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GJENSIDIGE

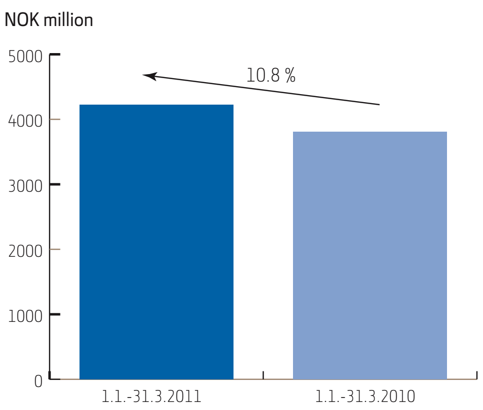
INTERIM REPORT FIRST QUARTER 2011
GJENSIDIGE INSURANCE GROUP

GROUP HIGHLIGHTS – FIRST QUARTER 2011

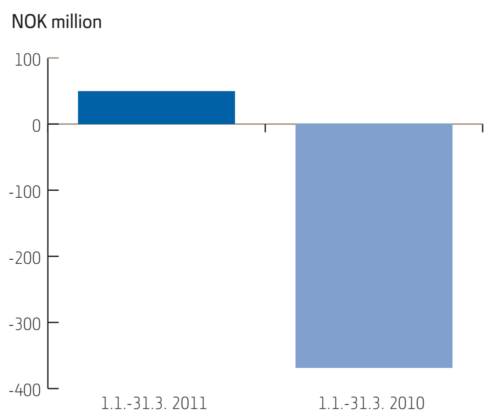
In the following text, figures in parentheses indicate the amount or per cent for the equivalent period last year.

- The Group's profit before tax expense for the quarter was NOK 815.0 million (344.3).
- The underwriting result for the quarter for general insurance operations came to NOK 49.7 million (a loss of 368.7) and showed positive performance compared with the same period a year ago. The combined ratio for the quarter was 98.8 (109.7). This improvement is mainly attributed to fewer winter-related claims.
- The return on financial assets for the quarter came to NOK 779.0 million (836.7) or 1.5 per cent (1.6).
- Earned premiums for general insurance operations increased by 10.8 per cent during the quarter. The growth was in the Nordic and Private Norway segments.
- The operating expenses for the general insurance operations continued to follow a satisfactory trend. The cost ratio for the quarter ended up at 17.1 (16.7). Corrected for the recognition of income associated with a contractual pension amounting to NOK 43.3 million in the first quarter last year, the cost ratio improved from 17.8 in the first quarter a year ago to 17.1 in the same period this year.
- Pension and savings earned a profit for the first time since start-up in 2006.

Earned premiums – general insurance



Underwriting result – general insurance



SATISFACTORY UNDERWRITING RESULTS

GROUP PROFIT PERFORMANCE

The Group achieved a profit before tax expense of NOK 815.0 million (344.3) for the quarter. The profit from general insurance operations measured by the underwriting result came to NOK 49.7 million (a loss of 368.7). The underwriting result for the quarter includes large losses for NOK 32.5 million (0.0), which have been charged to the Corporate Centre. Starting in the first quarter, large losses (net) over NOK 30.0 million will be charged to the Corporate Centre, whereas the claims incurred under NOK 30.0 million will be charged to the segment in which the large loss occurred. Revised quarterly figures from the first quarter of 2009 to the fourth quarter of 2010 are presented at gjensidige.com.

The net return on financial assets for the investment portfolio was 1.5 per cent (1.6) for the quarter. The positive return is mainly attributed to the good return on shares, including private equity and associated companies. The return on the fixed income portfolio (bonds and money market) was somewhat lower in the quarter compared to the corresponding period last year, due to an increase in interest rates.

DISCOUNTING OF ACTUARIAL PROVISIONS

With the exception of actuarial provisions related to the Danish workers' compensation portfolio, Gjensidige's actuarial provisions are recognised at nominal values (not discounted). Starting in the second quarter of 2010, in preparation for expected changes in IFRS and new solvency regulations (introduction of Solvency II in 2013), Gjensidige has calculated, but not recognised, the effect on the combined ratio of discounting the provisions. For the first quarter of 2011, the combined ratio on a discounted basis would have been 93.6, a reduction of 5.2 percentage points relative to the recognised nominal amount.

In the calculation, a swap rate is used for the Norwegian and Swedish provisions, and an interest rate determined by the Danish Financial Supervisory Authority is used for the Danish provisions. A euro swap curve was used for the Baltic provisions.

TAX EXPENSE

The tax expense for the quarter was NOK 163.4 million (87.1), which corresponds to an effective tax rate of 20.1 per cent (25.3).

EQUITY AND CAPITAL ADEQUACY

The Group's balance sheet total increased by NOK 4,083.6 million during the quarter to NOK 88,190.4 million. This increase is mainly attributed to growth in the Pension and Savings and Banking segments.

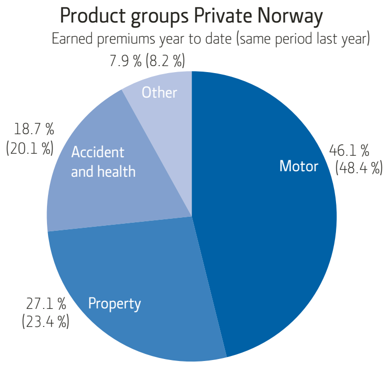
The Group's equity totalled NOK 23,818.9 million at the end of the first quarter. The annualised return on equity before tax expense for the quarter was 13.9 per cent (6.2). At the end of the first quarter, the capital adequacy ratio was 15.4 per cent (17.4). The solvency margin was 581.5 (677.3).

In addition to testing the capital with regard to statutory requirements, a calculation is made on a quarterly basis of capital requirements and requirements for maintaining an A-rating from Standard and Poor's. The calculation of capital requirements is done using the Group's internal risk models, which are based on a financial valuation of assets and liabilities. Capital in excess of this amount constitutes the Group's excess capital. In order to determine the final excess capital, a deduction is made for estimated requirements for additional capital in order to maintain the current rating and meet the statutory capital adequacy requirements. At the end of the first quarter, the excess capital was calculated at NOK 5.8 billion, adjusted for the Board's recommended dividend for 2010.

RESULT PERFORMANCE GROUP	1.1.-31.3.2011	1.1.-31.3.2010	1.1.-31.12.2010
NOK million			
General insurance Private Norway	96.1	(163.6)	662.0
General insurance Commercial Norway	52.5	(52.5)	368.5
General insurance Nordic	(22.9)	(110.3)	(70.4)
General insurance Baltic	(6.2)	(0.8)	17.4
Corporate Centre	(69.8)	(41.5)	(181.2)
Underwriting result general insurance [1]	**49.7**	**(368.7)**	**796.3**
Pension and savings	12.8	(11.3)	(27.9)
Online retail banking	14.5	4.9	33.1
Health care services	6.0	8.8	27.3
Return on financial assets [2]	779.0	836.7	2,704.6
Amortisation and impairment losses of excess value – intangible assets	(45.7)	(123.7)	(254.3)
Other items	(1.3)	(2.4)	(24.9)
Profit/(loss) for the period before tax expense	**815.0**	**344.3**	**3,254.0**
Key figures general insurance			
Loss ratio [3]	81.8 %	93.0 %	78.9 %
Cost ratio [4]	17.1 %	16.7 %	16.5 %
Combined ratio [5]	98.8 %	109.7 %	95.3 %

1 Underwriting result general insurance = earned premiums - claims incurred etc. - operating expenses
2 Excluding return on financial assets in Pension and savings and Online retail banking
3 Loss ratio = claims incurred etc./earned premiums
4 Cost ratio = insurance-related operating expenses/earned premiums
5 Combined ratio = loss ratio + cost ratio

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



GENERAL INSURANCE – PRIVATE NORWAY

- Earned premiums performed positively during the quarter, increasing 6.0 per cent relative to the corresponding period last year.
- The underwriting result performed positively during the quarter and is significantly higher than in the corresponding quarter last year. The proportion of winter-related claims during the quarter was at an expected level and substantially lower than last year. The operating expenses continued to follow a satisfactory trend.

Profit performance

The underwriting result for the quarter was NOK 96.1 million (a loss of 163.6). The combined ratio for the quarter was 94.9, an improvement of 14.2 percentage points over the corresponding period last year (109.1). The main reason was growth in earned premiums and less frost damage than at the same time a year ago. In addition, claims incurred were lower as a result of higher run-off gains* than last year for earlier periods.

Earned premiums

Earned premiums totalled NOK 1,898.0 million for the quarter (1,791.1). The positive trend is attributed to growth in all product areas.

