Gjensidige

Interim Report
1st quarter 2017

Gjensidige Forsikring Group

Group highlights
First quarter 2017

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

First quarter

Group

- Profit/loss before tax expense: NOK 1,365.0 million (1,608.9)
- Earnings per share: NOK 2.22 (2.22)

General Insurance

- Earned premiums: NOK 5,547.7 million (5,514.0)
- Underwriting result: NOK 732.2 million (1,250.7)
- Combined ratio: 86.8 (77.3)
- Cost ratio: 15.5 (6.6)
- Financial result: NOK 566.2 million (323.8)

Special factors and events

- Dividend for 2016 was paid on 20 April 2017: NOK 3,400 million, corresponding to NOK 6.80 per share

Profit performance Group

NOK millions	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
General Insurance Private	518.8	481.2	2,196.7
General Insurance Commercial	350.0	316.9	1,631.3
General Insurance Nordic	(28.3)	119.6	247.3
General Insurance Baltics	(11.9)	(5.2)	(99.5)
Corporate Centre/costs related to owner	(60.0)	396.5	(10.6)
Corporate Centre/reinsurance [1]	(36.4)	(58.2)	(230.6)
Underwriting result general insurance [2]	**732.2**	**1,250.7**	**3,734.6**
Pension	31.1	28.4	114.8
Retail Bank	102.8	81.8	439.1
Financial result from the investment portfolio [3]	566.2	323.8	2,155.1
Amortisation and impairment losses of excess value – intangible assets	(60.2)	(65.8)	(254.2)
Other items	(7.2)	(10.0)	(49.5)
Profit/(loss) before tax expense	**1,365.0**	**1,608.9**	**6,139.9**
Key figures general insurance			
Large losses [4]	104.6	170.9	871.8
Run-off gains/(losses) [5]	240.0	248.3	1,023.4
Loss ratio [6]	71.3%	70.7%	69.1%
Cost ratio [7]	15.5%	6.6%	14.2%
Combined ratio [8]	86.8%	77.3%	83.4%

[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 13.4 million (61.8) for the year to date. 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 Retail Bank.
[4] Large losses = loss events in excess of NOK 10.0 million. Expected large losses for the quarter were NOK 307.0 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

Strong first-quarter result

Group profit performance

The Gjensidige Forsikring Group delivered a strong profit before tax expense of NOK 1,365.0 million (1,608.9) in the quarter. The profit from general insurance operations measured by the underwriting result was NOK 732.2 million (1,250.7), corresponding to a combined ratio of 86.8 (77.3). In the first quarter 2016 the removal of an annual minimum regulation clause for pension payments under the defined benefit plan contributed to a non-recurring income of NOK 476.6 million. Adjusted for this, the underwriting result was NOK 774.1 million, corresponding to a combined ratio of 86.0. The first quarter 2017 underwriting result was strong, and only slightly below the best-ever first quarter in 2016 adjusted for one-off.

The return on financial assets was 1.0 per cent (0.6), or NOK 566.2 million (323.8).

The tax expense amounted to NOK 254.9 million (499.9), corresponding to an effective tax rate of 18.7 per cent (31.1). The effective tax rate was influenced by realised and unrealised gains and losses on equity investments in the EEA.

The profit after tax expense was NOK 1,110.1 million (1,108.9), corresponding to NOK 2.22 (2.22) per share.

The underwriting result was positively influenced by premium growth of 0.6 per cent, leading to earned premiums totalling NOK 5.5 billion (5.5) in the quarter. Growth, adjusted for currency effects was 2.1 per cent. The result also reflects continued good customer and risk selection and risk pricing. Further, the result was positively affected by a benign weather situation and a lower level of large losses than in the same period last year. Run-off gains were at the expected run-rate, while large losses were lower than normally expected.

Earned premiums in the Private segment increased by 2.3 per cent. The underwriting result was above the result for the same period last year, mainly due to a benign weather situation and a lower level of frequency claims.

Earned premiums in the Commercial segment were flat in relation to the same period last year, reflecting continued soft market conditions. A benign weather situation and lower level of large losses contributed positively to the improved underwriting result.

In the Nordic segment, earned premiums increased by 4.6 per cent (10.7 per cent in local currency), mainly due to the acquisition of Vardia. Underlying growth was 2.4 per cent, mainly related to the Swedish portfolio. The underwriting result was lower than in the same period last year, primarily due to a less favourable frequency claims development and a higher level of large losses.

Earned premiums in the Baltic segment decreased by 3.4 per cent (increased by 1.9 per cent in local currency). The underwriting result was negative, impacted by several medium-sized claims.

The Retail Bank's profit performance improved, largely driven by portfolio growth and an improved interest margin. The Pension segment's profit performance developed positively, mainly due to higher business volume.During February 2017 Gjensidige Investeringsrådgivning was merged with Gjensidige Bank. Comparable figures have been disclosed accordingly.

The return on financial assets was satisfactory, and higher than in the same period last year. This was largely due to increased contribution from equities, convertible bonds and property.

Equity and capital position

The Group's equity amounted to NOK 23,512.0 million (24,162.0) at the end of the quarter. The annualised return on equity was 20.5 per cent (19.0).

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

- Standard Formula (SF): 144 per cent
- Partial Internal Model (PIM): 174 per cent

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

- Standard Formula (SF): 148 per cent
- Partial Internal Model (PIM): 176 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 1.6 billion at the end of the period. If adjusted for the expected capital effect of around NOK 400 million from the acquisition of Mølholm Forsikring A/S closed on 1 May 2017 and an expected capital increase in Gjensidige Bank of NOK 195 million in the second quarter, the buffer will be NOK 1.0 billion.

Total comprehensive income for the 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. The calculations are also adjusted for the 2016 dividend of NOK 3.4 billion paid on 20 April 2017.

Other matters

Update on Solvency II-related regulatory uncertainties

There is still some uncertainty about how capital requirements and qualifying funds will be calculated under the Solvency II 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.

It is still unclear whether new tax deduction rules related to technical provisions 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.

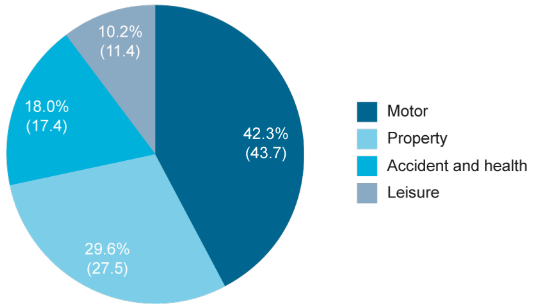
Gjensidige is awaiting approval of the partial internal model. Such approval is expected during 2017.

Pillar 2 requirement Gjensidige Bank ASA

The Financial Supervisory Authority (FSA) has set the Pillar 2 requirement for Gjensidige Bank ASA to 1.5 per cent of risk-weighted assets. The requirement for core equity tier 1 capital for Gjensidige Bank ASA will be 13.0 per cent based on this requirement.

Gjensidige Bank ASA had a common equity tier 1 capital ratio of 13.1 per cent at the end of March 2017 and will continue to optimise its capital base during 2017 to meet regulatory requirements.

Gjensidige Forsikring ASA plans to inject NOK 195 million in new equity in the bank operation during the second quarter 2017.



General Insurance Private

Development during the quarter

The underwriting result was NOK 518.8 million (481.2). The increase was driven by a combination of higher premium volume and a positive frequency claims development. The combined ratio was 74.5 (75.8).

Earned premiums amounted to NOK 2,034.3 million (1,988.5), and Gjensidige's competitive position remained strong. Premiums for accident and health insurance increased, while leisure insurance premiums showed a decrease. Adjusted for one large contract not renewed from 1 January 2017, leisure insurance showed an underlying growth in premiums. Other products showed a relatively stable development. With effect from October 2016, the Mondux product insurance portfolio was moved from the Nordic segment to the Private segment. Earned premiums in this portfolio amounted to NOK 43.4 million.

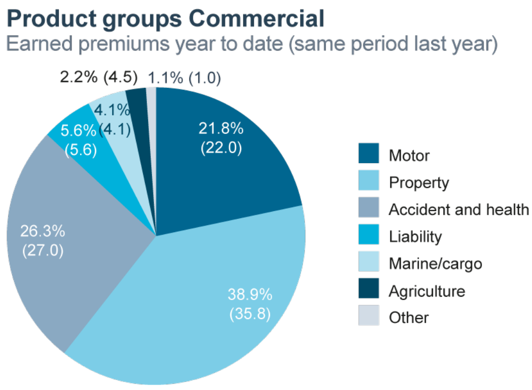
Claims incurred amounted to NOK 1,257.5 million (1,254.1). The loss ratio was 61.8 (63.1). Accident and health insurance showed an increased loss ratio, while all the other main products showed positive development. Overall, the weather situation was benign also in the first quarter 2017, resulting in a lower frequency claims impact than can normally be expected. As previously communicated, pricing measures have been taken to offset higher expected claims inflation in motor insurance going forward. Effects will materialise gradually over 12-24-month period after implementation. Underlying, the Mondux product portfolio affected the loss ratio negatively by 0.7 percentage points.

Operating expenses amounted to NOK 258.0 million (253.1) and the cost ratio was 12.7 (12.7).

General Insurance Private

NOK millions	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Earned premiums	2,034.3	1,988.5	8,291.3
Claims incurred etc.	(1,257.5)	(1,254.1)	(5,030.8)
Operating expenses	(258.0)	(253.1)	(1,063.8)
Underwriting result	**518.8**	**481.2**	**2,196.7**
Amortisation and impairment losses of excess value – intangible assets	(6.4)	(6.4)	(25.8)
Large losses [1]	10.2	11.0	56.2
Run-off gains/(losses) [2]	122.5	109.7	377.5
Loss ratio [3]	61.8%	63.1%	60.7%
Cost ratio [4]	12.7%	12.7%	12.8%
Combined ratio [5]	74.5%	75.8%	73.5%

[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

Development during the quarter

The underwriting result was NOK 350.0 million (316.9). The improvement largely reflects the absence of large losses during the quarter. The combined ratio was 80.5 (82.5).

Earned premiums were NOK 1,798.3 million (1,805.8). The Norwegian economy is still in a recovery phase, and the competitive environment for commercial lines remains challenging. Property insurance contributed positively to premium development, while accident and health insurance was still soft.

Claims incurred amounted to NOK 1,238.9 million (1,287.0) and the loss ratio was 68.9 (71.3). A lower level of large losses and a favourable weather situation affected the loss ratio positively, in particular for property and business interruption insurance. As previously communicated, measures have been taken to offset expected higher claims inflation also for commercial motor insurance.

