Gjensidige

Interim Report 3rd quarter 2013

Gjensidige Insurance Group

Group highlights
Third quarter 2013

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

The year to date

Group
- Profit/loss before tax expense: NOK 3,291.0 million (4,252.3)
- Profit per share: NOK 5.07 (6.50)

General insurance
- Earned premiums: NOK 13,970.6 million (13,379.1)
- Underwriting result: NOK 1,643.9 million (2,005.1)
- Combined ratio: 88.2 (85.0)
- Cost ratio: 15.3 (15.3)
- Financial result: NOK 1,603.2 million (2,232.0)

Third quarter

Group
- Profit/loss before tax expense: NOK 1,673.3 million (1,606.9)
- Profit per share: NOK 2.66 (2.50)

General insurance
- Earned premiums: NOK 4,866.9 million (4,571.7)
- Underwriting result: NOK 852.5 million (780.3)
- Combined ratio: 82.5 (82.9)
- Cost ratio: 14.8 (14.8)
- Financial result: NOK 825.7 million (828.7)

Special factors and events
- Proposed extraordinary dividend of NOK 3.0 billion, corresponding to NOK 6.00 per share
- New capital strategy and dividend policy
- New return on equity target > 15 per cent after tax from and including 2015
- Storebrand redefined from strategic to financial investment

Result performance group

NOK million	3 q. 2013	3 q. 2012	1.1.-30.9.2013	1.1.-30.9.2012	1.1.-31.12.2012
General insurance Private	401.6	426.5	912.8	1,100.0	1,439.1
General insurance Commercial	352.3	356.6	695.2	796.1	1,012.6
General insurance Nordic	124.8	81.7	295.7	372.1	519.9
General insurance Baltics	8.6	6.6	19.7	11.4	18.9
Corporate Centre/costs related to owner	(72.2)	(75.3)	(224.0)	(209.6)	(294.3)
Corporate Centre/reinsurance [1]	37.4	(15.8)	(55.5)	(65.0)	(88.5)
Underwriting result general insurance [2]	**852.5**	**780.3**	**1,643.9**	**2,005.1**	**2,607.8**
Pension and Savings	12.9	1.4	36.3	20.2	18.3
Retail Bank	49.8	27.5	140.8	75.2	113.0
Return on financial assets [3]	825.7	828.7	1,603.2	2,232.0	3,005.1
Amortisation and impairment losses of excess value – intangible assets	(66.1)	(31.3)	(130.0)	(95.7)	(126.9)
Other items	(1.5)	0.3	(3.2)	15.6	16.4
Profit/(loss) for the period before tax expense	**1,673.3**	**1,606.9**	**3,291.0**	**4,252.3**	**5,633.5**
Key figures general insurance					
Large losses [4]	89.5	201.2	467.2	567.0	581.1
Run-off gains/(losses) [5]	113.0	88.2	175.2	309.9	342.0
Loss ratio [6]	67.7 %	68.2 %	73.0 %	69.7 %	69.9 %
Cost ratio [7]	14.8 %	14.8 %	15.3 %	15.3 %	15.5 %
Combined ratio [8]	82.5 %	82.9 %	88.2 %	85.0 %	85.3 %

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 occured. The segment Baltics has a retention level of EUR 0.5 million. Large losses allocated to the Corporate Centre amounted to NOK 114.4 million (110.6) year to date and NOK 0.0 million (36.0) in the quarter. Moreover, accounting items related to written reinsurance and reinstatement premium are 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 was NOK 252.0 million.
5 Run-off gains/(losses) = changes in estimates from earlier periods. Reserving is based on best estimate, and 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

Solid growth in premiums and good result

Group profit performance

Year to date development

The Group recorded a profit before tax expense of NOK 3,291.0 million (4,252.3) for the year to date. The profit from general insurance operations measured by the underwriting result was NOK 1,643.9 million (2,005.1). For the investment portfolio, the return on financial assets was 2.8 per cent (4.0), or NOK 1,603.2 million (2,232.0).

The tax expense amounted to NOK 754.9 million (979.2), corresponding to an effective tax rate of 22.9 per cent (23.0). The effective tax rate was significantly affected by the recognition of an impairment loss on the investment in Storebrand in the first quarter. Realised and unrealised gains on equity investments in the EEA also affected the tax rate.

The profit after tax expense was NOK 2,536.1 million (3,273.1), corresponding to NOK 5.07 (6.50) per share.

Satisfactory underlying profitability in the portfolio contributed to a good underwriting result year to date. The decline in the result from the corresponding period last year is primarily due to a more normal trend in frequency claims.

Earned premiums in the Private segment increased by 3.7 per cent from the same period last year, mainly driven by higher premiums. However, higher claims expenses contributed to a slightly weaker underwriting result.

Earned premiums in the Commercial segment increased by 2.5 per cent as a result of growth in both the Norwegian and Swedish portfolios. An increase in claims incurred contributed to a decline in the underwriting result compared with the same period last year.

Earned premiums developed in a positive direction in the Nordic segment, with premiums growing by 9.7 per cent (7.3 per cent in the local currency), primarily as a result of an increase in the number of new commercial customers. A weaker underwriting result compared with the corresponding period last year was largely due to lower run-off gains.

The Baltic segment recorded a positive profit performance as a result of an improvement in the Baltic insurance market. The growth in premiums was 15.7 per cent (13.6 per cent in the local currency).

The Retail Bank's profit performance was good in the period, driven by volume growth, lower write-downs and efficient operations. Pension and Savings also recorded a positive profit performance.

The investment portfolio's profit performance was weaker than in the same period last year, largely because of the recognition of an impairment loss in Storebrand of NOK 611.0 million in the first quarter.

Development during the quarter

The Group recorded a profit before tax expense for the quarter of NOK 1,673.3 million (1,606.9). The profit from general insurance operations measured by the underwriting result was NOK 852.5 million (780.3). For the investment portfolio, the return on financial assets was 1.5 per cent (1.5), or NOK 825.7 million (828.7). The profit after tax expense was NOK 1,328.2 million (1,232.5), corresponding to NOK 2.66 (2.50) per share.

The increase in the underwriting result was largely due to a lower proportion of large losses in relation to the same period last year. Both the Retail Bank and Pension and Savings have improved their profit performance since the same period last year as a result of good volume growth. The financial result was satisfactory in the quarter.

Equity and capital adequacy

The Group's equity amounted to NOK 25,068.2 million (23,980.2) at the end of the third quarter. The annualised return on equity before tax expense was 17.8 per cent (24.3). The capital adequacy was 15.9 per cent (15.9), and the solvency margin was 537.0 per cent (525.9).

In addition to testing the capital in relation to statutory requirements, a calculation is carried out quarterly of the risk-based economic capital requirement and the requirements for maintaining an 'A' rating from Standard & Poor's. The risk-based calculation of the economic capital requirement is carried out using the Group's internal risk model, which is based on an economic valuation of assets and liabilities. Available capital in excess of this amount constitutes the Group's economic excess capital. In addition, a deduction is made for the higher of the estimated additional capital required to maintain the current rating and the capital required to meet the statutory capital adequacy requirements. It is currently the 'A' rating requirement from Standard & Poor's that is the most binding. At the end of the quarter, capital in excess of the most binding requirement (including the technical buffer of five per cent adopted by the Board) amounted to NOK 4.6 billion.

Other matters

The Norwegian Data Protection Agency's control report

The main conclusions of the Data Protection Agency's preliminary control report concerning the processing of personal data were upheld in the final control report received on 20 September 2013. Gjensidige does not agree with the Agency's conclusions, but has nonetheless chosen not to appeal the decision. Measures will be initiated to meet the Agency's requirements by 1 March 2014.

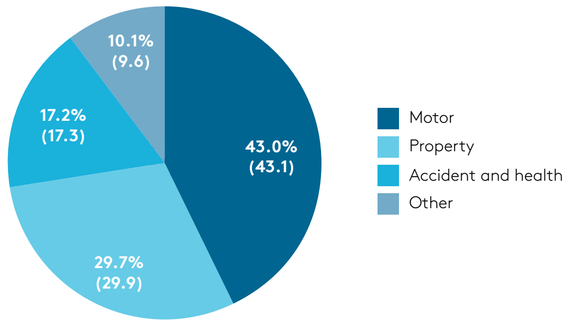
Gjensidiges Arbejdsskadeforsikring

The merger with the wholly owned subsidiary Gjensidiges Arbejdsskadeforsikring A/S was concluded in the quarter. The merger itself will not affect the Gjensidige Group's financial position, but it will facilitate more rational and efficient operations.

External review of loss reserves

Gjensidige engaged an external actuarial consultancy to update its review of the Group's gross loss reserves as at 30 June 2013. The starting basis for the update was a comprehensive actuarial review as at 31 March 2012. The conclusion of the update is that the Group's gross loss reserves as at 30 June 2013 fall within a reasonable range.

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



General Insurance Private

Year to date development
The underwriting result for the year to date was NOK 912.8 million (1,100.0). The combined ratio was 84.4 (80.4). The main reason for the decline in the underwriting result was an increase in claims expenses compared with the corresponding period last year.

