased. All else being equal, this supports the already strong capital position.

Over time, dividend pay-outs will reflect Gjensidige's policy not to build capital in excess of the targeted capitalisation.

Gjensidige's ambition is to become the most customer-oriented general insurance company in the Nordic region, based on profitable operations and a leading position.

The Board has reviewed the Group's strategic priorities for the period up until 2020 and decided to prioritise:

- Digital customer experiences
- Business intelligence and analytics
- Organisational capabilities

In order to support the three strategic priorities and ensure strong competiveness in future, efficiency measures are being taken to create room for increased investments primarily in the fields of technology, competence development, brand strength and marketing.

Efforts to deliver the best digital customer experiences in the Nordic general insurance industry will be strengthened. At the same time, Gjensidige intends to increase its presence in the growing market for health and personal insurance.

Competition is still increasing in the Norwegian general insurance market, partly driven by a more challenging macroeconomic environment, which is resulting in limited growth. Gjensidige has managed to capitalise on its position as market leader in Norway, and competitiveness remains strong. The company has strengthened its leading position relative to its main competitors while at the same time delivering good profitability and high customer satisfaction. The growth rate is expected to remain low in the short to medium term. Continued efforts to maintain and further strengthen Gjensidige's position in the Norwegian market will be prioritised, with particular focus on cost-efficiency measures and further improvements in digital customer experiences. At the same time, new, profitable opportunities for growth will be considered in the Nordic region and the Baltic states, leveraging the Group's scalable business model and best practice. Strong emphasis will also be placed on further developing cooperation with partners and distributors.

The domestic and international economic situation, combined with low interest rates and financial challenges in several key economies, remains a source of uncertainty. Gjensidige has a robust investment strategy, although returns are affected by challenging market conditions. The Group is financially sound and has a high proportion of its business in the Norwegian general insurance market. Although the macroeconomic situation is more challenging, the outlook for the Norwegian and Nordic general insurance operations remains good.

There are still some outstanding uncertainties relating to changes to the regulatory framework conditions for the financial sector in Norway and internationally. The Solvency II regulations were implemented in Norway on 1 January 2016. Gjensidige has submitted an application to use its own partial internal model (PIM), and approval is expected in 2017. Endeavours aimed to obtain acceptance for inclusion of the guarantee provision as solvency capital will continune. A proposed new tax on financial services in Norway could materialise in 2017.

The Group has satisfactory capital buffers in relation to internal risk models, statutory solvency requirements and its target rating. The Board considers the Group's capital situation and financial strength to be good.

Oslo, 25 October 2016
The Board of Gjensidige Forsikring ASA

Inge K. Hansen Chair	Per Arne Bjørge	Knud Peder Daugaard	John Giverholt	Gisele Marchand
Gunnar Mjåtvedt	Anne Marie Nyhammer	Mette Rostad	Lotte K. Sjøberg	Tine G. Wollebekk
				Helge Leiro Baastad CEO

Consolidated income statement

NOK millions	Notes	Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Operating income						
Earned premiums from general insurance	4	5,705.5	5,471.2	16,756.3	15,778.5	21,272.0
Earned premiums from pension		418.0	327.3	1,029.2	963.6	1,431.5
Interest income etc. from banking operations		352.3	324.2	1,045.8	981.6	1,311.0
Other income including eliminations		48.5	35.0	120.7	105.5	140.8
Total operating income	**3**	**6,524.2**	**6,157.7**	**18,951.9**	**17,829.2**	**24,155.4**
Net income from investments						
Results from investments in associates and joint ventures		39.7	6.0	102.9	8.0	49.7
Operating income from property			117.1		333.7	366.7
Interest income and dividend etc. from financial assets		335.6	269.5	1,008.5	911.9	1,199.3
Net changes in fair value on investments (incl. property)		152.9	(387.9)	(1,063.5)	(869.7)	189.0
Net realised gain and loss on investments		242.5	(119.4)	1,715.4	663.2	(102.7)
Expenses related to investments		(33.7)	(59.3)	(103.0)	(178.6)	(228.8)
Total net income from investments		**737.0**	**(174.0)**	**1,660.4**	**868.4**	**1,473.3**
Total operating income and net income from investments		**7,261.2**	**5,983.6**	**20,612.3**	**18,697.6**	**25,628.7**
Claims, interest expenses, loss etc.						
Claims incurred etc. from general insurance	5, 6	(4,004.3)	(3,588.0)	(11,502.1)	(10,862.8)	(14,597.5)
Claims incurred etc. from pension		(371.2)	(286.4)	(896.5)	(842.9)	(1,275.7)
Interest expenses etc. and write-downs and losses from banking operations		(164.5)	(160.9)	(502.0)	(505.2)	(652.2)
Total claims, interest expenses, loss etc.		**(4,540.0)**	**(4,035.3)**	**(12,900.6)**	**(12,210.9)**	**(16,525.4)**
Operating expenses						
Operating expenses from general insurance		(989.4)	(792.3)	(2,220.1)	(2,338.1)	(3,217.6)
Operating expenses from pension		(56.3)	(54.1)	(171.0)	(163.8)	(222.0)
Operating expenses from banking operations		(92.3)	(93.2)	(282.9)	(268.8)	(359.3)
Other operating expenses		(3.9)	(4.4)	(9.6)	(10.0)	(45.1)
Amortisation and impairment losses of excess value - intangible assets		(63.6)	(52.6)	(194.1)	(126.9)	(209.6)
Total operating expenses		**(1,205.3)**	**(996.6)**	**(2,877.7)**	**(2,907.6)**	**(4,053.6)**
Total expenses		**(5,745.3)**	**(5,031.9)**	**(15,778.2)**	**(15,118.5)**	**(20,578.9)**
Profit/(loss) for the period before tax expense	**3**	**1,515.9**	**951.7**	**4,834.1**	**3,579.2**	**5,049.7**
Tax expense		(344.1)	(357.0)	(1,258.6)	(1,041.2)	(1,265.0)
Profit/(loss) for the period		**1,171.7**	**594.7**	**3,575.5**	**2,538.0**	**3,784.7**
Profit/(loss) for the period attributable to:						
Owners of the company		1,171.9	594.7	3,579.3	2,538.0	3,788.8
Non-controlling interests		(0.2)		(3.8)		(4.1)
Total		**1,171.7**	**594.7**	**3,575.5**	**2,538.0**	**3,784.7**
Earnings per share, NOK (basic and diluted)		**2.34**	**1.19**	**7.15**	**5.08**	**7.57**

Consolidated statement of comprehensive income

NOK millions	Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Profit/(loss) for the period	**1,171.7**	**594.7**	**3,575.5**	**2,538.0**	**3,784.7**
Components of other comprehensive income					
Items that are not reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability/asset		(122.7)	(232.7)	88.5	69.0
Tax on items that are not reclassified to profit or loss		33.1	58.2	(23.9)	(17.5)
Total items that are not reclassified subsequently to profit or loss		**(89.6)**	**(174.5)**	**64.6**	**51.5**
Items that may be reclassified subsequently to profit or loss					
Exchange differences from foreign operations	(261.9)	494.9	(480.7)	369.1	438.4
Exchange differences from hedging of foreign operations				127.5	127.5
Investments available for sale	(17.0)		(17.0)		17.0
Tax on items that may be reclassified to profit or loss	44.1	(42.3)	80.2	(59.9)	(114.3)
Total items that may be reclassified subsequently to profit or loss	**(234.8)**	**452.6**	**(417.4)**	**436.7**	**468.5**
Total components of other comprehensive income	**(234.8)**	**363.0**	**(592.0)**	**501.4**	**520.0**
Total comprehensive income for the period	**936.9**	**957.7**	**2,983.5**	**3,039.3**	**4,304.7**
Total comprehensive income for the period attributable to:					
Owners of the company	937.1	957.7	2,987.3	3,039.3	4,308.8
Non-controlling interests	(0.2)		(3.8)		(4.1)
Total	**936.9**	**957.7**	**2,983.5**	**3,039.3**	**4,304.7**

Consolidated statement of financial position

NOK millions	Notes	30.9.2016	30.9.2015	31.12.2015
Assets				
Goodwill		3,072.3	3,429.9	3,224.5
Other intangible assets		1,411.2	1,314.7	1,343.6
Deferred tax assets		16.8	6.4	12.9
Investments in associates and joint ventures		1,539.8	52.1	1,547.8
Interest-bearing receivables from joint ventures		1,648.3		1,538.0
Owner-occupied property		33.9	293.8	34.8
Plant and equipment		281.0	293.3	289.4
Investment properties	8		6,160.0	
Pension assets		292.4	133.7	93.1
Financial assets				
Financial derivatives	7	1,385.1	618.3	486.5
Shares and similar interests	7	6,168.9	6,957.6	7,202.3
Bonds and other securities with fixed income	7	32,258.0	25,740.7	30,626.4
Bonds held to maturity	7	1,746.5	3,189.0	2,635.6
Loans and receivables	7	58,630.1	53,264.0	55,837.3
Assets in life insurance with investment options		16,782.8	14,310.7	15,109.6
Reinsurance deposits		0.3	0.9	0.9
Reinsurers' share of insurance-related liabilities in general insurance, gross		899.6	612.7	533.0
Receivables related to direct operations and reinsurance		5,648.2	5,171.4	4,997.4
Other receivables		808.7	567.6	502.7
Prepaid expenses and earned, not received income		115.8	95.0	96.7
Cash and cash equivalents		3,724.8	3,055.0	3,151.9
Total assets		**136,464.5**	**125,266.7**	**129,264.4**
Equity and liabilities				
Equity				
Share capital		999.9	999.9	999.9
Share premium		1,430.0	1,430.0	1,430.0
Other equity		20,660.8	19,609.6	20,876.5
Total equity attributable to owners of the company		**23,090.7**	**22,039.5**	**23,306.3**
Non-controlling interests		20.5	4.5	24.3
Total equity		**23,111.2**	**22,043.9**	**23,330.6**
Provision for liabilities				
Subordinated loan		1,946.7	1,547.1	1,547.2
Premium reserve in life insurance		4,053.6	3,761.1	3,867.2
Provision for unearned premiums, gross, in general insurance		10,190.1	9,944.3	9,230.0
Claims provision, gross	9	32,790.7	33,531.2	33,178.5
Other technical provisions		289.6	240.2	230.5
Pension liabilities		502.7	567.1	558.8
Other provisions		346.8	308.4	345.6
Financial liabilities				
Financial derivatives	7	992.9	573.3	403.5
Deposits from and liabilities to customers	7	20,378.3	17,508.1	19,357.2
Interest-bearing liabilities	7	20,024.7	16,025.2	17,804.7
Other liabilities	7	1,393.0	928.2	1,065.4
Current tax		1,578.7	1,183.2	1,295.1
Deferred tax liabilities		691.6	1,557.7	835.8
Liabilities related to direct insurance and reinsurance	7	755.9	592.6	619.4
Liabilities in life insurance with investment options		16,782.8	14,310.7	15,109.6
Accrued expenses and deferred income	7	635.1	644.3	485.3
Total liabilities		**113,353.4**	**103,222.8**	**105,933.8**
Total equity and liabilities		**136,464.5**	**125,266.7**	**129,264.4**