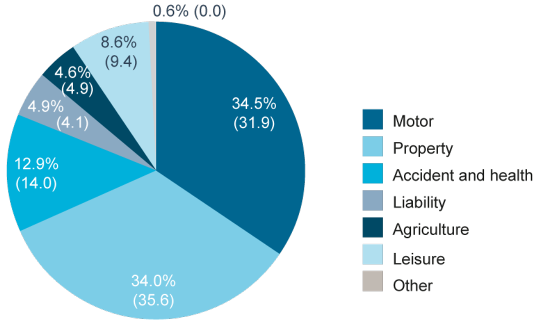
Operating expenses amounted to NOK 209.4 million (201.9) and the cost ratio was 11.6 (11.2).

General Insurance Commercial

NOK millions	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Earned premiums	1,798.3	1,805.8	7,257.4
Claims incurred etc.	(1,238.9)	(1,287.0)	(4,825.1)
Operating expenses	(209.4)	(201.9)	(801.1)
Underwriting result	**350.0**	**316.9**	**1,631.3**
Large losses [1]	15.0	79.0	448.6
Run-off gains/(losses) [2]	117.4	112.6	486.5
Loss ratio [3]	68.9%	71.3%	66.5%
Cost ratio [4]	11.6%	11.2%	11.0%
Combined ratio [5]	80.5%	82.5%	77.5%

[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

Development during the quarter

The underwriting result was negative at minus NOK 28.3 million (positive 119.6). The decline in the underwriting result was primarily driven by a less favourable underlying frequency claims development in Denmark as well as a higher level of large losses. The combined ratio was 101.9 (91.6).

Earned premiums increased to NOK 1,486.7 million (1,420.8). Currency effects reduced earned premiums by NOK 77.4 million. The transfer of Mondux product insurance to the Private segment reduced earned premiums by NOK 34.4 million, while the Vardia acquisition contributed NOK 144.4 million to premiums. The premiums in the Danish portfolio accounted for around 73 per cent of the total premiums in the segment. The underlying premium development in the Danish portfolio was stable in local currency. The underlying premium development in the Swedish portfolio was positive.

Claims incurred amounted to NOK 1,275.7 million (1,092.6). Currency effects reduced claims incurred by NOK 60.0 million. The loss ratio was 85.8 (76.9). The higher loss ratio was due to a less favourable underlying frequency claims development primarily in commercial property insurance in Denmark, and a higher proportion of large losses. As previously communicated, pricing measures have been taken to compensate for higher expected overall claims inflation in Denmark going forward. Effects will materialise over a 12-24-month period after implementation. The Vardia portfolio is still contributing negatively to profitability, and work is ongoing to realise synergies. The Swedish portfolio is on track to reach profitability during 2017.

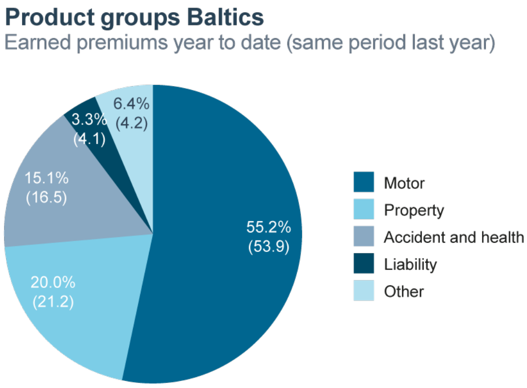
Operating expenses were NOK 239.4 million (208.7). Currency effects reduced operating expenses by NOK 11.3 million. The cost ratio was 16.1 (14.7). The increase is related to the Swedish operation.

The acquisition of Mølholm Forsikring A/S was closed on 1 May 2017.

General Insurance Nordic

NOK millions	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Earned premiums	1,486.7	1,420.8	5,917.8
Claims incurred etc.	(1,275.7)	(1,092.6)	(4,739.6)
Operating expenses	(239.4)	(208.7)	(930.9)
Underwriting result	**(28.3)**	**119.6**	**247.3**
Amortisation and impairment losses of excess value – intangible assets	(50.2)	(55.1)	(216.8)
Large losses [1]	65.9	19.1	161.6
Run-off gains/(losses) [2]	(3.7)	9.5	150.7
Loss ratio [3]	85.8%	76.9%	80.1%
Cost ratio [4]	16.1%	14.7%	15.7%
Combined ratio [5]	101.9%	91.6%	95.8%

[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



General Insurance Baltics

Development during the quarter

The underwriting result was minus NOK 11.9 million (minus 5.2). The combined ratio was 104.7 (102.0), negatively affected by several medium-sized claims.

Earned premiums decreased to NOK 255.4 million (264.4), mainly due to currency effects amounting to NOK 13.7 million.

Claims incurred amounted to NOK 181.6 million (176.5). The underlying increase was NOK 9.2 million higher when adjusted for currency effects. The reported loss ratio was 71.1 (66.8), negatively affected by several medium-sized claims. Continued improvements in tariffs and the claims handling process are expected to improve profitability going forward.

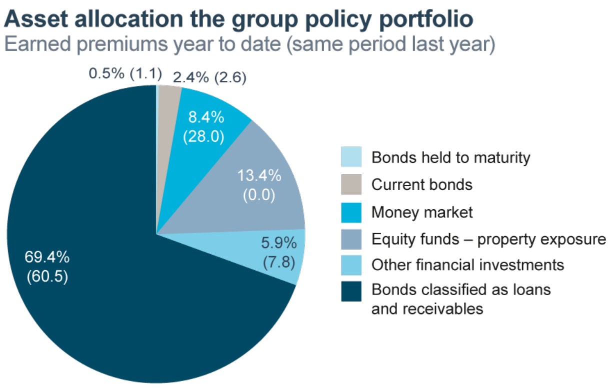
Operating expenses amounted to NOK 85.7 million (93.1). NOK 4.8 million of the decrease in operating expenses was related to currency effects. The cost ratio was 33.5 percent (35.2). The decrease was mainly due to restructuring and cost saving initiatives.

The Baltic segment is on track to reach break-even during 2017 and deliver profitability in 2018.

General Insurance Baltics

NOK millions	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Earned premiums	255.4	264.4	1,036.3
Claims incurred etc.	(181.6)	(176.5)	(748.4)
Operating expenses	(85.7)	(93.1)	(387.4)
Underwriting result	**(11.9)**	**(5.2)**	**(99.5)**
Amortisation and impairment losses of excess value – intangible assets	(3.5)	(4.2)	(14.9)
Large losses [1]			
Run-off gains/(losses) [2]	5.5	7.7	12.8
Loss ratio [3]	71.1%	66.8%	72.2%
Cost ratio [4]	33.5%	35.2%	37.4%
Combined ratio [5]	104.7%	102.0%	109.6%

[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



Pension

Development during the quarter

The profit before tax expense was NOK 31.1 million (28.4).

Administration fees increased to NOK 32.7 million (29.2) and insurance profits increased to NOK 15.7 million (12.5), both driven by growth in the customer portfolio. Management income was NOK 28.7 million (20.2). The positive development was due to an increase in assets, as well as a change in the classification of management costs of NOK 5.7 million, previously reported as income reductions but now treated as operating expenses.

The defined contributions market remains competitive but highly active, creating ample business opportunities.

Operating expenses were NOK 56.4 million (45.8) after the change in the classification of management costs described above.

Net financial income, including returns on both the group policy portfolio and the corporate portfolio amounted to NOK 10.4 million (12.3). The company's share of the profit related to the paid-up policy portfolio was allocated in its entirety as a longevity provision.

Assets under management increased by NOK 1,755.9 million during the first quarter. At the end of the period, pension assets under management amounted to NOK 24,993.1 million (20,307.5) including the group policy portfolio of NOK 5,577.3 million (5,020.1).

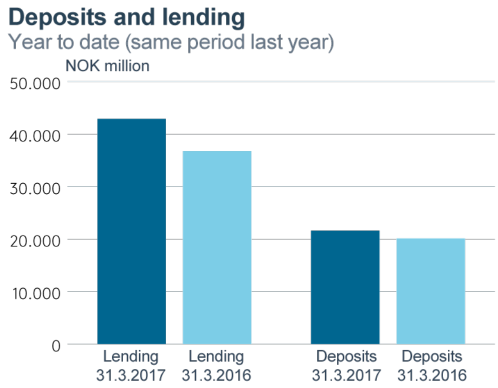
The recognised return on the paid-up policy portfolio was 0.80 per cent (1.19). The average annual interest guarantee was 3.5 per cent (3.5).

The demerger of Gjensidige Investeringsrådgivning AS was finalised during February 2017, and 2016 numbers are restated accordingly.

Pension

NOK millions	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Administration fees	32.7	29.2	127.8
Insurance profit	15.7	12.5	68.0
Management income etc.	28.7	20.2	83.6
Operating expenses	(56.4)	(45.8)	(191.1)
Net operating income	**20.7**	**16.1**	**88.4**
Net financial income	10.4	12.3	26.4
Profit/(loss) before tax expense	**31.1**	**28.4**	**114.8**
Run-off gains/(losses) [1]			
Operating margin [2]	26.89%	26.05%	31.62%
Recognised return on the paid-up policy portfolio [3]	0.80%	1.19%	4.08%
Value-adjusted return on the paid-up policy portfolio [4]	0.98%	1.19%	4.87%

[1] Run-off gains/(losses) = changes in estimates from previous years
[2] Operating margin = net operating income/(administration fees + insurance profit + 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

Development during the quarter

The profit before tax expense increased to NOK 102.8 million (81.8). The increase was a result of higher income driven by portfolio growth, partly offset by an increase in write-downs and losses. The operations grew efficiently, with expenses flat in relation to the previous year. The contribution from the merged savings and investment operation was NOK 1.2 million (3.2).

Net interest income amounted to NOK 222.2 million (178.7). The improvement was driven by business growth and increased margins. In 2016, the payment of the fee to the Deposits Guarantee Fund, amounting to NOK 12.6 million, impacted earnings during the first quarter of the year. In 2017, the fee will be distributed equally over a 12 month period.

Net commission income and other income increased slightly to NOK 20.4 million (20.2). This was the result of gains on financial instruments, offset by higher acquisition costs. The contribution from savings and investment was NOK 12.0 million (11.2).

The net interest margin was 1.97 per cent (1.73). The increase was driven by improved funding costs and the above-mentioned difference in the accounting treatment of fee to the Deposit Guarantee Fund.

Operating expenses were NOK 106.6 million (106.8). The cost/income ratio decreased to 43.9 per cent (53.7).