Gjensidige holds a strong competitive position in the market. In the latest official quarterly measurement statistics (FNO, as of the fourth quarter 2010), the statistics show that Gjensidige remains the largest company in the private market. The positive trends for premium growth and market share are partly a result of the Company's systematic efforts to become a more customer-oriented company and better pricing of risk through the new premium rates for home and motor vehicle products.

Starting 1 March 2011, an agreement was entered into with Falck, which will provide roadside assistance to Gjensidige's car insurance customers. In order to further improve Gjensidige's competitive strength in the market for car insurance, a launch of product improvements and adaptations is planned. The launch of the changes is supported by market communication through the media and direct mail to customers, and activities and campaigns have been prepared for Gjensidige's entire distribution system.

Starting in the first quarter, two changes have been made in the management and follow-up of the segments. The agriculture portfolio in Norway has been transferred from Private Norway to Commercial Norway. The transfer of the agriculture portfolio was carried out in order to ensure better customer service. Over time, the agricultural customers have shown more similarity with the commercial customers. Furthermore, the Group's operations related to the provision of insurance under a different label (white label) to Norwegian customers were transferred from the Nordic countries to Private Norway. The objective is to achieve operational synergies and ensure a uniform strategy with regard to the Company's efforts aimed at its partners and the white label market. One measure for achieving synergies is to merge Tennant, which is Gjensidige's company for operations in the Norwegian white label market, with Gjensidige Forsikring during 2011. Revised quarterly figures from the first quarter of 2009 to the fourth quarter of 2010 are presented at gjensidige.com.

Claims incurred

The claims incurred in the quarter totalled NOK 1,494.2 million, representing a decrease of 10.5 per cent compared with the equivalent quarter last year (1,669.3). The loss ratio was 78.7, an improvement of 14.5 percentage points over the equivalent quarter last year (93.2). The first months of the year had a substantially lower proportion of frost claims than last year. The improvement mainly applies to the home insurance. There were no large losses in the first quarter for this segment, either this year or last year. The run-off gain for the quarter was NOK 81.4 million (10.6).

Operating expenses

The cost ratio for the quarter was 16.2, compared with 15.9 in the first quarter a year ago. In the first quarter of 2010, NOK 26.6 million were recognised as income related to changes in the contractual pension plan, equivalent to a reduction in the cost ratio for the quarter last year of 1.5 percentage points. Taking this into consideration, the cost trend is satisfactory.

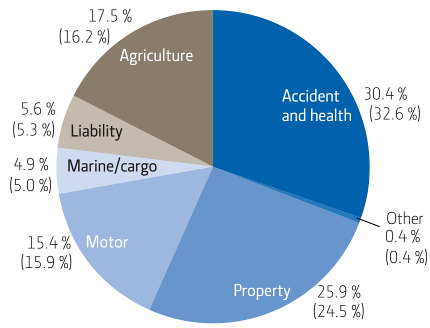
* Run-off gains/losses =
changes in estimates from earlier periods

GENERAL INSURANCE PRIVATE NORWAY	1.1.-31.3.2011	1.1.-31.3.2010	1.1.-31.12.2010
NOK million			
Earned premiums	1,898.0	1,791.1	7,719.9
Claims incurred etc.	(1,494.2)	(1,669.3)	(5,895.5)
Operating expenses	(307.7)	(285.4)	(1,162.3)
Underwriting result	**96.1**	**(163.6)**	**662.0**
Amortisation and impairment losses of excess value – intangible assets	(2.4)	(102.4)	(109.5)
Loss ratio [1]	78.7 %	93.2 %	76.4 %
Cost ratio [2]	16.2 %	15.9 %	15.1 %
Combined ratio [3]	94.9 %	109.1 %	91.4 %

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

Product groups Commercial Norway

Earned premiums year to date (same period last year)



GENERAL INSURANCE – COMMERCIAL NORWAY

- Earned premiums fell by 3.2 per cent during the quarter.
- The underwriting result improved.
- Decline in nominal operating expenses, adjusted for non-recurring items related to the contractual pension last year.

Profit performance

The underwriting result for the quarter was NOK 52.5 million (a loss of 52.5). The combined ratio for the quarter was 96.0, an improvement of 7.9 percentage points relative to the same quarter last year (103.9). The improvement was attributed to increased prices and the fact that the proportion of winter-related claims during the quarter was at an expected level and substantially lower than in the corresponding quarter a year ago.

Earned premiums

Earned premiums in the quarter came to NOK 1,306.6 million (1,349.4), a reduction of 3.2 per cent compared with the equivalent period last year. This reduction is related to higher ceded reinsurance premiums compared with the same quarter last year and a lesser reduction in the insurances of the person portfolio in the large customer segment.

At the end of the fourth quarter, Gjensidige was the market leader in the commercial segment. The competition in the large customer market is still intense. The price will often be decisive for the choice of insurance provider, even though Gjensidige is regarded as the best in service and quality. Quality and customer satisfaction mean a great deal in the small and medium sized company and agricultural markets, where Gjensidige gives priority to growth. As the market leader, Gjensidige will give priority to offering reasonable prices in the long run in order to ensure predictability in the market as well as necessary profitability. The loss of business was significantly reduced relative to the first quarter of 2010, and Gjensidige underwent a positive trend in rates and additional sales to the existing customer base.

Starting in the first quarter, a change was made in the management and follow-up of the Commercial Norway segment. The agriculture portfolio in Norway has been transferred from Private Norway to Commercial Norway. Revised quarterly figures from the first quarter of 2009 to the fourth quarter of 2010 are presented at gjensidige.com. As mentioned in the description of the Private Norway segment, the transfer was conducted in order to ensure a better customer service. Over time, the agricultural customers have shown more similarity with the commercial customers.

Claims incurred

Claims incurred in the quarter came to NOK 1,064.5 million (1,226.9). The loss ratio for the quarter ended up at 81.5 (90.9). There have been two large losses in the quarter. A great proportion of the large losses is covered by the reinsurance programme. The level of large losses (net) in the quarter was lower in total than in the same period last year and amounted to NOK 63.8 million (76.0). The run-off gain for the quarter was NOK 12.8 million (74.8).

Operating expenses

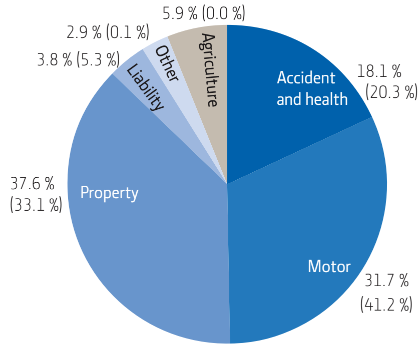
The cost ratio for the quarter was 14.5 (13.0). Nominal operating expenses have increased by NOK 14.6 million relative to the first quarter last year, when NOK 16.7 million were recognised as income in connection with the change in the contractual pension plan. This recognition of income reduced the cost ratio for the first quarter last year by 1.2 percentage points.

GENERAL INSURANCE COMMERCIAL NORWAY	1.1.-31.3.2011	1.1.-31.3.2010	1.1.-31.12.2010
NOK million			
Earned premiums	1,306.6	1,349.4	5,401.0
Claims incurred etc.	(1,064.5)	(1,226.9)	(4,339.6)
Oerating expenses	(189.6)	(175.0)	(692.9)
Underwriting result	**52.5**	**(52.5)**	**368.5**
Loss ratio [1]	81.5 %	90.9 %	80.3 %
Cost ratio [2]	14.5 %	13.0 %	12.8 %
Combined ratio [3]	96.0 %	103.9 %	93.2 %

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

Product groups Nordic

Earned premiums year to date (same period last year)



GENERAL INSURANCE – NORDIC

- Earned premiums increased by 70.9 per cent relative to the corresponding period last year.
- Negative underwriting result due to a higher number of weather-related claims in the quarter than expected.
- The nominal expenses increased as a result of the acquisition of Nykredit Forsikring and growth in the commercial market in Sweden.
- Integration of Nykredit Forsikring is proceeding according to plan.

Profit performance

The underwriting result for the quarter was a loss of NOK 22.9 million (a loss of 110.3). At the end of the quarter, synergies in connection with the acquisition of Nykredit Forsikring had been carried out, which will yield approximately NOK 183.0 million in yearly expenditure cuts. Synergies are related primarily to reinsurance, information technology and workforce reductions. The combined ratio improved and ended up at 102.5 (120.6).

Earned premiums

Earned premiums totalled NOK 916.0 million for the quarter (536.0). Nykredit Forsikring accounts for most of the growth in this segment. In addition, there was a positive trend in the commercial segment of the Swedish market, while there was a negative trend in the municipal portfolio in Denmark because a greater percentage of municipalities no longer take out insurance externally, but retain the risk themselves.