Consolidated statement of changes in equity

NOK millions	Share capital	Own shares	Share premium	Other paid-in capital	Perpetual Tier 1 capital	Exchange differ-ences	Re-measure-ment of the net defined benefit liab./asset	Other earned equity	Total equity
Equity as at 31.12.2014	**1,000.0**	**(0.1)**	**1,430.0**	**25.6**		**(13.2)**	**(1,627.8)**	**20,842.3**	**21,656.8**
1.1.-31.12.2015									
Profit/(loss) for the period (the controlling interests' share)					4.5			3,784.3	3,788.8
Components of other comprehensive income									
Items that are not reclassified subsequently to profit or loss									
Remeasurement of the net defined liability/asset							69.0		69.0
Tax on items that are not reclassified to profit or loss							(17.5)		(17.5)
Total items that are not reclassified subsequently to profit or loss							**51.5**		**51.5**
Items that may be reclassified subsequently to profit or loss									
Exchange differences from foreign operations						438.4			438.4
Exchange differences from hedging of foreign operations						127.5			127.5
Investments available for sale								17.0	17.0
Tax on items that may be reclassified to profit or loss						(114.3)			(114.3)
Total items that may be reclassified subsequently to profit or loss						**451.5**		**17.0**	**468.5**
Total components of other comprehensive income						**451.5**	**51.5**	**17.0**	**520.0**
Total comprehensive income for the period					**4.5**	**451.5**	**51.5**	**3,801.2**	**4,308.8**
Own shares		0,0						(9.9)	(9.9)
Paid dividend								(2,949.6)	(2,949.6)
Remeasurement of the net defined liability/asset of sold companies							(6.7)	6.7	
Equity-settled share-based payment transactions				6.0					6.0
Perpetual Tier 1 capital					298.2				298.2
Perpetual Tier 1 capital - interest paid					(3.9)				(3.9)
Equity as at 31.12.2015 attributable to owners of the company	**1,000.0**	**(0.1)**	**1,430.0**	**31.6**	**298.8**	**438.3**	**(1,583.0)**	**21,690.7**	**23,306.3**
Non-controlling interests as at 31.12.2015									24.3
Equity as at 31.12.2015									**23,330.6**
1.1.-30.9.2016									
Profit/(loss) for the period (the controlling interests' share)					9.7			3,569.6	3,579.3
Components of other comprehensive income									
Items that are not reclassified subsequently to profit or loss									
Remeasurement of the net defined liability/asset							(232.7)		(232.7)
Tax on items that are not reclassified to profit or loss							58.2		58.2
Total items that are not reclassified subsequently to profit or loss							**(174.5)**		**(174.5)**
Items that may be reclassified subsequently to profit or loss									
Exchange differences from foreign operations						(480.7)			(480.7)
Investments available for sale								(17.0)	(17.0)
Tax on items that may be reclassified to profit or loss						80.1		0.1	80.2
Total items that may be reclassified subsequently to profit or loss						**(400.6)**		**(16.8)**	**(417.4)**
Total components of other comprehensive income						**(400.6)**	**(174.5)**	**(16.8)**	**(592.0)**
Total comprehensive income for the period					**9.7**	**(400.6)**	**(174.5)**	**3,552.8**	**2,987.3**
Own shares		0.1						(2.2)	(2.2)
Paid dividend								(4,196.7)	(4,196.7)
Equity-settled share-based payment transactions				6.2					6.2
Perpetual Tier 1 capital					997.0				997.0
Perpetual Tier 1 capital - interest paid					(7.3)				(7.3)
Equity as at 30.9.2016 attributable to owners of the company	**1,000.0**	**(0.1)**	**1,430.0**	**37.9**	**1,298.2**	**37.7**	**(1,757.5)**	**21,044.5**	**23,090.7**
Non-controlling interests as at 30.9.2016									20.5
Equity as at 30.9.2016									**23,111.2**

NOK millions	Share capital	Own shares	Share premium	Other paid-in capital	Perpetual Tier 1 capital	Exchange differ-ences	Re-measure-ment of the net defined benefit liab./asset	Other earned equity	Total equity
1.1.-30.9.2015									
Profit/(loss) for the period (the controlling interests' share)					0.6			2,537.4	2,538.0
Components of other comprehensive income									
Items that are not reclassified subsequently to profit or loss									
Remeasurement of the net defined liability/asset							88.5		88.5
Tax on items that are not reclassified to profit or loss							(23.9)		(23.9)
Total items that are not reclassified subsequently to profit or loss							**64.6**		**64.6**
Items that may be reclassified subsequently to profit or loss									
Exchange differences from foreign operations						369.1			369.1
Exchange differences from hedging of foreign operations						127.5			127.5
Tax on items that may be reclassified to profit or loss						(59.9)			(59.9)
Total items that may be reclassified subsequently to profit or loss						**436.7**			**436.7**
Total components of other comprehensive income						**436.7**	**64.6**		**501.4**
Total comprehensive income for the period					**0.6**	**436.7**	**64.6**	**2,537.4**	**3,039.3**
Own shares		0,0						(8.8)	(8.8)
Paid dividend								(2,949.6)	(2,949.6)
Equity-settled share-based payment transactions				4.8					4.8
Perpetual Tier 1 capital					298.2			(1.3)	296.9
Equity as at 30.9.2015 attributable to owners of the company	**1,000.0**	**(0.1)**	**1,430.0**	**30.4**	**298.8**	**423.5**	**(1,563.2)**	**20,420.0**	**22,039.5**
Non-controlling interests as at 30.9.2015									4.5
Equity as at 30.9.2015									**22,043.9**

Consolidated statement of cash flows

NOK millions	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Cash flow from operating activities			
Premiums paid, net of reinsurance	20,429.4	19,264.6	25,539.7
Claims paid, net of reinsurance	(12,730.5)	(11,734.2)	(16,314.5)
Net payment of loans to customers	(3,198.6)	(6,649.2)	(9,167.6)
Net payment of deposits from customers	1,021.1	804.7	2,653.9
Payment of interest from customers	982.5	958.9	1,283.8
Payment of interest to customers	(45.5)	(19.9)	(311.0)
Net receipts/payments of premium reserve transfers	(428.9)	(473.5)	(759.2)
Net receipts/payments from financial assets	(371.0)	(384.7)	(4,947.7)
Net receipts/payments from properties		299.7	285.0
Net receipt/payments on sale/acquisition of investment property		130.2	130.2
Operating expenses paid, including commissions	(3,173.0)	(2,874.7)	(3,785.8)
Taxes paid	(1,000.3)	(879.0)	(1,056.9)
Net other receipts/payments	26.1	47.0	53.6
Net cash flow from operating activities	**1,511.2**	**(1,510.1)**	**(6,396.4)**
Cash flow from investing activities			
Net receipts/payments from sale/acquisition of subsidiaries and associates/joint venture	(67.2)	(715.7)	2,521.7
Net receipts/payments on sale/acquisition of owner-occupied property, plant and equipment and intangible assets	(73.5)	(79.2)	(58.0)
Net cash flow from investing activities	**(140.6)**	**(794.9)**	**2,463.8**
Cash flow from financing activities			
Payment of dividend	(4,199.8)	(2,949.6)	(2,949.6)
Net receipts of subordinated loans incl. Interest	272.4	(28.8)	(36.9)
Net receipts/payments regarding perpetual Tier 1 capital instrument and non-controlling interests	987.1	300.5	297.1
Net receipts/payments of loans to credit institutions	2,395.0	5,820.6	7,554.7
Net receipts/payments of other short-term liabilities	21.8	(17.9)	40.7
Net receipts/payments of interest on funding activities	(228.2)	(183.5)	(248.5)
Net receipts/payments of sale/acquisition of own shares	(2.2)	(8.8)	(9.9)
Net cash flow from financing activities	**(753.8)**	**2,932.6**	**4,647.7**
Effect of exchange rate changes on cash and cash equivalents	(43.9)	23.6	33.1
Net cash flow for the period	**572.9**	**651.2**	**748.1**
Cash and cash equivalents at the start of the period	3,151.9	2,403.8	2,403.8
Cash and cash equivalents at the end of the period	3,724.8	3,055.0	3,151.9
Net cash flow for the period	**572.9**	**651.2**	**748.1**
Specification of cash and cash equivalents			
Deposits with central banks	203.4	369.2	548.7
Cash and deposits with credit institutions	3,521.4	2,685.8	2,603.2
Total cash and cash equivalents	**3,724.8**	**3,055.0**	**3,151.9**

Notes

1. Accounting policies

The consolidated financial statements as of the third quarter of 2016, concluded on 30 September 2016, comprise Gjensidige Forsikring and its subsidiaries (collectively referred to as the Group) and the Group's holdings in associated companies. With the exception of the changes described below, the accounting policies applied in the interim report is the same as those used in the annual report for 2015.