Earned premiums amounted to NOK 5,823.7 million (5,622.2). The number of customers is on a par with the corresponding period last year, and the positive development in earned premiums was due to higher premiums.

Claims incurred amounted to NOK 4,142.1 million (3,765.6). The loss ratio was 71.0 (67.0). The property product in particular recorded a higher loss ratio than in the corresponding period last year due to several water damage claims early in the year and some large fires and damage caused by precipitation in the third quarter. Total claims incurred for the year to date were within the bounds of what can normally be expected, while the claims trend for the same period in 2012 was particularly favourable.

Operating expenses amounted to NOK 777.8 million (756.5), and the cost ratio was 13.3 (13.5).

Development during the quarter
The underwriting result for the period was NOK 401.6 million (426.5). The combined ratio was 80.5 (78.3).

Earned premiums amounted to NOK 2,064.5 million (1,969.8). The positive development in earned premiums was due to increased premiums, and earned premiums increased in all product areas.

Claims incurred amounted to NOK 1,389.9 million (1,289.3). The loss ratio was 67.3 (65.5). The increase in the loss ratio was primarily due to a more normal claims trend for most products compared with the same period last year. The loss ratio for the property product was negatively affected by some large fires and damage caused by precipitation at the start of the quarter.

Operating expenses amounted to NOK 273.0 million (254.1). The cost ratio was 13.2 (12.9).

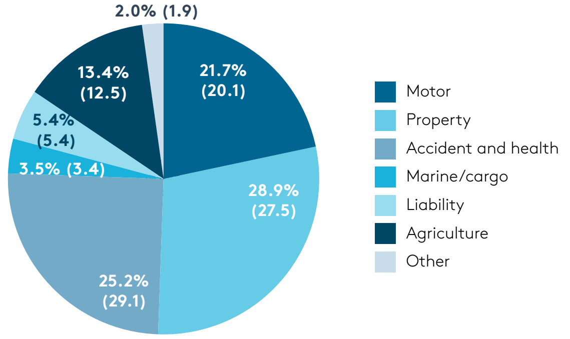
General Insurance Private

NOK million	3 q. 2013	3 q. 2012	1.1.-30.9.2013	1.1.-30.9.2012	1.1.-31.12.2012
Earned premiums	2,064.5	1,969.8	5,832.7	5,622.2	7,498.5
Claims incurred etc.	(1,389.9)	(1,289.3)	(4,142.1)	(3,765.6)	(5,051.7)
Operating expenses	(273.0)	(254.1)	(777.8)	(756.5)	(1,007.7)
Underwriting result	**401.6**	**426.5**	**912.8**	**1,100.0**	**1,439.1**
Amortisation and impairment losses of excess value – intangible assets	(2.4)	(2.4)	(7.1)	(7.1)	(9.5)
Large losses [1]		12.4	24.7	32.7	32.7
Run-off gains/(losses) [2]	10.4	(1.2)	43.3	54.8	67.6
Loss ratio [3]	67.3 %	65.5 %	71.0 %	67.0 %	67.4 %
Cost ratio [4]	13.2 %	12.9 %	13.3 %	13.5 %	13.4 %
Combined ratio [5]	80.5 %	78.3 %	84.4 %	80.4 %	80.8 %

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

Product groups Commercial

Earned premiums year to date (same period last year)



General Insurance Commercial

Year to date development

The underwriting result for the period was NOK 695.2 million (796.1). The combined ratio was 86.7 (84.4). The reduction in the underwriting result is largely due to increased claims incurred.

Earned premiums increased to NOK 5,221.8 million (5,095.9). Both the Norwegian and Swedish commercial portfolios showed a positive development compared with the same period last year, mainly as a result of an increase in the number of products per customer. The growth was negatively affected by a decline in the Swedish municipal portfolio, and the loss of two big agreements for accident and health schemes that took effect from and including the second and third quarter last year.

Claims incurred amounted to NOK 3,898.8 million (3.697.7), which corresponds to a loss ratio of 74.7 (72.6). The effect of a lower proportion of large losses and a favourable claims trend for property and business interruption insurance was outweighed by a more normal weather-related trend in agriculture. In addition, agriculture has been exposed to more fire damage this year. More natural disaster claims also affected claims incurred negatively compared with the corresponding period last year.

Operating expenses amounted to NOK 627.8 million (602.1). The cost ratio was 12.0 (11.8). The increase was partly related to the work on integrating the Swedish units.

Development during the quarter

The underwriting result for the quarter was NOK 352.3 million (NOK 356.6 million), corresponding to a combined ratio of 80.2 (79.2).

Earned premiums increased to NOK 1,779.9 million (1,710.7). The development in earned premiums was particularly positive for the property, business interruption and liability products.

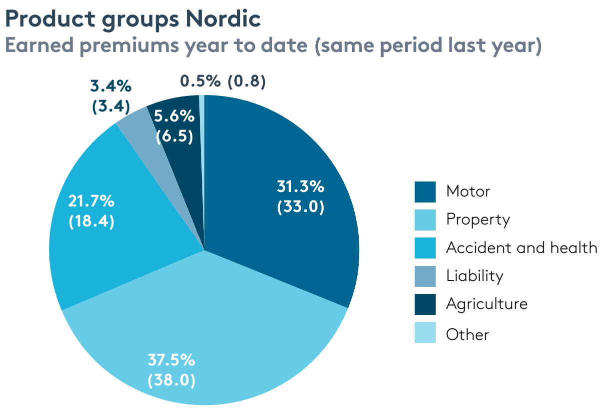
Claims incurred amounted to NOK 1,213.2 million (1.161.8), which corresponds to a loss ratio of 68.2 (67.9). The increase was mainly due to an underlying increase in claims compared with last year, especially in agriculture. The negative effect was partly outweighed by fewer large losses and higher run-off gains.

Operating expenses amounted to NOK 214.4 million (192.3). The cost ratio was 12.0 (11.2). The increase was partly related to the work on integrating the Swedish units.

General Insurance Commercial

NOK million	3 q. 2013	3 q. 2012	1.1.-30.9.2013	1.1.-30.9.2012	1.1.-31.12.2012
Earned premiums	1,779.9	1,710.7	5,221.8	5,095.9	6,764.8
Claims incurred etc.	(1,213.2)	(1,161.8)	(3,898.8)	(3,697.7)	(4,943.1)
Operating expenses	(214.4)	(192.3)	(627.8)	(602.1)	(809.1)
Underwriting result	**352.3**	**356.6**	**695.2**	**796.1**	**1,012.6**
Large losses [1]	60.7	78.8	271.1	331.1	341.7
Run-off gains/(losses) [2]	51.5	26.0	65.6	52.3	75.2
Loss ratio [3]	68.2 %	67.9 %	74.7 %	72.6 %	73.1 %
Cost ratio [4]	12.0 %	11.2 %	12.0 %	11.8 %	12.0 %
Combined ratio [5]	80.2 %	79.2 %	86.7 %	84.4 %	85.0 %

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 earlier periods
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

Year to date development

The underwriting result was NOK 295.7 million (372.1) for the year to date, corresponding to a combined ratio of 87.7 (83.1). The decline in the result was mainly due to significantly lower run-off gains.

Earned premiums increased to NOK 2,411.6 million (2,198.2). Of the increase, NOK 48.8 million was due to changes in the exchange rate. The underlying increase was primarily due to an increase in the number of new commercial customers. The changes to the cooperation agreement with the Nykredit Group entered into force with effect from April, and they are expected to contribute to higher sales and customer satisfaction in the Danish private market in the time ahead.

Claims incurred amounted to NOK 1,722.0 million (1,452.8). Of the increase, NOK 32.2 million was due to changes in the exchange rate. The loss ratio was 71.4 (66.1). The higher loss ratio was mainly the result of significantly lower run-off gains.

Operating expenses amounted to NOK 393.9 million (373.3). Of the increase, NOK 8.2 million was due to changes in the exchange rate. The cost ratio was 16.3 (17.0).

Development during the quarter

The underwriting result was NOK 124.8 million (81.7), corresponding to a combined ratio of 85.1 (88.9). The improvement was mainly due to fewer large losses combined with good underlying growth in premiums.

Earned premiums amounted to NOK 838.7 million (735.7). Of the increase, NOK 55.3 million was due to changes in the exchange rate. The underlying increase was mainly due to an increase in the number of new commercial customers.

Claims incurred amounted to NOK 586.8 million (534.1). Of the increase, NOK 36.4 million was due to changes in the exchange rate. The loss ratio was 70.0 (72.6). The lower loss ratio was due to fewer large losses, which was partly outweighed by lower run-off gains.

Operating expenses amounted to NOK 127.0 million (119.9). Of the increase, NOK 9.5 million was due to changes in the exchange rate. The cost ratio was 15.1 (16.3).