Starting in the first quarter, a change was made in the management and follow-up of the Nordic segment. Provision of insurance under another label (white label) in the Norwegian market was transferred from the Nordic to the Private Norway segment. Revised quarterly figures from the first quarter of 2009 to the fourth quarter of 2010 are presented at gjensidige.com. As mentioned in the description of the Private Norway segment, the objective is to achieve operational synergies and ensure a uniform strategy with regard to the Company's efforts aimed at its partners and the white label market.

Claims incurred

Claims incurred in the quarter totalled NOK 791.5 million (553.2). This gave a loss ratio of 86.4 for the quarter (103.2). There were a higher percentage of weather-related claims than expected in the first quarter. The run-off gain in the quarter amounted to NOK 11.9 million compared with a run-off loss of NOK 1.4 million in the same period a year ago. The level of large losses (net) in the quarter was lower than in the equivalent period last year and amounted to NOK 29.4 million (50.0).

Operating expenses

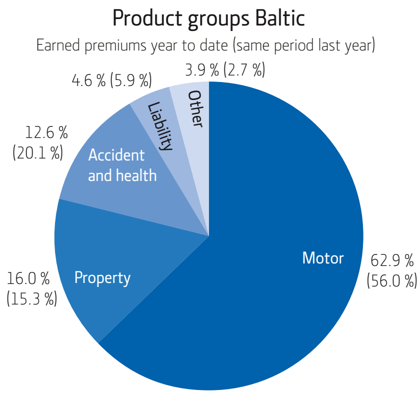
The cost ratio for the quarter amounted to 16.1 (17.4). The nominal operating expenses amounted to NOK 147.4 million (93.0), an increase of NOK 54.4 million compared with the equivalent quarter last year. The increase is mainly attributed to increased expenses as a result of the acquisition of Nykredit Forsikring. The decline in the cost ratio is a result of the synergy extraction that was conducted through the integration of Nykredit Forsikring. Further efficiency improvement measures have also been implemented in the Danish and Swedish operations in order to reduce the cost level.

GENERAL INSURANCE NORDIC	1.1.-31.3.2011	1.1.-31.3.2010	1.1.-31.12.2010
NOK million			
Earned premiums	916.0	536.0	3,453.1
Claims incurred etc.	(791.5)	(553.2)	(2,882.7)
Operating expenses	(147.4)	(93.0)	(640.7)
Underwriting result	**(22.9)**	**(110.3)**	**(70.4)**
Amortisation and impairment losses of excess value – intangible assets	(34.4)	(18.0)	(117.0)
Loss ratio [1]	86.4 %	103.2 %	83.5 %
Cost ratio [2]	16.1 %	17.4 %	18.6 %
Combined ratio [3]	102.5 %	120.6 %	102.0 %

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

[2] Cost ratio = operating expenses/earned premiums

[3] Combined ratio = loss ratio + cost ratio



GENERAL INSURANCE – BALTICS

- Earned premiums decreased from the corresponding quarter last year as a result of the decline in the Baltic insurance market during the last two years.
- The underwriting result declined and was affected by winter-related claims and a large fire.
- Nominal expenses decreased as a result of several implemented cost-cutting measures.

Profit performance

The underwriting result in the quarter was a loss of NOK 6.2 million (a loss of NOK 0.8 million). The combined ratio for the quarter was 106.4 (100.6). The result was affected by a higher percentage of winter-related expenses than expected in addition to one large claim.

Earned premiums

Earned premiums in the quarter came to NOK 96.2 million (129.3). The decline is attributed to the negative trend in the Baltic market during the two previous years. However, the total general insurance market in the Baltics stabilised in the first quarter with positive growth in Lithuania. In order to increase the growth in earned premiums in the Company intensive sales training is now being conducted, the possibility of sales over the Internet is being introduced in Lithuania and extra attention has been devoted to the broker channel in Lithuania.

Claims incurred

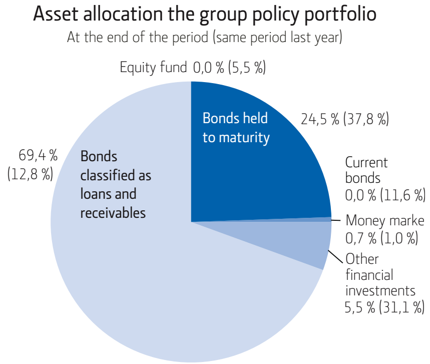
Claims incurred in the quarter totalled NOK 71.4 million (94.7). This corresponds to a loss ratio of 74.3 for the quarter (73.3). A high number of winter-related claims had a negative effect on the quarter both this year and last. In addition, there was a large fire loss in Latvia during the quarter. The run-off gain in the quarter amounted to NOK 15.5 million, compared with NOK 19.6 million in the same period a year ago. The high run-off gains are mainly attributed to the reduction in the general price level in the Baltic markets.

Operating expenses

The cost ratio in the quarter was 32.1 (27.3). The nominal operating expenses were NOK 30.9 million (35.3) in the quarter, a reduction of NOK 4.4 million compared with the equivalent quarter last year. In the two previous years, many cost-cutting measures were implemented, and together with a lower business volume they helped bring about lower operating expenses despite the increased government taxes and excise duties.

GENERAL INSURANCE BALTICS	1.1.-31.3.3011	1.1.-31.3.2010	1.1.-31.12.2010
NOK million			
Earned premiums, net of reinsurance	96.2	129.3	459.3
Claims incurred etc.	(71.4)	(94.7)	(305.3)
Operating expenses	(30.9)	(35.3)	(136.7)
Underwriting result	**(6.2)**	**(0.8)**	**17.4**
Amortisation and impairment losses of excess value – intangible assets	(1.5)	(1.6)	(8.6)
Loss ratio [1]	74.3 %	73.3 %	66.5 %
Cost ratio [2]	32.1 %	27.3 %	29.8 %
Combined ratio [3]	106.4 %	100.6 %	96.2 %

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



PENSION AND SAVINGS

- Quarterly profit for the first time since start-up in 2006.
- The profit before tax for the period includes a non-recurring effect of NOK 7.9 million related to recognition of repayment of too much VAT paid. Adjusted for this, the profit for the quarter is NOK 4.9 million.
- Earned premiums performed well during the period.
- Total assets under management underwent rapid growth, particularly in the savings segment.

Profit performance

The profit before tax expense for the quarter was NOK 12.8 million (a loss of NOK 11.3 million). The positive performance was attributed to a combination of recognition of repayment of too much VAT paid, growth in income as a result of growth in the customer portfolio, and implemented efficiency improvement measures.

Earned premiums and management income

Earned premiums in the quarter came to NOK 106.5 million (65.5). The increase is attributed to an increased customer portfolio for all pension products and especially in group defined-contribution pensions. The management income and underwriting revenue in the savings operations came to NOK 9.5 million in the quarter (5.0). This increase is attributed to the growth in the savings portfolio. In addition, there were changes in the accrual of income, which resulted in a positive non-recurring effect of NOK 1.0 million.

The profit margin for savings was 0.16 per cent for the quarter, which is unchanged from last year.

Operating expenses

Expenses totalled NOK 32.4 million for the quarter (39.5), of which NOK 20.5 million (28.0) were operating expenses related to the insurance operations. The trend in expenses was as expected, and the reduction is mainly attributed to recognition of repayment of too much VAT paid of NOK 7.9 million as income.

Assets under management

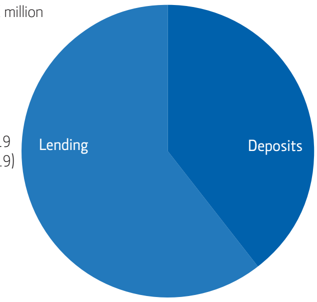
Assets under management in the pension operations increased by NOK 452.4 million during the quarter (773.6). The growth is mainly attributed to a higher volume of premiums in force for group defined-contribution pensions. The increase in the first quarter last year reflects the acquisition of a portfolio from Handelsbanken. At the end of the quarter, the pension capital totalled NOK 7,126.5 million (5,143.9). The group policy portfolio accounted for NOK 2,265.3 million of this amount (1,662.3). The recognised return on the paid-up policy portfolio was 1.63 per cent in the quarter. This is a satisfactory result given the risk exposure. The annual average interest-rate guarantee is 3.6 per cent.

The savings operations underwent a growth in total assets under management of NOK 259.4 million during the quarter (3,030.4). The first quarter last year was dominated by the acquisition of a new large customer. The relatively modest growth this year is mainly attributed to an unstable market, partly as a result of the natural disaster in Japan. The turbulence has resulted in a limited loss of customers. Total assets under management for the savings operations amounted to NOK 5,956.6 million at the end of the quarter (4,710.9).

