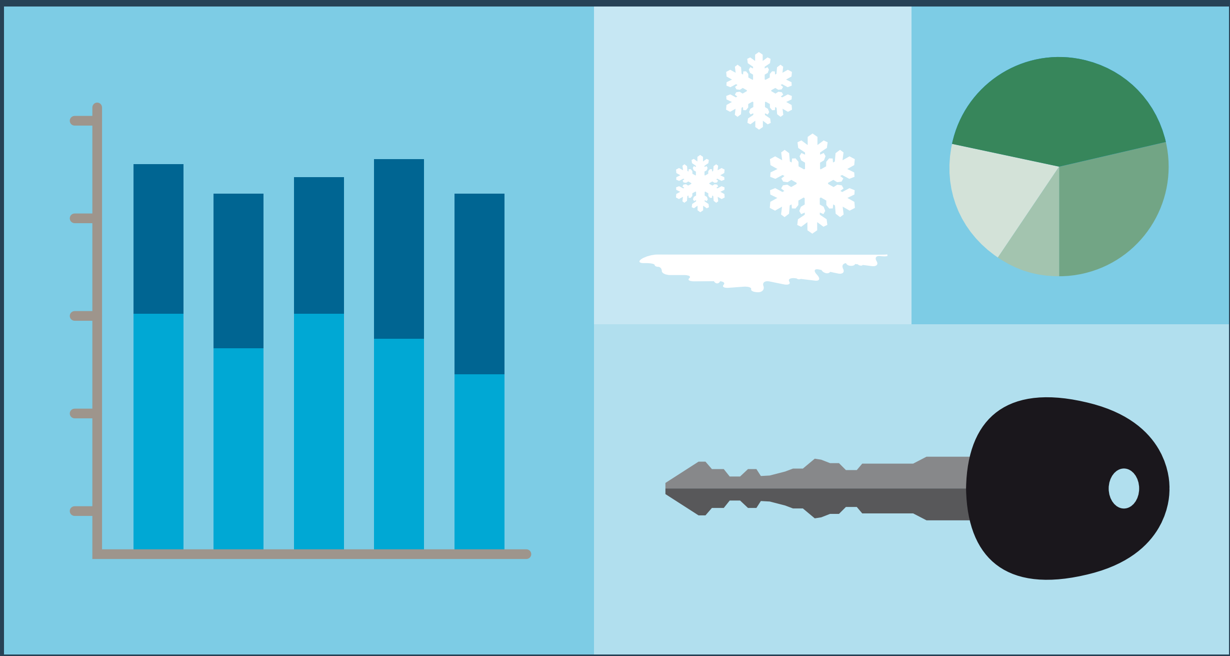
Interim Report 4th quarter and preliminary result 2015

Gjensidige Insurance Group



Group highlights
Fourth quarter and preliminary result 2015

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

Year as a whole

Group

- Profit/loss before tax expense: NOK 5,049.7 million (5,399.6)
- Profit per share: NOK 7.57 (8.38)

General Insurance

- Earned premiums: NOK 21,272.0 million (20,386.8)
- Underwriting result: NOK 3,456.9 million (2,862.3)
- Combined ratio: 83.7 (86.0)
- Cost ratio: 15.1 (15.0)
- Financial result: NOK 1,492.4 million (2,426.3)

Fourth quarter

Group

- Profit/loss before tax expense: NOK 1,470.6 million (1,159.0)
- Profit per share: NOK 2.49 (1.93)

General Insurance

- Earned premiums: NOK 5,493.5 million (5,214.4)
- Underwriting result: NOK 879.2 million (807.2)
- Combined ratio: 84.0 (84.5)
- Cost ratio: 16.0 (15.3)
- Financial result: NOK 610.8 million (367.3)

Proposed dividend

- Proposed dividend: NOK 4,200 million (2,950)
- Proposed dividend per share: NOK 8.40 (5.90)
  - Of which based on profit for the year: NOK 6.40
  - Of which excess capital distribution: NOK 2.00

Profit performance Group

NOK millions	Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
General Insurance Private	639.5	449.1	2,208.1	1,624.0
General Insurance Commercial	402.9	357.6	1,440.8	1,285.4
General Insurance Nordic	65.6	72.9	509.1	384.3
General Insurance Baltics	(64.4)	(3.4)	(98.9)	0.6
Corporate Centre/costs related to owner	(102.5)	(79.2)	(331.8)	(311.4)
Corporate Centre/reinsurance [1]	(61.9)	10.2	(270.5)	(120.5)
Underwriting result general insurance [2]	**879.2**	**807.2**	**3,456.9**	**2,862.3**
Pension and Savings	23.3	(16.4)	84.2	43.9
Retail Bank	82.8	48.6	303.6	253.5
Financial result from the investment portfolio [3]	610.8	367.3	1,492.4	2,426.3
Amortisation and impairment losses of excess value – intangible assets	(82.7)	(39.1)	(209.6)	(170.0)
Other items	(42.8)	(8.7)	(77.7)	(16.5)
Profit/(loss) for the period before tax expense	**1,470.6**	**1,159.0**	**5,049.7**	**5,399.6**
Key figures general insurance				
Large losses [4]	261.4	198.1	880.3	823.3
Run-off gains/(losses) [5]	230.5	234.0	724.8	493.7
Loss ratio [6]	68.0%	69.2%	68.6%	71.0%
Cost ratio [7]	16.0%	15.3%	15.1%	15.0%
Combined ratio [8]	84.0%	84.5%	83.7%	86.0%

[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. The Baltics segment has, as a main rule, a retention level of EUR 0.5 million. Large losses allocated to the Corporate Centre amounted to NOK 382.5 million (207.2) for the year as a whole and NOK 118.0 million (89.1) in the quarter. Accounting items related to written reinsurance and reinstatement premium are also included.
[2] Underwriting result general insurance = earned premiums - claims incurred etc. - operating expenses
[3] Excluding return on financial assets in Pension and Savings and Retail Bank.
[4] Large losses = loss events in excess of NOK 10.0 million. Expected large losses for the quarter were NOK 283.0 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

Record underwriting result and solid profit performance in 2015

Group profit performance

Development during the year

The Gjensidige Insurance Group recorded a profit before tax expense of NOK 5,049.7 million (5,399.6) in 2015. The profit from general insurance operations measured by the underwriting result was a record strong NOK 3,456.9 million (2,862.3), corresponding to a combined ratio of 83.7 (86.0). The return on financial assets was 2.6 per cent (4.3), or NOK 1,492.4 million (2,426.3).

The tax expense amounted to NOK 1,265.0 million (1,210.0), corresponding to an effective tax rate of 25.1 per cent (22.4). The effective tax rate is influenced by realised and unrealised gains and losses on equity investments in the EEA and, in particular, by the gain from the sale of 50 per cent of the investment in Oslo Areal. The effective tax rate was also influenced by a reduction in deferred tax assets and liabilities due to the change in the Norwegian corporate tax rate from 27 to 25 per cent from 2016.

The profit after tax expense was NOK 3,784.7 million (4,189.6), corresponding to NOK 7.57 (8.38) per share.

The underwriting result was positively influenced by a solid premium growth of 4.3 per cent and a favourable underlying frequency claims development combined with increased run-off gains. The result reflects continued good control of customer and risk selection and risk pricing.

Earned premiums in the Private segment increased by 0.3 per cent for the year. Adjusted for changes in the structure of a partnership agreement, the growth was 1.8 per cent, driven by general premium increases. The underwriting result increased mainly as a result of a favourable claims development and higher run-off gains.

Earned premiums in the Commercial segment increased by 3.4 per cent as a result of growth in most products. Growth and higher run-off gains contributed positively to the underwriting result, partly offset by a more normalised underlying development in frequency claims.

In the Nordic segment, earned premiums increased by 9.9 per cent (3.4 per cent in local currency), mainly due to the acquisition of Mondux. The underwriting result was higher than in the year before, mainly driven by growth and a lower proportion of large losses.

Earned premiums in the Baltics segment increased by 22.8 per cent (14.7 per cent in local currency). Adjusted for the acquisition of PZU Lietuva, earned premiums decreased by 4.9 per cent. The underwriting result was weaker than the year before, due to negative growth, run-off losses and higher operating expenses in the existing business as well as a negative contribution from the acquired company.

The Retail Bank's profit performance improved during the period, mainly driven by increased net interest income as a result of business growth and lower financing costs. The profit performance in Pension and Savings was stable.

The return on financial assets was negatively impacted by the widening of credit spreads and weak return from equities. The sale of 50 per cent of Oslo Areal contributed positively. The return in 2014 was positively affected by a gain on the sale of Storebrand shares and the reclassification of SpareBank1 SR-Bank.

Development during the quarter

The Group recorded a profit before tax expense for the quarter of NOK 1,470.6 million (1,159.0). The profit from general insurance operations measured by the underwriting result was NOK 879.2 million (807.2), corresponding to a combined ratio of 84.0 (84.5). The return on financial assets was 1.1 per cent (0.7), or NOK 610.8 million (367.3). The profit after tax expense was NOK 1,246.7 million (964.1), corresponding to NOK 2.49 (1.93) per share.

The strong underwriting result was driven by 5.4 per cent growth in premiums combined with a continued favourable underlying frequency claims development. Large losses were higher than in the fourth quarter 2014, but just slightly below what is normally expected. They included claims totalling NOK 175 million related to natural peril events in the quarter, in particular the storms Gorm and Synne. Owner related corporate centre costs increased somewhat compared with the same period in 2014. The increase was mainly due to investments in IT- and security solutions to secure that the Baltic operations can be efficiently integrated in the Group solutions.

The Retail Bank showed a positive profit development compared to the same period in 2014, mainly driven by higher interest income. While reporting a negative result in the fourth quarter 2014 due to a VAT-payment, Pension and Savings recorded a profit.

The financial result in the quarter was positively impacted by the gain on the sale of the investment in Oslo Areal. High-yield bonds and equities performed weakly.

Equity and capital adequacy

The Group's equity amounted to NOK 23,330.6 million (21,656.8) at the end of 2015. The return on equity after tax expense was 17.4 per cent (18.1). The capital adequacy ratio was 17.1 per cent (18.1), and the solvency margin[1] was 351.6 per cent (366.5).

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 rating and the capital required to meet the statutory solvency requirements. Excess capital above and beyond this constitutes the strategic buffer. At year-end, the buffer amounted to NOK 0.9 billion, after deducting the Board's proposed dividend of NOK 4.2 billion.

As previously communicated, there is uncertainty about the potential capital effects of possible regulatory changes. However, based on new signals from Norwegian regulators during the third quarter 2015 (see below), the regulatory risk seems to have diminished somewhat.

Other matters

Solvency II: Target solvency margins

Solvency II took effect 1 January 2016. Gjensidige will initially calculate the Solvency II position based on the standard formula. An application for a partial internal model is expected to be submitted during the first half-year 2016, and approval is expected before year-end.

[1] Solvency margin for Gjensidige Forsikring ASA

The following will be the target solvency margin ranges for the Gjensidige Insurance Group:

- Standard Formula (SF): 115 -140 per cent
- Partial Internal Model (PIM): 120 -175 per cent

The Solvency II regulation is based on principles. Based on Gjensidige's current understanding of the Solvency II regulation and how it will be implemented in Norway, the solvency margins at the end of 2015 were calculated to be:

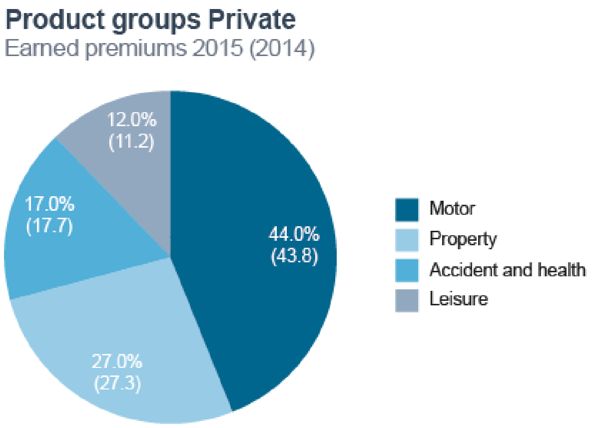
- Standard Formula (SF): 145 per cent
- Partial Internal Model (PIM): 187 per cent.

Solvency II: Consultation paper on accounting principles
On 5 May 2015, the Norwegian Ministry of Finance issued a consultation paper concerning changes in accounting principles for company accounts due to the implementation of Solvency II. Among other things, the Ministry of Finance proposed that claims provisions should be discounted pursuant to the Solvency II rules and that the security provision should be reclassified to equity and replaced by a risk margin. The proposal of discounting and introduction of a risk margin were removed from the final version that was adopted in December 2015. Hence, the security provision should be reclassified from liabilities to equity in the company accounts. Provision for deferred tax on the security provision will be recognised. These changes will be implemented from 1 January 2016, and will not affect Group accounts. Discounting and risk margin are expected to be implemented at a later stage in Group and company accounts, in connection with the implementation of IFRS 4 phase II.

Solvency II: Consultation paper on tax
In June 2014, the Norwegian Financial Supervisory Authority (FSA) addressed whether Solvency II valuation principles should also be used for tax purposes when valuing technical provisions. In May 2015, the Norwegian Ministry of Finance issued a consultation paper on this issue. For further details, see the interim report for the second quarter 2015. In August 2015, the Ministry of Finance withdrew the consultation paper, stating that it finds it necessary to spend more time on the issue and that no changes will be introduced with effect in 2016. In Gjensidige's opinion, the new solvency regulations should not entail major changes in tax positions, and expects a new proposal to reflect this.