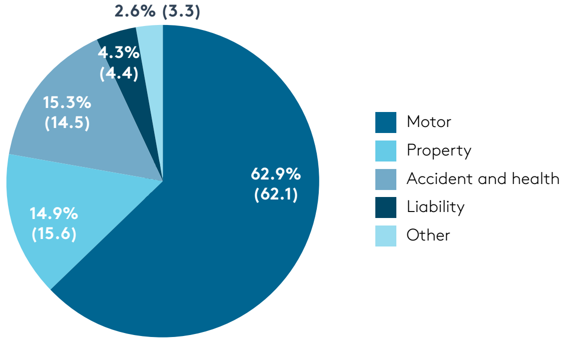
General Insurance Nordic

NOK million	3 q. 2013	3 q. 2012	1.1.-30.9.2013	1.1.-30.9.2012	1.1.-31.12.2012
Earned premiums	838.7	735.7	2,411.6	2,198.2	2,909.7
Claims incurred etc.	(586.8)	(534.1)	(1,722.0)	(1,452.8)	(1,883.6)
Operating expenses	(127.0)	(119.9)	(393.9)	(373.3)	(506.1)
Underwriting result	**124.8**	**81.7**	**295.7**	**372.1**	**519.9**
Amortisation and impairment losses of excess value – intangible assets	(62.3)	(27.8)	(119.1)	(85.0)	(112.8)
Large losses [1]	28.8	74.0	53.3	88.8	88.8
Run-off gains/(losses) [2]	48.5	66.0	80.5	186.3	221.8
Loss ratio [3]	70.0 %	72.6 %	71.4 %	66.1 %	64.7 %
Cost ratio [4]	15.1 %	16.3 %	16.3 %	17.0 %	17.4 %
Combined ratio [5]	85.1 %	88.9 %	87.7 %	83.1 %	82.1 %

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 earlier periods
3 Loss ratio = claims incurred etc./earned premiums
4 Cost ratio = operating expenses/earned premiums
5 Combined ratio = loss ratio + cost ratio

Product groups Baltics

Earned premiums year to date (same period last year)



General Insurance Baltics

Year to date development

The underwriting result amounted to NOK 19.7 million (11.4). The combined ratio was 94.7 (96.5). The improvement in profit performance was largely due to a positive development in earned premiums.

Earned premiums amounted to NOK 372.9 million (322.3). Of the increase, NOK 6.1 million was due to changes in the exchange rate. Earned premiums in health and motor insurance developed particularly well, primarily as a result of an improvement in the Baltic insurance markets.

Claims incurred amounted to NOK 254.7 million (216.7), corresponding to a loss ratio of 68.3 (67.3). Of the increase, NOK 4.1 million was due to changes in the exchange rate. The run-off gains were lower than in the same period last year. The underlying development was driven by a more normalised claims situation and the improved quality of the portfolio.

The nominal operating expenses amounted to NOK 98.5 million (94.1), corresponding to a cost ratio of 26.4 (29.2). Of the increase, NOK 1.8 million was due to changes in the exchange rate. Despite increased activity, implemented cost-cutting measures contributed to keeping the nominal cost level stable.

Development during the quarter

The underwriting result amounted to NOK 8.6 million (6.6). The combined ratio was 93.5 (94.1).

Earned premiums amounted to NOK 132.5 million (112.2). Of the increase, NOK 7.5 million was due to changes in the exchange rate. The development in earned premiums was especially positive in motor insurance.

Claims incurred amounted to NOK 89.9 million (74.4), corresponding to a loss ratio of 67.9 (66.3). Of the increase, NOK 5.1 million was due to changes in the exchange rate. The loss ratio increased as a result of an increased loss frequency in Latvia, which was partly outweighed by increased run-off gains.

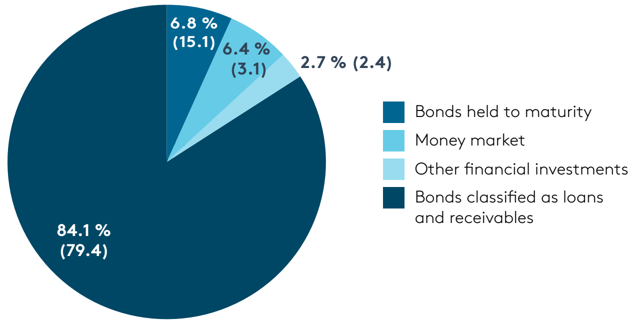
The nominal operating expenses amounted to NOK 34.0 million (31.2), corresponding to a cost ratio of 25.7 (27.8). Of the increase, NOK 2.2 million was due to changes in the exchange rate.

General Insurance Baltics

NOK million	3 q. 2013	3 q. 2012	1.1.-30.9.2013	1.1.-30.9.2012	1.1.-31.12.2012
Earned premiums	132.5	112.2	372.9	322.3	436.9
Claims incurred etc.	(89.9)	(74.4)	(254.7)	(216.7)	(292.6)
Operating expenses	(34.0)	(31.2)	(98.5)	(94.1)	(125.4)
Underwriting result	**8.6**	**6.6**	**19.7**	**11.4**	**18.9**
Amortisation and impairment losses of excess value – intangible assets	(1.4)	(1.2)	(3.8)	(3.5)	(4.7)
Large losses [1]			3.7	3.8	6.1
Run-off gains/(losses) [2]	0.9	(2.7)	10.6	16.4	20.4
Loss ratio [3]	67.9 %	66.3 %	68.3 %	67.3 %	67.0 %
Cost ratio [4]	25.7 %	27.8 %	26.4 %	29.2 %	28.7 %
Combined ratio [5]	93.5 %	94.1 %	94.7 %	96.5 %	95.7 %

1 Large losses = loss event in excess of NOK 10.0 million. Claims incurred in excess of EUR 0.5 million per event are charged to the Corporate Centre.
2 Run-off gains/(losses) = changes in estimates from earlier periods
3 Loss ratio = claims incurred etc./earned premiums
4 Cost ratio = operating expenses/earned premiums
5 Combined ratio = loss ratio + cost ratio

Asset allocation the group policy portfolio
At the end of the period (same period last year)



Pension and Savings

Year to date development
The profit before tax expense for the year to date was NOK 36.3 million (20.2). This positive development was due to an increase in revenues as a result of growth in the customer portfolio combined with positive market development. At the turn of the year, Gjensidige Pensjonsforsikring took over two external defined contribution portfolios, which led to an increase in assets under management of just over NOK 800 million.

Net insurance revenue in the period increased to NOK 93.0 million (83.9) as a result of higher administration costs related to growth in the portfolio.

The management income increased to NOK 59.5 million (47.7) as a result of growth in the customer portfolio for both the pension and savings areas, and positive market development.

Operating expenses amounted to NOK 134.9 million (129.4). The increase in expenses was mainly due to higher distribution costs.

Financial income amounted to NOK 18.6 million (18.0). This includes the return on the group policy and corporate portfolio. The Company's share of the financial profit on the paid-up portfolio policy was allocated in its entirety as a provision [1] for higher life expectancy. Despite provisions made in the quarter, the financial income showed a positive development, mainly because of a better return on the corporate portfolio as a result of reinvestments.

At the end of the period, the assets under management in the pension operations amounted to NOK 13,259.4 million (9,972.0). The group policy portfolio accounted for NOK 3,459.6 million (2,987.0) of this amount.

The reocognized return on the paid-up policy portfolio was 3.43 per cent (3.50) in the period. The average annual interest guarantee was 3.6 per cent.

Assets under management for the savings operations amounted to NOK 11,563.3 million (10,189.1) at the end of the period.

The total assets under management increased by NOK 4,343.8 million (2,413.5), amounting to NOK 24,822.7 million (20,161.1) at the end of the period.

Development during the quarter
The profit before tax expense was NOK 12.9 million (1.4).

Net insurance revenue in the period amounted to NOK 30.7 million (14.6). The provisions for claims were strengthened throughout the second half-year last year as a result of changes in the estimates of future claims disbursements, which led to increased claims incurred and reduced insurance revenue. In addition, the income last year was further reduced through a change in the classification of financial profit to the owner on the rest of the group insurance portfolio, which led to a corresponding reduction in financial income.

The management income amounted to NOK 21.0 million (16.4) and increased as a result of growth in the portfolio.

Operating expenses amounted to NOK 45.3 million (42.6).

Financial income amounted to NOK 6.4 million (13.0).

1 Total provisions made at the end of the third quarter amounted to NOK 77.6 million, and the total provisions required to be made over six years amount to about NOK 250 million.

Pension and Savings

NOK million	3 q. 2013	3 q. 2012	1.1.-30.9.2013	1.1.-30.9.2012	1.1.-31.12.2012
Earned premiums	193.1	162.0	621.6	473.7	680.7
Claims incurred etc.	(162.3)	(147.5)	(528.6)	(389.8)	(574.9)
Net insurance revenue	**30.7**	**14.6**	**93.0**	**83.9**	**105.8**
Management income etc.	21.0	16.4	59.5	47.7	65.0
Operating expenses	(45.3)	(42.6)	(134.9)	(129.4)	(170.4)
Net operating income	**6.5**	**(11.6)**	**17.7**	**2.2**	**0.3**
Net financial income	6.4	13.0	18.6	18.0	18.0
Profit/(loss) before tax expense	**12.9**	**1.4**	**36.3**	**20.2**	**18.3**
Run-off gains/(losses) [1]		(10.9)		(10.9)	(15.7)
Operating margin [2]	12.51%	(37.41%)	11.59%	1.67%	0.19%
Recognised return on the paid-up policy portfolio [3]			3.43%	3.50%	4.76%
Value-adjusted return on the paid-up policy portfolio [4]			3.50%	3.58%	4.77%

1 Run-off gains/(losses) = changes in estimates from earlier periods
1 Operating margin = net operating income/(net insurance revenue + management income etc.)
2 Recognized 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

Retail Bank

Year to date development

Profit before tax expense was NOK 140.8 million (75.2). The positive development was mainly a result of increased net interest income, coming from the growth in customer lending. Cost efficiency and lower write-downs also contributed to the result.