Total assets under management increased by NOK 711.8 million during the quarter (3,803.9) and amounted to NOK 13,083.1 million at the end of the quarter (9,854.8).

PENSION AND SAVINGS	1.1.-31.3.2011	1.1.-31.3.2010	1.1.-31.12.2010
NOK million			
Earned premiums	106.5	65.5	335.8
Claims incurred etc.	(82.2)	(46.1)	(258.1)
Operating expenses	(20.5)	(28.0)	(109.6)
Underwriting result	**3.8**	**(8.6)**	**(31.8)**
Management income	9.5	5.0	22.4
Net financial income	6.2	0.7	14.5
Other income	5.1	3.0	14.1
Other expenses	(11.8)	(11.5)	(47.1)
Profit/(loss) before tax expense	**12.8**	**(11.3)**	**(27.9)**
Profit margin savings, in per cent [1]	0.16	0.16	0.61
Recognised return on the paid-up policy portfolio [2]	1.63	1.48	5.29
Value-adjusted return on the paid-up policy portfolio [3]	1.25	1.42	5.10

[1] Profit margin savings, in per cent = management income/average assets under management savings
[2] Recognised return on the paid-up policy portfolio = realised return of the portfolio
[3] Value-adjusted return on the paid-up policy portfolio = total return of the portfolio



ONLINE RETAIL BANKING

- Increase in lending and deposits during the quarter.
- Net interest income decreased as a result of a higher percentage of loans secured with a residential mortgage with lower margins, but at the same time with lower risk, together with a greater liquidity reserve invested in Norges Bank.
- Profit before tax expense achieved for the quarter.

Profit performance

The profit before tax expense for the quarter was NOK 14.5 million (4.9). The main reason for the improvement in earnings is increased income and lower operating expenses.

Net interest and credit commission income

Net interest and credit commission income in the quarter was NOK 105.9 million (96.6). The main reason for the improvement in earnings was increased volume.

Operating expenses

The operating expenses for the quarter came to NOK 75.2 million (78.2), amounting to a reduction of NOK 3.0 million from the same quarter last year. Among other things, the reduction in costs was a result of the completion of the integration project associated with the acquisition of the consumer loan business that took place in 2010.

Impairment of loans

The bank has recognised NOK 25.6 million in impairment losses on loans during the quarter (23.0), which for the most part were related to the consumer loan portfolio. The impairment losses were mainly related to calculated group impairment losses, which are supposed to cover potential losses that are not individually identified as likely to default.

Non-performing loans 30 days past due totalled NOK 265.6 million at the end of the quarter (162.4). This is an increase of NOK 103.2 million and is attributed to the acquisition of the consumer loan portfolio in December 2009. Defaulted commitments in per cent of gross lending constituted 1.9 per cent at the end of the quarter.

Loss expenses as a percentage of gross lending for the first quarter were 0.18 per cent (0.19). Losses were in accordance with expectations.

Loans and deposits

Gjensidige Bank had an increase in lending, and at the end of the quarter gross lending totalled NOK 14,247.9 million. The loan portfolio increased by NOK 128.4 million in the quarter (646.3).

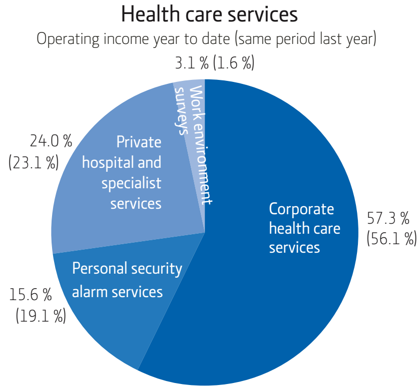
The bank's deposits increased by NOK 170.5 million (151.6) in the quarter to NOK 9,290.5 million at the end of the quarter (6,702.0).

The deposit-to-loan ratio at the end of the quarter was 65.2 per cent (54.8). The increase in the deposit-to-loan ratio relative to the equivalent period last year is mainly attributed to a positive trend in deposits. At year-end 2010, the deposit-to-loan ratio was 64.6 per cent.

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

ONLINE RETAIL BANKING	1.1.-31.3.2011	1.1.-31.3.2010	1.1.-31.12.2010
NOK million			
Interest income and related income	214.7	176.2	782.6
Interest expenses and related expenses	(108.8)	(79.6)	(375.6)
Net interest and credit commission income	**105.9**	**96.6**	**407.0**
Net financial income and other income	9.3	9.6	37.5
Operating expenses	(75.2)	(78.2)	(302.1)
Impairment on loans	(25.6)	(23.0)	(109.4)
Profit/(loss) before tax expense	**14.5**	**4.9**	**33.1**
Net interest income in per cent, annualised [1]	2.72	2.97	2.88
Capital adequacy [2]	14.8	16.3	16.1

[1] Net interest income in per cent, annualised = net interest and credit commission income/average assets under management
[2] Capital adequacy = primary capital/basis of calculation for credit risk, market risk and operational risk



HEALTH CARE SERVICES

- Operating revenue performed positively during the quarter, mainly as a result of the effect of several minor acquisitions in 2010, but also through some organic growth.
- EBITA [1] decreased relative to the equivalent quarter a year ago as a result of terminated contracts with the HSE units in Norway Post and the City of Oslo.
- The strategic assessment of Hjelp24 was conducted according to plan and the Board of Directors expects that it will be concluded during the third quarter of 2011.

Profit performance

EBITA for the quarter was NOK 6.0 million (8.8), which corresponds to an EBITA margin [2] of 4.1 per cent (6.9). The reduction in the margin was expected. It is attributed to the loss of major deliveries from the HSE unit to Norway Post and the City of Oslo. Furthermore, the agreement with the City of Oslo for personal security alarm services has been renewed for a new three-year period, but at a lower yearly value than before. This had a short-term negative effect on the profit performance. The effect of new customers will come gradually. Focusing on the operations and customer-orientation, as well as the cost measures implemented shall help promote increased profitability in the future.

Operating income

Health care services had operating income of NOK 145.9 million in the quarter (126.6), equivalent to an increase of 15.2 per cent. Total turnover was higher than in the same period last year due to the effect of acquisitions completed in 2010. The loss of three public customers in 2010 together with a lower value from the next largest public customer reduced the operating income by about NOK 9.0 million. However, the reduction in turnover from these four public customers was covered in its entirety by positive organic growth, which came to 8.9 per cent. The total growth was about 0.6 per cent in the first quarter of 2011. The sales performance in the quarter was positive and the outlook in the coming months is regarded as good.

Operating expenses

Operating expenses were NOK 139.9 million for the quarter (117.9), which corresponds to an increase of 18.7 per cent over the corresponding period a year ago. Corrected for the effect of acquired businesses in 2010, the expenses increased by 4.8 per cent in the first quarter compared with the corresponding period last year. The trend in expenses was as expected.

Other matters

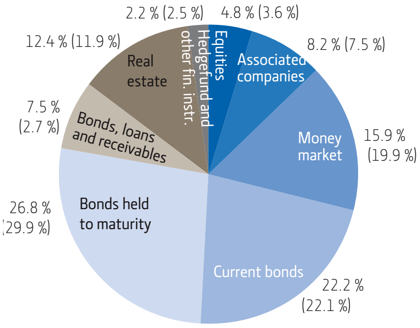
Hjelp24 was reported to the police for violation of professional secrecy and illegal handling of patient information in connection with a complaint in a competitive tender held during the autumn of 2009. The police investigation is on-going. The Company is cooperating with the police in the case and has made all information available.

HEALTH CARE SERVICES	1.1.-31.3.2011	1.1.-31.3.2010	1.1.-31.12.2010
NOK million			
Operating income	145.9	126.6	544.7
Operating expenses	(139.9)	(117.9)	(517.3)
EBITA [1]	**6.0**	**8.8**	**27.3**
Amortisation of excess value - intangible assets	(2.2)	(1.6)	(8.3)
EBITA margin in per cent [2]	4.1	6.9	5.0

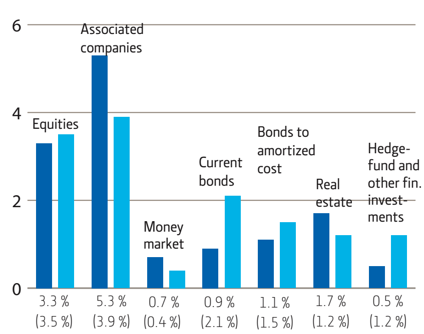
[1] EBITA = earnings before interest, tax and amortisation
[2] EBITA margin in per cent = EBITA/operating income

Asset allocation

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



Return by assets classes



MANAGEMENT OF FINANCIAL ASSETS AND PROPERTIES

- Satisfactory profit for the investment portfolio.
- The financial return for the quarter was 1.5 per cent (1.6).