Solvency II: Consultation paper on the Natural Perils Fund
In June 2014, the Norwegian FSA also questioned whether the Natural Perils Fund can be included in solvency capital. In August 2015, the Ministry of Justice issued a consultation paper on the regulation of the natural perils arrangement itself with the stated purpose of making the Natural Perils Fund eligible as capital under Solvency II. The conclusions in the consultation paper are in line with the Gjensidige's opinion. The consultation deadline was 26 November 2015, but no new information has been released on this matter.

Solvency II: Other issues
In June 2014, the Norwegian FSA also questioned whether the guarantee scheme provision can be part of solvency capital. No new information has been released on this matter.



General Insurance Private

Development during the year

The underwriting result was NOK 2,208.1 million (1,624.0). The improvement was driven by a favourable claims development. The combined ratio was 72.9 (80.0).

Earned premiums increased to NOK 8,152.3 million (8,124.1) driven by premium increases. The total number of customers at the end of the year was around the same as in 2014, demonstrating Gjensidige's strong competitiveness in a highly competitive market showing signs of a somewhat slower growth. The previously announced changes to the structure of a partnership agreement had a negative effect of NOK 118.1 million on the premium volume during the year. The underwriting result was not affected by the changes in the agreement, however.

Claims incurred amounted to NOK 4,908.5 million (5,468.5). The loss ratio was 60.2 (67.3). The weather situation was relatively benign during the year, resulting in a much lower impact from underlying frequency claims than can normally be expected, especially in property and motor insurance. The underlying development in motor insurance was better compared to 2014, also when adjusting for an effect of around NOK 70 million from a revised actuarial model for calculating claims provisions. The development in property insurance was positive due to lower claims from fires and water damages. Accident and health products recorded a stable loss ratio, while the leisure product showed an increased loss ratio compared with the previous year. In both 2015 and 2014 large losses mainly affected the property product.

Operating expenses amounted to NOK 1,035.7 million (1,031.5), and the cost ratio was 12.7 (12.7).

Development during the quarter

The underwriting result in the period was NOK 639.5 million (449.1). The increase was mainly driven by a favourable underlying frequency claims development. The combined ratio was 68.6 (78.0).

Earned premiums decreased to NOK 2,036.4 million (2,044.1). Adjusted for the above-mentioned partnership agreement that had a negative effect on earned premiums of NOK 23.4 million, all the main product groups contributed to growth.

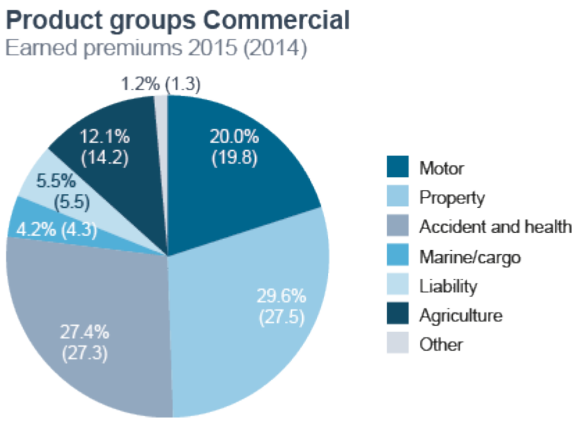
Claims incurred amounted to NOK 1,130.3 million (1,332.4). The loss ratio was 55.5 (65.2). The improvement was primarily driven by a positive claims development in property and motor insurance.

Operating expenses amounted to NOK 266.7 million (262.6), and the cost ratio was 13.1 (12.8).

General Insurance Private

NOK millions	Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Earned premiums	2,036.4	2,044.1	8,152.3	8,124.1
Claims incurred etc.	(1,130.3)	(1,332.4)	(4,908.5)	(5,468.5)
Operating expenses	(266.7)	(262.6)	(1,035.7)	(1,031.5)
Underwriting result	**639.5**	**449.1**	**2,208.1**	**1,624.0**
Amortisation and impairment losses of excess value – intangible assets	(5.6)	(3.0)	(12.0)	(34.6)
Large losses [1]	11.0	40.8	45.1	81.6
Run-off gains/(losses) [2]	125.5	106.3	261.0	181.9
Loss ratio [3]	55.5%	65.2%	60.2%	67.3%
Cost ratio [4]	13.1%	12.8%	12.7%	12.7%
Combined ratio [5]	68.6%	78.0%	72.9%	80.0%

[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 Commercial

Development during the year

The underwriting result amounted to NOK 1,440.8 million (1,285.4) in 2015. The improved underwriting result was mainly due to growth in earned premiums and increased run-off gains, partly offset by higher large losses. The combined ratio was 79.6 (81.2).

Earned premiums increased to NOK 7,076.8 million (6,847.2), driven by growth in the main product lines, particularly property, business interruption and motor insurance. Premium growth is slowing as a result of generally weaker macroeconomic trends and softening market conditions for commercial lines of business.

Claims incurred amounted to NOK 4,826.7 million (4,791.1), and the loss ratio was 68.2 (70.0). Adjusted for increased run-off gains and impact from large losses, the underlying frequency claims development was somewhat weaker than in 2014, particularly in agriculture and business interruption insurance. In general, the underlying frequency claims development was more normal than in 2014.

Operating expenses amounted to NOK 809.3 million (770.6), corresponding to a cost ratio of 11.4 (11.3). The increase in operating expenses was partly due to higher commission expenses and non-recurring re-organisation costs.

Development during the quarter

The underwriting result was NOK 402.9 million (357.6) for the quarter. The improvement was driven by premium growth and by a more favourable underlying frequency claims development than in the same period in 2014. The combined ratio was 77.2 (79.5).

Earned premiums increased to NOK 1,768.1 million (1,743.3). Growth was positive for most product groups.

Claims incurred amounted to NOK 1,169.5 million (1,193.2), corresponding to a loss ratio of 66.1 (68.4). The underlying frequency claims development was generally positive for most products.

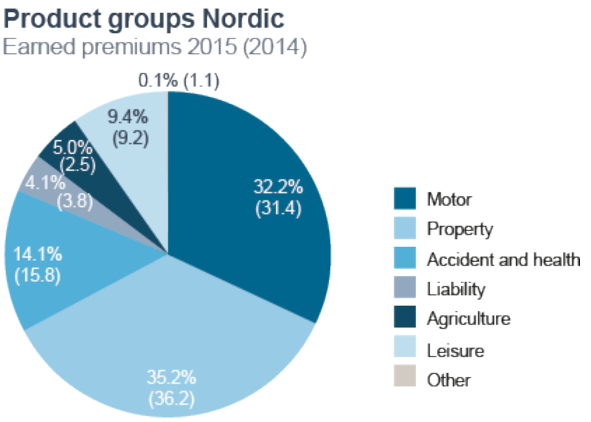
Operating expenses amounted to NOK 195.8 million (192.4) and the cost ratio was 11.1 (11.0).

Gjensidige has entered into a new agreement with a premium volume of around NOK 195 million with effect from 1 January 2016.

General Insurance Commercial

NOK millions	Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Earned premiums	1,768.1	1,743.3	7,076.8	6,847.2
Claims incurred etc.	(1,169.5)	(1,193.2)	(4,826.7)	(4,791.1)
Operating expenses	(195.8)	(192.4)	(809.3)	(770.6)
Underwriting result	**402.9**	**357.6**	**1,440.8**	**1,285.4**
Large losses [1]	83.8	38.1	384.7	350.4
Run-off gains/(losses) [2]	99.1	43.6	341.8	132.2
Loss ratio [3]	66.1%	68.4%	68.2%	70.0%
Cost ratio [4]	11.1%	11.0%	11.4%	11.3%
Combined ratio [5]	77.2%	79.5%	79.6%	81.2%

[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 Nordic

Development during the year

The underwriting result was NOK 509.1 million (384.3). The improvement was mainly due to a lower proportion of large losses. The combined ratio was 90.3 (91.9).

Earned premiums increased to NOK 5,233.3 million (4,762.9). NOK 298.3 million of the increase was related to currency effects. The Mondux acquisition affected earned premiums by NOK 128.5 million. Underlying premiums grew moderately, particularly in the Danish portfolio The Swedish portfolio also contributed positively. Growth rates gradually slowed down during the year, particularly in the Danish commercial portfolio as a result of a soft market situation in the large customer segment, combined with the non-renewal of a large portfolio in accident and health insurance early in 2015. Re-pricing, focus on profitability and less volatile exposure in the commercial portfolio contributed to growth levelling out in Sweden as well. Underlying growth for most product groups was good, particularly in property insurance and in accident and health when adjusted for the above-mentioned portfolio.

Claims incurred amounted to NOK 3,905.2 million (3,589.8). NOK 226.7 million of the increase was due to currency effects. The loss ratio was 74.6 (75.4). The lower loss ratio was mainly due to a lower proportion of large losses. The underlying frequency claims development was negatively impacted by property products due to a more normal claims development than in the previous year. The underlying frequency claims development for other product lines was almost unchanged. The profitability of the Danish portfolio was satisfactory. Profitability was generally weak in the Swedish portfolio, but improved significantly during the year.

Measures are introduced to gradually re-price the Swedish portfolio, and achieve a less volatile exposure in the commercial book.

Operating expenses were NOK 819.0 million (788.9). NOK 50.3 million of the increase was due to currency effects. The cost ratio was 15.6 (16.6).

Development during the quarter

The underwriting result was NOK 65.6 million (72.9). The decrease was mainly due to a higher proportion of large losses. The combined ratio was 95.3 (94.2).

Earned premiums amounted to NOK 1,392.2 million (1,264.6). NOK 88.4 million of the increase was due currency effects while NOK 63.6 million was related to Mondux. The underlying premium growth in the quarter was moderate, also when adjusted for a one-off effect related to Gouda in the corresponding quarter in 2014 and for the accident and health portfolio not being renewed.

Claims incurred amounted to NOK 1,097.0 million (964.8). Of the increase, NOK 69.0 million was due to currency effects. The loss ratio was 78.8 (76.3). It was negatively affected by large losses, among other things related to the storm Gorm. Underlying frequency claims development was unchanged compared to the same period previous year. Profitability of the Danish portfolio was satisfactory and profitability of the Swedish portfolio improved.

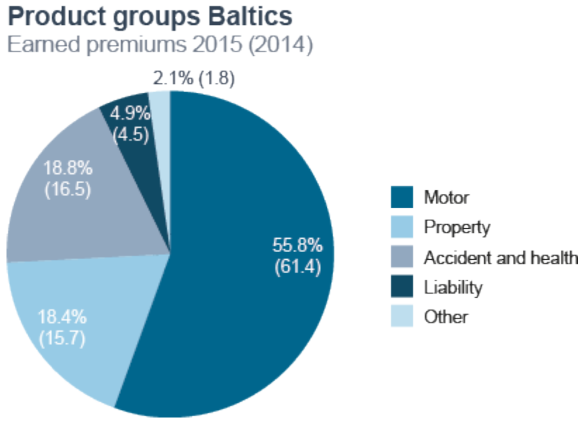
Operating expenses were NOK 229.5 million (227.0). Currency effects had negative impact of NOK 15.6 million. The cost ratio was 16.5 (17.9).

General Insurance Nordic

NOK millions	Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Earned premiums	1,392.2	1,264.6	5,233.3	4,762.9
Claims incurred etc.	(1,097.0)	(964.8)	(3,905.2)	(3,589.8)
Operating expenses	(229.5)	(227.0)	(819.0)	(788.9)
Underwriting result	**65.6**	**72.9**	**509.1**	**384.3**
Amortisation and impairment losses of excess value – intangible assets	(58.9)	(34.7)	(175.2)	(130.2)
Large losses [1]	48.7	30.0	68.0	182.5
Run-off gains/(losses) [2]	28.8	25.6	145.8	153.8
Loss ratio [3]	78.8%	76.3%	74.6%	75.4%
Cost ratio [4]	16.5%	17.9%	15.6%	16.6%
Combined ratio [5]	95.3%	94.2%	90.3%	91.9%

[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 year

The underwriting result was minus NOK 98.9 million (plus 0.6). The weakening of the result was due to a combination of weak underlying growth, unfavourable claims development and the consolidation of PZU Lietuva with effect from the fourth quarter. Strengthening of claims provisions and restructuring measures also had a negative effect on the result. The combined ratio was 115.4 per cent (99.9).

Earned premiums amounted to NOK 642.0 million (523.0). Of the increase, NOK 36.9 million was due to currency effects. The consolidation of PZU Lietuva from the fourth quarter increased earned premiums by NOK 109.7 million. The underlying premium growth was negative, especially due to weak development in motor product lines where competition is fierce. New customer concepts have contributed to a higher number of products per customer.

Claims incurred amounted to NOK 524.8 million (377.2). Of the increase, NOK 26.6 million is due to currency effects. The loss ratio was 81.8 per cent (72.1). The claims provisions in motor third party liability were considerably strengthened in the period. Adjusted for negative run-off, the underlying frequency claims development was negatively impacted by motor products in particular. Measures are being taken to improve the quality of the portfolio, and tariffs based on best practice from Norway were introduced in Latvia at the end of 2015.

Nominal operating expenses amounted to NOK 216.0 million (145.1). Of the increase, NOK 10.2 million was due to currency effects. The cost ratio increased to 33.6 per cent (27.8). The increase was mainly due to a higher run rate in the acquired company, combined with increased investments in IT systems and distribution turnaround.