Total write-downs and losses amounted to NOK 33.2 million (10.3). Write-downs and losses were primarily related to the unsecured lending portfolio. In the first quarter of 2016, the bank sold NOK 14.6 million of impaired customer loans, which led to the release of the provisions for this group of loans. Total write-downs and losses increased compared to the previous year as a result of portfolio growth and changes in credit policy, driving decreased expectations of repayments from delinquent customers. The overall portfolio continues to be of high quality. Write-downs and losses were 0.32 per cent (0.11, or 0.25 excluding the portfolio sale) of average gross lending. The weighted average loan-to-value ratio[1] was estimated to be 61.3 per cent (63.5) for the mortgage portfolio.

Gross lending increased by 13.7 per cent and amounted to NOK 42,897.1 million (37,716.2) at the end of the period. Deposits increased by 7.5 per cent, reaching NOK 21,600.6 million (20,102.1) at the end of the period. The deposits-to-loans ratio was 50.4 per cent (53.3).

Gross lending growth in the first quarter was NOK 1,647.6 million (980.7)**,** while deposits increased by NOK 330.3 million (744.9).

The merger with Gjensidige Investeringsrådgivning AS was finalised during February 2017. The financial reporting was integrated with effect from January 2017 and 2016 numbers are restated.

On 20 April 2017, the Pillar 2 requirement for Gjensidige Bank ASA was set at 1.5 per cent by the Norwegian Financial Supervisory Authority. The requirement for core equity tier 1 capital for the bank will be 13 per cent based on this requirement.

[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	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Interest income and related income	379.1	343.7	1,408.0
Interest expenses and related expenses	(156.9)	(165.0)	(610.7)
Net interest income	**222.2**	**178.7**	**797.3**
Net commission income and other income	20.4	20.2	117.7
Total income	**242.6**	**198.9**	**915.0**
Operating expenses	(106.6)	(106.8)	(406.5)
Write-downs and losses	(33.2)	(10.3)	(69.5)
Profit/(loss) before tax expense	**102.8**	**81.8**	**439.1**
Net interest margin, annualised [1]	1.97%	1.73%	1.85%
Write-downs and losses, annualised [2]	0.32%	0.11%	0.18%
Cost/income ratio [3]	43.9%	53.7%	44.4%

[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 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.

Development during the quarter

At the end of the quarter, the investment portfolio totalled NOK 55.9 billion (58.3). The financial result for the quarter was NOK 566.2 million (323.8), which corresponds to a return on total assets of 1.0 per cent (0.6).

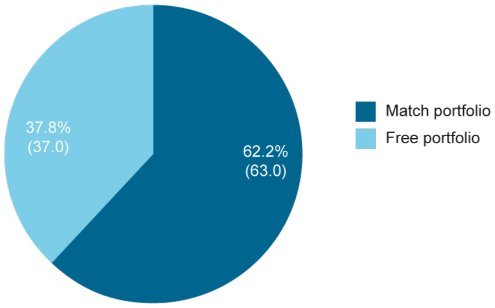
Match portfolio

The match portfolio amounted to NOK 34.8 billion (36.7). The portfolio yielded a return of 0.7 per cent (0.9), excluding changes in the value of the bonds recognised at amortised cost.

Bonds recognised at amortised cost amounted to NOK 17.4 billion (18.7). Unrealised excess value amounted to NOK 1,384.8 million (1,644.7) at the end of the period. The reinvestment rate for new investments in the portfolio of bonds held at amortised cost was approximately 3.0 per cent on average during the quarter, and the running yield was 4.4 per cent at the end of the quarter.

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 3.7 years. The distribution of counterparty risk and credit rating is shown in the charts on page 13. Securities without an official credit rating amounted to NOK 11.0 billion (11.4). Of these securities, 8.7 per cent (12.1) 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 63.7 per cent (65.3) of the portfolio without an official rating. Bonds with a coupon linked to the development in the Norwegian consumer price index accounted for 10.1 per cent (11.0) of the match portfolio.

The geographical distribution[1] of the match portfolio is shown in the chart above.

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

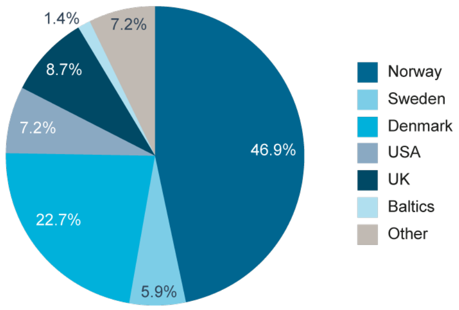
Financial assets and properties

	Result 1.1.-31.3.		Carrying amount 31.3.	
NOK millions	**2017**	**2016**	**2017**	**2016**
Match portfolio				
Money market	32.1	49.5	5,084.9	6,473.7
Bonds at amortised cost	178.9	217.1	17,363.4	18,718.9
Current bonds [1]	47.9	53.0	12,341.9	11,496.2
Match portfolio total	**258.9**	**319.6**	**34,790.3**	**36,688.8**
Free portfolio				
Money market	16.7	19.9	6,855.3	6,335.5
Other bonds [2]	23.0	132.3	3,175.7	3,648.2
High yield bonds [3]	19.8	56.5	817.1	1,969.6
Convertible bonds [4]	33.5	(21.3)	1,077.9	777.2
Current equities [5]	117.6	(18.4)	2,807.9	2,642.7
PE funds	20.3	(140.9)	1,169.8	1,180.2
Property	112.6	49.1	3,579.3	3,093.6
Other [6]	(36.2)	(72.9)	1,637.4	1,945.7
Free portfolio total	**307.3**	**4.1**	**21,120.5**	**21,592.7**
Financial result from the investment portfolio	**566.2**	**323.8**	**55,910.8**	**58,281.6**
Financial income in Pension and Savings and Retail Bank	27.4	16.6		
Interest expense on subordinated loan Gjensidige Forsikring ASA	(8.1)	(8.1)		
Net income from investments	**585.6**	**332.4**		

[1] The item includes discounting effects of the insurance liabilities in Denmark and Sweden, and a mismatch between interest rate adjustments on the liability side in Denmark and the corresponding interest rate hedge. Investments include mortgage, sovereign and corporate bonds, investment grade bond funds and loan funds containing secured debt.
[2] The item includes total investment grade and current bonds. Investment grade bonds are investments in internationally diversified funds that are externally managed.
[3] Investments in internationally diversified funds that are externally managed.
[4] Investments in internationally diversified funds that are externally managed.
[5] Investments mainly in internationally diversified funds that are externally managed. In addition, there is derivative exposure of NOK (4.7) million.
[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.

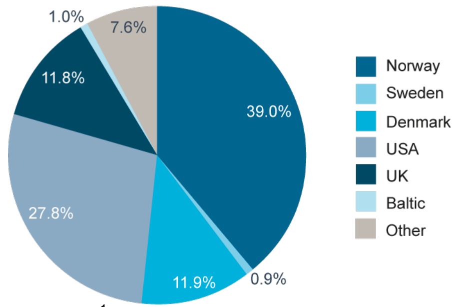
Geographic distribution match portfolio

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 21.1 billion (21.6) at the end of the quarter. The return was 1.5 per cent (0.0).

Fixed-income instruments

The fixed-income instruments in the free portfolio amounted to NOK 11.9 billion (12.7), of which money market investments, including cash, accounted for NOK 6.9 billion (6.3). The relatively high amount must be seen in connection with the dividend of NOK 3.4 billion paid on 20 April 2017.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 0.8 per cent (1.5). It was positively affected by good returns on convertible bonds and high yield bonds, and a moderate return on money market investments and investment grade.

At the end of the quarter, the average duration in the portfolio was approximately 1.4 years. 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 2.6 billion (2.7). Of these securities, 14.1 per cent (10.4) 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 73.0 per cent (81.9) 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 4.0 billion (3.8), of which NOK 2.8 billion (2.6) was current equities and NOK 1.2 billion (1.2) PE funds. The return on current equities was 4.2 per cent (minus 0.6). The return was driven by a general good market performance by international equities. In January, the holding in SpareBank 1 SR-Bank was reduced from 4.8 per cent to 0.9 per cent, generating a limited realised gain.The return on PE funds was 1.8 per cent (minus 10.7).

Property portfolio

At the end of the quarter, the exposure to commercial real estate in the portfolio was NOK 3.6 billion (3.1). The property portfolio yielded a return of 3.4 per cent (1.6), positively influenced by the termination of the forward contract as of 31 December 2016 and one property sale.

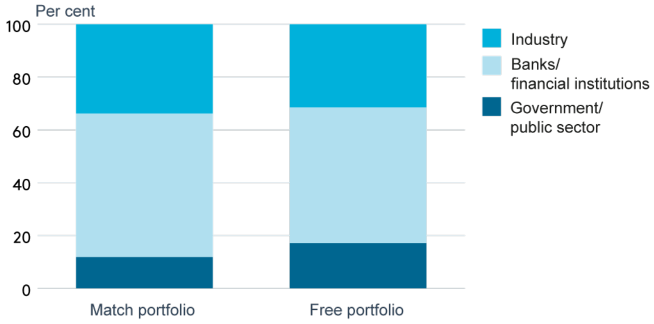
[1] The geographical distribution is related to issuers and does not reflect actual currency exposure.

Return per asset class

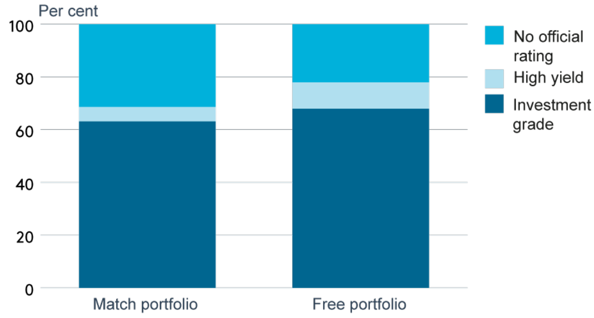
Per cent	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Match portfolio			
Money market	0.6	0.7	2.2
Bonds at amortised cost	1.0	1.2	4.7
Current bonds [1]	0.4	0.5	2.3
Match portfolio total	**0.7**	**0.9**	**3.5**
Free portfolio			
Money market	0.3	0.4	1.0
Other bonds [2]	0.6	3.4	8.1
High yield bonds [3]	2.1	2.6	11.5
Convertible bonds [4]	3.2	(2.2)	1.1
Current equities [5]	4.2	(0.6)	15.1
PE funds	1.8	(10.7)	(12.5)
Property	3.4	1.6	7.9
Other [6]	(2.2)	(4.2)	(11.0)
Free portfolio total	**1.5**	**0,0**	**4.6**
Return on financial assets	**1.0**	**0.6**	**3.9**

[1] The item includes discounting effects of the insurance liabilities in Denmark and Sweden, and a mismatch between interest rate adjustments on the liability side in Denmark and the corresponding interest rate hedge. Investments include mortgage, sovereign and corporate bonds, investment grade bond funds and loan funds containing secured debt.
[2] The item includes total investment grade and current bonds. Investment grade bonds are investments in internationally diversified funds that are externally managed.
[3] Investments in internationally diversified funds that are externally managed.
[4] Investments in internationally diversified funds that are externally managed.
[5] Investments mainly in internationally diversified funds that are externally managed. In addition, there is derivative exposure of NOK (15.7) million.
[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.