Net interest income was NOK 398.5 million (318.5), primarily driven by customer assets growth. Net commission income and other income were NOK 39.9 million (32.5). There was an increase in the customer related commission income and the gains from the previously written off portion of the acquired unsecured lending portfolio. This improvement was partially offset by the decrease in income from financial instruments.

Annualised net interest income in per cent of average total assets was 2.50 percent (2.46), following the improved financing costs. It has been a significant growth in the secured lending the past 12 months. This alone led to a lower net interest margin.

Operating expenses were NOK 249.2 million (221.4). The increase was driven by volume growth and costs related to the newly launched car financing product. Cost/income ratio was 56.9 per cent (63.1). The decline was driven by the increased income and by expense efficiency.

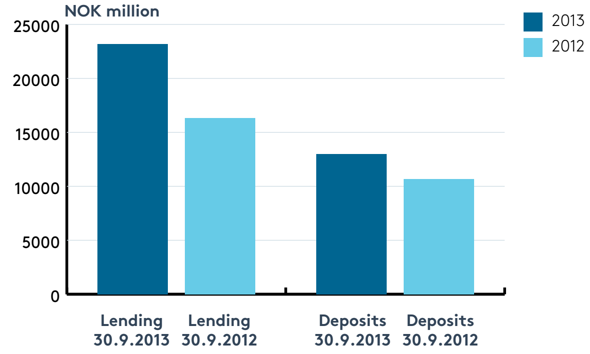
Total write-downs and losses were NOK 48.3 million (54.2), primarily related to the unsecured lending portfolio. Annualised write-downs and losses in per cent of average gross lending were 0.33 per cent (0.47). The decline was a result of lower provisioning levels driven by improved expectation of customer repayments. An increased share of the secured loans in the lending portfolio also contributed to the improvement. The write-down and losses were in line with the expectations. The weighted average loan to value [1] was estimated at 64.0 per cent for the mortgage portfolio.

Gross lending increased by 42.2 percent year over year, amounting to NOK 23,196.3 million (16,317.8) at the end of the period. The lending activity saw a considerable boost in the first 9 months of the year and is expected to continue but with at a somewhat lower pace in the last quarter of 2013. The bank's deposits increased by 21.3 percent year over year, reaching NOK 12,973.0 million (10,693.4) at the end of the period. Deposits to loans ratio was 55.9 percent (65.5).

There is good access to external financing. Standard & Poor's upgraded Gjensidige Bank's long term rating in the beginning of July from BBB+ to A-, outlook "negative". The development was based on their assessment of the support the bank receives from the parent company. The bank's core capital increased during the second quarter, following the growth of the business and the new regulations related to capital, in place starting July 1st. The increase amounted to NOK 266.0 million.

Deposits and lending

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



Development during the quarter

Profit before tax expense was NOK 49.8 million (27.5). The net interest income was the main driver for the increased profitability.

Net interest income was NOK 139.8 million (104.4), following the growth in customer assets. Net commission income and other income were NOK 19.4 million (12.3). The increase was driven by customer related income and gains from financial instruments and the previously written off portion of the acquired unsecured lending portfolio.

Operating expenses were NOK 92.6 million (74.0). The increase in expenses was primarily driven by the volume growth and costs related to the newly launched car financing product. Cost/income ratio was 58.2 per cent (63.4).

Total write-downs and losses were NOK 16.8 million (15.2), primarily related to the unsecured lending portfolio.

Loan growth was NOK 2,297.4 million (742.2) during the quarter while the deposits increased with NOK 512.6 million (296.9)

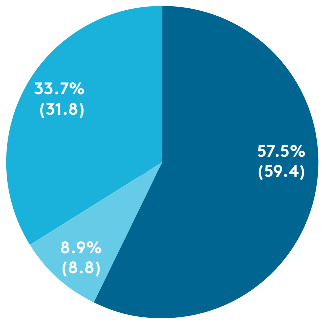
1 The estimate is calculated based on the exposure at the reporting date and the property valuation at the time the loan was approved, including any higher priority pledge(s)

Retail Bank

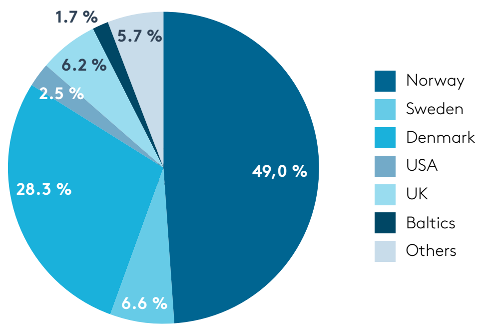
NOK million	3 q. 2013	3 q. 2012	1.1.-30.9.2013	1.1.-30.9.2012	1.1.-31.12.2012
Interest income and related income	293.4	236.0	816.5	702.6	949.7
Interest expenses and related expenses	(153.7)	(131.6)	(418.0)	(384.1)	(506.7)
Net interest income	**139.8**	**104.4**	**398.5**	**318.5**	**442.9**
Net commission income and other income	19.4	12.3	39.9	32.5	44.8
Total income	**159.2**	**116.7**	**438.4**	**351.1**	**487.7**
Operating expenses	(92.6)	(74.0)	(249.2)	(221.4)	(306.4)
Write-downs and losses	(16.8)	(15.2)	(48.3)	(54.5)	(68.4)
Profit/(loss) before tax expense	**49.8**	**27.5**	**140.8**	**75.2**	**113.0**
Net interest margin, annualised [1]			2.50%	2.46%	2.52%
Write-downs and losses, annualised [2]			0.33%	0.47%	0.43%
Cost/income ratio [3]	58.2%	63.4%	56.9%	63.1%	62.8%
Capital adequacy [4]			13.2%	13.0%	13.6%

1 Net interest margin, annualised = net interest income/average total assets
2 Write-downs and losses, annualised = write-downs and losses/avarage gross lending
3 Cost/income ratio = operating expenses/total income
4 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.

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



Geographic distribution match portfolio
At the end of the period



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 segment and the Retail Bank segment. The investment portfolio consists of three parts: a match portfolio, a free portfolio and associated companies. The match portfolio is intended to correspond to the Group's actuarial provisions. It is invested in fixed-income instruments whose duration is adapted to the disbursement of the actuarial provisions. The free portfolio consists of various assets. The allocation of assets in this portfolio must be seen in connection with the Group's capitalisation and pertaining risk capacity, as well as the Group's ongoing risk management. Associated companies mainly comprise the holdings in Storebrand and SpareBank 1 SR-Bank.

Year to date development
At the end of the period, the investment portfolio totalled NOK 57,147.8 million (55,821.1). The financial result was NOK 1,603.2 million (2,232.0), which corresponds to a return on financial assets of 2.8 per cent (4.0). The contribution from current equities was significantly higher than in the same period last year, while the contribution from other bonds was significantly lower as a result of increased rates and credit margins. The return for the period was furthermore affected by the impairment loss recognised on the investment in Storebrand in the first quarter.

Match portfolio
The match portfolio amounted to NOK 32.8 billion (33.2). The portfolio yielded a return of 2.7 per cent (2.8) excluding changes in the value of the part of the portfolio recognised at amortised cost. Unrealised excess value from bonds valued at amortised cost amounted to NOK 938.1 million (891.3) at the end of the period.

The average duration of the match portfolio was 3.3 years, while the average term to maturity for corresponding insurance debt was 3.7 years. The distribution of counterparty risk and credit rating is shown in the charts on pages 11 and 12. Of the securities without an official credit rating, 20.1 per cent were issued by Norwegian savings banks, while the remainder were mostly issued by Norwegian power producers and distributors, property companies or government-guaranteed companies. Bonds with a coupon that is adjusted on the basis of the Norwegian consumer price index accounted for 13.3 per cent of the match portfolio.

The geographical distribution [1] of the match portfolio is shown in the above chart. At the end of the third quarter, there were no direct bond investments in the PIIGS countries.

[1] Geographical distribution relates to issuers and does not reflect the actual currency exposure.