Gjensidige has initiated an improvement programme including investments in IT systems, product development, tariff programmes, distribution, CRM and claims operation in order to position the company for expected future growth and improved profitability in the Baltic portfolio. Following the acquisition of PZU Lietuva, Gjensidige is the second-largest general insurance company in Lithuania and among the five largest players in the Baltic region.

Development during the quarter

The underwriting result was a loss of NOK 64.4 million (loss of 3.4) in the quarter. The combined ratio was 125.4 (102.6), negatively affected by the PZU Lietuva portfolio.

Earned premiums increased to NOK 253.7 million (129.7). Currency development had a positive effect of NOK 9.2 million on premiums. The consolidation of PZU Lietuva affected earned premiums by NOK 109.7 million in the quarter. The underlying premium development was positive, and all product lines contributed to growth.

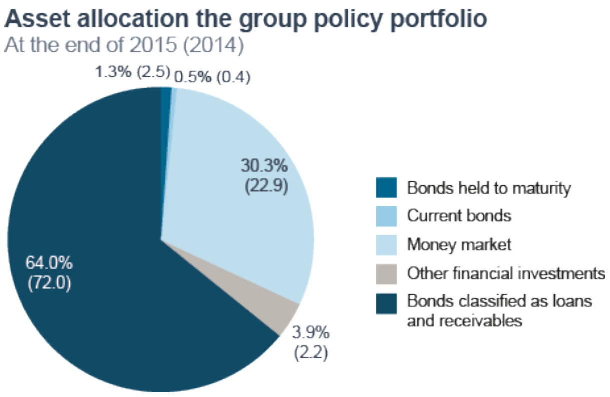
Claims incurred amounted to NOK 229.3 million (93.9). Currency development had a negative effect of NOK 6.7 million. The loss ratio was 90.4 (72.4). The claims provisions for motor third party liability were considerably strengthened in the period. Adjusted for this, the negative claims development in motor insurance continued. The claims development and portfolio mix showed a positive trend in Latvia after the introduction of new tariffs. New tariffs will also be implemented in other parts of the business.

Operating expenses amounted to NOK 88.8 million (39.2). Of the increase, NOK 2.8 million was due to currency effects. The cost ratio increased to 35.0 (30.2). The increase in the cost ratio was due to the acquisition of PZU Lietuva combined with investments in IT systems and distribution improvements.

General Insurance Baltics

NOK millions	Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Earned premiums	253.7	129.7	642.0	523.0
Claims incurred etc.	(229.3)	(93.9)	(524.8)	(377.2)
Operating expenses	(88.8)	(39.2)	(216.0)	(145.1)
Underwriting result	**(64.4)**	**(3.4)**	**(98.9)**	**0.6**
Amortisation and impairment losses of excess value – intangible assets	(18.3)	(1.3)	(22.4)	(5.2)
Large losses [1]				1.7
Run-off gains/(losses) [2]	(22.9)	(2.8)	(30.1)	(11.8)
Loss ratio [3]	90.4%	72.4%	81.8%	72.1%
Cost ratio [4]	35.0%	30.2%	33.6%	27.8%
Combined ratio [5]	125.4%	102.6%	115.4%	99.9%

[1] Large losses = loss event in excess of EUR 0.5 million. Claims incurred in excess of this per event are, as a main 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 and Savings

Development during the year

The profit before tax expense was NOK 84.2 million (43.9), a significant improvement compared to 2014, also when adjusted for the extra-ordinary VAT payment of NOK 28.6 million in the fourth quarter 2014.

The business developed positively in 2015, driven by a growing customer portfolio and increasing assets under management. As a result, net insurance revenue increased to NOK 155.9 million (136.0) and management income to NOK 119.5 million (98.1).

Operating expenses were NOK 222.0 million (221.4). The expenses in 2014 included the above-mentioned VAT effect. The underlying cost base increased as a result of increased business volume and a stronger focus on distribution.

Net financial income, including both the return on the group policy portfolio and the corporate portfolio, amounted to NOK 30.8 million (31.2). The company's share of the profit relating to the paid-up policy portfolio was allocated in its entirety as a provision for longevity.

At the end of the year, pension assets under management amounted to NOK 20,033.0 million (17,196.3). Of this amount, the group policy portfolio accounted for NOK 4,877.5 million (4,186.8).

The recognised return on the paid-up policy portfolio was 5.43 per cent (4.63). The average annual interest guarantee was 3.5 per cent.

Saving assets under management amounted to NOK 15,555.1 million (15,018.2) at the end of the year.

In total during 2015, assets under management increased by NOK 3,373.6 million (6,364.3) to NOK 35,588.1 million (32,214.5) at year-end.

Development during the quarter

The profit before tax expense was NOK 23.3 million (loss of 16.4). The previous year's loss was a consequence of the VAT expense of NOK 28.6 million. Net insurance revenue was NOK 35.2 million (32.5) and management income amounted to NOK 30.3 million (25.6). A growing customer portfolio and increased assets under management explain the positive revenue development.

Operating expenses were NOK 58.2 million (79.8). Costs in 2014 included VAT. Net financial income amounted to NOK 16.0 million (5.3). The increased income was due to market appreciation of the company investment portfolio and reclassification of previous provisions related to longevity.

Pension and Savings

NOK millions	Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Earned premiums	468.0	455.8	1,431.5	1,262.4
Claims incurred etc.	(432.8)	(423.3)	(1,275.7)	(1,126.4)
Net insurance revenue	**35.2**	**32.5**	**155.9**	**136.0**
Management income etc.	30.3	25.6	119.5	98.1
Operating expenses	(58.2)	(79.8)	(222.0)	(221.4)
Net operating income	**7.3**	**(21.7)**	**53.4**	**12.7**
Net financial income	16.0	5.3	30.8	31.2
Profit/(loss) before tax expense	**23.3**	**(16.4)**	**84.2**	**43.9**
Run-off gains/(losses) [1]				
Operating margin [2]	11.16%	(37.36%)	19.37%	5.43%
Recognised return on the paid-up policy portfolio [3]			5.43%	4.63%
Value-adjusted return on the paid-up policy portfolio [4]			5.42%	4.63%

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

Retail Bank

Development during the year

The profit before tax expense amounted to NOK 303.6 million (253.5). The positive development was mainly the result of increased net interest income.

Net interest income was NOK 721.2 million (613.8). The improvement was driven by business growth combined with lower financing costs. A reversal of NOK 12.6 million accrual for the Deposits Guarantee Fund fee to be paid in 2016, also impacted the income positively. Based on the FSA letter dated 19 November 2015, the fee is expected to be charged in full in the first quarter 2016. Net commission income and other income amounted to NOK 4.1 million (49.4). The decrease was primarily driven by losses on financial instruments. The widening of credit spreads in the bond market resulted in mark to market losses in the liquidity reserve portfolio. Commission costs relating to car financing also increased.

Net interest margin was 2.12 per cent (2.17). The development was the result of an increased share of secured loans in the total lending portfolio.

Operating expenses were NOK 359.3 million (357.9). The increase in expenses driven by business growth was offset by decreased depreciation expenses and no write-offs of fixed assets. In 2014 the bank wrote off fixed assets related to systems replacements and changes in the contract with the bank's systems and technology provider. The cost/income ratio was 49.5 per cent (54.0).

Total write-downs and losses amounted to NOK 62.3 million (51.8), predominantly related to the unsecured lending portfolio. The increase was driven by growth in car financing. The portfolio continues to be of high quality. Write-downs and losses as a percentage of average gross lending were 0.20 per cent (0.20).

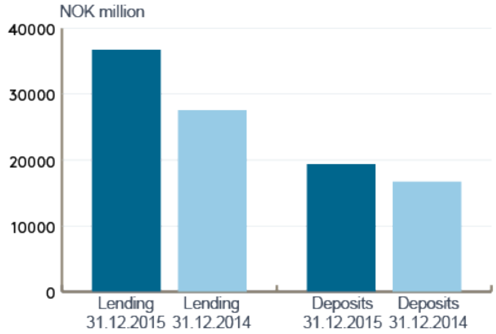
The weighted average loan to value ratio[1] was estimated to be 63.7 per cent (62.4) for the mortgage portfolio.

Gross lending increased by 33.4 per cent year on year, amounting to NOK 36,735.5 million (27,546.5) at the end of 2015. Deposits increased by 15.9 per cent year on year, reaching NOK 19,357.2 million (16,703.4) at the end of 2015.

The deposits to loans ratio was reduced to 52.7 per cent (60.6), driven by higher growth in the lending portfolio.

As a result of portfolio growth and more stringent capital requirements from 1 July 2015, the bank increased its capital by a total of NOK 520.0 million. The bank issued two perpetual Tier 1 capital instruments with a total nominal value of NOK 300.0 million, and one Tier 2 subordinated bond with a nominal value of NOK 100.0 million. Equity was increased by NOK 120.0 million through capital injections from the parent company.

Deposits and lending
At the end of 2015 (2014)



In the second half of 2015 bond markets experienced widening credit spreads which impacted the bank's cost of funding from such markets.

Development during the quarter

The profit before tax expense amounted to NOK 82.8 million (48.6) in the quarter. Business growth and lower expenses were the main contributors to the increase.

Net interest income was NOK 191.4 million (173.0). The increase in net interest income was generated by business growth and the reversal of the accrual for the Deposits Guarantee Fund fee to be paid in 2016. This was partly offset by the reclassification in 2014 of NOK 9.1 million generated by liquidity reserve placements in the first nine months of the year.

Net commission income and other income was negative in the amount of NOK 9.2 million (negative 5.6). Adjusted for the above mentioned income reclassification in 2014, the bank recorded an increase in losses on financial instruments driven by a widening of credit spreads.

Operating expenses amounted to NOK 90.5 million (108.3). The decrease was primarily driven by no write-offs of fixed assets. In the fourth quarter 2014, the bank wrote off fixed assets related to systems replacements and changes in the contract with the bank's systems and technology provider.

The cost/income ratio was 49.6 per cent (64.7).

Total write-downs and losses amounted to NOK 9.0 million (10.5).

Gross lending growth was NOK 2,430.2 million (1,124.9), while deposits increased by NOK 1,849.2 million (83.6).

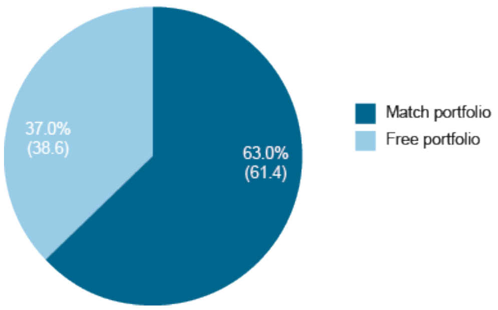
[1] The Loan to value ratio estimate is calculated based on the exposure on the reporting date and the property valuation, including any higher priority pledge(s), at the time the loan was approved.

Retail Bank

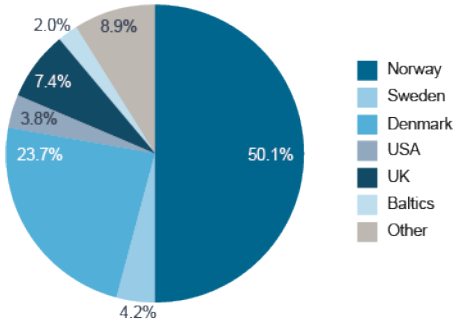
NOK millions	Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Interest income and related income	329.4	343.3	1,311.0	1,327.9
Interest expenses and related expenses	(137.9)	(170.2)	(589.8)	(714.1)
Net interest income	**191.4**	**173.0**	**721.2**	**613.8**
Net commission income and other income	(9.2)	(5.6)	4.1	49.4
Total income	**182.3**	**167.4**	**725.2**	**663.2**
Operating expenses	(90.5)	(108.3)	(359.3)	(357.9)
Write-downs and losses	(9.0)	(10.5)	(62.3)	(51.8)
Profit/(loss) before tax expense	**82.8**	**48.6**	**303.6**	**253.5**
Net interest margin, annualised [1]			2.12%	2.17%
Write-downs and losses, annualised [2]			0.20%	0.20%
Cost/income ratio [3]	49.6%	64.7%	49.5%	54.0%

[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

Portfolio split
At the end of 2015 (2014)



Geographic distribution match portfolio
At the end of 2015



Management of financial assets and properties

The Group's investment portfolio includes all investment funds in the Group, except for investment funds in the Pension and Savings and Retail Bank segments. The investment portfolio is split into two parts: a match portfolio and a free portfolio. The match portfolio is intended to correspond to the Group's technical provisions. It is invested in fixed-income instruments with a duration matched to 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. Generally, foreign-exchange risk in the investment portfolio is hedged close to 100 per cent, within a permitted limit of +/- ten per cent per currency.

At year-end, the investment portfolio totalled NOK 57.2 billion (56.5). The financial result amounted to NOK 1,492.4 million (2,426.3), which correspond to a return on total assets of 2.6 per cent (4.3).

Match portfolio

The match portfolio amounted to NOK 36.0 billion (34.7). The portfolio yielded a return of 2.8 per cent (3.2) excluding changes in the value of the bonds recognised at amortised cost.

Bonds recognised at amortised cost amounted to NOK 18.7 billion (18.8). Unrealised excess value amounted to NOK 1,416.3 million (2,193.8) at year-end. The reinvestment rate of new investments in the portfolio of bonds held at amortised cost was approximately 3.1 per cent on average in 2015, and the running yield was 4.5 per cent.