The consolidated financial statements as of the third quarter of 2016 have been prepared in accordance with IFRS and IAS 34 Interim Financial Reporting. The interim report does not include all the information required in a complete annual report and should be read in conjunction with the annual report for 2015.

New standards and interpretations not yet adopted

A number of new standards, changes to standards and interpretations have been issued for financial years beginning after 1 January 2016. They have not been applied when preparing these consolidated financial statements. Those that may be relevant to Gjensidige are mentioned below. Gjensidige does not plan early implementation of these standards.

Amendments to IFRS 2: Classification and measurement of share-based payment transactions (2016)
IFRS 2 has been amended regarding the classification and measurement of share-based payment transactions with a net settlement feature for withholding tax obligations. If the entity is obliged to withhold an amount for an employee's tax obligation associated with a share-based payment, and transfer that amount in cash to the tax authority on the employee's behalf, then the entity shall account for that obligation as an equity-settled share-based payment transaction. The amendments are effective from 1 January 2018. The tax obligation in the Group's remuneration scheme will be reclassified from liability to equity as at 1 January 2018. From this date the tax obligation will be accounted for as an equity-settled share-based payment transaction instead of cash-settled share-based payment transaction. Our preliminary assessment is that the amendment is not expected to have a significant effect on Gjensidige's financial statements.

IFRS 9 Financial instruments (2014)
IFRS 9 introduces new requirements for the classification and measurement of financial assets, including a new expected loss model for the recognition of impairment losses, and changed requirements for hedge accounting.

IFRS 9 contains three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income, and fair value through profit or loss. Financial assets will be classified either at amortised cost, at fair value through other comprehensive income, or at fair value through profit or loss, depending on how they are managed and which contractual cash flow properties they have. IFRS 9 introduces a new requirement in connection with financial liabilities earmarked at fair value: where changes in fair value that can be attributed to the liabilities' credit risk are presented in other comprehensive income rather than over profit or loss. IFRS 9 replaces an 'accrued loss model' with an 'expected loss model', which means that the loss no long has to have been incurred for it to be recognised as an impairment loss. The expected loss model is a two-step measurement model where the provision for loss is either measured as the 12-month expected loss or as the lifetime expected loss, depending on whether there has been a significant increase in the credit risk since it was first recognised. IFRS 9 introduces new requirements for hedge accounting that are more in accordance with the actual risk management. This means that the documentation requirements in IFRS are less rigid and that more hedging instruments and objects can qualify for hedge accounting. IFRS 9 will enter into force on 1 January 2018. Our preliminary assessment is that the standard is expected to have an effect on Gjensidige's financial statements.

Amendments to IFRS 4 Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (2016)
IFRS 9 addresses the accounting for financial instruments and is effective for annual periods beginning on or after 1 January 2018. An insurer may apply the temporary exemption from IFRS 9 if the activities are predominantly connected with insurance. Gjensidige's banking operations amounts to a significant part of the group's turnover and Gjensidige will therefore most likely not be able to apply the temporary exemption.

IFRS 15 Revenue from contracts with customers (2014)
IFRS 15 covers all contracts with customers, but insurance contracts, among others, are exempted. Insofar as such contracts cover the provision of several services or other services closely related to the insurance operations are carried out, this may have a bearing on how Gjensidige recognises revenues in its accounts. IFRS 15 is effective 1 January 2018. Our preliminary assessment is that services beyond what is covered by IFRS 4 about insurance contracts comprise an insignificant part of the income. Our preliminary assessment is that the standard is not expected to have a significant effect on Gjensidige's financial statements.

IFRS 16 Leases (2016)
IFRS 16 requires all contracts that qualify under its definition as a lease to be reported on a lessee`s balance sheet as right of use assets and lease liabilities. Earlier classification of leases as either operating leases or finance leases are removed. Short-term leases (less than 12 months) and leases of low-value assets are exempt from the requirements. A lessee shall recognise a right-of-use asset and a lease liability. The interest effect of discounting on the lease liability shall be presented separately from the depreciation charge for the right-of-use asset. The depreciation expense will be presented with the group's other depreciations, whereas the interest effect of discounting will be presented as a financial item. IFRS 16 is effective 1 January 2019. The standard is expected to have an effect on the group's financial statements, significantly increasing the group's recognised assets and liabilities and potentially affecting the presentation and timing of recognition of charges in the income statement.

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

The preparation of interim accounts involves the application of assessments, estimates and assumptions that affect the use of accounting policies and the amounts recognised for assets and liabilities, revenues and expenses. The actual results may deviate from these estimates. The most material assessments involved in applying the Group's accounting policies and the most important sources of uncertainty in the estimates are the same in connection with preparing the interim report as in the annual report for 2015.

Comparable figures are based on IFRS. All amounts are shown in NOK millions unless otherwise indicated. Due to rounding-off differences, figures and percentages may not exactly add up to the exact total figures.

Notes are presented on a Group level. Separate notes for Gjensidige Forsikring ASA (GF ASA) is not presented as GF ASA is the material part of the Group and therefore the notes for the Group give a sufficient presentation of both the Group and GF ASA.

A complete or limited audit of the interim report has not been carried out.

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 operations comprise the segments general insurance Private, Commercial, Nordic and Baltics. The Group also has operations in the Pension and Savings and Retail Bank segments.

The segments are evaluated regularly by Gjensidige´s senior group management based on financial and operational information specially prepared for each segment for the purpose of following up performance and allocating necessary resources. As from 1 January 2015 the commercial portfolios in Sweden are transferred from the Commercial segment to the Nordic segment. The comparative figures have been changed correspondingly.

Segment income is defined as earned premiums for general insurance, earned premiums and management income etc. for Pension and Savings and interest income and related income and other income for Retail Bank.

The segment result is defined as the underwriting result for general insurance, and the profit before tax expense for Pension and Savings and Retail Bank.

	General insurance															
	Private		Commercial		Nordic		Baltics		Pension and Savings		Retail Bank		Eliminations etc. [1]		Total	
Third quarter																
NOK millions	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
Segment income																
Segment income – external	2,137.6	2,109.7	1,830.5	1,807.0	1,565.2	1,373.3	261.9	140.5	450.0	356.8	368.2	329.1	(89.2)	41.3	6,524.2	6,157.7
Segment income – group [2]																
Total segment income	**2,137.6**	**2,109.7**	**1,830.5**	**1,807.0**	**1,565.2**	**1,373.3**	**261.9**	**140.5**	**450.0**	**356.8**	**368.2**	**329.1**	**(89.2)**	**41.3**	**6,524.2**	**6,157.7**
- Claims, interest expenses, loss etc.	(1,325.7)	(1,158.1)	(1,235.0)	(1,184.6)	(1,274.9)	(1,034.0)	(182.4)	(110.5)	(371.2)	(286.4)	(164.5)	(160.9)	13.7	(100.8)	(4,540.0)	(4,035.3)
- Operating expenses	(276.1)	(264.6)	(194.5)	(203.2)	(230.6)	(199.5)	(100.9)	(46.6)	(56.3)	(54.1)	(92.3)	(93.2)	(254.6)	(135.3)	(1,205.3)	(996.6)
+ Net income from investments									16.7	2.7	27.7	(17.6)	692.6	(159.2)	737.0	(174.0)
Segment result/profit/(loss) before tax expense	**535.7**	**687.1**	**401.0**	**419.2**	**59.7**	**139.8**	**(21.5)**	**(16.7)**	**39.3**	**19.0**	**139.1**	**57.3**	**362.5**	**(354.0)**	**1,515.9**	**951.7**

	General insurance															
	Private		Commercial		Nordic		Baltics		Pension and Savings		Retail Bank		Eliminations etc. [1]		Total	
1.1.-30.9.																
NOK millions	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
Segment income																
Segment income – external	6,179.7	6,115.8	5,449.4	5,308.6	4,374.8	3,841.1	783.9	388.3	1,122.5	1,052.8	1,070.4	995.9	(28.8)	126.7	18,951.9	17,829.2
Segment income – group [2]																
Total segment income	**6,179.7**	**6,115.8**	**5,449.4**	**5,308.6**	**4,374.8**	**3,841.1**	**783.9**	**388.3**	**1,122.5**	**1,052.8**	**1,070.4**	**995.9**	**(28.8)**	**126.7**	**18,951.9**	**17,829.2**
- Claims, interest expenses, loss etc.	(3,747.3)	(3,778.2)	(3,604.4)	(3,657.2)	(3,481.2)	(2,808.2)	(553.4)	(295.5)	(896.5)	(842.9)	(502.0)	(505.2)	(115.7)	(323.7)	(12,900.6)	(12,210.9)
- Operating expenses	(785.5)	(769.0)	(595.9)	(613.6)	(666.7)	(589.4)	(293.4)	(127.2)	(171.0)	(163.8)	(282.9)	(268.8)	(82.3)	(375.7)	(2,877.7)	(2,907.6)
+ Net income from investments									41.7	14.8	48.5	(1.1)	1,570.2	854.8	1,660.4	868.4
Segment result/profit/(loss) before tax expense	**1,646.8**	**1,568.7**	**1,249.1**	**1,037.9**	**226.9**	**443.5**	**(62.9)**	**(34.4)**	**96.7**	**60.9**	**334.0**	**220.8**	**1,343.4**	**281.9**	**4,834.1**	**3,579.2**

[1] Eliminations etc. consist of internal eliminations and other income and expenses not directly attributable to one single segment. Interest on subordinated loan is included in Net income from investments.