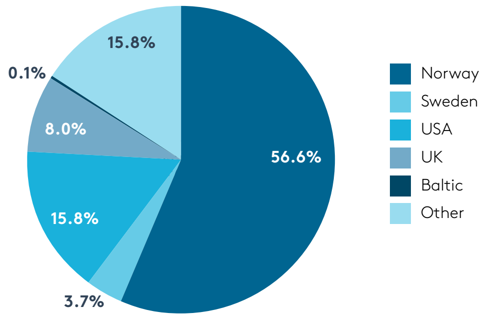
Financial assets and properties

	Result 3 q.		Result 1.1. - 30.9.		Carrying amount 30.9.	
NOK million	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Match portfolio						
Money market	23.3	38.3	63.0	84.7	4,238.8	4,487.3
Bonds at amortized cost	279.3	253.5	819.7	741.1	19,521.6	20,917.4
Current bonds [1]	5.0	(35.4)	13.0	62.3	9,072.9	7,747.2
Match portfolio total	**307.5**	**256.4**	**895.7**	**888.2**	**32,833.3**	**33,151.9**
Associated companies	**171.5**	**152.1**	**(110.3)**	**362.0**	**5,080.8**	**4,923.6**
Free portfolio						
Money market	17.8	30.6	64.8	123.3	5,778.8	5,506.4
Other bonds [2]	44.2	155.9	70.7	375.2	2,551.0	3,309.8
Konvertible bonds [3]	46.9	21.3	111.1	45.7	1,046.5	684.4
Current equities	125.9	72.9	237.9	52.6	2,123.3	1,382.4
PE funds	35.7	58.1	159.1	135.5	1,642.3	1,324.9
Property	82.5	50.4	207.5	189.5	5,011.2	4,992.2
Other [4]	(6.3)	30.9	(33.3)	60.0	1,080.6	545.5
Free portfolio total	**346.7**	**420.1**	**817.8**	**981.8**	**19,233.7**	**17,745.6**
Financial profit/(loss) on the investment portfolio	**825.7**	**828.7**	**1,603.2**	**2,232.0**	**57,147.8**	**55,821.1**
Financial income in Pension and savings and Retail bank	20.3	22.9	42.6	43.3		
Net income from investments	**846.0**	**851.6**	**1,645.8**	**2,275.3**		

[1] The item includes the discounting effects of insurance obligations in Denmark and mismatch between interest rate adjustments on the liability side in Denmark, versus the interest rate hedge.
[2] The item consist of total investment grade, high yield and current bonds. Investment grade and high yield are investments in internationally diversified funds externally managed.
[3] Investments in internationally diversified funds externally managed.
[4] The item includes currency hedging of Gjensidige Sverige, Gjensidige Baltic and Gjensidige Danmark, and lendings, paid-in capital in Gjensidige Pensjonskasse and hedge funds.

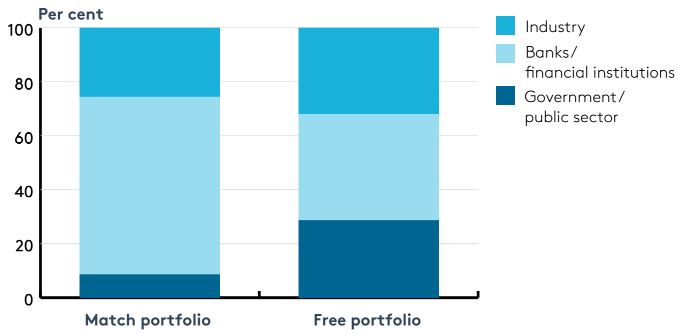
Geographic distribution fixed income instruments in free portfolio

At the end of the period



Counterparty risk fixed income instruments

At the end of the period



Free portfolio

The free portfolio amounted to NOK 19.2 billion (17.7) at the end of the period. The return was 4.5 per cent (5.1).

Fixed-income instruments

The fixed-income instruments in the free portfolio amounted to NOK 9.4 billion (9.5) and yielded a return of 2.7 per cent (5.1). Other bonds yielded a significantly lower return compared with the corresponding period last year. The main reason for this was a weaker return on high-yield and investment grade bonds as a result of higher interest rates, especially in the second quarter, and international credit margins.

The average duration in the portfolio was approximately 1.2 years at the end of the period. The distribution of counterparty risk and credit rating is shown in the charts on this and the next page. Of the securities without an official rating, 11.5 per cent were issued by Norwegian savings banks, while the remainder were mostly issued by Norwegian power producers and distributors, property companies or government-guaranteed companies.

The geographical distribution [1] of the fixed-income instruments in the free portfolio is shown in the chart above. Bond investments in the PIIGS countries through funds amounted to NOK 138.6 million at the end of the period.

Equity portfolio

The total equity exposure at the end of the period (including private equity, but excluding associated companies) was NOK 3.8 billion (2.7). The return on current equities was 12.9 per cent (4.3). This includes the profit from derivatives used for hedging purposes. The return on private equity was 10.3 per cent (10.3).

Property portfolio

At the end of the period, the property portfolio amounted to NOK 5.0 billion (5.0). The property portfolio yielded a return of 4.1 per cent (3.7). The return on directly owned properties was good, while the return on property funds was negative. Real estate funds amounted to NOK 0.2 billion at the end of the period. The general required rate of return in connection with the valuation of the properties was 6.5 per cent (6.6). The individual valuations resulted in a net increase in value in the year to date of NOK 62.2 million. No external valuations of properties were carried out in the period. The portfolio is concentrated in office properties in Oslo, but it also includes office properties in other Norwegian cities and one office building in Copenhagen.

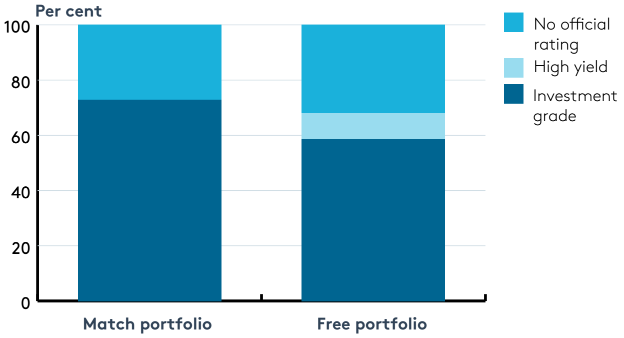
[1] Geographical distribution relates to issuers and does not reflect the actual currency exposure.

Return per asset class

Per cent	**3 q. 2013**	**3 q. 2012**	**1.1.-30.9.2013**	**1.1.-30.9.2012**	**1.1.-31.12.2012**
Match portfolio					
Money market	0.5	0.9	1.4	2.2	3.0
Bonds at amortized cost	1.4	1.2	3.9	3.8	5.0
Current bonds [1]	0.1	(0.5)	0.2	0.8	1.5
Match portfolio total	**0.9**	**0.8**	**2.7**	**2.8**	**3.9**
Associated companies	**3.5**	**3.1**	**(2.3)**	**7.7**	**9.3**
Free portfolio					
Money market	0.4	0.6	1.3	1.9	2.4
Other bonds [2]	1.7	4.3	2.5	10.7	14.5
Konvertible bonds [3]	4.7	3.1	11.7	6.7	9.8
Current equities	6.2	5.4	12.9	4.3	8.5
PE funds	2.2	4.4	10.3	10.3	16.7
Property	1.6	1.0	4.1	3.7	5.0
Other [4]	(0.8)	3.8	(3.7)	5.6	3.6
Free portfolio total	**1.9**	**2.4**	**4.5**	**5.1**	**7.0**
Financial profit/(loss) on the investment portfolio	**1.5**	**1.5**	**2.8**	**4.0**	**5.4**

[1] The item includes the discounting effects of insurance obligations in Denmark and mismatch between interest rate adjustments on the liability side in Denmark, versus the interest rate hedge.
[2] The item consist of total investment grade, high yield and current bonds. Investment grade and high yield are investments in internationally diversified funds externally managed.
[3] Investments in internationally diversified funds externally managed.
[4] The item includes currency hedging of Gjensidige Sverige, Gjensidige Baltic and Gjensidige Danmark, and lendings, paid-in capital in Gjensidige Pensjonskasse and hedge funds.

Credit rating fixed income instruments
At the end of the period



Associated companies
Associated companies amounted to NOK 5.1 billion (4.9) at the end of the period. The shareholding in Storebrand was recognised in the amount of NOK 3,671.9 million. The corresponding figure for the investment in SpareBank 1 SR-Bank was NOK 1,370.6 million. The return on associated companies was minus 2.3 per cent (plus 7.7), corresponding to minus NOK 110.3 million (plus 362.0). An impairment loss on the investment in Storebrand was recognised in the amount of NOK 611.0 million in the first quarter. Gjensidige's estimated share of Storebrand's profit for the year to date amounted to NOK 375.2 million, including the amortisation of excess value. Gjensidige's estimated share of Spare-Bank 1 SR-Bank's profit for the year to date amounted to NOK 125.5 million, including the amortisation of excess value.

Development during the quarter
The financial result for the total investment portfolio was NOK 825.7 million (828.7) in the quarter, This resulted in a return on financial assets of 1.5 per cent (1.5).

The return on the match portfolio was 0.9 per cent (0.8), excluding changes in the value of the portfolio valued at amortised cost. The return on the free portfolio was 1.9 per cent (2.4). The return on associated companies was 3.5 per cent (3.1).