Counterparty risk fixed income instruments
At the end of the period



Credit rating fixed income instruments
At the end of the period



Organisation

The Group had a total of 3,883 employees at the end of the first quarter, compared with 4,005 at the end of 2016. The decrease is due to cost efficiency programs in the Group.

The number of employees broke down as follows: 1,953 (2,031) in general insurance operations in Norway, 159 (144) in Gjensidige Bank, 58 (75) in Gjensidige Pensjonsforsikring, 687 (705) in Denmark, 373 (385) in Sweden and 653 (665) in the Baltic states (excluding agents). The merger of Gjensidige Investeringsrådgiving with Gjensidige Bank reduced the number of employees in Pension and increased the number correspondingly in Gjensidige Bank. The figures in brackets refer to the number of employees at the end of 2016.

Events after the balance sheet date

No significant events have occurred after the end of the period.

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 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 3-5 years, average annual run-off gains are expected to be around NOK 900 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.

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

The strategic priorities in the period up until 2020 are:

- Digital customer experiences
- Business intelligence and analytics
- Building organisational capabilities

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

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 strong in the Norwegian general insurance market. Gjensidige has managed to capitalise on its position as market leader in Norway, and its competitiveness remains good. It has strengthened its leading position relative to its main competitors in parallel with delivering good profitability and high customer satisfaction. The growth rate is expected to remain subdued in the short to medium term, although an uptick in inflation and growth will lead to increased insurance premiums. Continued efforts to maintain and further strengthen Gjensidige's position in the Norwegian market will be prioritised, with particular focus on ensuring cost-efficiency and improving digital customer experiences. At the same time, new, profitable opportunities for growth will be considered in the Nordic region and the Baltic states in order to ensure good utilisation of a scalable business model and best practice. Strong emphasis will also be placed on further developing cooperation with partners and distributors.

Geopolitical uncertainty, low interest rates and financial challenges in several key economies, as well as in the Nordic countries, reflect an uncertain economic situation and remain 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 still somewhat challenging, the outlook for the Norwegian and Nordic general insurance operations is still regarded as good.

There are still some outstanding uncertainties relating to changes to the regulatory framework conditions for the financial sector in Norway and internationally. Gjensidige has submitted an application to use its own partial internal model (PIM) under the Solvency II regulation, and approval is expected in 2017. Endeavours will continue to be made to win acceptance for inclusion of the guarantee provision as solvency capital.

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, 3 May 2017
The Board of Gjensidige Forsikring ASA

Inge K Hansen Chair	Per Arne Bjørge	Eivind Elnan	John Giverholt	Gisele Marchand
Gunnar Mjåtvedt	Hilde Merete Nafstad	Anne Mari Nyhammer	Lotte K Sjøberg	Tine G Wollebekk
				Helge Leiro Baastad CEO

Consolidated income statement

NOK millions	Notes	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Operating income				
Earned premiums from general insurance	4	5,547.7	5,514.0	22,441.9
Earned premiums from pension		504.6	316.8	1,479.4
Interest income etc. from banking operations		379.1	343.7	1,408.0
Other income including eliminations		37.8	37.1	162.0
Total operating income	3	**6,469.2**	**6,211.7**	**25,491.4**
Net income from investments				
Results from investments in associates and joint ventures		58.2	33.4	184.1
Interest income and dividend etc. from financial assets		261.2	307.0	1,262.0
Net changes in fair value on investments (incl. property)		(166.8)	(1,056.9)	(1,040.3)
Net realised gain and loss on investments		463.1	1,083.3	1,920.8
Expenses related to investments		(30.0)	(34.4)	(130.5)
Total net income from investments		**585.6**	**332.4**	**2,196.1**
Total operating income and net income from investments		**7,054.8**	**6,544.1**	**27,687.5**
Claims, interest expenses, loss etc.				
Claims incurred etc. from general insurance	5, 6	(3,957.9)	(3,898.1)	(15,515.9)
Claims incurred etc. from pension		(456.2)	(275.1)	(1,283.5)
Interest expenses etc. and write-downs and losses from banking operations		(190.1)	(175.3)	(680.1)
Total claims, interest expenses, loss etc.		**(4,604.2)**	**(4,348.5)**	**(17,479.6)**
Operating expenses				
Operating expenses from general insurance		(857.6)	(365.2)	(3,191.4)
Operating expenses from pension		(56.4)	(45.8)	(191.1)
Operating expenses from banking operations		(106.6)	(106.8)	(406.5)
Other operating expenses		(4.9)	(3.1)	(24.8)
Amortisation and impairment losses of excess value - intangible assets		(60.2)	(65.8)	(254.2)
Total operating expenses		**(1,085.7)**	**(586.6)**	**(4,068.0)**
Total expenses		**(5,689.8)**	**(4,935.2)**	**(21,547.5)**
Profit/(loss) before tax expense	3	**1,365.0**	**1,608.9**	**6,139.9**
Tax expense		(254.9)	(499.9)	(1,474.1)
Profit/(loss)		**1,110.1**	**1,108.9**	**4,665.9**
Profit/(loss) for the period attributable to:				
Owners of the company		1,111.4	1,109.3	4,670.4
Non-controlling interests		(1.4)	(0.4)	(4.5)
Total		**1,110.1**	**1,108.9**	**4,665.9**
Earnings per share, NOK (basic and diluted)		**2.22**	**2.22**	**9.34**

Consolidated statement of comprehensive income

NOK millions	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Profit/(loss)	**1,110.1**	**1,108.9**	**4,665.9**
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)	(158.7)
Share of other comprehensive income from associates and joint ventures			0.3
Tax on items that are not reclassified to profit or loss		58.2	39.7
Total items that are not reclassified subsequently to profit or loss		**(174.5)**	**(118.7)**
Items that may be reclassified subsequently to profit or loss			
Exchange differences from foreign operations	102.1	(123.3)	(391.3)
Investments available for sale			(12.5)
Tax on items that may be reclassified to profit or loss	(18.6)	19.8	66.7
Total items that may be reclassified subsequently to profit or loss	**83.4**	**(103.5)**	**(337.1)**
Total components of other comprehensive income	**83.4**	**(278.1)**	**(455.8)**
Total comprehensive income	**1,193.5**	**830.9**	**4,210.1**
Total comprehensive income for the period attributable to:			
Owners of the company	1,194.8	831.3	4,214.6
Non-controlling interests	(1.4)	(0.4)	(4.5)
Total	**1,193.5**	**830.9**	**4,210.1**

Consolidated statement of financial position

NOK millions	Notes	31.3.2017	31.3.2016	31.12.2016
Assets				
Goodwill		3,156.2	3,167.0	3,140.2
Other intangible assets		1,317.7	1,297.4	1,360.5
Deferred tax assets		23.3	28.8	19.1
Investments in associates and joint ventures		1,660.2	1,471.8	1,601.6
Interest-bearing receivables from joint ventures		1,865.4	1,538.1	1,420.2
Owner-occupied property		37.2	34.5	29.5
Plant and equipment		306.8	312.5	292.5
Pension assets		488.7	292.4	488.7
Financial assets				
Financial derivatives	7	885.2	714.7	1,335.4
Shares and similar interests	7	6,819.7	5,952.8	6,892.1
Bonds and other securities with fixed income	7	29,487.4	31,727.4	30,385.8
Bonds held to maturity	7	1,583.4	2,375.4	1,625.9
Loans and receivables	7	62,285.0	56,941.9	60,030.6
Assets in life insurance with investment options		19,347.7	15,222.0	17,780.0
Reinsurance deposits		0.3	0.6	0.3
Reinsurers' share of insurance-related liabilities in general insurance, gross		783.4	594.0	706.8
Receivables related to direct operations and reinsurance		6,939.8	6,939.8	5,621.5
Other receivables		1,001.3	1,137.0	945.9
Prepaid expenses and earned, not received income		216.0	150.3	91.3
Cash and cash equivalents		4,758.3	5,171.7	2,158.7
Total assets		**142,962.8**	**135,070.1**	**135,926.6**
Equity and liabilities				
Equity				
Share capital		1,000.0	1,000.0	999.9
Share premium		1,430.0	1,430.0	1,430.0
Other equity		21,061.5	21,708.2	19,876.3
Total equity attributable to owners of the company		**23,491.5**	**24,138.1**	**22,306.3**
Non-controlling interests		20.5	23.9	19.8
Total equity		**23,512.0**	**24,162.0**	**22,326.0**
Provision for liabilities				
Subordinated loan		1,946.9	1,547.3	1,946.8
Premium reserve in life insurance		5,374.2	3,946.7	4,127.0
Provision for unearned premiums, gross, in general insurance		12,893.9	12,498.3	9,527.9
Claims provision, gross	8	31,028.7	33,068.5	32,447.5
Other technical provisions		304.7	255.2	297.3
Pension liabilities		505.9	504.8	511.8
Other provisions		270.1	290.8	342.1
Financial liabilities				
Financial derivatives	7	803.6	316.9	1,191.8
Deposits from and liabilities to customers	7	21,600.6	20,102.1	21,270.4
Interest-bearing liabilities	7	21,450.5	18,441.2	19,596.5
Other liabilities	7	917.4	1,277.4	1,368.5
Current tax		877.5	1,308.1	1,272.7
Deferred tax liabilities		896.0	780.3	871.7
Liabilities related to direct insurance and reinsurance	7	657.2	779.4	555.2
Liabilities in life insurance with investment options		19,347.7	15,222.0	17,780.0
Accrued expenses and deferred income	7	575.9	569.1	493.3
Total liabilities		**119,450.8**	**110,908.2**	**113,600.5**
Total equity and liabilities		**142,962.8**	**135,070.1**	**135,926.6**