[2] There is no significant income between the segments at this level in 2016 and 2015.

4. Earned premiums from general insurance

NOK millions	Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Earned premiums, gross	5,918.5	5,576.0	17,203.3	16,088.9	21,724.8
Ceded reinsurance premiums	(213.0)	(104.8)	(447.1)	(310.4)	(452.8)
Total earned premiums, net of reinsurance	**5,705.5**	**5,471.2**	**16,756.3**	**15,778.5**	**21,272.0**

5. Claims incurred etc. from general insurance

NOK millions	Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Gross claims	(4,320.4)	(3,603.9)	(11,801.6)	(10,883.9)	(14,640.8)
Claims, reinsurers' share	316.1	15.9	299.6	21.0	43.2
Total claims incurred etc. from general insurance	**(4,004.3)**	**(3,588.0)**	**(11,502.1)**	**(10,862.8)**	**(14,597.5)**

6. Run-off gain/(loss) from general insurance

NOK millions	Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Earned premiums from general insurance	5,705.5	5,471.2	16,756.3	15,778.5	21,272.0
Run-off gain/(loss) for the period, net of reinsurance [1]	233.7	240.7	709.1	494.2	724.8
In per cent of earned premiums from general insurance	4.1	4.4	4.2	3.1	3.4

[1] Run-off gains/(losses) from general insurance includes run-off from the general insurance segments in addition to run-off on Corporate Centre/reinsurance.

7. Financial assets and liabilities

Fair value

Financial assets and liabilities measured at fair value are carried at the amount each asset/liability can be settled to in an orderly transaction between market participants at the measurements date at the prevailing market conditions.

Different valuation techniques and methods are used to estimate fair value depending on the type of financial instruments and to which extent they are traded in active markets. Instruments are classified in their entirety in one of three valuation levels in a hierarchy on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The different valuation levels and which financial assets/liabilities that are included in the respective levels are accounted for below.

Quoted prices in active markets

Quoted prices in active markets are considered the best estimate of an asset/liability's fair value. A financial asset/liability is considered valued based on quoted prices in active markets if fair value is estimated based on easily and regularly available prices and these prices represent actual and regularly occurring transactions at arm's length principle. Financial assets/liabilities valued based on quoted prices in active markets are classified as level one in the valuation hierarchy.

The following financial assets are classified as level one in the valuation hierarchy

- Listed shares
- Norwegian government/government backed bonds and other fixed income securities
- Exchange traded funds

Valuation based on observable market data

When quoted prices in active markets are not available, the fair value of financial assets/ liabilities is preferably estimated on the basis of valuation techniques based on observable market data.

A financial asset/liability is considered valued based on observable market data if fair value is estimated with reference to prices that are not quoted, but are observable either directly (as prices) or indirectly (derived from prices).

The following financial assets/liabilities are classified as level two in the valuation hierarchy

- Currency derivatives, equity options and forward rate agreements, in which fair value is derived from the value of underlying instruments. These derivatives are valued using common valuation techniques for derivatives (option pricing models etc.).
- Equity funds, bond funds, hedge funds and combination funds, in which fair value is estimated based on the fair value of the underlying investments of the funds.
- Bonds, certificates or index bonds that are unlisted, or that are listed but where transactions are not occurring regularly. The unlisted instruments in this category are valued based on observable yield curves and estimated credit spreads where applicable.
- Interest-bearing liabilities (banking activities) measured at fair value. These liabilities are valued based on observable credit spreads.
- Listed subordinated notes where transactions are not occurring regularly.

Valuation based on non-observable market data

When neither quoted prices in active markets nor observable market data is available, the fair value of financial assets/liabilities is estimated based on valuation techniques which are based on non-observable market data.

A financial asset/liability is considered valued based on non-observable market data if fair value is estimated without being based on quoted prices in active markets or observable market data. Financial assets/liabilities valued based on non-observable market data are classified as level three in the valuation hierarchy.

The following financial assets are classified as level three in the valuation hierarchy

- Unlisted private equity investments. The private equity investments that are not organized as funds are valued using cash flow analysis, price multiples and recent market transactions. The private equity investments that are organized as funds are valued based on NAV (Net Asset Value) as reported by the fund administrators in accordance with IPEV guidelines (International Private Equity and Venture capital Valuation. The NAV are estimated by the fund administrators by using the valuation techniques best suited to estimate fair value, given the actual circumstances of each underlying investment. Because of late reporting from the funds, the NAV from the previous quarterly reporting are used in estimating fair value. The NAV is then assessed for discretionary adjustments based on objective events since the last reporting date. Objective events may be the development in underlying values of listed companies since the last reporting, changes in regulations or substantial market movements. By substantial market movements in general or in individual sectors, as measured by the development in various stock market indices, it is predictable that the value of PE investments will be affected as well. On the basis of what this produces of information a final valuation is made.
- Real estate funds. The real estate funds are valued based on reported NAV values as reported by the fund administrators. Because of late reporting from the funds, the NAV values from the previous quarterly reporting are used in estimating fair value.
- Gjensidige's paid-in capital in Gjensidige Pensjonskasse. The paid-in capital is valued at nominal value.

The valuation process for financial assets classified as level three

In consultation with the Investment Performance and Risk Measurement department, the Chief Investment Officer decides which valuation models will be used when valuing financial assets classified as level three in the valuation hierarchy. The models are evaluated as required. The fair value and results of the investments and compliance with the stipulated limits are reported weekly to the Chief Financial Officer and Chief Executive Officer, and monthly to the Board.

Sensitivity financial assets level three

The sensitivity analysis for financial assets that are valued on the basis of non-observable market data shows the effect on profits of realistic and plausible market outcomes. General market downturns or a worsening of the outlook can affect expectations of future cash flows or the applied multiples, which in turn will lead to a reduction in value. A fall in value of ten per cent is deemed to be a realistic and plausible market outcome for shares and similar interests, as well as bonds and other securities with a fixed return that are included in level three of the valuation hierarchy.

NOK millions	Carrying amount as at 30.9.2016	Fair value as at 30.9.2016	Carrying amount as at 30.9.2015	Fair value as at 30.9.2015
Financial assets				
Financial derivatives				
Financial derivatives at fair value through profit or loss	1,385.1	1,385.1	482.6	482.6
Financial derivatives subject to hedge accounting			135.8	135.8
Financial assets at fair value through profit or loss, designated upon initial recognition				
Shares and similar interests	6,168.9	6,168.9	6,957.6	6,957.6
Bonds and other fixed income securities	32,258.0	32,258.0	25,740.7	25,740.7
Shares and similar interests in life insurance with investment options	15,114.6	15,114.6	12,936.6	12,936.6
Bonds and other fixed income securities in life insurance with investment options	1,668.2	1,668.2	1,374.0	1,374.0
Financial assets held to maturity				
Bonds held to maturity	1,746.5	1,837.7	3,189.0	3,367.0
Loans and receivables				
Bonds and other fixed income securities classified as loans and receivables	16,000.2	17,591.3	16,121.6	17,487.3
Loans	44,278.2	44,591.2	37,142.3	37,371.4
Receivables related to direct operations and reinsurance	5,648.2	5,648.2	5,171.4	5,171.4
Other receivables	808.7	808.7	567.6	567.6
Prepaid expenses and earned, not received income	115.8	115.8	95.0	95.0
Cash and cash equivalents	3,724.8	3,724.8	3,055.0	3,055.0
Total financial assets	**128,917.3**	**130,912.5**	**112,969.2**	**114,741.9**
Financial liabilities				
Financial derivatives				
Financial derivatives at fair value through profit or loss	992.9	992.9	573.3	573.3
Financial liabilities at fair value through profit or loss, designated upon initial recognition				
Debt in life insurance with investment options	16,782.8	16,782.8	14,310.7	14,310.7
Financial liabilities at amortised cost				
Subordinated debt	1,946.7	1,885.4	1,547.1	1,550.1
Deposits from and liabilities to customers, bank	20,378.3	20,378.3	17,508.1	17,508.1
Interest-bearing liabilities	20,024.7	20,091.2	16,025.2	15,928.0
Other liabilities	1,393.0	1,393.0	928.2	928.2
Liabilities related to direct insurance	755.9	755.9	592.6	592.6
Accrued expenses and deferred income	635.1	635.1	644.3	644.3
Total financial liabilities	**62,909.4**	**62,914.7**	**52,129.5**	**52,035.2**
Gain/(loss) not recognised in profit or loss		**1,990.0**		**1,867.0**

Valuation hierarchy 2016

The table shows a valuation hierarchy where financial assets/liabilities are divided into three levels based on the method of valuation.

NOK millions	Level 1 Quoted prices in active markets	Level 2 Valuation techniques based on observable market data	Level 3 Valuation techniques based on non-observable market data	Total
Financial assets				
Financial derivatives				
Financial derivatives at fair value through profit or loss		1,385.1		1,385.1
Financial assets at fair value through profit or loss, designated upon initial recognition				
Shares and similar interests	1,287.0	2,892.0	1,989.9	6,168.9
Bonds and other fixed income securities	11,350.7	18,788.1	2,119.2	32,258.0
Shares and similar interests in life insurance with investment options	15,105.6	8.9		15,114.6
Bonds and other fixed income securities in life insurance with investment options	1,656.1	12.1		1,668.2
Financial assets at amortised cost				
Bonds held to maturity	423.4	1,414.3		1,837.7
Bonds and other fixed income securities classified as loans and receivables		17,589.9	1.5	17,591.3
Loans		3,247.2	41,344.0	44,591.2
Financial liabilities				
Financial derivatives				
Financial derivatives at fair value through profit or loss		992.9		992.9
Financial liabilities at fair value through profit or loss, designated upon initial recognition				
Debt in life insurance with investment options	16,761.8	21.0		16,782.8
Financial liabilities at amortised cost				
Subordinated debt		1,885.4		1,885.4
Interest-bearing liabilities		20,091.2		20,091.2

Valuation hierarchy 2015

The table shows a valuation hierarchy where financial assets/liabilities are divided into three levels based on the method of valuation.