TOTAL PORTFOLIO

The Group's investment portfolio includes all investment funds in the Group except for Pension and savings and Online retail banking. At the end of the quarter, the investment portfolio totalled NOK 54,274.8 million. The financial result for the investment portfolio was NOK 779.0 million for the quarter, compared with a result of NOK 836.7 million for the same quarter a year ago. This gave a return on financial assets of 1.5 per cent in the quarter, compared with a return of 1.6 per cent in the same quarter last year.

Fixed-income portfolio

The fixed-income portfolio amounted to NOK 39.4 billion at the end of the quarter and consisted of four sub-portfolios: money market instruments, short-term bonds, bonds held to maturity and loans and receivables. The counterparty risk in the fixed-income portfolio breaks down into 19.2 per cent central government and other public sector, 61.6 per cent banks and financial institutions and 19.2 per cent industrial concerns. A breakdown by credit rating gives 77.9 per cent classified as so-called investment grade and 2.5 per cent classified as high yield, while the remaining 19.6 per cent do not have any official credit rating. In the latter category, 26.2 per cent were issued by Norwegian savings banks, while the remainder were mostly issued by power producers and distributors, property companies or government-guaranteed companies. Bonds with a coupon that is adjusted on the basis of the Norwegian consumer price index account for 6.1 per cent of the fixed income portfolio.

The return on the fixed-income portfolio was 1.0 per cent in the quarter, excluding changes in the value of the bonds held to maturity and loans and receivables portfolios. A general increase in interest rates reduced the portfolio's return, while the investments in international bonds with credit risk contributed to a positive return.

Equity portfolio

At the end of the quarter, the total equity exposure was NOK 7.3 billion. The most important items were shares in Storebrand and equity certificates in SpareBank1 SR-Bank, as well as fund investments in private equity and short-term investments. The investments in Storebrand and SpareBank1 SR-Bank are classified as associated companies. At the end of the quarter, the shareholding in Storebrand was recognised at NOK 3,484.6 million. The equivalent figure for the investment in SpareBank1 SR-Bank was NOK 937.4 million.

Profit attributable to associated companies totalled NOK 232.3 million. This corresponds to a return of 5.3 per cent. NOK 196.8 million of this was Gjensidige's estimated share of Storebrand's profit for the first quarter, including the amortisation of excess value and estimate deviations from earlier periods. Gjensidige's estimated share of SpareBank1 SR-Bank's profit for the quarter was NOK 35.5 million, including the amortisation of excess value and estimate deviations from earlier periods.

Income of 88.3 million from the equity portfolio (excluding associated companies) was recognized for the quarter, which constitutes a return of 3.3 per cent. This includes a profit of NOK 72.6 million from private equity investments.

Properties

Real estate investments amounted to NOK 6.5 billion at the end of the quarter and were concentrated in office properties in Oslo, but also included shopping centres and office properties in other Norwegian cities and two office buildings in Copenhagen, Denmark. In addition, a small portion of the portfolio was invested in international real estate funds.

Property had a total profit of NOK 107.7 million for the quarter, which is equivalent to a return of 1.7 per cent. The average required rate of return for valuation of the real estate portfolio for normal standard property was unchanged from the fourth quarter and amounted to 6.6 per cent.

FINANCIAL ASSETS AND PROPERTIES	Result		Carrying amount	
	1.1.-31.3.2011	1.1.-31.3.2010	31.3.2011	31.3.2010
NOK million				
Equities	88.3	88.1	2,888.8	2,843.8
Associated companies	232.3	117.3	4,452.5	3,926.9
Money market	57.2	39.2	9,394.8	9,188.0
Current bonds	110.4	244.8	11,668.6	11,586.0
Bonds at amortised cost	201.4	261.9	18,377.4	17,419.5
Real estate	107.7	75.6	6,472.9	6,275.6
Hedgefund and other financial investments	5.1	16.3	1,080.6	1,410.5
Other financial items [1]	(4.5)	5.8	(60.8)	
Management costs	(18.9)	(12.2)		
Financial profit/(loss) on the investment portfolio	779.0	836.7	54,274.8	52,650.4
Financial income in Pension and savings and Online retail banking	11.6	9.7		
Net income from investments	790.6	846.4		

1 The item primarily consists of the discounting effects of insurance obligations in Denmark, mismatches between interest rate and inflation adjustments on the liability side in Denmark versus interest rate and inflation hedging, and currency hedging of Gjensidige Sverige and Gjensidige Baltic. Carrying amount corresponds to the market value of interest rate and inflation swaps in Denmark.

ORGANISATION

The Group had a total of 3,821 employees at the end of the first quarter, which was a decrease from 3,917 employees at the end of the fourth quarter of 2010.

The number of employees breaks down to 1,998 employees in general insurance operations in Norway (2,041 at the end of the fourth quarter), 132 employees in Gjensidige Bank (132), 49 employees in Gjensidige Pensjon og Sparing (49), and 612 (607) in the health care area. The Gjensidige Group had 447 (486) employees in Denmark, 140 (151) employees in Sweden and 443 (451) employees (excluding agents) in the Baltics.

EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors' recommendation of a dividend of NOK 2,350.0 million was approved by the annual general meeting on 27 April 2011. No other significant events have occurred after the end of the period.

OUTLOOK

In connection with updating the Group's strategy, the Board of Directors has requested that the management assess whether the Health Care Services segment should remain a wholly-owned part of the Group's broad-based activities in Norway. A conclusion is expected during the third quarter of 2011.

As part of the strategic update, the Board of Directors has also defined a goal that the general insurance operations should achieve a cost ratio target of 15 by 2015. Various measures shall be implemented to achieve this target, the most important of which are related to the automation and improvement of self-service solutions, the transfer and co-location of customer and operations-related functions and the simplification of the product structure.

Management have taken actions to support the bank's target of 15 percent return on equity within the next 2 – 3 years. The measures are directed both at reducing costs primarily through merging of common functions with a consequent cut in staff, and to increase revenues through more focus on products with higher margins and a restructuring of distribution.

Gjensidige has substantial capital buffers for both internal risk models and statutory capital adequacy requirements. The Board considers the Group's capital situation and financial strength to be good. The stock exchange listing has given Gjensidige greater freedom of action.

Sollerud, Norway, 11 May 2011
The Board of Directors of Gjensidige Forsikring ASA

CONSOLIDATED INCOME STATEMENT

NOK million	Notes	1.1.-31.3.2011	1.1.-31.3.2010	1.1.-31.12.2010
Operating income				
Earned premiums from general insurance		4,224.6	3,811.2	17,063.3
Earned premiums from pension		106.5	65.5	335.8
Interest income and credit commission income from banking operations		214.7	176.2	782.6
Operating income from health care services		145.9	126.6	544.7
Other income		24.8	14.4	64.4
Total operating income	3	**4,716.6**	**4,193.9**	**18,790.8**
Net income from investments				
Income from investments in associates		232.3	117.3	488.7
Net operating income from property		113.1	100.9	422.8
Interest income and dividend etc. from financial assets		399.6	308.1	1,385.4
Net changes in fair value on investments (incl. property)		(190.5)	220.9	262.3
Net realised gain and loss on investments		274.3	129.5	331.4
Expenses related to investments		(38.3)	(30.3)	(142.4)
Total net income from investments		**790.6**	**846.4**	**2,748.2**
Total operating income and net income from investments		**5,507.2**	**5,040.3**	**21,539.0**
Claims, loss etc.				
Claims incurred etc. from general insurance	5, 6	(3,454.1)	(3,544.1)	(13,456.6)
Claims incurred etc. from pension		(82.2)	(46.1)	(258.1)
Interest expenses etc. and loss on loans/quarantees from banking operations		(134.4)	(102.6)	(484.9)
Total claims, interest expenses, loss etc.		**(3,670.6)**	**(3,692.8)**	**(14,199.6)**
Operating expenses				
Operating expenses from general insurance		(720.8)	(635.8)	(2,810.4)
Operating expenses from pension		(20.5)	(28.0)	(109.6)
Operating expenses from banking operation		(75.2)	(78.2)	(302.1)
Operating expenses from health care services		(139.9)	(117.9)	(517.3)
Other operating expenses		(19.3)	(19.7)	(91.5)
Amortisation and impairment losses of excess value - intangible assets		(45.7)	(123.7)	(254.3)
Total operating expenses		**(1,021.5)**	**(1,003.3)**	**(4,085.3)**
Total expenses		**(4,692.2)**	**(4,696.0)**	**(18,285.0)**
Profit/(loss) for the period before tax expense	3	**815.0**	**344.3**	**3,254.0**
Tax expense		(163.4)	(87.1)	(303.6)
PROFIT/(LOSS) FOR THE PERIOD		**651.6**	**257.2**	**2,950.4**
Earnings per share, NOK (basic and diluted) (restated for 2010)		**1.30**	**0.51**	**5.90**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NOK million	1.1.-31.3.2011	1.1.-31.3.2010	1.1.-31.12.2010
Profit/(loss) for the period	651.6	257.2	2,950.4
Components of other comprehensive income			
Exchange differences	20.9	(6.8)	(19.4)
Share of other comprehensive income of associates		26.3	17.6
Actuarial gains and losses on pension		4.8	(118.0)
Tax on other comprehensive income	8.5	(24.1)	(28.5)
Total components of other comprehensive income	**29.4**	**0.2**	**(148.4)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	681.0	257.4	2,802.0