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 pages 12 and 13. Securities without an official credit rating amounted to NOK 11.5 billion (11.0). Of these securities, 13.5 per cent (16.5) were issued by Norwegian savings banks, while the remainder were mostly issued by Norwegian power producers and distributors, property companies or government-guaranteed companies. A third-party internal rating existed for 67.4 per cent (71.5) of the portfolio without an official rating. Bonds with a coupon linked to the development in the Norwegian consumer price index accounted for 11.2 per cent (12.5) of the match portfolio.

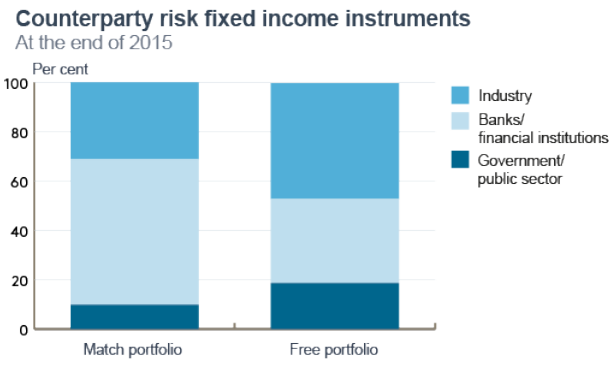
The geographical distribution[1] of the match portfolio is shown in the chart above.

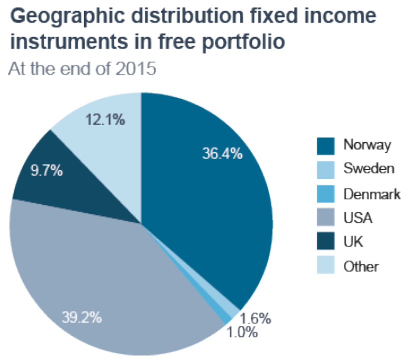
[1] The geographical distribution is related to issuers and does not reflect actual currency exposure

Financial assets and properties

	Result Q4		Result 1.1.-31.12.		Carrying amount 31.12.	
NOK millions	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Match portfolio						
Money market	28.0	28.7	48.4	119.8	6,836.6	6,144.1
Bonds at amortised cost	220.7	214.6	929.5	893.0	18,747.7	18,760.5
Current bonds [1]	27.8	(29.6)	4.1	58.3	10,454.4	9,784.8
Match portfolio total	**276.5**	**213.7**	**982.0**	**1,071.2**	**36,038.7**	**34,689.3**
Free portfolio						
Money market	7.4	17.1	26.5	94.0	4,066.4	3,570.9
Other bonds [2]	(3.4)	16.2	68.8	147.3	6,551.3	3,964.0
Convertible bonds [3]	12.0	17.4	20.8	34.7	1,066.4	790.9
Current equities [4]	(82.5)	(108.8)	(376.5)	286.8	3,250.3	3,832.7
PE funds	(16.6)	4.0	(102.0)	259.7	1,383.7	1,710.9
Property [5]	480.6	237.5	974.8	547.2	3,188.1	6,516.2
Other [6]	(63.3)	(29.9)	(102.0)	(14.5)	1,628.9	1,463.8
Free portfolio total	**334.2**	**153.6**	**510.4**	**1,355.1**	**21,135.2**	**21,849.5**
Financial result from the investment portfolio	**610.8**	**367.3**	**1,492.4**	**2,426.3**	**57,173.9**	**56,538.8**
Financial income in Pension and Savings and Retail Bank	2.2	(5.2)	15.9	58.9		
Interest expense on subordinated loan Gjensidige Forsikring ASA	(8.1)	(9.5)	(35.0)	(9.5)		
Net income from investments	**604.8**	**352.5**	**1,473.3**	**2,475.6**		

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





Free portfolio
The free portfolio amounted to NOK 21.1 billion (21.8) at the end of the year. The return was 2.3 per cent (5.8).

Fixed-income instruments
The fixed-income instruments in the free portfolio amounted to NOK 11.7 billion (8.3), of which money market investments including cash, accounted for NOK 4.1 billion (3.6). 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 1.2 per cent (2.7), negatively affected by the widening of credit spreads in the second half year.

The average duration in the portfolio was approximately 3.4 years at the end of 2015. The distribution of counterparty risk and credit rating is shown in the charts on this and the next page. Securities without an official credit rating amounted to NOK 2.1 billion (1.7). Of these securities, 11.1 per cent (1.1) were issued by Norwegian savings banks, while the remainder were mostly issued by Norwegian power producers and distributors, property companies or government-guaranteed companies. A third-party internal rating existed for 65.7 per cent (71.2) 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 4.6 billion (5.5), of which NOK 3.3 billion (3.8) consisted of current equities and NOK 1.4 billion (1.7) of PE funds. The return on current equities was minus 10.3 per cent (plus 6.7). The low return was mainly due to weak performance for the investment in SpareBank 1 SR-Bank. The market value of the investment in SpareBank 1 SR-Bank amounted to NOK 1,053.6 million at the end of the year, and the return was minus 22.5 per cent in 2015. The return on PE funds was minus 6.8 per cent (positive 15.1). The negative return was particularly driven by a fall in the value of funds exposed to the oil sector.

Property portfolio
At the end of the period, the exposure to commercial real estate in the portfolio was NOK 3.2 billion (6.5). The property portfolio yielded a return of 16.6 per cent (9.9)

In the fourth quarter Gjensidige entered into an agreement with AMF Pensionsforsäkring to sell 50 per cent of the shares in Oslo Areal. Part of the agreement was that Gjensidige, through a price-adjustment mechanism, will be exposed to the property market development in an amount corresponding to half of the proceeds during the period until 31 December 2016. Gjensidige will therefore have higher property exposure in this period than the 50 per cent holding in Oslo Areal. The intention is to reinvest the proceeds so that the total property exposure gradually increases to a level close to the level prior to the transaction. The strategic rationale behind the agreement is to enhance Oslo Areal's ability to utilise attractive investment opportunities in the market, and to take part in larger transactions and development projects.

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

Return per asset class

Per cent	Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Match portfolio				
Money market	0.4	0.5	0.8	2.3
Bonds at amortised cost	1.2	1.2	4.9	4.7
Current bonds [1]	0.3	(0.3)	0,0	0.6
Match portfolio total	**0.8**	**0.6**	**2.8**	**3.2**
Free portfolio				
Money market	0.2	0.4	0.7	1.8
Other bonds [2]	(0.1)	0.4	1.4	3.6
Convertible bonds [3]	1.3	2.3	2.5	5.0
Current equities [4]	(2.5)	(2.8)	(10.3)	6.7
PE funds	(1.2)	0.2	(6.8)	15.1
Property [5]	10.7	4.0	16.6	9.9
Other [6]	(3.2)	(2.6)	(6.1)	(0.8)
Free portfolio total	**1.6**	**0.7**	**2.3**	**5.8**
Return on financial assets	**1.1**	**0.7**	**2.6**	**4.3**

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

Credit rating fixed income instruments

At the end of 2015

A gain of NOK 379.1 million was recorded from the transaction, of which around NOK 250 million was due to reversal of net deferred tax related to temporary differences. From the fourth quarter 2015, the investment in Oslo Areal is classified as a joint venture.

Total return swaps have been entered into between Gjensidige Forsikring ASA (GF), the Gjensidige Pensjonskasse (GPK) and Gjensidige Pensjon og Sparing AS (GPS), whereby GPK and GPS will receive a return on property, while GF will receive a return on money market instruments plus a margin. The underlying amount in the agreements was NOK 0.9 billion. The total return swap with GPK (NOK 0.3 billion) was terminated by year-end 2015.

Development during the quarter

The financial result for the total investment portfolio was NOK 610.8 million (367.3) in the quarter. This corresponds to a return on financial assets of 1.1 per cent (0.7).

The match portfolio yielded a return of 0.8 per cent (0.6), excluding changes in the value of bonds valued at amortised cost. The free portfolio yielded a return of 1.6 per cent (0.7). The higher return was primarily driven by the gain on the sale of the investment in Oslo Areal. High-yield bonds performed weakly due to the widening of credit spreads. The weak performance of equities was related to the weak performance of the position in SpareBank 1 SR-Bank and negative return on hedging instruments.

Organisation

The Group had a total of 3,908 employees at the end of 2015, compared with 3,909 employees at the end of the third quarter.

The number of employees broke down as follows: 2,057 (2,053) in general insurance operations in Norway, 151 (152) in Gjensidige Bank, 71 (69) in Gjensidige Pensjon og Sparing, 687 (688) in Denmark, 211 (219) in Sweden and 731 (728) in the Baltic states (excluding agents). The figures in brackets refer to the number of employees at the end of the third quarter.

Events after the balance sheet date

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

Dividend

The Board has proposed a dividend of NOK 4,200 million (2,950) for the 2015 financial year. This corresponds to NOK 8.40 (5.90) per share, of which NOK 6.40 is based on the profit for the year and NOK 2.00 is related to distribution of excess capital. The element related to the annual result represents 85 (70) per cent of the Group's profit after tax expense.

Gjensidige's goal is to distribute high and stable dividends to its shareholders, and at least 70 per cent of the profit after tax expense over time. In addition, any future excess capital over and above the capitalisation target will be distributed to the owners over time. By capitalisation target is meant capitalisation that is adapted to Gjensidige's strategic targets and appetite for risk at all times. The Group shall maintain its financial flexibility, although not at the expense of capital discipline.

Outlook

The Group targets a 15 per cent return on equity after tax from and including 2015. The Board is confident of delivering solid earnings and dividend growth over time, and strong underwriting profitability is expected to offset a more challenging environment for achieving investment returns.

- Firstly, organic growth is expected to be in line with nominal GDP growth in Gjensidige's market areas in the Nordic countries and the Baltics 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.
- Secondly, 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 endeavour to strike a balance between good profitability and increased investments in order to ensure strong competitiveness in future. Extraordinary circumstances relating to the weather and the proportion of large losses can bring the combined ratio outside the target range in both directions.
- Thirdly, over the next 3-5 years, average annual run-off gains are expected to double from the average level reported over the past five years, moving the expected reported combined ratio to the lower end of a corridor 86-89 (undiscounted).
- Finally, regulatory uncertainty relating to Solvency II is expected to decrease. All else being equal, this will support 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. Given reasonable market conditions, Gjensidige will consider utilising capacity for issuing Tier 1 compatible hybrid capital to further optimise the capital structure.

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 Board has defined five strategic focus areas for the period up until 2018:

- Enhance and expand multi-channel distribution
- Develop value-adding services for loyalty and preference
- Further digitalise business and customer processes
- Strengthen business intelligence and analytics
- Build dynamic organisational capabilities

In order to ensure strong competiveness in future, investments will primarily be increased in the fields of IT, competence development, brand strength and marketing in order to support the five focus areas.

Competition is strong and increasing in the Norwegian general insurance market, partly driven by a more challenging macro environment. Gjensidige's competitiveness is regarded as good. Solid growth in premiums and volume is combined with good profitability and high customer satisfaction in the Norwegian market. The growth rate is expected to slow down somewhat. Continued efforts to retain and strengthen Gjensidige's position in the Norwegian market have priority. At the same time, new, profitable opportunities for growth will be considered in the Nordic region and the Baltics in order to ensure good utilisation of a scalable business model and best practice. Great emphasis will also be placed on further developing cooperation with partners and distributors.

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

There is still uncertainty, although it is diminishing, relating to changes to the regulatory framework conditions for the financial sector in Norway and internationally. The Solvency II regulations were implemented in Norway on 1 January 2016. Gjensidige will submit an application for using its own partial internal model (PIM) during the first half-year 2016. Endeavours have been made to win acceptance for inclusion of the natural perils fund and guarantee provision as solvency capital. These matters are expected to be clarified in 2016.

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

Other matters

The Board has decided to pay employees of Gjensidige Forsikring ASA a collective bonus corresponding to NOK 22,500, including holiday pay, per full-time employee. The bonus is based on the combined ratio achieved, and on the development in the portfolio and in customer satisfaction in 2015.

The Board wishes to thank all employees for their efforts and their contribution to Gjensidige's good results in 2015.