Organisation

The Group had a total of 3,232 employees at the end of the period, compared with 3,218 at the end of the second quarter.

The number of employees broke down as follows: 1,979 (1,983) in general insurance operations in Norway, 132 (136) in Gjensidige Bank, 58 (50) in Gjensidige Pensjon og Sparing, 548 (543) in Denmark, 103 (102) in Sweden and 412 (404) in the Baltics (excluding agents). (The figures in brackets refer to the number of employees at the end of the previous quarter.) The increase in Gjensidige Pensjon og Sparing relates to a transfer of the distribution of private pension and savings products from Gjensidige Forsikring ASA.

Events after the balance sheet date

On 18 October 2013 Gjensidige sold 4.22 per cent of the shares in Storebrand at NOK 34.75 per share. Accounting gain from the transaction is expected to be around NOK 40 million.

The Board has found that a strategic rationale to increase the ownership in Storebrand is not present, and the investment is redefined from a strategic to a financial investment.

New capital strategy and updated financial targets

On 21 October 2013, the Board of Gjensidige Forsikring ASA adopted a new capital strategy and updated financial targets.

Proposal extraordinary dividend
The Board proposes to distribute excess capital of NOK 3.0 billion, corresponding to NOK 6.00 per share, in extraordinary dividend in May 2014. The Gjensidige Foundation, which is Gjensidige's largest owner, has endorsed the proposal and at the same time communicated that extraordinary dividends from Gjensidige will be managed to, among other things, support the customer dividend model and contribute to increased stability in future customer dividends.

New capital strategy
Any future excess capital over and above the targeted capitalisation will be distributed over time in the form of extraordinary dividends. By targeted capitalisation is meant capitalisation that is adapted to Gjensidige's strategic targets and risk appetite for at all times. The Group shall maintain its financial flexibility and at the same time have a stringent capital discipline.

The target capitalisation will be based on the most binding capital requirement plus a technical buffer and a buffer to ensure financial flexibility related to:

- changed framework conditions
- organic growth and minor acquisitions that are not financed by retained earnings
- stabilisation of ordinary dividend over time

At the moment, the most binding capital requirement is the 'A' rating requirement from Standard & Poor's. The Board has approved a technical buffer in excess of this requirement of five per cent.

New dividend policy
At the same time, the Board adopted a new dividend policy that shall apply from and including the 2014 financial year, which states:

"Gjensidige targets high and stable ordinary dividend pay-outs to its shareholders.

The Board targets a pay-out ratio for ordinary dividends over time of at least 70 per cent of profit after tax. When determining the size of the ordinary dividend, the expected future capital need will be taken into account.

Over time, Gjensidige will also pay out excess capital above the targeted capitalisation as extraordinary dividends."

The proposed dividend for the 2013 financial year will be based on the excisting dividend policy and can be expected to be in the range of 50–80 per cent of the profit after tax expense. The basis for the calculation will however be adjusted for the negative effect of the impairment loss on Storebrand in the first quarter.

New return on equity target

The Board also decided to change the return on equity target from minimum 15 per cent pre tax to minimum 15 per cent after tax from and including 2015.

Outlook

Gjensidige's profitability targets for its general insurance operations remain unchanged. Over time, the annual combined ratio shall be within the corridor 90–93. The Group's competitiveness is regarded as good, and a great deal of attention is devoted to the work of implementing measures and investments that will put the company in a position to meet customers' future needs and service requirements. Profitability is prioritised over growth.

In order to underpin Gjensidige's long-term profitability targets, group programmes for optimal tariff-setting, simplification, automation and self-service solutions are carried on. Together with last year's relaunching of Gjensidige's visual profile and online customer portals, these initiatives will strengthen our platform for future growth and help to position Gjensidige as the most customer-oriented general insurance company in the Nordic region. High priority is also given to optimal utilisation of partnerships and continuous assessment of new opportunities for growth.

Uncertainty about the international economic situation and financial challenges in several key economies create uncertainty for Gjensidige as well. Gjensidige has a robust investment strategy, however, while the Group is financially strong and has a high proportion of its business in the Norwegian general insurance market.

The macroeconomic situation with regard to the Norwegian general insurance operations is still regarded as good, and there are further signs of improvement in the Danish property market. The Baltic economies continue to show positive development.

There is still uncertainty relating to changed framework conditions for the financial sector in Norway and internationally. The Solvency II Regulations are not expected to be implemented in Norway until 2016 at the earliest. New Norwegian pension legislation is expected to enter into force in 2014.

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

Sollerud, 21 October 2013
The Board of Gjensidige Forsikring ASA

Inge K. Hansen Chairman	Gunnhild H. Andersen	Trond Vegard Andersen	Hans-Erik F. Andersson	Per Arne Bjørge
Kjetil Kristensen	Gisele Marchand	Gunnar Mjåtvedt	Mari T. Skjærstad	Mette Rostad
				Helge Leiro Baastad CEO

Consolidated income statement

NOK million	Notes	3 q. 2013	3 q. 2012	1.1.-30.9.2013	1.1.-30.9.2012	1.1.-31.12.2012
Operating income						
Earned premiums from general insurance	4	4,866.9	4,571.7	13,970.6	13,379.1	17,797.3
Earned premiums from pension		193.1	162.0	621.6	473.7	680.7
Interest income etc. from banking operations		293.4	236.0	816.5	702.6	949.7
Other income including eliminations		27.2	21.3	79.3	64.6	90.0
Total operating income	3	**5,380.6**	**4,991.0**	**15,488.0**	**14,620.0**	**19,517.7**
Net income from investments						
Results from investments in associates	13	171.5	152.1	(110.3)	362.0	441.5
Operating income from property		84.3	85.4	251.4	252.6	335.0
Interest income and dividend etc. from financial assets		388.7	417.3	1,168.9	1,193.1	1,610.1
Net changes in fair value on investments (incl. property)		372.3	(228.4)	347.0	(337.6)	(301.2)
Net realised gain and loss on investments		(129.3)	471.6	98.9	933.2	1,150.0
Expenses related to investments		(41.5)	(46.4)	(110.0)	(128.1)	(179.5)
Total net income from investments		**846.0**	**851.6**	**1,645.8**	**2,275.3**	**3,055.8**
Total operating income and net income from investments		**6,226.6**	**5,842.6**	**17,133.8**	**16,895.3**	**22,573.5**
Claims, loss etc.						
Claims incurred etc. from general insurance	5,6	(3,293.7)	(3,116.6)	(10,195.4)	(9,329.3)	(12,437.7)
Claims incurred etc. from pension		(162.3)	(147.5)	(528.6)	(389.8)	(574.9)
Interest expenses etc. and write-downs and losses from banking operations		(170.4)	(146.8)	(466.3)	(438.6)	(575.1)
Total claims, interest expenses, loss etc.		**(3,626.5)**	**(3,410.9)**	**(11,190.3)**	**(10,157.7)**	**(13,587.7)**
Operating expenses						
Operating expenses from general insurance		(720.6)	(674.7)	(2,131.3)	(2,044.8)	(2,751.8)
Operating expenses from pension		(45.3)	(42.6)	(134.9)	(129.4)	(170.4)
Operating expenses from banking operations		(92.6)	(74.0)	(249.2)	(221.4)	(306.4)
Other operating expenses		(2.1)	(2.2)	(7.1)	5.9	3.3
Amortisation and impairment losses of excess value - intangible assets		(66.1)	(31.3)	(130.0)	(95.7)	(126.9)
Total operating expenses		**(926.7)**	**(824.8)**	**(2,652.6)**	**(2,485.4)**	**(3,352.3)**
Total expenses		**(4,553.3)**	**(4,235.7)**	**(13,842.8)**	**(12,643.0)**	**(16,940.0)**
Profit/(loss) for the period before tax expense	3	**1,673.3**	**1,606.9**	**3,291.0**	**4,252.3**	**5,633.5**
Tax expense		(345.2)	(374.4)	(754.9)	(979.2)	(1,353.5)
Profit/(loss) for the period		**1,328.2**	**1,232.5**	**2,536.1**	**3,273.1**	**4,280.1**
Earnings per share, NOK (basic and diluted)		**2.66**	**2.50**	**5.07**	**6.50**	**8.56**

Consolidated statement of comprehensive income

NOK million	3 q. 2013	3 q. 2012	1.1.-30.9.2013	1.1.-30.9.2012	1.1.-31.12.2012
Profit/(loss) for the period	**1,328.2**	**1,232.5**	**2,536.1**	**3,273.1**	**4,280.1**
Components of other comprehensive income					
Items that are not reclassified subsequently to profit or loss					
Actuarial gains and losses on pension				(207.0)	637.3
Share of other comprehensive income from associates	1.9	(24.2)	104.5	(26.9)	(19.8)
Tax on items that are not reclassified to profit or loss				58.0	(178.5)
Total items that are not reclassified subsequently to profit or loss	**1.9**	**(24.2)**	**104.5**	**(175.9)**	**439.1**
Items that may be reclassified subsequently to profit or loss					
Exchange differences from foreign operations	95.1	(75.5)	359.7	(165.5)	(187.4)
Share of exchange differences from associates	16.5	6.8	86.9	(15.3)	13.1
Exchange differences from hedging of foreign operations	(74.9)	74.2	(296.7)	148.4	161.2
Tax on items that may be reclassified to profit or loss	21.0	(20.8)	83.1	(41.6)	(45.1)
Total items that may be reclassified subsequently to profit or loss	**57.7**	**(15.2)**	**232.9**	**(73.9)**	**(58.2)**
Total components of other comprehensive income	**59.6**	**(39.5)**	**337.4**	**(249.8)**	**380.9**
Total comprehensive income for the period	**1,387.7**	**1,193.0**	**2,873.5**	**3,023.3**	**4,660.9**