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NOK million	Notes	31.3.2011	31.3.2010	31.12.2010
ASSETS				
Goodwill		2,587.4	1,352.2	2,580.7
Other intangible assets		1,355.9	814.0	1,349.5
Deferred tax assets				199.4
Investments in associates		4,452.5	3,926.9	4,275.5
Owner-occupied property		318.4	246.7	318.5
Plant and equipment		325.9	306.2	345.1
Investment properties		5,922.1	5,819.1	5,900.3
Financial assets				
Financial derivatives		120.8	101.4	536.6
Shares and similar interests		5,039.7	4,024.5	4,282.9
Bonds and other securities with fixed income		18,420.1	17,077.2	18,389.9
Bonds held to maturity		14,364.1	15,803.7	14,497.5
Loans and other receivables		20,611.4	14,858.3	19,537.8
Assets in life insurance with investment options		4,826.9	3,441.9	4,503.6
Reinsurance deposits		0.7	0.6	0.6
Reinsurers' share of insurance-related liabilities in general insurance, gross		829.4	488.8	487.0
Receivables related to direct operations and reinsurance		4,977.1	4,683.3	3,585.1
Other receivables		523.6	348.2	342.2
Prepaid expenses and earned, not received income		68.0	81.7	84.5
Cash and cash equivalents		3,446.5	5,903.3	2,889.9
TOTAL ASSETS		**88,190.4**	**79,278.0**	**84,106.8**
EQUITY AND LIABILITIES				
Equity				
Share capital		1,000.0	1,000.0	1,000.0
Premium reserve		1,430.0	1,430.0	1,430.0
Other equity		21,388.9	19,795.6	20,707.8
Total equity		**23,818.9**	**22,225.6**	**23,137.8**
Provision for liabilities				
Provision for unearned premiums, gross	8	11,892.8	10,351.2	9,078.3
Claims provision, gross	7	28,618.5	26,566.3	28,339.3
Other technical provisions		128.2	84.5	119.0
Pension liabilities		727.9	659.4	705.3
Other provisions		131.6	178.9	138.5
Financial liabilities				
Financial derivatives		22.3	14.3	155.3
Deposits from and liabilities to customers		9,290.5	6,702.0	9,120.0
Interest-bearing liabilities		4,899.6	5,275.7	5,254.9
Other liabilities		1,160.6	1,040.0	1,234.4
Current tax		537.9	969.7	442.7
Deferred tax liabilities		1,108.3	1,059.9	1,274.6
Liabilities related to direct insurance		693.1	359.2	392.5
Accrued dividend			71.7	
Liabilities in life insurance with investment options		4,826.9	3,441.9	4,503.6
Accrued expenses and deferred income		333.4	277.8	210.7
Total liabilities		**64,371.5**	**57,052.3**	**60,969.1**
TOTAL EQUITY AND LIABILITIES		**88,190.4**	**79,278.0**	**84,106.8**

Sollerud, Norway, 11 May 2011
The Board of Directors of Gjensidige Forsikring ASA

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

NOK million	Share capital	Own shares	Premium reserve	Exchange differ-ences	Actuarial gains/los. pension	Other paid in capital	Other earned equity	Total equity
Equity as at 31.12.2009	1,000.0		1,430.0	(115.4)	(2,005.9)		21,659.6	21,968.2
1.1.-31.12.2010								
Profit/(loss) for the year							2,950.4	2,950.4
Components of other comprehensive income								
Exchange differences				(19.4)				(19.4)
Share of other comprehensive income of associates							17.6	17.6
Actuarial gains and losses on pension					(118.0)			(118.0)
Tax on other comprehensive income							(28.5)	(28.5)
Total components of other comprehensive income				(19.4)	(118.0)		(10.9)	(148.4)
Total comprehensive income for the year				(19.4)	(118.0)		2,939.5	2,802.0
Own shares		(0.1)					(3.1)	(3.1)
Paid dividend							(1,650.0)	(1,650.0)
Equity-settled share-based payment transactions						7.5		7.5
Tax on items recognised directly in equity							13.2	13.2
Equity as at 31.12.2010	1,000.0	(0.1)	1,430.0	(134.8)	(2,124.0)	7.5	22,959.1	23,137.8
1.1.-31.3.2011								
Profit/(loss) for the period							651.6	651.6
Components of other comprehensive income								
Exchange differences				20.9				20.9
Tax on other comprehensive income							8.5	8.5
Total components of other comprehensive income				20.9			8.5	29.4
Total comprehensive income for the period				20.9			660.0	681.0
Own shares							0.2	0.2
Equity as at 31.3.2011	1,000.0	(0.1)	1,430.0	(113.8)	(2,124.0)	7.5	23,619.3	23,818.9
1.1.-31.3.2010								
Profit/(loss) for the period							257.2	257.2
Components of other comprehensive income								
Exchange differences				(6.8)				(6.8)
Share of other comprehensive income of associates							26.3	26.3
Actuarial gains and losses on pension					4.8			4.8
Tax on other comprehensive income							(24.1)	(24.1)
Total components of other comprehensive income				(6.8)	4.8		2.2	0.2
Total comprehensive income for the period				(6.8)	4.8		259.4	257.4
Equity as at 31.3.2010	1,000.0		1,430.0	(122.1)	(2,001.1)		21,919.0	22,225.6

CONSOLIDATED STATEMENT OF CASH FLOWS

NOK million	1.1.-31.3.2011	1.1.-31.3.2010	1.1.-31.12.2010
Cash flow from operating activities			
Premiums paid, net of reinsurance	6,418.4	5,590.7	20,023.9
Claims paid, net of reinsurance	(3,523.4)	(2,478.7)	(12,970.2)
Operating expenses paid, including commission	(882.5)	(929.6)	(3,937.0)
Net receipts/payments on lending and borrowing	(577.4)	(994.8)	(2,255.9)
Net receipts/payments from investments			
Shares and other equity participations	(54.0)	1,609.0	(468.2)
Bonds and other fixed-income securities	(1,264.0)	(814.0)	3,929.8
Financial derivatives and other financial instruments	425.8	160.2	416.6
Investment property	83.1	(275.8)	(128.8)
Interest and other financial income	20.4	329.4	149.4
Net receipts/payments - property activities	1.4	123.4	40.0
Net receipts/payments - other income	128.2	268.9	608.9
Payments of tax	(12.3)	(148.9)	(1,155.2)
Net cash flow from operating activities	**763.7**	**2,439.6**	**4,253.3**
Cash flow from investing activities			
Payments on purchase of subsidiaries	(2.8)		(2,702.0)
Net receipts/payments on sale/purchase of owner-occupied property			0.2
Net receipts/payments on sale/purchase of plant and equipment	(32.1)	(35.6)	(214.8)
Net cash flow from investing activities	**(34.9)**	**(35.6)**	**(2,916.6)**
Cash flow from financing activities			
Payments of dividend		(3.1)	(1,677.6)
Payment on acquisition of portfolio	(29.9)	42.9	42.9
Interest payments on borrowings	(0.2)	(19.5)	(208.1)
Net payment on long term borrowings	(147.0)	385.6	218.6
Net cash flow from financing activities	**(177.1)**	**405.8**	**(1,624.2)**
Net cash flow for the period	**551.7**	**2,809.8**	**(287.5)**
Effect of currency fluctuations on cash and cash equivalents	(0.3)	0.3	1.7
Net movement in cash and cash equivalents	**551.4**	**2,810.2**	**(285.8)**
Cash and cash equivalents at the start of the period	2,889.9	3,103.5	3,103.5
Merged, acquired and disposed companies	5.2	(10.4)	72.2
Adjusted holdings at the beginning of the period	**2,895.2**	**3,093.1**	**3,175.7**
Cash and cash equivalents at the end of the period	**3,446.5**	**5,903.3**	**2,889.9**
Net movement in cash and cash equivalents	**551.4**	**2,810.2**	**(285.8)**

NOTES

1. ACCOUNTING POLICIES

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

The consolidated financial statements as of the first quarter of 2011 have been prepared in accordance with IFRS and IAS 34 Interim Financial Reporting. The interim financial statements do not contain all the information required in complete annual financial statements and should be read with reference to the annual report for 2010. Based on the assessments that have been made so far, the IFRSs and interpretations that have been issued up until 11 May 2011, not yet mandatory as at 31 March 2011; i.e. IFRS 9 and amendments to IFRS 7 and IAS 12 are assumed, based on assessments made so far, to not have significant effect on reported figures.