Oslo, 2 February 2016
The Board of Gjensidige Forsikring ASA

Inge K. Hansen Chair	Lotte K. Sjøberg	Trond Vegard Andersen	Hans-Erik F. Andersson	Per Arne Bjørge
Kjetil Kristensen	Gisele Marchand	Gunnar Mjåtvedt	Tine G. Wollebekk	Mette Rostad

Helge Leiro Baastad
CEO

Consolidated income statement

NOK millions	Notes	Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Operating income					
Earned premiums from general insurance	4	5,493.5	5,214.4	21,272.0	20,386.8
Earned premiums from pension		468.0	455.8	1,431.5	1,262.4
Interest income etc. from banking operations		329.4	343.3	1,311.0	1,327.9
Other income including eliminations		35.3	30.9	140.8	121.6
Total operating income	**3**	**6,326.2**	**6,044.5**	**24,155.4**	**23,098.7**
Net income from investments					
Results from investments in associates and joint ventures		41.7	(0.3)	49.7	192.0
Operating income from property		33.0	96.2	366.7	348.7
Interest income and dividend etc. from financial assets		287.5	360.1	1,199.3	1,351.6
Net changes in fair value on investments (incl. property)		1,058.7	589.6	189.0	685.8
Net realised gain and loss on investments		(765.9)	(633.9)	(102.7)	96.8
Expenses related to investments		(50.2)	(59.2)	(228.8)	(199.3)
Total net income from investments		**604.8**	**352.5**	**1,473.3**	**2,475.6**
Total operating income and net income from investments		**6,931.0**	**6,397.0**	**25,628.7**	**25,574.3**
Claims, loss etc.					
Claims incurred etc. from general insurance	5, 6	(3,734.7)	(3,607.9)	(14,597.5)	(14,470.4)
Claims incurred etc. from pension		(432.8)	(423.3)	(1,275.7)	(1,126.4)
Interest expenses etc. and write-downs and losses from banking operations		(147.0)	(180.7)	(652.2)	(765.9)
Total claims, interest expenses, loss etc.		**(4,314.5)**	**(4,211.9)**	**(16,525.4)**	**(16,362.8)**
Operating expenses					
Operating expenses from general insurance		(879.5)	(799.3)	(3,217.6)	(3,054.0)
Operating expenses from pension		(58.2)	(79.8)	(222.0)	(221.4)
Operating expenses from banking operations		(90.5)	(108.3)	(359.3)	(357.9)
Other operating expenses		(35.0)	0.4	(45.1)	(8.7)
Amortisation and impairment losses of excess value - intangible assets		(82.7)	(39.1)	(209.6)	(170.0)
Total operating expenses		**(1,146.0)**	**(1,026.0)**	**(4,053.6)**	**(3,812.0)**
Total expenses		**(5,460.5)**	**(5,238.0)**	**(20,578.9)**	**(20,174.8)**
Profit/(loss) for the period before tax expense	**3**	**1,470.6**	**1,159.0**	**5,049.7**	**5,399.6**
Tax expense		(223.8)	(194.9)	(1,265.0)	(1,210.0)
Profit/(loss) for the period		**1,246.7**	**964.1**	**3,784.7**	**4,189.6**
Profit/(loss) for the period attributable to:					
Owners of the company		1,250.8	964.1	3,788.8	4,189.6
Non-controlling interests		(4.1)	0,0	(4.1)	0,0
Total		**1,246.7**	**964.1**	**3,784.7**	**4,189.6**
Earnings per share, NOK (basic and diluted)		**2.49**	**1.93**	**7.57**	**8.38**

Consolidated statement of comprehensive income

NOK millions	Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Profit/(loss) for the period	**1,246.7**	**964.1**	**3,784.7**	**4,189.6**
Components of other comprehensive income				
Items that are not reclassified subsequently to profit or loss				
Remeasurement of the net defined benefit liability/asset	(19.5)	(90.2)	69.0	(410.2)
Share of other comprehensive income from associates and joint ventures	0,0	0,0	0,0	(50.9)
Tax on items that are not reclassified to profit or loss	6.4	24.4	(17.5)	110.8
Total items that are not reclassified subsequently to profit or loss	**(13.1)**	**(65.8)**	**51.5**	**(350.3)**
Items that may be reclassified subsequently to profit or loss				
Exchange differences from foreign operations	69.2	364.8	438.4	281.2
Share of exchange differences from associates and joint ventures	0,0	0,0	0,0	(142.4)
Exchange differences from hedging of foreign operations	0,0	(305.3)	127.5	(237.0)
Investments avaiable for sale	17.0		17.0	
Tax on items that may be reclassified to profit or loss	(54.5)	31.8	(114.3)	27.3
Total items that may be reclassified subsequently to profit or loss	**31.7**	**91.3**	**468.5**	**(70.9)**
Total components of other comprehensive income	**18.6**	**25.5**	**520.0**	**(421.2)**
Total comprehensive income for the period	**1,265.3**	**989.6**	**4,304.7**	**3,768.4**
Total comprehensive income for the period attributable to:				
Owners of the company	1,269.4	989.6	4,308.8	3,768.4
Non-controlling interests	(4.1)	0,0	(4.1)	0,0
Total	**1,265.3**	**989.6**	**4,304.7**	**3,768.4**

Consolidated statement of financial position

NOK millions	Notes	31.12.2015	31.12.2014
Assets			
Goodwill		3,224.5	2,819.0
Other intangible assets		1,343.6	1,123.5
Deferred tax assets		12.9	5.0
Investments in associates and joint ventures		1,547.8	44.3
Interest-bearing receivables from associates and joint venture		1,538.0	
Owner-occupied property		34.8	280.7
Plant and equipment		289.4	321.0
Investment properties	8		6,104.0
Pension assets		93.1	71.8
Financial assets			
Financial derivatives	7	486.5	470.2
Shares and similar interests	7	7,202.3	7,499.8
Bonds and other securities with fixed income	7	30,626.4	23,748.3
Bonds held to maturity	7	2,635.6	2,955.9
Loans and receivables	7	55,837.3	46,969.5
Assets in life insurance with investment options		15,109.6	12,950.3
Reinsurance deposits		0.9	0.8
Reinsurers' share of insurance-related liabilities in general insurance, gross		533.0	551.8
Receivables related to direct operations and reinsurance		4,997.4	4,629.8
Other receivables		502.7	823.6
Prepaid expenses and earned, not received income		96.7	209.0
Cash and cash equivalents		3,151.9	2,403.8
Total assets		**129,264.4**	**113,982.0**
Equity and liabilities			
Equity			
Share capital		999.9	999.9
Share premium		1,430.0	1,430.0
Other equity		20,876.5	19,226.9
Total equity attributable to owners of the company		**23,306.3**	**21,656.8**
Non-controlling interests		24.3	
Total equity		**23,330.6**	**21,656.8**
Provision for liabilities			
Subordinated loan		1,547.2	1,447.1
Premium reserve in life insurance		3,867.2	3,408.3
Provision for unearned premiums, gross, in general insurance		9,230.0	8,536.3
Claims provision, gross	9	33,178.5	32,926.9
Other technical provisions		230.5	168.0
Pension liabilities		558.8	590.4
Other provisions		345.6	247.6
Financial liabilities			
Financial derivatives	7	403.5	527.2
Deposits from and liabilities to customers	7	19,357.2	16,703.4
Interest-bearing liabilities	7	17,804.7	10,300.3
Other liabilities	7	1,065.4	1,006.5
Current tax		1,295.1	1,172.6
Deferred tax liabilities		835.8	1,289.1
Liabilities related to direct insurance	7	619.4	626.3
Liabilities in life insurance with investment options		15,109.6	12,950.3
Accrued expenses and deferred income	7	485.3	424.9
Total liabilities		**105,933.8**	**92,325.2**
Total equity and liabilities		**129,264.4**	**113,982.0**

Consolidated statement of changes in equity

NOK millions	Share capital	Own shares	Share premium	Other paid-in capital	Perpetual Tier 1 capital instrument	Exchange differ-ences	Remeasure-ment of the net defined benefit liab./asset	Other earned equity	Total equity
Equity as at 31.12.2013	**1,000.0**	**(0.1)**	**1,430.0**	**19.8**		**(84.8)**	**(1,328.2)**	**25,251.1**	**26,287.8**
1.1.-31.12.2014									
Profit/(loss) for the period								4,189.6	4,189.6
Components of other comprehensive income									
Items that are not reclassified subsequently to profit or loss									
Remeasurement of the net defined liability/asset							(410.2)		(410.2)
Share of other comprehensive income from associates								(50.9)	(50.9)
Tax on items that are not reclassified to profit or loss							110.8		110.8
Total items that are not reclassified subsequently to profit or loss							**(299.4)**	**(50.9)**	**(350.3)**
Items that may be reclassified subsequently to profit or loss									
Exchange differences from foreign operations						281.3	(0.1)		281.2
Share of exchange differences from associates and								(142.4)	(142.4)
Exchange differences from hedging of foreign operations						(237.0)			(237.0)
Tax on items that may be reclassified to profit or loss						27.3			27.3
Total items that may be reclassified subsequently to profit or loss						**71.6**	**(0.1)**	**(142.4)**	**(70.9)**
Total components of other comprehensive income						**71.6**	**(299.6)**	**(193.2)**	**(421.2)**
Total comprehensive income for the period						**71.6**	**(299.6)**	**3,996.4**	**3,768.4**
Own shares		(0.0)						(6.3)	(6.3)
Paid dividend								(8,398.8)	(8,398.8)
Equity-settled share-based payment transactions				5.8					5.8
Equity as at 31.12.2014	**1,000.0**	**(0.1)**	**1,430.0**	**25.6**		**(13.2)**	**(1,627.8)**	**20,842.3**	**21,656.8**
1.1.-31.12.2015									
Profit/(loss) for the period (the controlling interests' share)								3,788.8	3,788.8
Components of other comprehensive income									
Items that are not reclassified subsequently to profit or loss									
Remeasurement of the net defined liability/asset							69.0		69.0
Tax on items that are not reclassified to profit or loss							(18.6)		(17.5)
Total items that are not reclassified subsequently to profit or loss							**50.3**	**1.1**	**51.5**
Items that may be reclassified subsequently to profit or loss									
Exchange differences from foreign operations						438.4			438.4
Exchange differences from hedging of foreign operations						127.5			127.5
Investments avaiable for sale								17.0	17.0
Tax on items that may be reclassified to profit or loss						(114.3)			(114.3)
Total items that may be reclassified subsequently to profit or loss						**451.5**		**17.0**	**468.5**
Total components of other comprehensive income						**451.5**	**50.3**	**18.1**	**520.0**
Total comprehensive income for the period						**451.5**	**50.3**	**3,806.3**	**4,308.8**
Own shares		(0.0)						(9.9)	(9.9)
Paid dividend								(2,949.6)	(2,949.6)
Remeasurement of the net defined liability/asset of sold companies							(6.7)	6.7	
Equity-settled share-based payment transactions				6.0					6.0
Perpetual Tier 1 capital instrument					298.2			(3.9)	294.3
Equity as at 31.12.2015 attributable to owners of the company	**1,000.0**	**(0.1)**	**1,430.0**	**31.6**	**298.8**	**438.3**	**(1,584.1)**	**21,691.9**	**23,306.3**
Non-controlling interests									24.3
Equity as at 31.12.2015									**23,330.6**

Consolidated statement of cash flows

NOK millions	1.1.-31.12.2015	1.1.-31.12.2014
Cash flow from operating activities		
Premiums paid, net of reinsurance	25,539.7	24,091.4
Claims paid, net of reinsurance	(16,314.5)	(15,127.2)
Net payment of loans to customers	(9,167.6)	(3,352.6)
Net payment of deposits from customers	2,653.9	1,765.1
Payment of interest from customers	1,283.8	1,251.5
Payment of interest to customers	(311.0)	(472.3)
Net receipts/payments of premium reserve transfers	(759.2)	(598.7)
Net receipts/payments from financial assets	(4,947.7)	1,028.4
Net receipts/payments from properties	285.0	297.6
Net receipt/payments on sale/acquisition of investment property	130.2	(1,190.5)
Operating expenses paid, including commissions	(3,785.8)	(3,460.9)
Taxes paid	(1,056.9)	(852.7)
Net other receipts/payments	53.6	49.3
Net cash flow from operating activities	**(6,396.4)**	**3,428.3**
Cash flow from investing activities		
Net receipts/payments from sale/acquisition of subsidiaries and associates/joint venture	2,521.7	3,198.6
Net receipts/payments on sale/acquisition of owner-occupied property, plant and equipment	(58.0)	(285.9)
Dividends from investments in associates		42.4
Net cash flow from investing activities	**2,463.8**	**2,955.1**
Cash flow from financing activities		
Payment of dividend	(2,949.6)	(8,348.9)
Net receipts of subordinated loans incl. interest Gjensidige Forsikring ASA	(36.9)	1,197.1
Net receipts/payments regarding perpetual Tier 1 capital instrument and non-controlling interests	297.1	
Net receipts/payments of loans to credit institutions	7,554.7	635.5
Net receipts/payments of other short-term liabilities	40.7	(26.8)
Net receipts/payments of interest on funding activities	(248.5)	(195.9)
Net receipts/payments of sale/acquisition of own shares	(9.9)	(6.3)
Net cash flow from financing activities	**4,647.7**	**(6,745.3)**
Effect of exchange rate changes on cash and cash equivalents	33.1	36.2
Net cash flow for the period	**748.1**	**(325.6)**
Cash and cash equivalents at the start of the period	2,403.8	2,729.4
Cash and cash equivalents at the end of the period	3,151.9	2,403.8
Net cash flow for the period	**748.1**	**(325.6)**
Specification of cash and cash equivalents		
Deposits with central banks	548.7	79.7
Cash and deposits with credit institutions	2,603.2	2,324.1
Total cash and cash equivalents	**3,151.9**	**2,403.8**

Notes

1. Accounting policies

The consolidated financial statements as of the fourth quarter of 2015, concluded on 31 December 2015, 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 2014.

The consolidated financial statements as of the fourth quarter of 2015 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 2014.

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 2015. 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.

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

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. Interest expense on the lease liability shall be presented separately from the depreciation charge for the right-of-use asset. Interest expense is a component of finance costs. IFRS 16 is effective 1 January 2019. The standard will increase the total balance and split the leasing expense in operating expenses and financial expenses.

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 2014.