Consolidated statement of financial position

NOK million	Notes	30.9.2013	30.9.2012	31.12.2012
Assets				
Goodwill		2,442.6	2,276.7	2,267.7
Other intangible assets		1,106.5	1,149.8	1,123.3
Deferred tax assets		5.5	1.7	4.1
Investments in associates		5,080.8	4,923.6	5,036.1
Owner-occupied property		205.8	92.0	90.5
Plant and equipment		169.7	197.8	163.0
Investment properties	8	4,641.8	4,708.7	4,626.7
Financial assets				
Financial derivatives	7	97.7	369.3	326.2
Shares and similar interests	7	5,553.4	4,503.6	4,321.2
Bonds and other securities with fixed income	7	21,485.2	20,512.9	19,884.2
Bonds held to maturity	7	6,000.9	9,429.8	9,263.7
Loans and receivables	7	39,915.9	30,781.8	32,396.5
Assets in life insurance with investment options		9,719.5	6,946.3	7,189.7
Reinsurance deposits		0.8	0.6	0.6
Reinsurers' share of insurance-related liabilities in general insurance, gross		534.4	904.8	673.4
Receivables related to direct operations and reinsurance		4,566.1	4,300.1	4,112.7
Other receivables		380.2	231.1	314.9
Prepaid expenses and earned, not received income		131.2	106.4	81.2
Cash and cash equivalents		2,671.1	2,576.1	2,331.5
Total assets		**104,708.9**	**94,013.1**	**94,207.1**
Equity and liabilities				
Equity				
Share capital		999.8	999.8	999.9
Premium reserve		1,430.0	1,430.0	1,430.0
Other equity		22,638.4	21,550.4	23,187.8
Total equity		**25,068.2**	**23,980.2**	**25,617.7**
Provision for liabilities				
Provision for unearned premiums, gross	10	11,495.0	10,669.7	10,141.6
Claims provision, gross	9	31,064.9	29,590.2	29,562.3
Other technical provisions		170.5	153.7	136.6
Pension liabilities		140.5	1,116.7	137.5
Other provisions		149.3	123.7	134.0
Financial liabilities				
Financial derivatives	7	356.7	134.1	49.4
Deposits from and liabilities to customers	7	12,973.0	10,693.4	11,580.5
Interest-bearing liabilities	7	9,318.6	5,744.2	5,355.5
Other liabilities	7	752.9	1,158.2	978.0
Current tax		1,075.4	1,666.3	1,367.5
Deferred tax liabilities		1,345.5	946.0	1,267.5
Liabilities related to direct insurance	7	457.2	571.5	406.0
Liabilities in life insurance with investment options		9,719.5	6,946.3	7,189.7
Accrued expenses and deferred income	7	621.6	518.9	283.3
Total liabilities		**79,640.7**	**70,032.9**	**68,589.4**
Total equity and liabilities		**104,708.9**	**94,013.1**	**94,207.1**

Consolidated statement of changes in equity

NOK million	Share capital	Own shares	Premium reserve	Other paid-in capital	Exchange differ-ences	Actuarial gains/loss pension	Other earned equity	Total equity
Equity as at 31.12.2011	**1,000.0**	**(0.1)**	**1,430.0**	**8.4**	**(141.7)**	**(2,476.1)**	**23,408.1**	**23,228.6**
1.1.-31.12.2012								
Profit/(loss) for the period							4,280.1	4,280.1
Components of other comprehensive income								
Items that are not reclassified subsequently to profit or loss								
Actuarial gains and losses on pension						637.3		637.3
Share of other comprehensive income from associates							(19.8)	(19.8)
Tax on items that are not reclassified to profit or loss							(178.5)	(178.5)
Total items that are not reclassified subsequently to profit or loss						**637.3**	**(198.3)**	**439.1**
Items that may be reclassified subsequently to profit or loss								
Exchange differences from foreign operations					(187.4)			(187.4)
Share of exchange differences from foreign operations							13.1	13.1
Exchange differences from hedging of foreign operations					161.2			161.2
Tax on items that may be reclassified to profit or loss							(45.1)	(45.1)
Total items that may be reclassified subsequently to profit or loss					**(26.2)**		**(32.0)**	**(58.2)**
Total components of other comprehensive income					**(26.2)**	**637.3**	**(230.3)**	**380.9**
Total comprehensive income for the period					**(26.2)**	**637.3**	**4,049.8**	**4,660.9**
Own shares		(0.0)					(2.2)	(2.2)
Paid dividend							(2,274.7)	(2,274.7)
Equity-settled share-based payment transactions				5.2				5.2
Equity as at 31.12.2012	**1,000.0**	**(0.1)**	**1,430.0**	**13.7**	**(168.0)**	**(1,838.7)**	**25,180.9**	**25,617.7**
1.1.-30.9.2013								
Profit/(loss) for the period							2,536.1	2,536.1
Components of other comprehensive income								
Items that are not reclassified subsequently to profit or loss								
Actuarial gains and losses on pension								
Share of other comprehensive income of associates							104.5	104.5
Tax on items that are not reclassified to profit or loss								
Total items that are not reclassified subsequently to profit or loss							104.5	104.5
Items that may be reclassified subsequently to profit or loss								
Exchange differences from foreign operations					359.7			359.7
Share of exchange differences from associates							86.9	86.9
Exchange differences from hedging of foreign operations					(296.7)			(296.7)
Tax on items that may be reclassified to profit or loss							83.1	83.1
Total items that may be reclassified subsequently to profit or loss					63.0		169.9	232.9
Total components of other comprehensive income					63.0		274.4	337.4
Total comprehensive income for the period					63.0		2,810.5	2,873.5
Own shares		(0.1)					(3.8)	(3.9)
Paid dividend							(3,424.5)	(3,424.5)
Equity-settled share-based payment transactions				5.4				5.4
Equity as at 30.9.2013	**1,000.0**	**(0.2)**	**1,430.0**	**19.0**	**(105.0)**	**(1,838.7)**	**24,563.1**	**25,068.2**
1.1.-30.9.2012								
Profit/(loss) for the period							3,273.1	3,273.1
Components of other comprehensive income								
Items that are not reclassified subsequently to profit or loss								
Actuarial gains and losses on pension						(207.0)		(207.0)
Share of other comprehensive income of associates							(26.9)	(26.9)
Tax on items that are not reclassified to profit or loss							58.0	58.0
Total items that are not reclassified subsequently to profit or loss						**(207.0)**	**31.1**	**(175.9)**
Items that may be reclassified subsequently to profit or loss								
Exchange differences from foreign operations					(165.5)			(165.5)
Share of exchange differences from associates							(15.3)	(15.3)
Exchange differences from hedging of foreign operations					148.4			148.4
Tax on items that may be reclassified to profit or loss							(41.6)	(41.6)
Total items that may be reclassified subsequently to profit or loss					**(17.1)**		**(56.9)**	**(73.9)**
Total components of other comprehensive income					**(17.1)**	**(207.0)**	**(25.7)**	**(249.8)**
Total comprehensive income for the period					**(17.1)**	**(207.0)**	**3,247.4**	**3,023.3**
Own shares		(0.0)					(1.5)	(1.5)
Paid dividend							(2,274.7)	(2,274.7)
Equity-settled share-based payment transactions				4.6				4.6
Equity as at 30.9.2013	**1,000.0**	**(0.1)**	**1,430.0**	**13.1**	**(158.8)**	**(2,683.1)**	**24,379.2**	**23,980.2**