NOK millions	Level 1 Quoted prices in active markets	Level 2 Valuation techniques based on observable market data	Level 3 Valuation techniques based on non-observable market data	Total
Financial assets				
Financial derivatives				
Financial derivatives at fair value through profit or loss		482.6		482.6
Financial derivatives subject to hedge accounting		135.8		135.8
Financial assets at fair value through profit or loss, designated upon initial recognition				
Shares and similar interests	1,206.9	3,740.7	2,009.9	6,957.6
Bonds and other fixed income securities	11,151.6	12,951.5	1,637.5	25,740.7
Shares and similar interests in life insurance with investment options	12,927.6	9.0		12,936.6
Bonds and other fixed income securities in life insurance with investment options	1,362.2	11.8		1,374.0
Financial assets at amortised cost				
Bonds held to maturity	818.2	2,548.8		3,367.0
Bonds and other fixed income securities classified as loans and receivables		17,481.5	5.8	17,487.3
Loans		3,300.2	34,071.2	37,371.4
Financial liabilities				
Financial derivatives				
Financial derivatives at fair value through profit or loss		573.3		573.3
Financial liabilities at fair value through profit or loss, designated upon initial recognition				
Debt in life insurance with investment options	14,289.8	20.9		14,310.7
Financial liabilities at amortised cost				
Subordinated debt		1,550.1		1,550.1
Interest-bearing liabilities		15,927.9		15,927.9

Reconciliation of financial assets valued based on non-observable market data (level 3) 2016

NOK millions	As at 1.1.2016	Net realised/ unrealised gains recognised in profit or loss	Pur-chases	Sales	Settle-ments	Trans-fers into/out of level 3	Cur-rency effect	As at 30.9.2016	Amount of net realised/ unrealised gains recognised in profit or loss that are attributable to instruments held as at 30.9.2016
Shares and similar interests	1,943.7	(351.7)	559.9	(161.5)			(0.4)	1,989.9	(283.5)
Bonds and other fixed income securities	2,174.6	(136.5)	290.5	(67.4)			(142.0)	2,119.2	
Total	**4,118.3**	**(488.2)**	**850.4**	**(229.0)**			**(142.4)**	**4,109.1**	**(283.5)**

Sensitivity of financial assets valued based on non-observable market data (level 3) 2016

NOK millions		Sensitivity
Shares and similar interests	Decrease in value 10%	199.0
Bonds and other fixed income securities	Decrease in value 10%	211.9
Total		**410.9**

Reconciliation of financial assets valued based on non-observable market data (level 3) 2015

NOK millions	As at 1.1.2015	Net realised/ unrealised gains recognised in profit or loss	Pur-chases	Sales	Settle-ments	Trans-fers into/out of level 3	Cur-rency effect	As at 30.9.2015	Amount of net realised/ unrealised gains recognised in profit or loss that are attributable to instruments held as at 30.9.2015
Shares and similar interests	2,131.6	(92.6)	216.6	(245.6)				2,009.9	(162.6)
Bonds and other fixed income securities	406.1	26.8	1,241.5	(36.9)				1,637.5	7.6
Total	**2,537.7**	**(65.8)**	**1,458.1**	**(282.6)**				**3,647.5**	**(155.0)**

Sensitivity of financial assets valued based on non-observable market data (level 3) 2015

NOK millions		Sensitivity
Shares and similar interests	Decrease in value 10%	201.0
Bonds and other fixed income securities	Decrease in value 10%	163.8
Total		**364.7**

8. Investment properties

AMF Pensionsförsäkring acquired 50 per cent of the shares in Oslo Areal on 3 November 2015. The remaining investment in Oslo Areal is classified as a joint venture accounted for according to the equity method. Hence, there is no longer investment properties recognised directly in Gjensidige Insurance Group's financial statements.

In the table below the fair value as at the date of the sale of the 50 per cent ownership in Oslo Areal is presented as disposals.

Investment properties (level 3)

NOK millions	30.9.2016	30.9.2015	31.12.2015
As at 1 January		6,104.0	6,104.0
Additions		79.6	79.6
Disposals		(215.4)	(3,275.8)
Net gains/(losses) from fair value adjustments		198.2	198.2
Transfer from/(to) owner-occupied property		(6.4)	(6.4)
Transfer to joint ventures			(3,099.7)
At end of the period		**6,160.0**	**0,0**

9. Claims provision, gross

NOK millions	30.9.2016	30.9.2015	31.12.2015
General insurance			
Claims provision, gross, as at 1 January	32,300.5	32,238.1	32,238.1
Additions from acquisitions	319.3	283.3	283.3
Claims for the year	13,686.5	11,347.3	15,237.8
Claims incurred in prior years, gross	(686.1)	(478.9)	(653.3)
Claims paid	(13,410.0)	(11,099.1)	(15,385.0)
Discounting of claims provisions	36.0	41.0	57.1
Change in discounting rate	246.9	(55.4)	(57.6)
Exchange differences	(707.0)	441.3	580.2
Claims provision, gross, at the end of the period	**31,786.1**	**32,717.6**	**32,300.5**
Pension			
Claims provision, gross, as at 1 January	878.0	688.8	688.8
Claims for the year	896.5	842.9	1,275.7
Claims incurred in prior years, gross	(5.3)	35.3	51.2
Claims paid	(310.3)	(256.2)	(346.4)
Transfer of pension savings	(454.2)	(497.2)	(791.3)
Claims provision, gross, at the end of the period	**1,004.7**	**813.6**	**878.0**
Group			
Claims provision, gross, as at 1 January	33,178.5	32,926.9	32,926.9
Additions from acquisitions	319.3	283.3	283.3
Claims for the year	14,583.0	12,190.2	16,564.7
Claims incurred in prior years, gross	(691.3)	(443.6)	(653.3)
Claims paid	(13,720.4)	(11,355.3)	(15,731.4)
Discounting of claims provisions	36.0	41.0	57.1
Change in discounting rate	246.9	(55.4)	(57.6)
Transfer of pension savings	(454.2)	(497.2)	(791.3)
Exchange differences	(707.0)	441.3	580.2
Claims provision, gross, at the end of the period	**32,790.7**	**33,531.2**	**33,178.5**
Discounted claims provision, gross - workers' compensation insurance in Denmark	5,009.3	5,073.8	5,067.4
Nominal claims provision, gross - workers' compensation insurance in Denmark	5,369.7	5,749.4	5,794.7

The claims provisions shall cover future claims payments. The claims provisions for workers compensation insurance in Denmark are converted to present value (discounted), whereas other provisions are undiscounted.

The reason why the claims provisions for workers compensation insurance in Denmark 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 used is a swap rate.

10. Contingent liabilities

NOK millions	30.9.2016	30.9.2015	31.12.2015
Guarantees and committed capital			
Gross guarantees	0.1	0.1	0.1
Committed capital, not paid	1,532.3	2,068.0	1,643.6

As part of its ongoing financial management the Company has committed, but not paid up to NOK 1,532.3 million (2,068.0) in a commercial real estate debt fund and various private equity and real estate funds, over and above the amounts recognised in the balance sheet.

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

According to the agreement with Gjensidige Pensjonskasse the return, if not sufficient to cover the pension plans guaranteed interest rate, should be covered from the premium fund or through contribution from Gjensidige Forsikring.

11. Related parties

There have not been any significant transactions with related parties other than ordinary current agreements conducted at arm's length distance.

12. Acquisition of Vardia

On 27 April 2016, Gjensidige Forsikring ASA agreed to acquire the Swedish insurance portfolio of Vardia Insurance Group ASA. Gjensidige has also entered into an agreement to acquire 100 per cent of the shares in Vardia Försäkring AB from Vardia Holding AB.

The acquisition price for the insurance portfolio and the shares were SEK 200.0 million adjusted for net debt and SEK 54.2 million respectively, with a conditional additional purchase price for the shares of maximum SEK 30.0 million.

The distribution company Vardia Försäkring AB is responsible for new sales, customer support, product development and claims handling. In addition to being a general agent for Vardia Insurance Group ASA in Sweden, Vardia Försäkring also distributes for another risk carrier a premium volume corresponding to approximately SEK 40 million. Vardia Försäkring AB has some 125 employees. The voting share is equal to the ownership share. Through its voting rights and in the absence of any contractual arrangements, Gjensidige has control over Vardia Försäkring AB.

All terms and conditions related to the acquisition were clarified and the payment was transferred the first of July, so the acquisition date was set at 1 July 2016. The Vardia portfolio and Vardia Försäkring AB are recognised in the consolidated accounts of Gjensidige Forsikring as from that date.

The acquisition is a result of the Group's intention to expanding its presence and distribution power in the Swedish market. As a result of the acquisition, Gjensidige's market share in Sweden will increase from approximately 1.6 per cent to approximately 2.5 per cent based on 2015 numbers. Gross premiums written for the Swedish portfolio were approximately SEK 600.0 million in 2015, of which 75 per cent were retail premiums and 25 per cent were commercial SME premiums.

The accounting of the acquisition was based on the acquisition method. The analysis of acquired assets and liabilities is presented in the table below and is considered to be temporary. The difference between the acquisition price and the identifiable acquired assets and assumed liabilities is recognised as goodwill in the consolidated financial statement.

Excess value is identified for customer relationships and databases for claims history. Provisions were made for deferred tax liability for excess value with the exception of goodwill. Goodwill consists of expected synergies from the merging of the Private and Commercial business areas and optimization of the reinsurance cover for the Group as a whole.