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 31.12.2015 attributable to owners of the	**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.-31.12.2016									
Profit/(loss) (the controlling interests' share)					21.4			4,649.0	4,670.4
Components of other comprehensive income									
Items that are not reclassified subsequently to profit or loss									
Remeasurement of the net defined liability/asset							(158.7)		(158.7)
Share of other comprehensive income from associates								0.3	0.3
Tax on items that are not reclassified to profit or loss							39.7		39.7
Total items that are not reclassified subsequently to profit or loss							**(119.0)**	**0.3**	**(118.7)**
Items that may be reclassified subsequently to profit or loss									
Exchange differences from foreign operations						(391.3)			(391.3)
Investments available for sale								(12.5)	(12.5)
Tax on items that may be reclassified to profit or loss						66.6		0.1	66.7
Total items that may be reclassified subsequently to profit or loss						**(324.8)**		**(12.5)**	**(337.1)**
Total components of other comprehensive income						**(324.8)**	**(119.0)**	**(12.1)**	**(455.8)**
Total comprehensive income					**21.4**	**(324.8)**	**(119.0)**	**4,636.9**	**4,214.5**
Own shares		0.1						(3.8)	(3.7)
Paid dividend								(6,196.6)	(6,196.6)
Equity-settled share-based payment transactions				7.6					7.6
Perpetual Tier 1 capital					997.7				997.7
Perpetual Tier 1 capital - interest paid					(19.6)				(19.6)
Equity as at 31.12.2016 attributable to owners of the company	**1,000.0**	**(0.1)**	**1,430.0**	**39.2**	**1,298.3**	**113.5**	**(1,702.0)**	**20,127.2**	**22,306.3**
Non-controlling interests as at 31.12.2016									19.8
Equity as at 31.12.2016									**22,326.0**
1.1.-31.3.2017									
Profit/(loss) (the controlling interests' share)					11.3			1,100.1	1,111.4
Components of other comprehensive income									
Items that are not reclassified subsequently to profit or loss									
Items that may be reclassified subsequently to profit or loss									
Exchange differences from foreign operations						102.1			102.1
Tax on items that may be reclassified to profit or loss						(18.6)			(18.6)
Total items that may be reclassified subsequently to profit or loss						**83.4**			**83.4**
Total components of other comprehensive income						**83.4**			**83.4**
Total comprehensive income					**11.3**	**83.4**		**1,100.1**	**1,194.8**
Own shares		0,0						(1.9)	(1.9)
Paid dividend								0.4	0.4
Equity-settled share-based payment transactions				3.4					3.4
Perpetual Tier 1 capital					0.2			(0.2)	
Perpetual Tier 1 capital - interest paid					(11.4)				(11.4)
Equity as at 31.3.2017 attributable to owners of the company	**1,000.0**	**0,0**	**1,430.0**	**42.6**	**1,298.4**	**196.9**	**(1,702.0)**	**21,225.7**	**23,491.5**
Non-controlling interests as at 31.3.2017									20.5
Equity as at 31.3.2017									**23,512.0**

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.-31.3.2016									
Profit/(loss) (the controlling interests' share)					2.7			1,106.6	1,109.3
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						(123.3)			(123.3)
Tax on items that may be reclassified to profit or loss						19.8			19.8
Total items that may be reclassified subsequently to profit or loss						**(103.5)**		**0,0**	**(103.5)**
Total components of other comprehensive income						**(103.5)**	**(174.5)**	**0,0**	**(278.1)**
Total comprehensive income					**2.7**	**(103.5)**	**(174.5)**	**1,106.6**	**831.3**
Own shares		0.1						(0.3)	(0.2)
Equity-settled share-based payment transactions				3.3					3.3
Perpetual Tier 1 capital instrument - interest paid					(2.6)				(2.6)
Equity as at 31.3.2016 attributable to owners of the company	**1,000.0**	**0,0**	**1,430.0**	**34.9**	**298.9**	**334.8**	**(1,757.5)**	**22,797.0**	**24,138.1**
Non-controlling interests as at 31.3.2016									23.9
Equity as at 31.3.2016									**24,162.0**

Consolidated statement of cash flows

NOK millions	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Cash flow from operating activities			
Premiums paid, net of reinsurance	8,930.9	7,536.9	27,023.8
Claims paid, net of reinsurance	(4,507.9)	(4,131.2)	(17,547.5)
Net payment of loans to customers	(1,645.9)	(1,000.0)	(4,545.8)
Net payment of deposits from customers	330.3	744.9	1,848.1
Payment of interest from customers	353.5	324.2	1,326.3
Payment of interest to customers	(15.7)	(11.7)	(264.7)
Net receipts/payments of premium reserve transfers	(343.5)	(114.9)	(645.2)
Net receipts/payments from financial assets	(474.5)	(153.5)	953.5
Net receipt/payments on sale/acquisition of investment property	97.1		
Operating expenses paid, including commissions	(1,036.1)	(1,164.9)	(4,400.0)
Taxes paid	(647.8)	(488.6)	(1,376.5)
Net other receipts/payments	13.0	(6.4)	140.8
Net cash flow from operating activities	**1,053.4**	**1,534.8**	**2,512.8**
Cash flow from investing activities			
Net receipts/payments from sale/acquisition of subsidiaries and associates/joint venture	(16.3)	3.3	(92.2)
Net receipts/payments on sale/acquisition of owner-occupied property, plant and equipment and intangible assets	(113.6)	(57.4)	(110.7)
Net receipts/payments on sale/acquisition of customer portfolios - intangible assets			(45.5)
Net cash flow from investing activities	**(129.9)**	**(54.1)**	**(248.4)**
Cash flow from financing activities			
Payment of dividend	(60.0)		(6,139.5)
Net receipts/payments on subordinated loans incl. interest	(11.0)	(10.2)	261.7
Net receipts/payments regarding perpetual Tier 1 capital and non-controlling interests	(12.4)	(3.3)	974.9
Net receipts/payments on loans to credit institutions	1,844.6	599.5	2,003.6
Net receipts/payments on other short-term liabilities	(59.4)	27.0	(19.9)
Net receipts/payments on interest on funding activities	(56.7)	(61.5)	(301.5)
Net receipts/payments on sale/acquisition of own shares	(3.6)	(0.3)	(3.7)
Net cash flow from financing activities	**1,641.5**	**551.3**	**(3,224.5)**
Effect of exchange rate changes on cash and cash equivalents	21.1	(12.2)	(33.1)
Net cash flow	**2,586.2**	**2,019.8**	**(993.2)**
Cash and cash equivalents at the start of the period	2,172.1	3,151.9	3,151.9
Cash and cash equivalents at the end of the period	4,758.3	5,171.7	2,158.7
Net cash flow	**2,586.2**	**2,019.8**	**(993.2)**
Specification of cash and cash equivalents			
Deposits with central banks	207.4	218.3	57.0
Cash and deposits with credit institutions	4,550.9	4,953.5	2,101.7
Total cash and cash equivalents	**4,758.3**	**5,171.7**	**2,158.7**

Notes

1. Accounting policies

The consolidated financial statements as of the first quarter of 2017, concluded on 31 March 2017, 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 2016.

The consolidated financial statements as of the first quarter of 2017 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 2016.

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 2017. 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 a 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. According to prevailing rules, impairment for credit losses shall only be recognised when objective evidence of impairment losses exists. Impairment provisions according to IFRS 9 shall be measured using an expected loss model, instead of an incurred loss model as in IAS 39. The impairment rules in IFRS 9 will be applicable to all financial assets measured at amortised cost or at fair value with the changes in fair value recognised in other comprehensive income. In addition, loan commitments, financial guarantee contracts and lease receivables are within the scope of the standard. The measurement of the provision for expected credit losses on financial assets depends on whether the credit risk has increased significantly since initial recognition. At initial recognition and if the credit risk has not increased significantly, the provision should equal 12-month expected credit losses. If the credit risk has increased significantly, the provision should equal lifetime expected credit losses. This dual approach replaces today's collective impairment model. For individual impairment there are no significant changes in the rules compared with the current rules. During 2016, Gjensidige Bank continued the process to analyse the need for changes to the bank's models and IT systems following the implementation of the new rules for impairment provisions. The work has started and is expected to continue during 2017. It is currently too early to estimate the expected impact to the group's financial statements. Preliminary expectations are that the implementation of IFRS 9 could lead to increased provisions for credit loss due to the change from an incurred loss model to an expected loss model. IFRS 9 is effective from 1 January 2018.

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 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 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.

Segment income is defined as earned premiums for general insurance, earned premiums and other income for Pension 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 Retail Bank.

Due to the merger of Gjensidige Bank ASA (GB) and Gjensidige Investeringsrådgivning AS (GIR) in 2017, the evaluation of GIR has been moved from Gjensidige Pensjon og Sparing Holding AS to GB from 1 January 2017. The new name of the former Pension and Savings segment is Pension. Comparable figures are changed accordingly.

	General insurance															
	Private		Commercial		Nordic		Baltics		Pension		Retail Bank		Eliminations etc. [1]		Total	
1.1.-31.3. NOK millions	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Segment income Segment income – external	2,034.3	1,988.5	1,798.3	1,805.8	1,486.7	1,420.8	255.4	264.4	533.3	337.1	382.4	359.5	(21.2)	35.7	6,469.2	6,211.7
Segment income – group [2]																
Total segment income	**2,034.3**	**1,988.5**	**1,798.3**	**1,805.8**	**1,486.7**	**1,420.8**	**255.4**	**264.4**	**533.3**	**337.1**	**382.4**	**359.5**	**(21.2)**	**35.7**	**6,469.2**	**6,211.7**
- Claims, interest expenses, loss etc.	(1,257.5)	(1,254.1)	(1,238.9)	(1,287.0)	(1,275.7)	(1,092.6)	(181.6)	(176.5)	(456.2)	(275.1)	(190.1)	(175.3)	(4.3)	(87.9)	(4,604.2)	(4,348.5)
- Operating expenses	(258.0)	(253.1)	(209.4)	(201.9)	(239.4)	(208.7)	(85.7)	(93.1)	(56.4)	(45.8)	(106.6)	(106.8)	(130.2)	322.8	(1,085.7)	(586.6)
+ Net income from investments									10.4	12.3	17.0	4.3	558.2	315.7	585.6	332.4
Segment result/profit/(loss) before tax expense	**518.8**	**481.2**	**350.0**	**316.9**	**(28.3)**	**119.6**	**(11.9)**	**(5.2)**	**31.1**	**28.4**	**102.8**	**81.8**	**402.5**	**586.2**	**1,365.0**	**1,608.9**

[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 2017 and 2016.