Preparation of interim financial statements involves the use of assessments, estimates and assumptions that affect the use of accounting policies and recognised amounts for assets and liabilities, revenues and expenses. Actual results may deviate from these estimates. The most material assessments connected with the use of the Group's accounting policies and the key sources of uncertainty in the estimates are the same in preparing the interim financial statements as in the annual report for 2010.

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

A complete or limited review of the interim report has not been conducted.

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

3. SEGMENT INFORMATION

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

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

Segment income is defined as earned premiums for general insurance, earned premiums, management income and other income for Pension and savings, interest and credit commission income and other income for Online retail banking, and operating income for Health care services.

Segment result is defined as underwriting result for general insurance, profit before tax expense for Pension and savings and Online retail banking, and EBITA for Health care services.

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

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

	GENERAL INSURANCE																	
FIRST QUARTER	Private Norway		Commercial Norway		Nordic		Baltic		Pension and savings		Online retail banking		Health care services		Eliminations etc. [1]		Total	
NOK million	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Segment income																		
Segment income – external	1.898,0	1.791,1	1.306,6	1.349,4	916,0	536,0	96,2	129,3	121,1	73,5	218,7	176,8	145,9	126,6	14,0	11,3	4.716,6	4.193,9
Segment income – group [2]																		
Total segment income	**1.898,0**	**1.791,1**	**1.306,6**	**1.349,4**	**916,0**	**536,0**	**96,2**	**129,3**	**121,1**	**73,5**	**218,7**	**176,8**	**145,9**	**126,6**	**14,0**	**11,3**	**4.716,6**	**4.193,9**
- Claims, interest expenses, loss etc.	(1.494,2)	(1.669,3)	(1.064,5)	(1.226,9)	(791,5)	(553,2)	(71,4)	(94,7)	(82,2)	(46,1)	(134,4)	(102,6)			(32,4)		(3.670,6)	(3.692,8)
- Operating expenses	(307,7)	(285,4)	(189,6)	(175,0)	(147,4)	(93,0)	(30,9)	(35,3)	(32,4)	(39,5)	(75,2)	(78,2)	(139,9)	(117,9)	(98,4)	(178,9)	(1.021,5)	(1.003,3)
+ Net income from investments									6,2	0,7	5,3	9,0			779,0	836,7	790,6	846,4
Segment result/profit/(loss) before tax expense	**96,1**	**(163,6)**	**52,5**	**(52,5)**	**(22,9)**	**(110,3)**	**(6,2)**	**(0,8)**	**12,8**	**(11,3)**	**14,5**	**4,9**	**6,0**	**8,8**	**662,2**	**669,1**	**815,0**	**344,3**

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

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

4. EARNED PREMIUMS FROM GENERAL INSURANCE

NOK million	1.1.-31.3.2011	1.1.-31.3.2010	1.1.-31.12.2010
Gross premiums written	7,059.9	6,523.3	17,466.8
Ceded reinsurance premiums	(347.6)	(224.3)	(457.3)
Premiums written, net of reinsurance	**6,712.2**	**6,299.0**	**17,009.5**
Change in gross provision for unearned premiums	(2,692.7)	(2,634.6)	38.5
Change in provision for unearned premiums, reinsurers´ share	205.1	146.8	15.2
Total earned premiums from general insurance	**4,224.6**	**3,811.2**	**17,063.3**

5. CLAIMS INCURRED ETC. FROM GENERAL INSURANCE

NOK million	1.1.-31.3.2011	1.1.-31.3.2010	1.1.-31.12.2010
Gross paid claims	(3,294.1)	(2,921.9)	(12,229.1)
Paid claims, reinsurers' share	14.9	31.0	255.6
Change in gross provision for claims	(234.8)	(683.6)	(1,524.5)
Change in provision for claims, reinsurers' share	100.0	71.1	204.9
Premium discounts and other profit agreements	(40.1)	(40.7)	(163.6)
Total claims incurred etc. from general insurance	**(3,454.1)**	**(3,544.1)**	**(13,456.6)**

6. RUN-OFF GAIN/(LOSS)

NOK million	1.1.-31.3.2011	1.1.-31.3.2010	1.1.-31.12.2010
General insurance			
Earned premiums from general insurance	4,224.6	3,811.2	17,063.3
Run-off gain/(loss) for the period, net of reinsurance	121.6	103.6	301.1
In per cent of earned premiums from general insurance	2.9	2.7	1.8

7. CLAIMS PROVISION, GROSS

NOK million	31.3.2011	31.3.2010	31.12.2010
General insurance			
Claims provision, gross, 1.1	28,214.4	25,755.4	25,755.4
Additions from acquisitions	5.6	74.6	1,133.2
Claims for the year	3,638.1	3,701.9	14,026.8
Claims incurred in prior years, gross	(109.2)	(97.0)	(314.0)
Claims paid	(3,294.1)	(2,921.9)	(12,229.1)
Discounting of claims provisions	29.5	33.8	130.2
Change in discounting rate	(24.2)	37.1	21.8
Exchange differences	41.6	(147.5)	(309.8)
Claims provision, gross, at the end of the period	**28,501.7**	**26,436.2**	**28,214.4**
Pension			
Claims provision, gross, 1.1.	124.9	101.8	101.8
Claims for the year	82.2	46.1	258.1
Claims paid	(24.3)	(9.8)	(62.6)
Movement of pension savings	(66.0)	(8.0)	(172.4)
Claims provision, gross, at the end of the period	**116.8**	**130.1**	**124.9**

7. CLAIMS PROVISION, GROSS (CONT.)

NOK million	31.3.2011	31.3.2010	31.12.2010
Group			
Claims provision, gross, 1.1.	28,339.3	25,857.2	25,857.2
Additions from acquisitions	5.6	74.6	1,133.2
Claims for the year	3,720.3	3,747.9	14,284.9
Claims incurred in prior years, gross	(109.2)	(97.0)	(314.0)
Claims paid	(3,318.4)	(2,931.7)	(12,291.8)
Discounting of claims provisions	29.5	33.8	130.2
Change in discounting rate	(24.2)	37.1	21.8
Movement of pension savings	(66.0)	(8.0)	(172.4)
Exchange differences	41.6	(147.5)	(309.8)
Claims provision, gross, at the end of the period	**28,618.5**	**26,566.3**	**28,339.3**
Discounted claims provision, gross - Gjensidiges Arbejdsskadeforsikring A/S	3,535.9	3,571.6	3,515.4
Undiscounted claims provision, gross - Gjensidiges Arbejdsskadeforsikring A/S	5,091.5	5,053.2	4,853.0

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

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

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

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

8. PROVISION FOR UNEARNED PREMIUMS, GROSS

NOK million	31.3.2011	31.3.2010	31.12.2010
General insurance	9,789.0	8,888.6	7,094.2
Pension	2,103.9	1,462.6	1,984.1
Provision for unearned premiums, gross	**11,892.8**	**10,351.2**	**9,078.3**

9. CONTINGENT LIABILITIES

NOK million	31.3.2011	31.3.2010	31.12.2010
Guarantees and committed capital			
Gross guarantees	0.6	0.6	0.6
Committed capital, not paid	689.9	842.4	705.8

As part of its ongoing financial management the Company has undertaken to invest up to NOK 689.9 million in various private equity and real estate investments, over and above the amounts recognised in the balance sheet. Investments in private equity and real estate funds totalled NOK 1,460.4 million at the end of the period.

There are contractual commitments regarding developing of investment properties amounting to NOK 101.2 million , and a commitment to invest NOK 45.0 million in a residential development project. The latter commitment will fall due during the period from 2011 to 2013, depending on the project's progress.