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

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

2. Seasonal variations

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

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

3. Segment information

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

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

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

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

	General insurance															
	Private		Commercial		Nordic		Baltics		Pension and Savings		Retail Bank		Eliminations etc. [1]		Total	
Fourth quarter NOK millions	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Segment income																
Segment income – external	2,036.4	2,044.1	1,768.1	1,743.3	1,392.2	1,264.6	253.7	129.7	498.3	481.4	334.1	348.2	43.3	33.1	6,326.2	6,044.5
Segment income – group [2]																
Total segment income	**2,036.4**	**2,044.1**	**1,768.1**	**1,743.3**	**1,392.2**	**1,264.6**	**253.7**	**129.7**	**498.3**	**481.4**	**334.1**	**348.2**	**43.3**	**33.1**	**6,326.2**	**6,044.5**
- Claims, interest expenses, loss etc.	(1,130.3)	(1,332.4)	(1,169.5)	(1,193.2)	(1,097.0)	(964.8)	(229.3)	(93.9)	(432.8)	(423.3)	(147.0)	(180.7)	(108.6)	(23.6)	(4,314.5)	(4,211.9)
- Operating expenses	(266.7)	(262.6)	(195.8)	(192.4)	(229.5)	(227.0)	(88.8)	(39.2)	(58.2)	(79.8)	(90.5)	(108.3)	(216.5)	(116.8)	(1,146.0)	(1,026.0)
+ Net income from investments									16.0	5.3	(13.8)	(10.6)	602.6	357.8	604.8	352.5
Segment result/profit/(loss) before tax expense	**639.5**	**449.1**	**402.9**	**357.6**	**65.6**	**72.9**	**(64.4)**	**(3.4)**	**23.3**	**(16.4)**	**82.8**	**48.6**	**320.8**	**250.5**	**1,470.6**	**1,159.0**

	General insurance															
	Private		Commercial		Nordic		Baltics		Pension and Savings		Retail Bank		Eliminations etc. [1]		Total	
1.1.-31.12. NOK millions	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Segment income																
Segment income – external	8,152.3	8,124.1	7,076.8	6,847.2	5,233.3	4,762.9	642.0	523.0	1,551.0	1,360.6	1,330.0	1,349.6	170.0	131.4	24,155.4	23,098.7
Segment income – group [2]																
Total segment income	**8,152.3**	**8,124.1**	**7,076.8**	**6,847.2**	**5,233.3**	**4,762.9**	**642.0**	**523.0**	**1,551.0**	**1,360.6**	**1,330.0**	**1,349.6**	**170.0**	**131.4**	**24,155.4**	**23,098.7**
- Claims, interest expenses, loss etc.	(4,908.5)	(5,468.5)	(4,826.7)	(4,791.1)	(3,905.2)	(3,589.8)	(524.8)	(377.2)	(1,275.7)	(1,126.4)	(652.2)	(765.9)	(432.4)	(243.8)	(16,525.4)	(16,362.8)
- Operating expenses	(1,035.7)	(1,031.5)	(809.3)	(770.6)	(819.0)	(788.9)	(216.0)	(145.1)	(222.0)	(221.4)	(359.3)	(357.9)	(592.3)	(496.5)	(4,053.6)	(3,812.0)
+ Net income from investments									30.8	31.2	(15.0)	27.7	1,457.4	2,416.8	1,473.3	2,475.6
Segment result/profit/(loss) before tax expense	**2,208.1**	**1,624.0**	**1,440.8**	**1,285.4**	**509.1**	**384.3**	**(98.9)**	**0.6**	**84.2**	**43.9**	**303.6**	**253.5**	**602.8**	**1,807.9**	**5,049.7**	**5,399.6**

[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 2015 and 2014.

4. Earned premiums from general insurance

NOK millions	Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Gross premiums written	4,896.6	4,561.4	21,975.6	21,163.8
Ceded reinsurance premiums	(47.1)	(33.5)	(452.6)	(493.7)
Premiums written, net of reinsurance	**4,849.5**	**4,527.9**	**21,523.0**	**20,670.1**
Change in gross provision for unearned premiums	739.3	783.8	(250.8)	(296.0)
Change in provision for unearned premiums, reinsurers´ share	(95.3)	(97.2)	(0.2)	12.6
Total earned premiums from general insurance	**5,493.5**	**5,214.4**	**21,272.0**	**20,386.8**

5. Claims incurred etc. from general insurance

NOK millions	Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Gross paid claims	(4,287.2)	(3,893.0)	(15,370.6)	(14,618.2)
Paid claims, reinsurers' share	8.8	88.8	157.2	425.1
Change in gross provision for claims	571.0	345.4	786.2	155.4
Change in provision for claims, reinsurers' share	13.5	(90.0)	(114.0)	(356.6)
Premium discounts and other profit agreements	(40.8)	(59.2)	(56.3)	(76.2)
Total claims incurred etc. from general insurance	**(3,734.7)**	**(3,607.9)**	**(14,597.5)**	**(14,470.4)**

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

NOK millions	Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Earned premiums from general insurance	5,493.5	5,214.4	21,272.0	20,386.8
Run-off gain/(loss) for the period, net of reinsurance [1]	230.5	234.0	724.8	493.7
In per cent of earned premiums from general insurance	4.2	4.5	3.4	2.4

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

7. Financial assets and liabilities

Fair value

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

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

The different valuation levels and which financial assets/liabilities that is 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 futures, equity options, forward rate agreements and currency swaps, 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 31.12.2015	Fair value as at 31.12.2015	Carrying amount as at 31.12.2014	Fair value as at 31.12.2014
Financial assets				
Financial derivatives				
Financial derivatives at fair value through profit or loss	434.3	434.3	470.2	470.2
Financial derivatives subject to hedge accounting	52.2	52.2		
Financial assets at fair value through profit or loss, designated upon initial recognition				
Shares and similar interests	7,202.3	7,202.3	7,499.8	7,499.8
Bonds and other fixed income securities	30,626.4	30,626.4	23,748.3	23,748.3
Shares and similar interests in life insurance with investment options	13,720.6	13,720.6	11,725.2	11,725.2
Bonds and other fixed income securities in life insurance with investment options	1,389.0	1,389.0	1,225.1	1,225.1
Financial assets held to maturity				
Bonds held to maturity	2,635.6	2,800.5	2,955.9	3,185.7
Loans and receivables				
Bonds and other fixed income securities classified as loans and receivables	16,173.2	17,439.1	19,596.2	21,911.7
Loans	39,664.1	39,973.7	27,373.2	27,402.8
Receivables related to direct operations and reinsurance	4,997.4	4,997.4	4,629.8	4,629.8
Other receivables	502.7	502.7	823.6	823.6
Prepaid expenses and earned, not received income	96.7	96.7	209.0	209.0
Cash and cash equivalents	3,151.9	3,151.9	2,403.8	2,403.8
Total financial assets	**120,646.4**	**122,386.8**	**102,660.2**	**105,235.0**
Financial liabilities				
Financial derivatives				
Financial derivatives at fair value through profit or loss	403.5	403.5	317.9	317.9
Financial derivatives subject to hedge accounting			209.3	209.3
Financial liabilities at fair value through profit or loss, designated upon initial recognition				
Debt in life insurance with investment options	15,109.6	15,109.6	12,950.3	12,950.3
Financial liabilities at amortised cost				
Subordinated debt	1,547.2	1,485.5	1,447.1	1,448.6
Deposits from and liabilities to customers, bank	19,357.2	19,357.2	16,703.4	16,703.4
Interest-bearing liabilities	17,804.7	17,616.7	10,300.3	10,405.6
Other liabilities	1,065.4	1,065.4	1,006.5	1,006.5
Liabilities related to direct insurance	619.4	619.4	626.3	626.3
Accrued expenses and deferred income	485.3	485.3	424.9	424.9
Total financial liabilities	**56,392.3**	**56,142.7**	**31,035.7**	**31,142.4**
Gain/(loss) not recognised in profit or loss		**1,990.0**		**2,468.1**

Valuation hierarchy 2015

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

NOK millions	Level 1 Quoted prices in active markets	Level 2 Valuation techniques based on observable market data	Level 3 Valuation techniques based on non-observable market data	Total
Financial assets				
Financial derivatives				
Financial derivatives at fair value through profit or loss		434.3		434.3
Financial derivatives subject to hedge accounting		52.2		52.2
Financial assets at fair value through profit or loss, designated upon initial recognition				
Shares and similar interests	1,139.8	4,118.8	1,943.7	7,202.3
Bonds and other fixed income securities	11,440.1	17,011.7	2,174.6	30,626.4
Shares and similar interests in life insurance with investment options	13,709.6	11.0		13,720.6
Bonds and other fixed income securities in life insurance with investment options	1,377.7	11.3		1,389.0
Financial assets at amortised cost				
Bonds held to maturity	810.2	1,990.3		2,800.5
Bonds and other fixed income securities classified as loans and receivables		17,437.5	1.6	17,439.1
Loans		3,364.6	36,609.1	39,973.7
Financial liabilities				
Financial derivatives				
Financial derivatives at fair value through profit or loss		403.5		403.5
Financial liabilities at fair value through profit or loss, designated upon initial recognition				
Debt in life insurance with investment options	15,087.3	22.3		15,109.6
Financial liabilities at amortised cost				
Subordinated debt		1,485.5		1,485.5
Interest-bearing liabilities		17,616.7		17,616.7

Valuation hierarchy 2014

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		470.2		470.2
Financial assets at fair value through profit or loss, initial recognition				
Shares and similar interests	1,450.3	3,918.0	2,131.5	7,499.8
Bonds and other fixed income securities	10,607.0	12,735.2	406.1	23,748.3
Shares and similar interests in life insurance with investment options	11,716.3	8.9		11,725.2
Bonds and other fixed income securities in life insurance with investment options	1,212.0	13.1		1,225.1
Financial assets at amortised cost				
Bonds held to maturity	556.6	2,629.1		3,185.7
Bonds and other fixed income securities classified as loans and receivables		21,910.6	1.1	21,911.7
Loans			27,402.8	27,402.8
Financial liabilities				
Financial derivatives				
Financial derivatives at fair value through profit or loss	19.6	298.3		317.9
Financial derivatives subject to hedge accounting		209.3		209.3
Financial liabilities at amortised cost				
Subordinated debt	1,448.6	0,0		1,448.6
Interest-bearing liabilities		10,405.6		10,405.6

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

NOK millions	As at 1.1.2015	Net realised/ unrealised gains recognised in profit or loss	Purch- ases	Sales	Settle- ments	Transfers into/out of level 3	As at 31.12.2015	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	2,131.6	(132.5)	278.3	(333.6)	0,0	0,0	1,943.7	(226.9)
Bonds and other fixed income securities	406.1	56.0	1,749.7	(37.3)	0,0	0,0	2,174.6	32.8
Total	**2,537.7**	**(76.5)**	**2,028.0**	**(370.9)**	**0,0**	**0,0**	**4,118.3**	**(194.1)**

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

NOK millions		Sensitivity
Shares and similar interests	Decrease in value 10%	194.4
Bonds and other fixed income securities	Decrease in value 10%	217.5
Total		**411.8**

Reconciliation of financial assets valued based on non-observable market data (level 3) 2014

NOK millions	As at 1.1.2014	Net realised/ unrealised gains recognised in profit or loss	Purch- ases	Sales	Settle- ments	Transfers into/out of level 3	As at 31.12.2014	Amount of net realised/ unrealised gains recognised in profit or loss that are attributable to instruments held as at 31.12.2014
Shares and similar interests	2,305.4	68.7	279.2	(521.9)	0,0	0,0	2,131.5	(85.7)
Bonds and other fixed income securities	1.2	(5.4)	410.3	0,0	0,0	0,0	406.1	0,0
Total	**2,306.6**	**63.4**	**689.6**	**(521.9)**	**0,0**	**0,0**	**2,537.6**	**(85.7)**

Sensitivity of financial assets valued based on non-observable market data (level 3) 2014

NOK millions		Sensitivity
Shares and similar interests	Decrease in value 10%	213.2
Bonds and other fixed income securities	Decrease in value 10%	40.6
Total		**253.8**

8. Investment properties

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

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

Investment properties (level 3)

NOK millions	31.12.2015	31.12.2014
As at 1 January	6,104.0	4,644.3
Additions	79.6	767.5
Additions through subsequent expenditures		
Additions through business combinations		565.9
Disposals	(3,275.8)	(150.0)
Net gains/(losses) from fair value adjustments	198.2	279.5
Transfer from/(to) owner-occupied property	(6.4)	(3.2)
Transfer to joint ventures	(3,099.7)	
At end of the period	**0,0**	**6,104.0**

9. Claims provision, gross

NOK millions	31.12.2015	31.12.2014
General insurance		
Claims provision, gross, as at 1 January	32,246.5	31,332.1
Additions from acquisitions	283.3	184.3
Claims for the year	15,237.8	14,983.4
Claims incurred in prior years, gross	(653.3)	(520.7)
Claims paid	(15,370.6)	(14,618.2)
Discounting of claims provisions	57.1	80.7
Change in discounting rate	(57.6)	182.8
Exchange differences	580.2	621.9
Claims provision, gross, at the end of the period	**32,323.3**	**32,246.5**
Pension		
Claims provision, gross, as at 1 January	680.4	417.5
Claims for the year	1,275.7	1,134.9
Claims incurred in prior years, gross	51.2	22.5
Claims paid	(346.4)	(267.3)
Transfer of pension savings	(805.6)	(627.2)
Claims provision, gross, at the end of the period	**855.2**	**680.4**
Group		
Claims provision, gross, as at 1 January	32,926.9	31,749.6
Additions from acquisitions	283.3	184.3
Claims for the year	16,564.7	16,140.8
Claims incurred in prior years, gross	(653.3)	(520.7)
Claims paid	(15,717.0)	(14,885.4)
Discounting of claims provisions	57.1	80.7
Change in discounting rate	(57.6)	182.8
Transfer of pension savings	(805.6)	(627.2)
Exchange differences	580.2	621.9
Claims provision, gross, at the end of the period	**33,178.5**	**32,926.9**
Discounted claims provision, gross - Gjensidige's workers' compensation insurance in Denmark	5,067.4	4,844.4
Undiscounted claims provision, gross - Gjensidige's workers' compensation insurance in Denmark	5,794.7	5,458.6

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

The reason why the claims provisions for Gjensidige's workers compensation insurance in Denmark are discounted is that this portfolio consists exclusively of Danish workers' compensation business with very long payment flows and substantial future interest income. The claims for occupational injuries in Denmark are paid either as annuities or as lump-sum indemnities (which are calculated mainly as discounted annuities). Therefore, it is most expedient to regard the whole portfolio as annuities. The discount rate used is a swap rate.