4. Earned premiums from general insurance

NOK millions	Q1 2017	Q1 2016	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Earned premiums, gross	5,726.8	5,642.6	5,726.8	5,642.6	23,031.6
Ceded reinsurance premiums	(179.1)	(128.5)	(179.1)	(128.5)	(589.7)
Total earned premiums, net of reinsurance	**5,547.7**	**5,514.0**	**5,547.7**	**5,514.0**	**22,441.9**

5. Claims incurred etc. from general insurance

NOK millions	Q1 2017	Q1 2016	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Gross claims	(3,890.3)	(3,907.4)	(3,890.3)	(3,907.4)	(15,983.4)
Claims, reinsurers' share	(67.6)	9.3	(67.6)	9.3	467.5
Total claims incurred etc. from general insurance	**(3,957.9)**	**(3,898.1)**	**(3,957.9)**	**(3,898.1)**	**(15,515.9)**

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

NOK millions	Q1 2017	Q1 2016	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Earned premiums from general insurance	5,547.7	5,514.0	5,547.7	5,514.0	22,441.9
Run-off gain/(loss) for the period, net of reinsurance [1]	240.0	248.3	240.0	248.3	1,023.4
In per cent of earned premiums from general insurance	4.3	4.5	4.3	4.5	4.6

[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 31.3.2017	Fair value as at 31.3.2017	Carrying amount as at 31.3.2016	Fair value as at 31.3.2016
Financial assets				
Financial derivatives				
Financial derivatives at fair value through profit or loss	885.2	885.2	714.7	714.7
Financial derivatives subject to hedge accounting				
Financial assets at fair value through profit or loss, designated upon initial recognition				
Shares and similar interests	6,819.7	6,819.7	5,952.8	5,952.8
Bonds and other fixed income securities	29,487.4	29,487.4	31,727.4	31,727.4
Shares and similar interests in life insurance with investment options	17,327.2	17,327.2	13,781.2	13,781.2
Bonds and other fixed income securities in life insurance with investment options	2,020.5	2,020.5	1,440.7	1,440.7
Financial assets held to maturity				
Bonds held to maturity	1,583.4	1,649.3	2,375.4	2,506.2
Loans and receivables				
Bonds and other fixed income securities classified as loans and receivables	15,809.2	17,130.6	16,398.9	17,910.6
Loans	48,341.2	48,610.8	42,081.1	42,414.5
Receivables related to direct operations and reinsurance	6,939.8	6,939.8	6,939.8	6,939.8
Other receivables	1,001.3	1,001.3	1,137.0	1,137.0
Prepaid expenses and earned, not received income	216.0	216.0	150.3	150.3
Cash and cash equivalents	4,758.3	4,758.3	5,171.7	5,171.7
Total financial assets	**135,189.2**	**136,846.1**	**127,871.1**	**129,847.1**
Financial liabilities				
Financial derivatives				
Financial derivatives at fair value through profit or loss	803.6	803.6	316.9	316.9
Financial liabilities at fair value through profit or loss, designated upon initial recognition				
Debt in life insurance with investment options	19,347.7	19,347.7	15,222.0	15,222.0
Financial liabilities at amortised cost				
Subordinated debt	1,946.9	1,946.3	1,547.3	1,402.1
Deposits from and liabilities to customers, bank	21,600.6	21,600.6	20,102.1	20,102.1
Interest-bearing liabilities	21,450.5	21,594.4	18,441.2	18,322.0
Other liabilities	917.4	917.4	1,277.4	1,277.4
Liabilities related to direct insurance	657.2	657.2	779.4	779.4
Accrued expenses and deferred income	575.9	575.9	569.1	569.1
Total financial liabilities	**67,299.9**	**67,443.2**	**58,255.3**	**57,991.1**
Gain/(loss) not recognised in profit or loss		**1,513.6**		**2,240.3**

Valuation hierarchy 2017

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		885.2		885.2
Financial assets at fair value through profit or loss, designated upon initial recognition				
Shares and similar interests	83.9	4,497.8	2,238.1	6,819.7
Bonds and other fixed income securities	10,170.3	18,016.9	1,300.3	29,487.4
Shares and similar interests in life insurance with investment options	17,317.4	9.8		17,327.2
Bonds and other fixed income securities in life insurance with investment options	2,006.0	14.4		2,020.5
Financial assets at amortised cost				
Bonds held to maturity	350.6	1,298.8		1,649.3
Bonds and other fixed income securities classified as loans and receivables		17,129.1	1.5	17,130.6
Loans		4,115.5	44,495.3	48,610.8
Financial liabilities				
Financial derivatives				
Financial derivatives at fair value through profit or loss		803.6		803.6
Financial liabilities at fair value through profit or loss, designated upon initial recognition				
Debt in life insurance with investment options	19,323.5	24.3		19,347.7
Financial liabilities at amortised cost				
Subordinated debt		1,946.3		1,946.3
Interest-bearing liabilities		21,594.4		21,594.4

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		714.7		714.7
Financial assets at fair value through profit or loss, designated upon initial recognition				
Shares and similar interests	1,178.8	3,066.1	1,707.9	5,952.8
Bonds and other fixed income securities	11,599.0	17,916.1	2,212.4	31,727.4
Shares and similar interests in life insurance with investment options	13,771.0	10.2		13,781.2
Bonds and other fixed income securities in life insurance with investment options	1,429.8	10.9		1,440.7
Financial assets at amortised cost				
Bonds held to maturity	535.8	1,970.4		2,506.2
Bonds and other fixed income securities classified as loans and receivables		17,909.1	1.5	17,910.6
Loans		3,329.3	39,085.2	42,414.5
Financial liabilities				
Financial derivatives				
Financial derivatives at fair value through profit or loss		316.9		316.9
Financial liabilities at fair value through profit or loss, designated upon initial recognition				
Debt in life insurance with investment options	15,200.8	21.1		15,222.0
Financial liabilities at amortised cost				
Subordinated debt		1,402.1		1,402.1
Interest-bearing liabilities		18,322.0		18,322.0

Reconciliation of financial assets valued based on non-observable market data (level 3) 2017

NOK millions	As at 1.1.2017	Net realised/ unrealised gains recognised in profit or loss	Purch- ases	Sales	Settle- ments	Trans- fers into/out of level 3	Cur- rency effect	As at 31.3.2017	Amount of net realised/ unrealised gains recognised in profit or loss that are attributable to instruments held as at 31.12.2016
Shares and similar interests	2,307.0	(70.6)	24.6	(22.9)			0.1	2,238.1	(87.8)
Bonds and other fixed income securities	1,333.5	16.2	53.1	(117.2)			14.6	1,300.3	
Total	**3,640.5**	**(54.4)**	**77.7**	**(140.1)**			**14.6**	**3,538.4**	**(87.8)**

Sensitivity of financial assets valued based on non-observable market data (level 3) 2017

NOK millions		Sensitivity
Shares and similar interests	Decrease in value 10%	223.8
Bonds and other fixed income securities	Decrease in value 10%	130.0
Total		**353.8**

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	Purch- ases	Sales	Settle- ments	Trans- fers into/out of level 3	Cur- rency effect	As at 31.3.2016	Amount of net realised/ unrealised gains recognised in profit or loss that are attributable to instruments held as at 31.12.2015
Shares and similar interests	1,943.7	(228.0)	31.4	(39.1)			(0.1)	1,707.9	(197.9)
Bonds and other fixed income securities	2,174.6	(102.9)	193.9	(13.4)			(39.7)	2,212.4	
Total	**4,118.2**	**(330.9)**	**225.3**	**(52.5)**			**(39.9)**	**3,920.3**	**(197.9)**

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%	170.8
Bonds and other fixed income securities	Decrease in value 10%	221.2
Total		**392.0**

8. Claims provision, gross

NOK millions	31.3.2017	31.3.2016	31.12.2016
General insurance			
Claims provision, gross, as at 1 January	31,357.4	32,300.5	32,300.5
Additions from acquisitions			348.3
Claims for the year	4,251.7	4,132.1	17,858.4
Claims incurred in prior years, gross	(355.7)	(221.4)	(1,045.8)
Claims paid	(4,244.8)	(3,963.4)	(17,779.6)
Discounting of claims provisions	16.1	14.4	44.9
Change in discounting rate	(71.6)	69.5	194.5
Exchange differences	75.7	(186.0)	(563.7)
Claims provision, gross, at the end of the period	**31,028.7**	**32,145.6**	**31,357.4**
Pension			
Claims provision, gross, as at 1 January	1,090.1	878.0	878.0
Claims for the year	456.2	275.1	1,294.4
Claims incurred in prior years, gross			12.6
Claims paid	(112.7)	(115.3)	(414.7)
Transfer of pension savings [1]	(1,433.6)	(114.9)	(680.1)
Claims provision, gross, at the end of the period		**922.8**	**1,090.1**
Group			
Claims provision, gross, as at 1 January	32,447.5	33,178.5	33,178.5
Additions from acquisitions			348.3
Claims for the year	4,707.9	4,407.2	18,311.9
Claims incurred in prior years, gross	(355.7)	(221.4)	(1,033.2)
Claims paid	(4,357.5)	(4,078.7)	(17,331.9)
Discounting of claims provisions	16.1	14.4	44.9
Change in discounting rate	(71.6)	69.5	194.5
Transfer of pension savings [1]	(1,433.6)	(114.9)	(680.1)
Exchange differences	75.7	(186.0)	(585.2)
Claims provision, gross, at the end of the period	**31,028.7**	**33,068.5**	**32,447.5**
Discounted claims provision, gross - annuities	5,769.8	5,057.3	4,905.2
Nominal claims provision, gross - annuities	6,476.5	5,562.8	5,449.1

[1] According to new Norwegian Financial Reporting Regulations for insurance companies, claims provision is reclassified to premium reserve from 1 January 2017. Comparable figures have not been restated.

The claims provisions shall cover future claims payments. The claims provisions for insurances with annuity payments are converted to present value (discounted), whereas other provisions are undiscounted.

The reason why the claims provisions for annuities are discounted is due to very long cash 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. For Swedish MTPL personal injuries are paid as lifelong annuities. The discount rate used is a swap interest rate.

9. Contingent liabilities

NOK millions	31.3.2017	31.3.2016	31.12.2016
Guarantees and committed capital			
Gross guarantees	0.1	0.1	0.1
Committed capital, not paid	991.0	1,316.4	1,174.3

As part of its ongoing financial management Gjensidige has committed, but not paid up to NOK 991.0 million (1,316.4) in loan funds containing secured debt 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.

10. Related parties

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

Key figures

In addition to the financial statements according to IFRS, Gjensidige uses different alternative performance measures (APM) to present the business in a more relevant way for its different stakeholders. The alternative performance measures have been used consistent over time, and relevant definitions have been disclosed. Comparable figures are provided for all alternative performance measures.