Profit before tax expense for Vardia Försäkring AB for the period 1 January 2016 to 31 May 2016 amounted to SEK 4.5 million.

Fair value of each major class of transaction price Vardia Försäkring AB including Vardia portfolio.

NOK millions	Carrying amount before the transaction	Fair value adjustment	Fair value at the acquisition date
Goodwill		35.2	35.2
Intangible assets	3.8	277.9	281.7
Insurance realeted assets	454.9		454.9
Receivables etc	237.2		237.2
Cash	14.4		14.4
Total assets	**710.3**	**313.1**	**1,023.4**
Liabilities related to insurance	806.0		806.0
Deferred tax liabilities		5.2	5.2
Other liabilities	118.2		118.2
Total liabilities	**924.2**	**5.2**	**929.4**
Net defined assets and liabilities	(213.9)	307.9	94.0
Transaction price			94.0

Acquired goodwill is not considered to be tax deductible.

Key figures

		Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Gjensidige Insurance Group						
Return on financial assets [1]	%	1.3	(0.3)	2.8	1.5	2.6
Equity	NOK millions			23,111.2	22,043.9	23,330.6
Return on equity, annualised [2]	%			21.7	15.8	17.4
Equity per share	NOK			46.2	44.1	46.7
Total eligible own funds to meet the group SCR (SF) [3]	NOK millions			19,753.3		19,491.4
Group SCR margin (SF) [4]	%			140.9		138.9
Total eligible own funds to meet the minimum consolidated group SCR (SF) [5]	NOK millions			13,855.4		14,088.3
Minimum consolidated group SCR margin (SF) [6]	%			258.9		280.9
Gjensidige Forsikring ASA						
Total eligible own funds to meet the SCR (SF) [7]	NOK millions			19,240.1		18,659.7
SCR margin (SF) [8]	%			184.5		176.9
Total eligible own funds to meet the MCR (SF) [9]	NOK millions			16,739.0		16,236.6
MCR margin (SF), Group [10]	%			356.7		343.5
Share capital						
Issued shares, at the end of the period	Number			500,000,000	500,000,000	500,000,000
Earnings per share in the period, basic and diluted [11]	NOK	2.34	1.19	7.15	5.08	7.57
General Insurance						
Gross premiums written						
Private	NOK millions	1,882.2	1,826.3	6,515.9	6,481.0	8,269.1
Commercial	NOK millions	1,152.3	1,190.3	5,801.7	5,776.2	7,434.9
Nordic	NOK millions	1,178.7	999.2	4,852.5	4,247.8	5,430.0
Baltics	NOK millions	288.0	163.6	819.0	435.2	702.9
Corporate Centre/reinsurance	NOK millions	(20.5)	1.3	73.1	138.7	138.7
Total	NOK millions	4,480.7	4,180.8	18,062.2	17,079.0	21,975.6
Premiums, net of reinsurance [12]	%			97.6	97.6	97.9
Earned premiums						
Private	NOK millions	2,137.6	2,109.7	6,179.7	6,115.8	8,152.3
Commercial	NOK millions	1,830.5	1,807.0	5,449.4	5,308.6	7,076.8
Nordic	NOK millions	1,565.2	1,373.3	4,374.8	3,841.1	5,233.3
Baltics	NOK millions	261.9	140.5	783.9	388.3	642.0
Corporate Centre/reinsurance	NOK millions	(89.7)	40.7	(31.5)	124.7	167.7
Total	NOK millions	5,705.5	5,471.2	16,756.3	15,778.5	21,272.0
Loss ratio [13]						
Private	%	62.0	54.9	60.6	61.8	60.2
Commercial	%	67.5	65.6	66.1	68.9	68.2
Nordic	%	81.5	75.3	79.6	73.1	74.6
Baltics	%	69.7	78.7	70.6	76.1	81.8
Total	%	70.2	65.6	68.6	68.8	68.6
Cost ratio [14]						
Private	%	12.9	12.5	12.7	12.6	12.7
Commercial	%	10.6	11.2	10.9	11.6	11.4
Nordic	%	14.7	14.5	15.2	15.3	15.6
Baltics	%	38.5	33.2	37.4	32.8	33.6
Total	%	17.3	14.5	13.2	14.8	15.1
Combined ratio [15]						
Private	%	74.9	67.4	73.4	74.4	72.9
Commercial	%	78.1	76.8	77.1	80.4	79.6
Nordic	%	96.2	89.8	94.8	88.5	90.3
Baltics	%	108.2	111.9	108.0	108.9	115.4
Total	%	87.5	80.1	81.9	83.7	83.7
Combined ratio discounted [16]	%	86.7	78.6	81.0	82.0	82.3

		Q3 2016	Q3 2015	1.1.-30.9.2016	1.1.-30.9.2015	1.1.-31.12.2015
Pension and Savings						
Assets under management pension, at the end of the period	NOK millions			22,116.6	19,070.0	20,033.0
of which the group policy portfolio	NOK millions			5,259.9	4,726.1	4,877.5
Assets under management savings, at the end of the period	NOK millions			15,996.9	15,238.6	15,555.1
Operating margin [17]	%	28.64	23.11	24.35	21.94	19.37
Recognised return on the paid-up policy portfolio [18]	%			3.30	3.66	5.43
Value-adjusted return on the paid-up policy portfolio [19]	%			3.78	3.78	5.42
Share of shared commercial customers [20]	%			70.0	71.0	70.9
Return on equity, annualised [2]	%			15.3	10.0	10.0
Retail Bank						
Gross lending, addition in the period	NOK millions	956.0	2,816.2	3,179.6	6,758.8	9,189.0
Deposits, addition in the period	NOK millions	(304.0)	(91.7)	1,021.1	804.7	2,653.9
Gross lending, at the end of the period	NOK millions			39,915.1	34,305.3	36,735.5
Deposits, at the end of the period	NOK millions			20,378.3	17,508.1	19,357.2
Deposits-to-loan ratio at the end of the period [21]	%			51.1	51.0	52.7
Net interest margin, annualised [22]	%			1.84	2.18	2.12
Write-downs and losses, annualised [23]	%			0.15	0.24	0.20
Cost/income ratio [24]	%	36.8	57.4	42.9	49.5	49.5
Shared customers' share of gross lending [25]	%			76.6	76.7	77.0
Capital adequacy ratio [26]	%			16.0	15.2	16.1
Tier 1 capital ratio [27]	%			13.8	13.2	14.2
Common equity Tier 1 capital ratio [28]	%			12.3	11.5	12.6
Return on equity, annualised [2]	%			12.8	10.1	10.3

[1] Return on financial assets = net financial income in per cent of average financial assets including property, excluding Pension and Savings and Retail Bank

[2] Return on equity, annualised = Shareholders' share of net profit for the period/average shareholders' equity for the period, annualised

[3] Total eligible own funds to meet the group SCR (SF) = Total eligible own funds to meet the group SCR under the Solvency II standard formula. Total comprehensive income is included, less a formulaic dividend pay-out ratio in first, second and third quarter of 70 per cent of net profit and less the special dividend in the third quarter.

[4] Group SCR margin (SF) = Ratio of total eligible own funds to group SCR under the Solvency II standard formula

[5] Total eligible own funds to meet the minimum consolidated group SCR (SF) = Total eligible own funds to meet the minimum consolidated group SCR under the Solvency II standard formula. Total comprehensive income is included, less a formulaic dividend pay-out ratio in first, second and third quarter of 70 per cent of net profit and less the special dividend in the third quarter.

[6] Minimum consolidated group SCR margin (SF) = Ratio of eligible own funds to minimum consolidated group SCR under the Solvency II formula

[7] Total eligible own funds to meet the SCR (SF) = Total eligible own funds to meet the SCR for Gjensidige Forsikring ASA under the Solvency II standard formula. Total comprehensive income is included, less a formulaic dividend pay-out ratio in first, second and third quarter of 70 per cent of net profit of the Group and less the special dividend in the third quarter.

[8] SCR margin (SF) = Ratio of total eligible own funds to SCR for Gjensidige Forsikring ASA under the Solvency II standard formula

[9] Total eligible own funds to meet the MCR (SF) = Total eligible own funds to meet the MCR for Gjensidige Forsikring ASA under the Solvency II standard formula. Total comprehensive income is included, less a formulaic dividend pay-out ratio in first, second and third quarter of 70 per cent of net profit of the Group and less the special dividend in the third quarter.

[10] MCR margin (SF) = Ratio of eligible own funds to MCR for Gjensidige Forsikring ASA under the Solvency II formula

[11] Earnings per share, basic and diluted = the shareholders' share of the profit or loss for the period/average number of outstanding shares in the period

[12] Premiums, net of reinsurance = gross premiums written, net of reinsurance/gross premiums written (general insurance)

[13] Loss ratio = claims incurred etc./earned premiums

[14] Cost ratio = operating expenses/earned premiums

[15] Combined ratio = loss ratio + cost ratio

[16] Combined ratio discounted = combined ratio if claims provisions had been discounted

[17] Operating margin = operating result/(net insurance-related income + management income etc.)

[18] Recognised return on the paid-up policy portfolio = realised return on the portfolio

[19] Value-adjusted return on the paid-up policy portfolio = total return on the portfolio

[20] Shared customers = customers having both pension and savings and general insurance products with Gjensidige

[21] Deposit-to-loan ratio = deposits as a percentage of gross lending

[22] Net interest margin, annualised = net interest income/average total assets

[23] Write-downs and losses, annualised = write-downs and losses/average gross lending

[24] Cost/income ratio = operating expenses/total income

[25] Shared customers = customers having both bank and general insurance products with Gjensidige

[26] Capital adequacy ratio = net primary capital/risk-weighted assets. The result of the period is not included in the calculation for the quarters, with the exception of fourth quarter.