10. Contingent liabilities

NOK millions	31.12.2015	31.12.2014
Guarantees and committed capital		
Gross guarantees	0.1	0.1
Committed capital, not paid	1,643.6	2,278.6

As part of its ongoing financial management the Company has committed, but not paid up to NOK 1,643.6 million (2,278.6) in a commercial real estate debt fund and various private equity and real estate funds, over and above the amounts recognised in the balance sheet.

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

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

11. Related parties

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

12. Acquisition of PZU

On 2 February 2015, Gjensidige signed a contract with PZU SA relating to the purchase of 99.88 per cent of the shares in PZU Lietuva,. The acquisition price was adjusted on closing from the previously announced EUR 54 million to EUR 66 million due to a corresponding increase in net asset value (NAV) in PZU Lietuva. Consequently, the capital effect is unchanged from what was previously announced.

PZU Lietuva offers general insurance products primarily within the motor, property and personal lines in Lithuania. The voting share is equal to the ownership share. Through its voting rights and in the absence of any contractual arrangements, Gjensidige has control over PZU Lietuva.

All terms and conditions related to the acquisition were clarified and the payment was transferred by the end of September, so the acquisition date was set at 30 September 2015. PZU Lietuva is recognised in the consolidated accounts of Gjensidige Forsikring as from that date.

The acquisition is a result of the Group's intention to increase its market share in the Baltics. As a result of the acquisition, Gjensidige's market share in general insurance in the Baltics will increase from about seven to about thirteen per cent. The market share in general insurance in Lithuania increases from about seven to about twenty-one per cent. The acquired business has gross earned premiums of about EUR 50 billion, divided between 40 per cent in the Private market and 60 per cent in the Commercial market. Through PZU Lietuva, Gjensidige has got 334 new employees.

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

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

Gross premiums written for PZU Lietuva for the period 1 January 2015 to 30 September 2015 amounted to EUR 39,208.8 million, whereas the loss before tax expense in this period was EUR 1,278.7 million.

Fair value of each major class of transaction price

EUR millions	Carrying amount before the transaction	Fair value adjustment	Fair value at the acquisition date
Goodwill		37.6	37.6
Intangible assets	1.1	9.5	10.6
Financial assets	55.3		55.3
Receivables	9.2		9.2
Other assets	2.6		2.6
Cash and marketable securities	2.7		2.7
Total assets	**71.0**	**47.1**	**118.1**
Liabilities related to direct insurance	45.2		45.2
Deferred tax liabilities		1.4	1.4
Other liabilities	5.4		5.4
Total liabilities	**50.7**	**1.4**	**52.1**
Net defined assets and liabilities	20.3	45.7	66.0
Transaction price			66.0

Acquired goodwill is not considered to be tax deductible.

Quarterly earnings performance

NOK millions	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013
Earned premiums from general insurance	5,493.5	5,471.2	5,188.1	5,119.2	5,214.4	5,203.6	5,061.5	4,907.2	4,766.3
Other income	832.7	686.4	666.4	697.8	830.1	600.5	645.2	636.1	630.2
Total operating income	**6,326.2**	**6,157.7**	**5,854.6**	**5,817.0**	**6,044.5**	**5,804.1**	**5,706.8**	**5,543.4**	**5,396.5**
Total net income from investments	**604.8**	**(174.0)**	**518.1**	**524.4**	**352.5**	**574.3**	**765.3**	**783.5**	**892.2**
Total operating income and net income from investments	**6,931.0**	**5,983.6**	**6,372.7**	**6,341.3**	**6,397.0**	**6,378.4**	**6,472.1**	**6,326.8**	**6,288.8**
Claims incurred etc. from general insurance	(3,734.7)	(3,588.0)	(3,341.8)	(3,933.0)	(3,607.9)	(3,695.3)	(3,357.9)	(3,809.3)	(3,664.2)
Other claims, interest expenses, loss etc.	(579.7)	(447.3)	(434.2)	(466.6)	(604.0)	(399.3)	(448.3)	(440.7)	(440.8)
Total claims, interest expenses, loss etc.	**(4,314.5)**	**(4,035.3)**	**(3,776.1)**	**(4,399.6)**	**(4,211.9)**	**(4,094.7)**	**(3,806.2)**	**(4,249.9)**	**(4,105.0)**
Operating expenses from general insurance	(879.5)	(792.3)	(776.1)	(769.6)	(799.3)	(753.2)	(752.5)	(748.9)	(726.4)
Other operating expenses	(266.5)	(204.3)	(180.4)	(184.8)	(226.7)	(193.8)	(165.4)	(172.0)	(174.2)
Total operating expenses	**(1,146.0)**	**(996.6)**	**(956.5)**	**(954.4)**	**(1,026.0)**	**(947.1)**	**(917.9)**	**(921.0)**	**(900.7)**
Total expenses	**(5,460.5)**	**(5,031.9)**	**(4,732.6)**	**(5,354.0)**	**(5,238.0)**	**(5,041.7)**	**(4,724.2)**	**(5,170.9)**	**(5,005.7)**
Profit/(loss) for the period before tax expense	**1,470.6**	**951.7**	**1,640.1**	**987.3**	**1,159.0**	**1,336.7**	**1,747.9**	**1,155.9**	**1,283.1**
Underwriting result general insurance	**879.2**	**1,091.0**	**1,070.2**	**416.5**	**807.2**	**755.0**	**951.0**	**349.1**	**375.7**

NOK millions	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011	Q3 2011
Earned premiums from general insurance	4,866.9	4,646.6	4,457.2	4,418.2	4,571.7	4,453.9	4,353.5	4,371.6	4,537.8
Other income	513.8	516.7	486.9	479.5	419.3	383.0	438.7	399.3	418.7
Total operating income	**5,380.6**	**5,163.3**	**4,944.1**	**4,897.7**	**4,991.0**	**4,836.9**	**4,792.2**	**4,771.0**	**4,956.5**
Total net income from investments	**846.0**	**615.6**	**184.2**	**780.5**	**851.6**	**503.1**	**920.5**	**691.7**	**240.9**
Total operating income and net income from investments	**6,226.6**	**5,778.8**	**5,128.3**	**5,678.2**	**5,842.6**	**5,340.0**	**5,712.7**	**5,462.6**	**5,197.4**
Claims incurred etc. from general insurance	(3,293.7)	(3,487.3)	(3,414.4)	(3,108.5)	(3,116.6)	(3,050.4)	(3,162.2)	(3,457.2)	(3,278.5)
Other claims, interest expenses, loss etc.	(332.8)	(343.2)	(318.9)	(321.6)	(294.3)	(234.1)	(300.0)	(277.5)	(254.8)
Total claims, interest expenses, loss etc.	**(3,626.5)**	**(3,830.5)**	**(3,733.3)**	**(3,430.1)**	**(3,410.9)**	**(3,284.5)**	**(3,462.2)**	**(3,734.7)**	**(3,533.3)**
Operating expenses from general insurance	(720.6)	(710.8)	(699.9)	(707.0)	(674.7)	(685.0)	(685.1)	(728.4)	(689.1)
Other operating expenses	(206.1)	(160.6)	(154.5)	(159.9)	(150.1)	(152.6)	(137.9)	(185.2)	(201.9)
Total operating expenses	**(926.7)**	**(871.4)**	**(854.4)**	**(866.9)**	**(824.8)**	**(837.6)**	**(823.0)**	**(913.6)**	**(891.0)**
Total expenses	**(4,553.3)**	**(4,701.9)**	**(4,587.6)**	**(4,297.0)**	**(4,235.7)**	**(4,122.1)**	**(4,285.2)**	**(4,648.3)**	**(4,424.3)**
Profit/(loss) for the period before tax expense	**1,673.3**	**1,076.9**	**540.7**	**1,381.3**	**1,606.9**	**1,217.9**	**1,427.5**	**814.4**	**773.1**
Underwriting result general insurance	**852.5**	**448.5**	**342.9**	**602.7**	**780.3**	**718.5**	**506.2**	**186.0**	**570.2**

Key figures

		Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Gjensidige Insurance Group					
Return on financial assets [1]	%	1.1	0.7	2.6	4.3
Equity	NOK millions			23,330.6	21,656.8
Return on equity before tax expense, annualised [2]	%			23.2	23.3
Return on equity after tax expense, annualised [2]	%			17.4	18.1
Equity per share	NOK			46.7	43.3
Capital adequacy ratio [3]	%			17.1	18.1
Solvency margin capital Gjensidige Forsikring [4]	NOK millions			12,806.7	12,312.9
Solvency margin Gjensidige Forsikring [5]	%			351.6	366.5
Share capital					
Issued shares, at the end of the period	Number			500,000,000	500,000,000
Earnings per share in the period, basis and diluted [6]	NOK	2.49	1.93	7.57	8.38
General insurance					
Market share non-marine insurance Norway (Finance Norway) per Q3 15	%			25.2	25.2
Gross premiums written					
Private	NOK millions	1,788.1	1,793.7	8,269.1	8,296.3
Commercial	NOK millions	1,658.7	1,607.2	7,434.9	7,250.3
Nordic	NOK millions	1,182.2	1,039.1	5,430.0	4,961.4
Baltics	NOK millions	267.7	121.3	702.9	512.5
Corporate Centre/reinsurance	NOK millions	0,0	0,0	138.7	143.3
Total	NOK millions	4,896.6	4,561.4	21,975.6	21,163.8
Premiums, net of reinsurance [7]	%			97.9	97.7
Earned premiums					
Private	NOK millions	2,036.4	2,044.1	8,152.3	8,124.1
Commercial	NOK millions	1,768.1	1,743.3	7,076.8	6,847.2
Nordic	NOK millions	1,392.2	1,264.6	5,233.3	4,762.9
Baltics	NOK millions	253.7	129.7	642.0	523.0
Corporate Centre/reinsurance	NOK millions	43.0	32.7	167.7	129.6
Total	NOK millions	5,493.5	5,214.4	21,272.0	20,386.8
Loss ratio [8]					
Private	%	55.5	65.2	60.2	67.3
Commercial	%	66.1	68.4	68.2	70.0
Nordic	%	78.8	76.3	74.6	75.4
Baltics	%	90.4	72.4	81.8	72.1
Total	%	68.0	69.2	68.6	71.0
Cost ratio [9]					
Private	%	13.1	12.8	12.7	12.7
Commercial	%	11.1	11.0	11.4	11.3
Nordic	%	16.5	17.9	15.6	16.6
Baltics	%	35.0	30.2	33.6	27.8
Total	%	16.0	15.3	15.1	15.0
Combined ratio [10]					
Private	%	68.6	78.0	72.9	80.0
Commercial	%	77.2	79.5	79.6	81.2
Nordic	%	95.3	94.2	90.3	91.9
Baltics	%	125.4	102.6	115.4	99.9
Total	%	84.0	84.5	83.7	86.0
Combined ratio discounted [11]	%	83.2	82.9	82.3	83.4

		Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Pension and Savings					
Assets under management pension, at the end of the period	NOK millions			20,033.0	17,196.3
of which the group policy portfolio	NOK millions			4,877.5	4,186.8
Assets under management savings, at the end of the period	NOK millions			15,555.1	15,018.2
Operating margin [12]	%	11.16	(37.36)	19.37	5.43
Recognised return on the paid-up policy portfolio [13]	%			5.43	4.63
Value-adjusted return on the paid-up policy portfolio [14]	%			5.42	4.63
Customers with insurance agreements at the end of the period	%			84.5	84.6
Return on equity before tax expense, annualised [2]	%			14.1	7.8
Return on equity after tax expense, annualised [2]	%			10.0	5.7
Retail Bank					
Gross lending, addition in the period	NOK millions	2,430.2	1,124.9	9,189.0	3,352.6
Deposits, addition in the period	NOK millions	1,849.2	83.6	2,653.9	1,765.1
Gross lending, at the end of the period	NOK millions			36,735.5	27,546.5
Deposits, at the end of the period	NOK millions			19,357.2	16,703.4
Deposits-to-loan ratio at the end of the period [15]	%			52.7	60.6
Net interest margin, annualised [16]	%			2.12	2.17
Write-downs and losses, annualised [17]	%			0.20	0.20
Cost/income ratio [18]	%	49.6	64.7	49.5	54.0
Customers with insurance agreements, at the end of the period	%			45.2	45.7
Capital adequacy [19]	%			16.1	15.9
Core capital adequacy [20]	%			14.2	14.1
Return on equity before tax expense, annualised [2]	%			13.8	13.2
Return on equity after tax expense, annualised [2]	%			10.3	9.6

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

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

[3] Capital adequacy ratio = net primary capital/risk weighted calculation base, calculated on the basis of NGAAP for the Group. The result for the period is not included in the calculation for the quarters, with the exception of fourth quarter.