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

10. RELATED PARTIES

Gjensidige Forsikring ASA owns all of the shares in Tennant Holding AB, a company that is domiciled in Sweden. As per 17 March 2011, it was agreed that Gjensidige Forsikring ASA should acquire all of the shares in Tennant Försäkringsaktiebolag, also domiciled in Sweden, from Tennant Holding AB. The remuneration for the shares was set at fair value and amounts to NOK 470.0 million. The remuneration is settled through short-term intra-group transactions that are to be settled before year-end. No surety or guarantees have been provided in connection with this. The transaction is also pending approval by Finanstilsynet (the Financial Supervisory Authority of Norway). In the consolidated accounts, all of the consequences of the transactions have been eliminated.

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

QUARTERLY EARNINGS PERFORMANCE

NOK million	1 q. 2011	4 q. 2010	3 q. 2010	2 q. 2010	1 q. 2010
Earned premiums from general insurance	4,224.6	4,426.8	4,535.9	4,289.4	3,811.2
Other income	492.0	455.8	426.5	462.5	382.7
Total operating income	**4,716.6**	**4,882.6**	**4,962.3**	**4,751.9**	**4,193.9**
Total net income from investments	**790.6**	**803.0**	**803.9**	**294.9**	**846.4**
Total income	**5,507.2**	**5,685.6**	**5,766.3**	**5,046.8**	**5,040.3**
Claims incurred etc. from general insurance	(3,454.1)	(3,383.2)	(3,260.0)	(3,269.3)	(3,544.1)
Other claims, loss etc.	(216.6)	(191.9)	(187.0)	(215.4)	(148.7)
Total claims, loss etc.	**(3,670.6)**	**(3,575.2)**	**(3,447.0)**	**(3,484.7)**	**(3,692.8)**
Operating expenses from general insurance	(720.8)	(728.7)	(714.4)	(731.5)	(635.8)
Other operating expenses	(300.7)	(313.7)	(292.9)	(300.9)	(367.5)
Total operating expenses	**(1,021.5)**	**(1,042.4)**	**(1,007.3)**	**(1,032.4)**	**(1,003.3)**
Total expenses	**(4,692.2)**	**(4,617.5)**	**(4,454.3)**	**(4,517.1)**	**(4,696.0)**
Profit/(loss) for the period before tax expense	**815.0**	**1,068.1**	**1,311.9**	**529.7**	**344.3**
Underwriting result general insurance	**49.7**	**314.9**	**561.5**	**288.6**	**(368.7)**

KEY FIGURES

		1.1.-31.3. 2011	1.1.-31.3. 2010	1.1.-31.12. 2010
GJENSIDIGE INSURANCE GROUP				
Return on financial assets [1]	%	1.5	1.6	5.2
Equity (restated for 2009)	NOK mill.	23,818.9	22,225.6	23,137.8
Return on equity, annualised [2] (restated for 2009)	%	13.9	6.2	14.4
Capital adequacy ratio [3]	%	15.4	17.4	16.1
Solvency margin Gjensidige Forsikring [4]	%	581.5	677.3	581.2
SHARE CAPITAL				
Outstanding shares, at the end of the period	Number	500,000,000	500,000,000	500,000,000
Earnings per share in the period [5] (restated for 2009)	NOK	1.30	0.51	5.90
GENERAL INSURANCE				
Market share non-marine insurance Norway (FNO) per Q2 10	%	27.9	28.4	28.1
Gross premiums written				
Private	NOK mill.	2,441.7	2,367.9	8,031.7
Commercial	NOK mill.	2,514.5	2,557.8	5,682.7
Nordic	NOK mill.	1,993.6	1,486.5	3,357.1
Baltic	NOK mill.	110.0	111.1	395.2
Total	NOK mill.	7,059.9	6,523.3	17,466.8
Premiums, net of reinsurance [6]	%	95.1	96.6	97.4
Earned premiums				
Private	NOK mill.	1,898.0	1,791.1	7,719.9
Commercial	NOK mill.	1,306.6	1,349.4	5,401.0
Nordic	NOK mill.	916.0	536.0	3,453.1
Baltic	NOK mill.	96.2	129.3	459.3
Eliminations	NOK mill.	7.8	5.5	30.0
Total	NOK mill.	4,224.6	3,811.2	17,063.3
Loss ratio [7]				
Private	%	78.7	93.3	76.4
Commercial	%	81.5	90.7	80.3
Nordic	%	86.4	103.2	83.5
Baltic	%	74.3	73.3	66.5
Total	%	81.8	93.0	78.9
Cost ratio [8]				
Private	%	16.2	17.0	15.1
Commercial	%	14.5	11.6	12.8
Nordic	%	16.1	17.4	18.6
Baltic	%	32.1	27.3	29.8
Total	%	17.1	16.7	16.5
Combined ratio [9]				
Private	%	94.9	110.3	91.4
Commercial	%	96.0	102.4	93.2
Nordic	%	102.5	120.6	102.0
Baltic	%	106.4	100.6	96.2
Total	%	98.8	109.7	95.3

		1.1.-31.3. 2011	1.1.-31.3. 2010	1.1.-31.12. 2010
PENSION AND SAVINGS				
Assets under management pension, addition in the period	NOK mill.	452.4	773.6	2,303.8
Assets under management savings, addition in the period	NOK mill.	259.4	3,030.4	4,016.6
Assets under management pension at the end of the period	NOK mill.	7,126.5	5,143.9	6,674.1
of which the group policy portfolio	NOK mill.	2,265.3	1,662.3	2,146.0
Assets under management savings at the end of the period	NOK mill.	5,956.6	4,710.9	5,697.2
Profit margin savings, in per cent [10]	%	0.16	0.16	0.61
Recognised return on the paid-up policy portfolio [11]	%	1.63	1.48	5.29
Value-adjusted return on the paid-up policy portfolio [12]	%	1.25	1.42	5.10
Number of customers (pension), addition in the period	Number	4,259	556	14,813
Number of customers (savings), addition in the period	Number	(94)	(16)	(2,191)
Number of customers (pension), at the end of the period	Number	70,727	52,211	66,468
Number of customers (savings), at the end of the period	Number	5,385	7,654	5,479
Customers (pension) with insur. agreem. at the end of the per.	Number	60,118	44,379	56,498
Customers (savings) with insur. agreem. at the end of the per.	Number	4,036	6,269	4,493
ONLINE RETAIL BANKING				
Gross lending, addition in the period	NOK mill.	128.4	646.3	2,543.9
Deposits, addition in the period	NOK mill.	170.5	151.6	2,569.6
Gross lending, at the end of the period	NOK mill.	14,247.9	12,221.9	14,119.5
Deposits, at the end of the period	NOK mill.	9,290.5	6,702.0	9,120.0
Deposits-to-loan ratio in the period [13]	%	132.8	23.5	101.0
Deposits-to-loan ratio at the end of the period [13]	%	65.2	54.8	64.6
Net interest income in per cent, annualised [14]	%	2.72	2.97	2.88
Customers, addition in the period	Number	2,808	1,245	13,649
Customers, at the end of the period	Number	92,402	77,190	89,594
Customers with insurance agreements, at the end of the period	Number		38,109	43,764
Capital adequacy [15]	%	14.8	16.3	16.1
HEALTH CARE SERVICES				
EBITA [16]	NOK mill.	6.0	8.8	27.3
EBITA margin in per cent [17]	%	4.1	6.9	5.0

1 Return on financial assets = net financial income in per cent of average finanscial assets including property, excluding Pension and savings and Online retail banking
2 Return on equity, annualised = profit before tax expense for the period/average equity for the period
3 Capital adequacy ratio = net subordinated capital/risk-weighted calculation basis, calculated on the basis of NGAAP for the Group
4 The solvency margin is calculated at the company level and in accordance with the rules of the Financial Supervisory Authority of Norway
5 Earnings per share in the period = the shareholders' share of the profit or loss for the period/average number of outstanding shares in the period
6 Premiums, net of reinsurance = gross premiums written, net of reinsurance/gross premiums written (general insurance)
7 Loss ratio = claims incurred etc./earned premiums
8 Cost ratio = operating expenses/earned premiums
9 Combined ratio = loss ratio + cost ratio
10 Profit margin savings, in per cent = management income/average assets under management, savings
11 Recognised return on the paid-up policy portfolio = realised return of the portfolio
12 Value-adjusted return on the paid-up policy portfolio = total return of the portfolio
13 Deposit-to-loan ratio = deposits as a per centage of gross lending
14 Net interest income in per cent, annualised = net interest and credit commission income/average assets under management
15 Capital adequacy = primary capital/basis of calculation for credit risk, market risk and operational risk
16 EBITA = earnings before interest, tax and amortisation
17 EBITA margin in per cent = EBITA/operating income

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