[27] Tier 1 capital ratio = Tier 1 capital/risk-weighted assets. The result of the period is not included in the calculation for the quarter, with the exception of fourth quarter.

[28] Common equity Tier 1 capital ratio = common equity Tier 1 capital/risk-weighted assets. The result of the period is not included in the calculation for the quarter, with the exception of fourth quarter.

Quarterly earnings performance

NOK millions	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Earned premiums from general insurance	5,705.5	5,536.8	5,514.0	5,493.5	5,471.2	5,188.1	5,119.2	5,214.4	5,203.6
Other income	818.7	679.2	697.7	832.7	686.4	666.4	697.8	830.1	600.5
Total operating income	**6,524.2**	**6,216.0**	**6,211.7**	**6,326.2**	**6,157.7**	**5,854.6**	**5,817.0**	**6,044.5**	**5,804.1**
Total net income from investments	**737.0**	**591.0**	**332.4**	**604.8**	**(174.0)**	**518.1**	**524.4**	**352.5**	**574.3**
Total operating income and net income from investments	**7,261.2**	**6,807.1**	**6,544.1**	**6,931.0**	**5,983.6**	**6,372.7**	**6,341.3**	**6,397.0**	**6,378.4**
Claims incurred etc. from general insurance	(4,004.3)	(3,599.6)	(3,898.1)	(3,734.7)	(3,588.0)	(3,341.8)	(3,933.0)	(3,607.9)	(3,695.3)
Other claims, interest expenses, loss etc.	(535.7)	(412.4)	(450.4)	(579.7)	(447.3)	(434.2)	(466.6)	(604.0)	(399.3)
Total claims, interest expenses, loss etc.	**(4,540.0)**	**(4,012.0)**	**(4,348.5)**	**(4,314.5)**	**(4,035.3)**	**(3,776.1)**	**(4,399.6)**	**(4,211.9)**	**(4,094.7)**
Operating expenses from general insurance	(989.4)	(865.6)	(365.2)	(879.5)	(792.3)	(776.1)	(769.6)	(799.3)	(753.2)
Other operating expenses	(216.0)	(220.1)	(221.5)	(266.5)	(204.3)	(180.4)	(184.8)	(226.7)	(193.8)
Total operating expenses	**(1,205.3)**	**(1,085.7)**	**(586.6)**	**(1,146.0)**	**(996.6)**	**(956.5)**	**(954.4)**	**(1,026.0)**	**(947.1)**
Total expenses	**(5,745.3)**	**(5,097.7)**	**(4,935.2)**	**(5,460.5)**	**(5,031.9)**	**(4,732.6)**	**(5,354.0)**	**(5,238.0)**	**(5,041.7)**
Profit/(loss) for the period before tax expense	**1,515.9**	**1,709.3**	**1,608.9**	**1,470.6**	**951.7**	**1,640.1**	**987.3**	**1,159.0**	**1,336.7**
Underwriting result general insurance	**711.8**	**1,071.6**	**1,250.7**	**879.2**	**1,091.0**	**1,070.2**	**416.5**	**807.2**	**755.0**

NOK millions	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012
Earned premiums from general insurance	5,061.5	4,907.2	4,766.3	4,866.9	4,646.6	4,457.2	4,418.2	4,571.7	4,453.9
Other income	645.2	636.1	630.2	513.8	516.7	486.9	479.5	419.3	383.0
Total operating income	**5,706.8**	**5,543.4**	**5,396.5**	**5,380.6**	**5,163.3**	**4,944.1**	**4,897.7**	**4,991.0**	**4,836.9**
Total net income from investments	**765.3**	**783.5**	**892.2**	**846.0**	**615.6**	**184.2**	**780.5**	**851.6**	**503.1**
Total operating income and net income from investments	**6,472.1**	**6,326.8**	**6,288.8**	**6,226.6**	**5,778.8**	**5,128.3**	**5,678.2**	**5,842.6**	**5,340.0**
Claims incurred etc. from general insurance	(3,357.9)	(3,809.3)	(3,664.2)	(3,293.7)	(3,487.3)	(3,414.4)	(3,108.5)	(3,116.6)	(3,050.4)
Other claims, interest expenses, loss etc.	(448.3)	(440.7)	(440.8)	(332.8)	(343.2)	(318.9)	(321.6)	(294.3)	(234.1)
Total claims, interest expenses, loss etc.	**(3,806.2)**	**(4,249.9)**	**(4,105.0)**	**(3,626.5)**	**(3,830.5)**	**(3,733.3)**	**(3,430.1)**	**(3,410.9)**	**(3,284.5)**
Operating expenses from general insurance	(752.5)	(748.9)	(726.4)	(720.6)	(710.8)	(699.9)	(707.0)	(674.7)	(685.0)
Other operating expenses	(165.4)	(172.0)	(174.2)	(206.1)	(160.6)	(154.5)	(159.9)	(150.1)	(152.6)
Total operating expenses	**(917.9)**	**(921.0)**	**(900.7)**	**(926.7)**	**(871.4)**	**(854.4)**	**(866.9)**	**(824.8)**	**(837.6)**
Total expenses	**(4,724.2)**	**(5,170.9)**	**(5,005.7)**	**(4,553.3)**	**(4,701.9)**	**(4,587.6)**	**(4,297.0)**	**(4,235.7)**	**(4,122.1)**
Profit/(loss) for the period before tax expense	**1,747.9**	**1,155.9**	**1,283.1**	**1,673.3**	**1,076.9**	**540.7**	**1,381.3**	**1,606.9**	**1,217.9**
Underwriting result general insurance	**951.0**	**349.1**	**375.7**	**852.5**	**448.5**	**342.9**	**602.7**	**780.3**	**718.5**

Income statement

Gjensidige Forsikring ASA

NOK millions	Q3 2016	Restated Q3 2015	1.1.-30.9.2016	Restated 1.1.-30.9.2015	Restated 1.1.-31.12.2015
Premiums					
Earned premiums, gross	5,644.8	5,423.5	16,377.9	15,664.5	21,024.4
Ceded reinsurance premiums	(213.9)	(104.2)	(436.0)	(309.5)	(447.2)
Total earned premiums, net of reinsurance	**5,430.8**	**5,319.3**	**15,941.9**	**15,355.1**	**20,577.2**
General insurance claims					
Gross claims	(4,113.4)	(3,483.5)	(11,231.1)	(10,570.7)	(14,055.3)
Claims, reinsurers' share	311.5	16.3	321.9	57.9	53.9
Total claims incurred, net of reinsurance	**(3,801.8)**	**(3,467.2)**	**(10,909.2)**	**(10,512.9)**	**(14,001.4)**
Insurance-related operating expenses					
Insurance-related administration expenses incl. commissions for received reinsurance and sales expenses	(934.0)	(794.9)	(2,058.8)	(2,305.4)	(3,117.5)
Received commission for ceded reinsurance and profit share	10.4	0.1	11.6	1.1	4.6
Total insurance-related operating expenses	**(923.6)**	**(794.8)**	**(2,047.3)**	**(2,304.3)**	**(3,112.9)**
Profit/(loss) of technical account general insurance	**705.4**	**1,057.3**	**2,985.4**	**2,537.8**	**3,462.8**
Net income from investments					
Income from investments in subsidiaries, associates and joint ventures		6.0	108.7	63.1	777.3
Interest income and dividend etc. from financial assets	324.1	300.7	963.9	987.9	1,275.8
Net operating income from property		3.6	0,0	10.9	11.9
Changes in fair value on investments	154.1	(540.7)	(1,079.8)	(990.5)	8.6
Realised gain and loss on investments	213.1	(95.7)	1,683.2	688.2	(365.4)
Administration expenses related to investments, including interest expenses	(56.1)	(71.4)	(152.0)	(201.6)	(272.0)
Total net income from investments	**635.1**	**(397.5)**	**1,524.0**	**558.0**	**1,436.2**
Other income	2.5	3.2	8.0	9.2	11.2
Other expenses	(2.2)	(2.8)	(6.6)	(7.3)	(9.7)
Profit/(loss) of non-technical account	**635.5**	**(397.0)**	**1,525.4**	**559.9**	**1,437.7**
Profit/(loss) before tax expense	**1,340.9**	**660.3**	**4,510.9**	**3,097.7**	**4,900.5**
Tax expense	(305.5)	(275.7)	(1,141.9)	(884.2)	(1,098.5)
Profit/(loss) before components of other comprehensive income	**1,035.3**	**384.6**	**3,369.0**	**2,213.5**	**3,801.9**
Components of other comprehensive income					
Items that are not reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability/asset		(122.7)	(232.7)	88.5	69.0
Tax on items that are not reclassified to profit or loss		33.1	58.2	(23.9)	(17.1)
Total items that are not reclassified subsequently to profit or loss		**(89.6)**	**(174.5)**	**64.6**	**51.9**
Items that may be reclassified subsequently to profit or loss					
Exchange differences from foreign operation	(179.4)	304.3	(330.5)	241.7	293.9
Exchange differences from hedging of foreign operation				62.7	62.7
Tax on items that may be reclassified to profit or loss	43.9	(42.3)	80.1	(42.4)	(96.7)
Total items that may be reclassified subsequently to profit or loss	**(135.5)**	**262.0**	**(250.4)**	**262.1**	**259.9**
Total comprehensive income	**899.8**	**556.9**	**2,944.0**	**2,540.2**	**4,113.7**