[4] Solvency margin capital is the sum of primary capital, according to the capital ratio calculation, and other solvency margin capital, which in Gjensidige Forsikring is security provision above 55 per cent of minimum requirement, 25 per cent of natural perils fund and a deduction for relevant discounting effects in claims provision. The result of the period is not included in the calculation quarterly, with the exception of fourth quarter.

[5] Solvency margin is solvency margin capital in per cent of solvency margin minimum requirement, where solvency margin minimum requirement is a measure of the inherent risk in the insurance related liabilities (in the company).

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

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

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

[9] Cost ratio = operating expenses/earned premiums

[10] Combined ratio = loss ratio + cost ratio

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

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

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

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

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

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

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

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

[19] Capital adequacy = primary capital/basis of calculation for credit risk, market risk and operational risk. The result of the period is not included in the calculation for the quarters, with the exception of fourth quarter.

[20] Core capital adequacy = core capital/basis of calculation for credit risk, market risk and operational risk. The result for the period is not included in the calculation for the quarters, with the exception of fourth quarter.

Income statement

Gjensidige Forsikring ASA

NOK millions	Q4 2015	Q4 2014	1.1.-31.12.2015	1.1.-31.12.2014
Premiums				
Gross premiums written	4,648.9	4,412.8	21,251.1	20,458.1
Ceded reinsurance premiums	(47.3)	(33.0)	(450.1)	(494.1)
Premiums written, net of reinsurance	**4,601.6**	**4,379.9**	**20,801.1**	**19,964.1**
Change in gross provision for unearned premiums	710.9	751.7	(226.8)	(311.7)
Change in provision for unearned premiums, reinsurers' share	(90.5)	(97.9)	2.9	12.6
Total earned premiums, net of reinsurance	**5,222.1**	**5,033.7**	**20,577.2**	**19,665.1**
Allocated return on investments transferred from the non-technical accounts	60.9	126.9	289.8	589.4
General insurance claims				
Gross paid claims	(4,116.5)	(3,828.0)	(14,919.7)	(14,209.1)
Paid claims, reinsurers' share	25.6	111.2	201.9	446.9
Change in gross provision for claims	668.5	331.6	916.3	103.9
Change in provision for claims, reinsurers' share	(29.6)	(85.6)	(148.1)	(351.0)
Total claims incurred, net of reinsurance	**(3,452.1)**	**(3,470.8)**	**(13,949.5)**	**(14,009.3)**
Premium discounts and other profit agreements	(36.5)	(59.2)	(51.9)	(76.2)
Insurance-related operating expenses				
Insurance-related administration expenses incl. commissions for received reinsurance and sales expenses	(812.1)	(757.2)	(3,117.5)	(2,888.6)
Received commission for ceded reinsurance and profit share	3.5	2.5	4.6	5.8
Total insurance-related operating expenses	**(808.6)**	**(754.6)**	**(3,112.9)**	**(2,882.8)**
Profit/(loss) of technical account before security provisions	**985.8**	**876.0**	**3,752.6**	**3,286.2**
Change in security provisions etc.				
Change in security provision	7.5	(31.5)	(5.4)	(53.1)
Total change in security provisions etc.	**7.5**	**(31.5)**	**(5.4)**	**(53.1)**
Profit/(loss) of technical account general insurance	**993.3**	**844.5**	**3,747.3**	**3,233.1**
Net income from investments				
Income from investments in subsidiaries, associates and joint ventures	714.2	132.4	777.3	1,407.5
Impairment losses investments in subsidiaries, associates and joint ventures		(47.5)		(47.5)
Interest income and dividend etc. from financial assets	287.9	409.3	1,275.8	1,500.5
Net operating income from property	1.0	3.5	11.9	14.8
Changes in fair value on investments	999.1	324.7	8.6	790.8
Realised gain and loss on investments	(1,053.6)	(618.1)	(365.4)	66.7
Administration expenses related to investments, including interest expenses	(70.5)	(92.2)	(272.0)	(324.6)
Total net income from investments	**878.1**	**112.1**	**1,436.2**	**3,408.3**
Allocated return on investments transferred to the technical accounts	(60.9)	(126.9)	(289.8)	(589.4)
Other income	2.0	3.5	11.2	20.6
Other expenses	(2.4)	2.5	(9.7)	(4.9)
Profit/(loss) of non-technical account	**816.9**	**(8.8)**	**1,147.8**	**2,834.5**
Profit/(loss) before tax expense	**1,810.2**	**835.7**	**4,895.1**	**6,067.6**
Tax expense	(272.8)	(77.1)	(1,153.5)	(946.3)
Profit/(loss) before components of other comprehensive income	**1,537.4**	**758.6**	**3,741.6**	**5,121.3**
Components of other comprehensive income				
Items that are not reclassified subsequently to profit or loss				
Remeasurement of the net defined benefit liability/asset	(19.5)	(83.1)	69.0	(403.1)
Other items that are not reclassified to profit or loss		1.5		
Tax on items that are not reclassified to profit or loss	6.8	22.4	(17.1)	108.8
Total items that are not reclassified subsequently to profit or loss	**(12.7)**	**(59.2)**	**51.9**	**(294.2)**
Items that may be reclassified subsequently to profit or loss				
Exchange differences from foreign operation	52.1	189.1	293.9	144.3
Exchange differences from hedging of foreign operation		(180.6)	62.7	(142.5)
Tax on items that may be reclassified to profit or loss	(54.3)	(1.9)	(96.7)	1.8
Total items that may be reclassified subsequently to profit or loss	**(2.2)**	**6.7**	**259.9**	**3.6**
Total comprehensive income	**1,522.5**	**706.1**	**4,053.3**	**4,830.7**

Statement of financial position

Gjensidige Forsikring ASA

NOK millions	1.1.-31.12.2015	1.1.-31.12.2014
Assets		
Goodwill	1,676.7	1,568.6
Other intangible assets	846.9	795.5
Total intangible assets	**2,523.6**	**2,364.1**
Investments		
Buildings and other real estate		
Investment properties		169.7
Owner-occupied property	19.0	79.2
Subsidiaries and associates		
Shares in subsidiaries	5,421.2	6,344.7
Shares in associates and joint ventures	1,098.4	5.5
Interest bearing receivables within the group incl. joint ventures	1,538.0	3,430.5
Financial assets measured at amortised cost		
Bonds held to maturity	1,797.1	2,421.7
Loans and receivables	16,338.3	16,089.9
Financial assets measured at fair value		
Shares and similar interests (incl. shares and similar interests measured at cost)	7,130.6	7,469.5
Bonds and other fixed-income securities	24,205.7	19,888.5
Financial derivatives	327.8	324.4
Reinsurance deposits	524.6	577.4
Total investments	**58,400.7**	**56,801.1**
Reinsurers' share of insurance-related liabilities in general insurance, gross		
Reinsurers' share of provision for unearned premiums, gross	32.0	28.7
Reinsurers' share of claims provision, gross	361.7	501.0
Total reinsurers' share of insurance-related liabilities in general insurance, gross	**393.7**	**529.7**
Receivables		
Receivables related to direct operations	4,671.0	4,362.7
Receivables related to reinsurance	25.7	64.8
Receivables within the group	61.0	133.2
Other receivables	367.2	669.3
Total receivables	**5,124.8**	**5,230.0**
Other assets		
Plant and equipment	274.7	312.3
Cash and cash equivalents	1,704.5	1,652.1
Deferred tax assets	0,0	31.2
Pension assets	93.1	70.5
Total other assets	**2,072.4**	**2,066.0**
Prepaid expenses and earned, not received income		
Earned, not received interest income	22.2	14.1
Other prepaid expenses and earned, not received income	3.5	36.7
Total prepaid expenses and earned, not received income	**25.7**	**50.8**
Total assets	**68,540.9**	**67,041.7**

NOK millions	1.1.-31.12.2015	1.1.-31.12.2014
Equity and liabilities		
Paid in equity		
Share capital	1,000.0	1,000.0
Own shares	(0.1)	(0.1)
Share premium	1,430.0	1,430.0
Other paid in equity	29.3	22.8
Total paid in equity	**2,459.2**	**2,452.7**
Retained equity		
Funds etc.		
Natural perils fund provision	2,171.0	2,305.3
Guarantee scheme provision	616.2	596.9
Other retained earnings	10,768.2	10,809.3
Total retained earnings	**13,555.4**	**13,711.6**
Total equity	**16,014.6**	**16,164.2**
Subordinated loan	1,197.4	1,197.1
Insurance-related liabilities in general insurance, gross		
Provision for unearned premiums, gross	8,238.4	7,836.7
Claims provision, gross	31,652.5	31,981.9
Provision for premium discounts and other profit agreements	44.5	69.9
Security provision	2,823.4	2,818.0
Total insurance-related liabilities in general insurance, gross	**42,758.8**	**42,706.5**
Provision for liabilities		
Pension liabilities	528.7	558.6
Current tax	1,145.6	1,030.1
Deferred tax liabilities	229.1	
Other provisions	335.8	245.5
Total provision for liabilities	**2,239.2**	**1,834.2**
Liabilities		
Liabilities related to direct insurance	392.1	330.1
Liabilities related to reinsurance	82.7	137.0
Financial derivatives	366.3	506.3
Accrued dividend	4,200.0	2,950.0
Other liabilities	970.4	883.2
Liabilities to subsidiaries and associates	22.2	57.4
Total liabilities	**6,033.7**	**4,864.1**
Accrued expenses and deferred income		
Other accrued expenses and deferred income	297.2	275.6
Total accrued expenses and deferred income	**297.2**	**275.6**
Total equity and liabilities	**68,540.9**	**67,041.7**

The security provision will be reclassified from liabilities to equity and provision for deferred tax on the security provision will be recognised. These changes will be implemented from 1 January 2016. Discounting and risk margin are expected to be implemented at a later stage in Group and company accounts, in connection with the implementation of IFRS 4 phase II.

Statement of changes in equity

Gjensidige Forsikring ASA

NOK millions	Share capital	Own shares	Share premium	Other paid-in capital	Exchange differences	Remeasure-ment of the net defined benefit liab./asset	Other earned equity	Total equity
Equity as at 31.12.2013	**1,000.0**	**(0.1)**	**1,430.0**	**17.1**	**56.1**	**(1,317.3)**	**15,097.3**	**16,283.1**
1.1.-31.12.2014								
Profit/(loss) before components of other comprehensive income							5,121.3	5,121.3
Components of other comprehensive income								
Items that are not reclassified subsequently to profit or loss								
Remeasurement of the net defined benefit liability/asset						(403.1)		(403.1)
Tax on items that are not reclassified to profit or loss						108.8		108.8
Total items that are not reclassified subsequently to profit or loss						**(294.2)**		**(294.2)**
Items that may be reclassified subsequently to profit or loss								
Exchange differences from foreign operations					143.9	0.4		144.3
Exchange differences from hedging of foreign operations					(142.5)			(142.5)
Tax on items that may be reclassified to profit or loss					1.8			1.8
Total items that may be reclassified subsequently to profit or loss					**3.1**	**0.4**		**3.6**
Total components of other comprehensive income					**3.1**	**(293.9)**		**(290.7)**
Total comprehensive income for the period					**3.1**	**(293.9)**	**5,121.3**	**4,830.7**
Own shares		0,0					(6.3)	(6.3)
Accrued and paid dividend							(4,948.9)	(4,948.9)
Equity-settled share-based payment transactions				5.7				5.7
Equity as at 31.12.2014	**1,000.0**	**(0.1)**	**1,430.0**	**22.8**	**59.3**	**(1,611.2)**	**15,263.4**	**16,164.2**
1.1.-31.12.2015								
Profit/(loss) before components of other comprehensive income							3,741.6	3,741.6
Components of other comprehensive income								
Items that are not reclassified subsequently to profit or loss								
Remeasurement of the net defined benefit liability/asset						69.0		69.0
Tax on items that are not reclassified to profit or loss						(17.1)		(17.1)
Total items that are not reclassified subsequently to profit or loss						**51.9**		**51.9**
Items that may be reclassified subsequently to profit or loss								
Exchange differences from foreign operations					293.9			293.9
Exchange differences from hedging of foreign operations					62.7			62.7
Tax on items that may be reclassified to profit or loss					(96.7)			(96.7)
Total items that may be reclassified subsequently to profit or loss					**259.9**			**259.9**
Total components of other comprehensive income					**259.9**	**51.9**		**311.8**
Total comprehensive income for the period					**259.9**	**51.9**	**3,741.6**	**4,053.3**
Own shares		0,0					(9.9)	(9.9)
Equity-settled share-based payment transactions				6.5				6.5
Equity as at 31.12.2015	**1,000.0**	**(0.1)**	**1,430.0**	**29.3**	**319.2**	**(1,559.3)**	**14,795.4**	**16,014.6**

Gjensidige is a leading Nordic insurance group built by customers, for customers. The Group is listed on the Oslo Stock Exchange. For nearly 200 years, we have worked passionately to secure the lives, health and assets of our customers. We have about 4,100 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 23.1 billion in 2014, while total assets were NOK 114 billion.

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