		1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Gjensidige Forsikring Group				
Equity	NOK millions	23,512.0	24,162.0	22,326.0
Equity per share	NOK	47.0	48.3	44.7
Earnings per share in the period, basic and diluted [1]	NOK	2.22	2.22	9.34
Return on equity, annualised [2]	%	20.5	19.0	21.4
Return on tangible equity, annualised [3]	%	25.9	23.7	26.9
Return on financial assets [4]	%	1.0	0.6	3.9
Total eligible own funds to meet the group SCR (SF) [5]	NOK millions	20,724.2	19,306.5	20,377.9
Group SCR margin (SF) [6]	%	144.4	139.1	146.8
Total eligible own funds to meet the minimum consolidated group SCR (SF) [7]	NOK millions	14,320.3		14,065.2
Minimum consolidated group SCR margin (SF) [8]	%	272.2		266.4
Gjensidige Forsikring ASA				
Total eligible own funds to meet the SCR (SF) [9]	NOK millions	18,994.9	18,654.8	18,625.0
SCR margin (SF) [10]	%	185.2	175.7	181.5
Total eligible own funds to meet the MCR (SF) [11]	NOK millions	16,404.8		16,124.4
MCR margin (SF), Group [12]	%	355.5		349.2
Issued shares, at the end of the period	Number	500,000,000	500,000,000	500,000,000
General Insurance				
Gross premiums written				
Private	NOK millions	2,724.3	2,701.1	8,375.9
Commercial	NOK millions	3,469.3	3,332.2	7,446.1
Nordic	NOK millions	2,465.8	2,538.8	6,262.4
Baltics	NOK millions	271.4	278.6	1,080.6
Corporate Centre/reinsurance	NOK millions	101.2	114.0	53.0
Total	NOK millions	9,032.0	8,964.7	23,218.0
Premiums, net of reinsurance [13]	%	95.6	96.4	97.5
Earned premiums				
Private	NOK millions	2,034.3	1,988.5	8,291.3
Commercial	NOK millions	1,798.3	1,805.8	7,257.4
Nordic	NOK millions	1,486.7	1,420.8	5,917.8
Baltics	NOK millions	255.4	264.4	1,036.3
Corporate Centre/reinsurance	NOK millions	(27.0)	34.6	(60.9)
Total	NOK millions	5,547.7	5,514.0	22,441.9
Loss ratio [14]				
Private	%	61.8	63.1	60.7
Commercial	%	68.9	71.3	66.5
Nordic	%	85.8	76.9	80.1
Baltics	%	71.1	66.8	72.2
Total	%	71.3	70.7	69.1
Cost ratio [15]				
Private	%	12.7	12.7	12.8
Commercial	%	11.6	11.2	11.0
Nordic	%	16.1	14.7	15.7
Baltics	%	33.5	35.2	37.4
Total	%	15.5	6.6	14.2
Combined ratio [16]				
Private	%	74.5	75.8	73.5
Commercial	%	80.5	82.5	77.5
Nordic	%	101.9	91.6	95.8
Baltics	%	104.7	102.0	109.6
Total	%	86.8	77.3	83.4
Combined ratio discounted [17]	%	86.8	76.2	82.4

		1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Pension				
Assets under management pension, at the end of the period	NOK millions	24,993.1	20,307.5	23,237.3
of which the group policy portfolio	NOK millions	5,577.3	5,020.1	5,409.6
Operating margin [18]	%	26.89	26.05	31.62
Recognised return on the paid-up policy portfolio [19]	%	0.80	1.19	4.08
Value-adjusted return on the paid-up policy portfolio [20]	%	0.98	1.19	4.87
Share of shared commercial customers [21]	%	69.0	70.0	70.0
Return on equity, annualised [2]	%	14.1	14.7	13.8
Retail Bank				
Gross lending, addition in the period	NOK millions	1,647.6	980.7	4,514.0
Deposits, addition in the period	NOK millions	330.3	744.9	1,913.1
Gross lending, at the end of the period	NOK millions	42,897.1	37,716.2	41,249.5
Deposits, at the end of the period	NOK millions	21,600.6	20,102.1	21,270.4
Deposits-to-loan ratio at the end of the period [22]	%	50.4	53.3	51.6
Assets under management, at the end of the period	NOK millions	15,594.8	15,250.8	15,141.6
Net interest margin, annualised [23]	%	1.97	1.73	1.85
Write-downs and losses, annualised [24]	%	0.32	0.11	0.18
Cost/income ratio [25]	%	43.9	53.7	44.4
Shared customers' share of gross lending [26]	%	76.3	77.0	76.2
Capital adequacy ratio [27]	%	16.6	15.8	17.1
Tier 1 capital ratio [28]	%	14.5	14.0	15.0
Common equity Tier 1 capital ratio [29]	%	13.1	12.5	13.5
Return on equity, annualised [2]	%	10.4	9.7	12.0

[1] 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

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

[3] Return on tangible equity, annualised = Shareholders’ share of net profit for the periode/average shareholders’ equity for the period adjusted for intangible assets, annualised

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

[5] 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.

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

[7] 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.

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

[9] 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.

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

[11] 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.

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

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

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

[15] Cost ratio = operating expenses/earned premiums

[16] Combined ratio = loss ratio + cost ratio

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

[18] Operating margin = net operating income/(administration fees + insurance profit + management income etc.)

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

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

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

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

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

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

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

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

[27] 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.

[28] 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.

[29] 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	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Earned premiums from general insurance	5,547.7	5,685.6	5,705.5	5,536.8	5,514.0	5,493.5	5,471.2	5,188.1	5,119.2
Other income	921.5	853.9	818.7	679.2	697.7	832.7	686.4	666.4	697.8
Total operating income	**6,469.2**	**6,539.5**	**6,524.2**	**6,216.0**	**6,211.7**	**6,326.2**	**6,157.7**	**5,854.6**	**5,817.0**
Total net income from investments	**585.6**	**535.7**	**737.0**	**591.0**	**332.4**	**604.8**	**(174.0)**	**518.1**	**524.4**
Total operating income and net income from investments	**7,054.8**	**7,075.2**	**7,261.2**	**6,807.1**	**6,544.1**	**6,931.0**	**5,983.6**	**6,372.7**	**6,341.3**
Claims incurred etc. from general insurance	(3,957.9)	(4,013.8)	(4,004.3)	(3,599.6)	(3,898.1)	(3,734.7)	(3,588.0)	(3,341.8)	(3,933.0)
Other claims, interest expenses, loss etc.	(646.3)	(565.2)	(535.7)	(412.4)	(450.4)	(579.7)	(447.3)	(434.2)	(466.6)
Total claims, interest expenses, loss etc.	**(4,604.2)**	**(4,579.0)**	**(4,540.0)**	**(4,012.0)**	**(4,348.5)**	**(4,314.5)**	**(4,035.3)**	**(3,776.1)**	**(4,399.6)**
Operating expenses from general insurance	(857.6)	(971.3)	(989.4)	(865.6)	(365.2)	(879.5)	(792.3)	(776.1)	(769.6)
Other operating expenses	(228.1)	(219.0)	(216.0)	(220.1)	(221.5)	(266.5)	(204.3)	(180.4)	(184.8)
Total operating expenses	**(1,085.7)**	**(1,190.3)**	**(1,205.3)**	**(1,085.7)**	**(586.6)**	**(1,146.0)**	**(996.6)**	**(956.5)**	**(954.4)**
Total expenses	**(5,689.8)**	**(5,769.3)**	**(5,745.3)**	**(5,097.7)**	**(4,935.2)**	**(5,460.5)**	**(5,031.9)**	**(4,732.6)**	**(5,354.0)**
Profit/(loss) for the period before tax expense	**1,365.0**	**1,305.8**	**1,515.9**	**1,709.3**	**1,608.9**	**1,470.6**	**951.7**	**1,640.1**	**987.3**
Underwriting result general insurance	**732.2**	**700.4**	**711.8**	**1,071.6**	**1,250.7**	**879.2**	**1,091.0**	**1,070.2**	**416.5**

NOK millions	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	Q4 2012
Earned premiums from general insurance	5,214.4	5,203.6	5,061.5	4,907.2	4,766.3	4,866.9	4,646.6	4,457.2	4,418.2
Other income	830.1	600.5	645.2	636.1	630.2	513.8	516.7	486.9	479.5
Total operating income	**6,044.5**	**5,804.1**	**5,706.8**	**5,543.4**	**5,396.5**	**5,380.6**	**5,163.3**	**4,944.1**	**4,897.7**
Total net income from investments	**352.5**	**574.3**	**765.3**	**783.5**	**892.2**	**846.0**	**615.6**	**184.2**	**780.5**
Total operating income and net income from investments	**6,397.0**	**6,378.4**	**6,472.1**	**6,326.8**	**6,288.8**	**6,226.6**	**5,778.8**	**5,128.3**	**5,678.2**
Claims incurred etc. from general insurance	(3,607.9)	(3,695.3)	(3,357.9)	(3,809.3)	(3,664.2)	(3,293.7)	(3,487.3)	(3,414.4)	(3,108.5)
Other claims, interest expenses, loss etc.	(604.0)	(399.3)	(448.3)	(440.7)	(440.8)	(332.8)	(343.2)	(318.9)	(321.6)
Total claims, interest expenses, loss etc.	**(4,211.9)**	**(4,094.7)**	**(3,806.2)**	**(4,249.9)**	**(4,105.0)**	**(3,626.5)**	**(3,830.5)**	**(3,733.3)**	**(3,430.1)**
Operating expenses from general insurance	(799.3)	(753.2)	(752.5)	(748.9)	(726.4)	(720.6)	(710.8)	(699.9)	(707.0)
Other operating expenses	(226.7)	(193.8)	(165.4)	(172.0)	(174.2)	(206.1)	(160.6)	(154.5)	(159.9)
Total operating expenses	**(1,026.0)**	**(947.1)**	**(917.9)**	**(921.0)**	**(900.7)**	**(926.7)**	**(871.4)**	**(854.4)**	**(866.9)**
Total expenses	**(5,238.0)**	**(5,041.7)**	**(4,724.2)**	**(5,170.9)**	**(5,005.7)**	**(4,553.3)**	**(4,701.9)**	**(4,587.6)**	**(4,297.0)**
Profit/(loss) for the period before tax expense	**1,159.0**	**1,336.7**	**1,747.9**	**1,155.9**	**1,283.1**	**1,673.3**	**1,076.9**	**540.7**	**1,381.3**
Underwriting result general insurance	**807.2**	**755.0**	**951.0**	**349.1**	**375.7**	**852.5**	**448.5**	**342.9**	**602.7**