Statement of financial position

Gjensidige Forsikring ASA

NOK millions	1.1.-30.9.2016	Restated 1.1.-30.9.2015	Restated 1.1.-31.12.2015
Assets			
Goodwill	1,566.3	1,656.6	1,676.7
Other intangible assets	969.5	847.7	846.9
Total intangible assets	**2,535.8**	**2,504.4**	**2,523.6**
Investments			
Buildings and other real estate			
Investment properties		176.1	
Owner-occupied property	19.0	76.6	19.0
Subsidiaries and associates			
Shares in subsidiaries	5,821.4	7,512.0	5,421.2
Shares in associates and joint ventures	1,098.7	11.5	1,098.4
Interest bearing receivables within the group incl. joint ventures	1,648.3	2,846.5	1,538.0
Financial assets measured at amortised cost			
Bonds held to maturity	1,305.7	2,338.7	1,797.1
Loans and receivables	16,128.2	16,291.0	16,338.3
Financial assets measured at fair value			
Shares and similar interests (incl. shares and similar interests measured at cost)	5,726.7	6,881.1	7,130.6
Bonds and other fixed-income securities	24,339.9	20,429.5	24,205.7
Financial derivatives	1,238.6	462.4	327.8
Reinsurance deposits	450.6	518.6	524.6
Total investments	**57,777.0**	**57,544.0**	**58,400.7**
Reinsurers' share of insurance-related liabilities in general insurance, gross			
Reinsurers' share of provision for unearned premiums, gross	255.8	124.4	32.0
Reinsurers' share of claims provision, gross	555.7	388.1	361.7
Total reinsurers' share of insurance-related liabilities in general insurance, gross	**811.5**	**512.4**	**393.7**
Receivables			
Receivables related to direct operations	5,164.2	4,779.1	4,671.0
Receivables related to reinsurance	187.0	97.4	25.7
Receivables within the group	15.9	(1.9)	61.0
Other receivables	704.9	464.1	367.2
Total receivables	**6,072.0**	**5,338.7**	**5,124.8**
Other assets			
Plant and equipment	266.0	277.9	274.7
Cash and cash equivalents	2,088.9	1,545.3	1,704.5
Pension assets	292.4	132.4	93.1
Total other assets	**2,647.3**	**1,955.5**	**2,072.4**
Prepaid expenses and earned, not received income			
Prepaid direct sales expenses	25.5	22.6	22.2
Other prepaid expenses and earned, not received income	6.4	18.9	3.5
Total prepaid expenses and earned, not received income	**31.9**	**41.5**	**25.7**
Total assets	**69,875.5**	**67,896.6**	**68,540.9**

NOK millions	1.1.-30.9.2016	Restated 1.1.-30.9.2015	Restated 1.1.-31.12.2015
Equity and liabilities			
Paid in equity			
Share capital	1,000.0	1,000.0	1,000.0
Own shares	(0.1)	(0.1)	(0.1)
Share premium	1,430.0	1,430.0	1,430.0
Perpetual Tier 1 Capital	999.2		
Other paid in equity	35.4	28.2	29.3
Total paid in equity	**3,464.5**	**2,458.1**	**2,459.2**
Retained equity			
Funds etc.			
Natural perils capital	2,242.1	2,180.9	2,171.0
Guarantee scheme provision	616.2	596.9	616.2
Other retained earnings	13,757.5	15,522.8	12,885.7
Total retained earnings	**16,615.8**	**18,300.6**	**15,672.9**
Total equity	**20,080.3**	**20,758.7**	**18,132.1**
Subordinated loan	1,197.6	1,197.3	1,197.4
Insurance-related liabilities in general insurance, gross			
Provision for unearned premiums, gross	9,239.5	8,931.1	8,238.4
Claims provision, gross	31,243.8	32,179.8	31,652.5
Provision for premium discounts and other profit agreements	54.4	73.3	44.5
Total insurance-related liabilities in general insurance, gross	**40,537.6**	**41,184.1**	**39,935.4**
Provision for liabilities			
Pension liabilities	472.7	534.1	528.7
Current tax	1,432.4	1,053.8	1,145.6
Deferred tax liabilities	783.6	917.6	934.9
Other provisions	326.9	271.9	335.8
Total provision for liabilities	**3,015.6**	**2,777.4**	**2,945.1**
Liabilities			
Liabilities related to direct insurance	280.7	361.2	392.1
Liabilities related to reinsurance	243.3	109.3	82.7
Financial derivatives	968.5	538.1	366.3
Accrued dividend	2,000.0		4,200.0
Other liabilities	1,250.8	710.1	970.4
Liabilities to subsidiaries and associates	10.0	3.6	22.2
Total liabilities	**2,753.3**	**1,722.2**	**6,033.7**
Accrued expenses and deferred income			
Other accrued expenses and deferred income	291.1	256.8	297.2
Total accrued expenses and deferred income	**291.1**	**256.8**	**297.2**
Total equity and liabilities	**69,875.5**	**67,896.6**	**68,540.9**

The security provision was reclassified from liabilities to equity and provision for deferred tax on the security provision was recognised. These changes were implemented from 1 January 2016 and the corresponding figures have been changed accordingly. This was caused by changed legislation which also applies for some other minor changes. Discounting of reserves and introduction of risk margin are expected to be implemented at a later stage in Group and company accounts, in connection with the implementation of IFRS 4 phase II.

Statement of changes in equity

Gjensidige Forsikring ASA

NOK millions	Share capital	Own shares	Share premium	Other paid-in capital	Perpetual Tier 1 capital	Exchange differ-ences	Re-measure-ment of the net defined benefit liab./asset	Other earned equity	Total equity
Equity as at 31.12.2014	**1,000.0**	**(0.1)**	**1,430.0**	**22.8**		**59.2**	**(1,611.2)**	**15,263.4**	**16,164.2**
Reclassified security provision								2,818.0	2,818.0
Deferred tax								(760.9)	(760.9)
Equity as at 01.01.2015	**1,000.0**	**(0.1)**	**1,430.0**	**22.8**		**59.2**	**(1,611.2)**	**17,320.5**	**18,221.4**
1.1.-31.12.2015									
Profit/(loss) before components of other comprehensive income								3,801.9	3,801.9
Components of other comprehensive income									
Items that are not reclassified subsequently to profit or loss									
Remeasurement of the net defined benefit liability/asset							69.0		69.0
Tax on items that are not reclassified to profit or loss							(17.1)		(17.1)
Total items that are not reclassified subsequently to profit or loss							**51.9**		**51.9**
Items that may be reclassified subsequently to profit or loss									
Exchange differences from foreign operations						293.9			293.9
Exchange differences from hedging of foreign operations						62.7			62.7
Tax on items that may be reclassified to profit or loss						(96.7)			(96.7)
Total items that may be reclassified subsequently to profit or loss						**259.9**			**259.9**
Total components of other comprehensive income						**259.9**	**51.9**		**311.8**
Total comprehensive income for the period						**259.9**	**51.9**	**3,801.9**	**4,113.7**
Own shares		0,0						(9.9)	(9.9)
Accrued and paid dividend								(4,199.6)	(4,199.6)
Equity-settled share-based payment transactions				6.5					6.5
Equity as at 31.12.2015	**1,000.0**	**(0.1)**	**1,430.0**	**29.3**		**319.1**	**(1,559.3)**	**16,912.9**	**18,132.1**
1.1.-30.9.2016									
Profit/(loss) before components of other comprehensive income					2.2			3,366.8	3,369.0
Components of other comprehensive income									
Items that are not reclassified subsequently to profit or loss									
Remeasurement of the net defined benefit liability/asset							(232.7)		(232.7)
Tax on items that are not reclassified to profit or loss							58.2		58.2
Total items that are not reclassified subsequently to profit or loss							**(174.5)**		**(174.5)**
Items that may be reclassified subsequently to profit or loss									
Exchange differences from foreign operations						(330.5)			(330.5)
Tax on items that may be reclassified to profit or loss						80.1			80.1
Total items that may be reclassified subsequently to profit or loss						**(250.4)**			**(250.4)**
Total components of other comprehensive income						**(250.4)**	**(174.5)**		**(424.9)**
Total comprehensive income for the period					**2.2**	**(250.4)**	**(174.5)**	**3,366.8**	**2,944.0**
Own shares		0.1						(2.2)	(2.2)
Accrued dividend								(1,996.7)	(1,996.7)
Equity-settled share-based payment transactions				6.0					6.0
Perpetual Tier 1 capital					997.0				997.0
Equity as at 30.9.2016	**1,000.0**	**(0.1)**	**1,430.0**	**35.4**	**999.2**	**68.7**	**(1,733.8)**	**18,280.8**	**20,080.3**
1.1.-30.9.2015									
Profit/(loss) before components of other comprehensive income								2,213.5	2,213.5
Components of other comprehensive income									
Items that are not reclassified subsequently to profit or loss									
Remeasurement of the net defined benefit liability/asset							88.5		88.5
Tax on items that are not reclassified to profit or loss							(23.9)		(23.9)
Total items that are not reclassified subsequently to profit or loss							**64.6**		**64.6**
Items that may be reclassified subsequently to profit or loss									
Exchange differences from foreign operations						241.7			241.7
Exchange differences from hedging of foreign operations						62.7			62.7
Tax on items that may be reclassified to profit or loss						(42.4)			(42.4)
Total items that may be reclassified subsequently to profit or loss						**262.1**			**262.1**
Total components of other comprehensive income						**262.1**	**64.6**		**326.7**
Total comprehensive income for the period						**262.1**	**64.6**	**2,213.5**	**2,540.2**
Own shares		0,0						(8.8)	(8.8)
Accrued and paid dividend								0.4	0.4
Equity-settled share-based payment transactions				5.5					5.5
Equity as at 30.9.2015	**1,000.0**	**(0.1)**	**1,430.0**	**28.2**		**321.3**	**(1,546.6)**	**19,525.7**	**20,758.7**

Gjensidige is a leading Nordic insurance group listed on the Oslo Stock Exchange. We have about 3,900 employees and offer insurance products in Norway, Denmark, Sweden and the Baltic states. In Norway, we also offer banking, pension and savings. Operating income was NOK 24 billion in 2015, while total assets were NOK 129 billion.

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