Income statement

Gjensidige Forsikring ASA

NOK millions	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Premiums			
Earned premiums, gross	5,452.0	5,358.0	21,930.6
Ceded reinsurance premiums	(172.0)	(118.7)	(578.0)
Total earned premiums, net of reinsurance	**5,280.0**	**5,239.3**	**21,352.6**
General insurance claims			
Gross claims	(3,698.0)	(3,728.8)	(15,205.3)
Claims, reinsurers' share	(68.1)	15.3	497.1
Total claims incurred, net of reinsurance	**(3,766.1)**	**(3,713.5)**	**(14,708.2)**
Insurance-related operating expenses			
Insurance-related administration expenses incl. commissions for received reinsurance and sales expenses	(828.5)	(320.1)	(2,973.4)
Received commission for ceded reinsurance and profit share	9.3	1.0	23.7
Total insurance-related operating expenses	**(819.3)**	**(319.2)**	**(2,949.7)**
Profit/(loss) of technical account general insurance	**694.7**	**1,206.7**	**3,694.8**
Net income from investments			
Income from investments in subsidiaries, associates and joint ventures	49.7	108.7	113.3
Impairment losses from investments in subsidiaries, associates and joint ventures	(49.4)		(94.2)
Interest income and dividend etc. from financial assets	306.8	303.5	1,266.1
Changes in fair value on investments	(169.1)	(1,064.6)	(1,053.4)
Realised gain and loss on investments	459.6	1,089.1	1,889.6
Administration expenses related to investments, including interest expenses	(107.6)	(62.8)	(218.9)
Total net income from investments	**490.0**	**373.8**	**1,902.5**
Other income	6.7	3.3	11.9
Other expenses	(4.4)	(2.2)	(9.2)
Profit/(loss) of non-technical account	**492.3**	**374.9**	**1,905.2**
Profit/(loss) before tax expense	**1,187.0**	**1,581.6**	**5,600.0**
Tax expense	(222.2)	(472.3)	(1,322.0)
Profit/(loss) before components of other comprehensive income	**964.8**	**1,109.2**	**4,278.0**
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)	(159.2)
Tax on items that are not reclassified to profit or loss		58.2	39.8
Total items that are not reclassified subsequently to profit or loss		**(174.5)**	**(119.4)**
Items that may be reclassified subsequently to profit or loss			
Exchange differences from foreign operation	76.0	(81.5)	(273.0)
Tax on items that may be reclassified to profit or loss	(18.6)	19.8	66.6
Total items that may be reclassified subsequently to profit or loss	**57.4**	**(61.8)**	**(206.5)**
Total comprehensive income	**1,022.2**	**872.9**	**3,952.1**

Statement of financial position

Gjensidige Forsikring ASA

NOK millions	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Assets			
Goodwill	1,587.4	1,646.2	1,587.0
Other intangible assets	939.4	827.6	955.5
Total intangible assets	**2,526.7**	**2,473.8**	**2,542.5**
Investments			
Buildings and other real estate			
Owner-occupied property	27.0	19.0	19.0
Subsidiaries and associates			
Shares in subsidiaries	5,700.0	5,517.9	5,741.7
Shares in associates and joint ventures	1,086.9	1,098.7	1,086.9
Interest bearing receivables within the group incl. joint ventures	1,865.4	1,538.1	1,420.2
Financial assets measured at amortised cost			
Bonds held to maturity	1,215.4	1,801.2	1,226.8
Loans and receivables	15,926.5	16,546.5	16,018.9
Financial assets measured at fair value			
Shares and similar interests (incl. shares and similar interests measured at cost)	6,052.1	5,898.9	6,134.4
Bonds and other fixed-income securities	22,679.8	24,526.1	23,108.2
Financial derivatives	779.5	513.4	1,207.8
Reinsurance deposits	472.9	495.0	457.8
Total investments	**55,805.5**	**57,954.7**	**56,421.6**
Reinsurers' share of insurance-related liabilities in general insurance, gross			
Reinsurers' share of provision for unearned premiums, gross	283.8	230.8	115.5
Reinsurers' share of claims provision, gross	418.0	239.4	512.2
Total reinsurers' share of insurance-related liabilities in general insurance, gross	**701.8**	**470.2**	**627.7**
Receivables			
Receivables related to direct operations	6,426.8	6,353.6	4,983.0
Receivables related to reinsurance	173.0	255.6	340.1
Receivables within the group	34.7	74.8	89.5
Other receivables	843.2	1,074.2	833.5
Total receivables	**7,477.6**	**7,758.2**	**6,246.0**
Other assets			
Plant and equipment	280.6	298.2	273.8
Cash and cash equivalents	3,159.3	3,374.0	1,143.0
Pension assets	486.2	292.4	486.2
Total other assets	**3,926.1**	**3,964.6**	**1,903.0**
Prepaid expenses and earned, not received income			
Earned, not received interest income		19.7	
Other prepaid expenses and earned, not received income	56.0	13.4	4.2
Total prepaid expenses and earned, not received income	**56.0**	**33.1**	**4.2**
Total assets	**70,493.8**	**72,654.6**	**67,745.0**

NOK millions	1.1.-31.3.2017	1.1.-31.3.2016	1.1.-31.12.2016
Equity and liabilities			
Paid in equity			
Share capital	1,000.0	1,000.0	1,000.0
Own shares	0,0	0,0	(0.1)
Share premium	1,430.0	1,430.0	1,430.0
Perpetual Tier 1 Capital	999.4		999.2
Other paid in equity	40.1	32.8	36.7
Total paid in equity	**3,469.5**	**2,462.8**	**3,465.9**
Retained equity			
Funds etc.			
Natural perils capital	2,328.4	2,129.9	2,266.2
Guarantee scheme provision	628.9	616.2	628.9
Other retained earnings	12,267.5	13,799.4	11,318.2
Total retained earnings	**15,224.8**	**16,545.5**	**14,213.3**
Total equity	**18,694.3**	**19,008.3**	**17,679.1**
Subordinated loan	1,197.8	1,197.5	1,197.7
Insurance-related liabilities in general insurance, gross			
Provision for unearned premiums, gross	11,907.4	11,491.2	8,585.9
Claims provision, gross	30,456.6	31,542.2	30,802.6
Provision for premium discounts and other profit agreements	58.3	55.1	56.3
Total insurance-related liabilities in general insurance, gross	**42,422.3**	**43,088.5**	**39,444.8**
Provision for liabilities			
Pension liabilities	487.3	474.8	493.2
Current tax	780.2	1,165.6	1,149.4
Deferred tax liabilities	935.5	875.9	905.4
Other provisions	258.2	281.2	327.2
Total provision for liabilities	**2,461.2**	**2,797.5**	**2,875.1**
Liabilities			
Liabilities related to direct insurance	283.3	322.2	289.6
Liabilities related to reinsurance	185.3	291.8	88.2
Financial derivatives	784.8	273.9	1,173.1
Accrued dividend	3,400.0	4,200.0	3,400.0
Other liabilities	734.2	1,143.1	1,252.9
Liabilities to subsidiaries and associates	0.4	13.0	43.1
Total liabilities	**5,388.2**	**6,244.0**	**6,246.9**
Accrued expenses and deferred income			
Other accrued expenses and deferred income	330.1	318.8	301.4
Total accrued expenses and deferred income	**330.1**	**318.8**	**301.4**
Total equity and liabilities	**70,493.8**	**72,654.6**	**67,745.0**

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 31.12.2015	**1,000.0**	**(0.1)**	**1,430.0**	**29.3**		**319.1**	**(1,559.3)**	**16,912.9**	**18,132.1**
1.1.-31.12.2016									
Profit/(loss) before components of other comprehensive income					11.1			4,266.9	4,278.0
Components of other comprehensive income									
Items that are not reclassified subsequently to profit or loss									
Remeasurement of the net defined benefit liability/asset							(159.2)		(159.2)
Tax on items that are not reclassified to profit or loss							39.8		39.8
Total items that are not reclassified subsequently to profit or loss							**(119.4)**		**(119.4)**
Items that may be reclassified subsequently to profit or loss									
Exchange differences from foreign operations						(273.0)			(273.0)
Tax on items that may be reclassified to profit or loss						66.6			66.6
Total items that may be reclassified subsequently to profit or loss						**(206.5)**			**(206.5)**
Total components of other comprehensive income						**(206.5)**	**(119.4)**		**(325.9)**
Total comprehensive income						**(206.5)**	**(119.4)**	**4,266.9**	**3,952.1**
Own shares		0.1						(3.8)	(3.7)
Accrued and paid dividend								(5,396.6)	(5,396.6)
Equity-settled share-based payment transactions				7.3					7.3
Perpetual Tier 1 capital					997.1				997.1
Perpetual Tier 1 capital - interest paid					(8.9)				(8.9)
Equity as at 31.12.2016	**1,000.0**	**(0.1)**	**1,430.0**	**36.7**	**999.2**	**112.6**	**(1,678.7)**	**15,779.4**	**17,679.1**
1.1.-31.3.2017									
Profit/(loss) before components of other comprehensive income					8.9			955.8	964.8
Components of other comprehensive income									
Items that are not reclassified subsequently to profit or loss									
Items that may be reclassified subsequently to profit or loss									
Exchange differences from foreign operations						76.0			76.0
Tax on items that may be reclassified to profit or loss						(18.6)			(18.6)
Total items that may be reclassified subsequently to profit or loss						**57.4**			**57.4**
Total components of other comprehensive income						**57.4**			**57.4**
Total comprehensive income					**8.9**	**57.4**		**955.8**	**1,022.2**
Own shares		0,0						(1.9)	(1.9)
Accrued and paid dividend								0.4	0.4
Equity-settled share-based payment transactions				3.4					3.4
Perpetual Tier 1 capital					0.2			(0.2)	
Perpetual Tier 1 capital - interest paid					(8.9)				(8.9)
Equity as at 31.3.2017	**1,000.0**	**0,0**	**1,430.0**	**40.1**	**999.4**	**170.0**	**(1,678.7)**	**16,733.6**	**18,694.3**
1.1.-31.3.2016									
Profit/(loss) before components of other comprehensive income								1,109.2	1,109.2
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						(81.5)			(81.5)
Tax on items that may be reclassified to profit or loss						19.8			19.8
Total items that may be reclassified subsequently to profit or loss						**(61.8)**			**(61.8)**
Total components of other comprehensive income						**(61.8)**	**(174.5)**		**(236.3)**
Total comprehensive income						**(61.8)**	**(174.5)**	**1,109.2**	**872.9**
Own shares		0.1						(0.3)	(0.2)
Equity-settled share-based payment transactions				3.5					3.5
Equity as at 31.3.2016	**1,000.0**	**0,0**	**1,430.0**	**32.8**		**257.3**	**(1,733.8)**	**18,021.9**	**19,008.3**

Gjensidige is a leading Nordic insurance group listed on the Oslo Stock Exchange. We have about 4,000 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 25.5 billion in 2015, while total assets were NOK 135.9 billion.

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