Consolidated statement of cash flows

NOK million	1.1.-30.9.2013	1.1.-30.9.2012	1.1.-31.12.2012
Cash flow from operating activities			
Premiums paid, net of reinsurance	17,473.9	15,047.0	20,523.3
Claims paid, net of reinsurance	(9,663.4)	(9,337.1)	(13,257.2)
Net payment of loans to customers	(5,872.0)	(1,298.8)	(2,305.2)
Net payment of deposits from customers	1,392.5	917.2	1,804.2
Payment of interest from customers	772.5	659.4	896.0
Payment of interest to customers	(16.3)	(7.6)	(320.6)
Net receipts/payments on premium reserve transfers	(284.6)	(232.1)	(61.0)
Net receipts/payments from financial assets	(887.5)	(3,007.7)	(2,714.8)
Net receipts/payments from properties	102.6	899.3	1,084.1
Operating expenses paid, including commissions	(2,263.7)	(2,239.8)	(3,400.9)
Taxes paid	(919.4)	(282.9)	(869.8)
Net other receipts/payments	42.3	18.1	29.7
Net cash flow from operating activities	**(123.0)**	**1,135.0**	**1,407.7**
Cash flow from investing activities			
Net receipts/payments from sale/aquisition of subsidiaries and associates	(12.5)	(165.0)	(165.0)
Net receipts/payments on sale/aquisition of owner-occupied property, plant and equipment	(45.0)	(19.0)	(101.3)
Dividends from investments in associates	39.7	31.1	31.1
Net cash flow from investing activities	(17.7)	(152.9)	(235.2)
Cash flow from financing activities			
Payment of dividend	(3,424.5)	(2,274.7)	(2,274.7)
Net receipts/payments on loans to credit institutions	3,997.5	481.6	92.9
Net receipts/payments on other short-term liabilities	(15.5)	8.2	8.2
Net receipts/payments on interest on funding activities	(97.8)	(118.4)	(163.2)
Net receipts/payments on sale/acquisition of own shares	(3.9)	(1.5)	(2.2)
Net cash flow from financing activities	**455.8**	**(1,904.9)**	**(2,339.0)**
Effect of exchange rate changes on cash and cash equivalents	24.5	(14.4)	(15.2)
Net cash flow for the period	**339.6**	**(937.1)**	**(1,181.8)**
Cash and cash equivalents at the start of the period	2,331.5	3,513.3	3,513.3
Cash and cash equivalents at the end of the period	2,671.1	2,576.1	2,331.5
Net cash flow for the period	**339.6**	**(937.1)**	**(1,181.8)**
Specification of cash and cash equivalents			
Cash and deposits with central banks	2,597.9	2,398.0	484.8
Deposits with credit institutions	73.2	178.1	1,846.7
Total cash and cash equivalents	**2,671.1**	**2,576.1**	**2,331.5**

Notes

1. Accounting policies

The consolidated financial statements as of the third quarter of 2013, concluded on 30 September 2013, comprise Gjensidige Forsikring and its subsidiaries (collectively referred to as the Group) and the Group's holdings in associated companies. The accounting policies applied in the interim report is the same as those used in the annual report for 2012.

The consolidated financial statements as of the third quarter of 2013 have been prepared in accordance with IFRS and IAS 34 Interim Financial Reporting. The interim report does not include all the information required in complete annual report and should be read in conjunction with the annual report for 2012.

The following International Financial Reporting Standards (IFRS) and interpretation statements have been published up until 21 October 2013, without having entered into force or having been implemented early:

Standards that can influence accounting principles

- IFRS 9 Financial Instruments, issued in November 2009 and October 2010, is expected to enter into force on 1 January 2015. This is the first phase of the International Accounting Standards Board's (IASB) three-phase project aimed at replacing IAS 39. It concerns the classification and measurement of financial assets and liabilities. Financial assets will be classified either at fair value or at amortised cost, depending on how they are managed and on what contractual cash flow characteristics they have. Phases two and three concern impairment losses and hedge accounting, respectively. The standard is still being prepared and is not yet completed. Our preliminary assessment is that the standard can result in the reclassification of financial instruments in the conolidated financial statements.

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 material effect.

The preparation of interim accounts involves the application of assessments, estimates and assumptions that affect the use of accounting policies and recognised amounts 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 2012.

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 review 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.

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.

The segment structure was changed with effect from 1 January 2013. The Swedish municipal portfolio and the Swedish commercial portfolio have been moved from the Nordic segment to the Commercial segment. In addition, the remaining part of the agricultural portfolio has been moved from the Private segment to the Commercial segment. At the same time, the segment names have been changed from Private Norway and Commercial Norway to Private and Commercial respectively. The comparative figures have been changed correspondingly.

	General insurance															
Third quarter	**Private**		**Commercial**		**Nordic**		**Baltics**		**Pension and Savings**		**Retail Bank**		**Eliminations etc.** [1]		**Total**	
NOK million	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Segment income																
Segment income – external	2,064.5	1,969.8	1,779.9	1,710.7	838.7	735.7	132.5	112.2	214.1	178.5	299.1	238.4	51.9	45.6	5,380.6	4,991.0
Segment income – group [2]																
Total segment income	**2,064.5**	**1,969.8**	**1,779.9**	**1,710.7**	**838.7**	**735.7**	**132.5**	**112.2**	**214.1**	**178.5**	**299.1**	**238.4**	**51.9**	**45.6**	**5,380.6**	**4,991.0**
- Claims, interest expenses, loss etc.	(1,389.9)	(1,289.3)	(1,213.2)	(1,161.8)	(586.8)	(534.1)	(89.9)	(74.4)	(162.3)	(147.5)	(170.4)	(146.8)	(13.8)	(57.0)	(3,626.5)	(3,410.9)
- Operating expenses	(273.0)	(254.1)	(214.4)	(192.3)	(127.0)	(119.9)	(34.0)	(31.2)	(45.3)	(42.6)	(92.6)	(74.0)	(140.5)	(110.8)	(926.7)	(824.8)
+ Net income from investments									6.4	13.0	13.8	9.9	825.7	828.7	846.0	851.6
Segment result/profit/ (loss) before tax expense	**401.6**	**426.5**	**352.3**	**356.6**	**124.8**	**81.7**	**8.6**	**6.6**	**12.9**	**1.4**	**49.8**	**27.5**	**723.3**	**706.6**	**1,673.3**	**1,606.9**

	General insurance															
1.1.-30.9.	**Private**		**Commercial**		**Nordic**		**Baltics**		**Pension and Savings**		**Retail Bank**		**Eliminations etc.** [1]		**Total**	
NOK million	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Segment income																
Segment income – external	5,832.7	5,622.2	5,221.8	5,095.9	2,411.6	2,198.2	372.9	322.3	681.1	521.4	832.4	709.8	135.4	150.2	15,488.0	14,620.0
Segment income – group [2]																
Total segment income	**5,832.7**	**5,622.2**	**5,221.8**	**5,095.9**	**2,411.6**	**2,198.2**	**372.9**	**322.3**	**681.1**	**521.4**	**832.4**	**709.8**	**135.4**	**150.2**	**15,488.0**	**14,620.0**
- Claims, interest expenses, loss etc.	(4,142.1)	(3,765.6)	(3,898.8)	(3,697.7)	(1,722.0)	(1,452.8)	(254.7)	(216.7)	(528.6)	(389.8)	(466.3)	(438.6)	(177.8)	(196.3)	(11,190.3)	(10,157.7)
- Operating expenses	(777.8)	(756.5)	(627.8)	(602.1)	(393.9)	(373.3)	(98.5)	(94.1)	(134.9)	(129.4)	(249.2)	(221.4)	(370.3)	(308.5)	(2,652.6)	(2,485.4)
+ Net income from investments									18.6	18.0	24.0	25.4	1,603.2	2,232.0	1,645.8	2,275.3
Segment result/profit/ (loss) before tax expense	**912.8**	**1,100.0**	**695.2**	**796.1**	**295.7**	**372.1**	**19.7**	**11.4**	**36.3**	**20.2**	**140.8**	**75.2**	**1,190.5**	**1,877.4**	**3,291.0**	**4,252.3**

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 2013 and 2012.

4. Earned premiums for general insurance

NOK million	3 q. 2013	3 q. 2012	1.1.-30.9.2013	1.1.-30.9.2012	1.1.-31.12.2012
Gross premiums written	3,713.9	3,538.7	15,315.9	14,629.8	18,559.3
Ceded reinsurance premiums	(14.7)	(11.6)	(451.6)	(441.3)	(480.7)
Premiums written, net of reinsurance	**3,699.2**	**3,527.1**	**14,864.4**	**14,188.5**	**18,078.5**
Change in gross provision for unearned premiums	1,261.4	1,148.4	(1,000.8)	(917.6)	(285.2)
Change in provision for unearned premiums, reinsurers´ share	(93.7)	(103.8)	107.0	108.2	3.9
Total earned premiums from general insurance	**4,866.9**	**4,571.7**	**13,970.6**	**13,379.1**	**17,797.3**

5. Claims incurred etc. from general insurance

NOK million	3 q. 2013	3 q. 2012	1.1.-30.9.2013	1.1.-30.9.2012	1.1.-31.12.2012
Gross paid claims	(2,827.9)	(2,911.8)	(9,178.4)	(9,874.7)	(13,030.4)
Paid claims, reinsurers' share	152.7	125.8	261.8	577.0	665.1
Change in gross provision for claims	(407.2)	(244.6)	(862.0)	355.1	446.7
Change in provision for claims, reinsurers' share	(153.0)	0.1	(265.6)	(212.1)	(337.3)
Premium discounts and other profit agreements	(58.3)	(86.1)	(151.2)	(174.7)	(181.8)
Total claims incurred etc. from general insurance	**(3,293.7)**	**(3,116.6)**	**(10,195.4)**	**(9,329.3)**	**(12,437.7)**

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

NOK million	3 q. 2013	3 q. 2012	1.1.-30.9.2013	1.1.-30.9.2012	1.1.-31.12.2012
Earned premiums from general insurance	4,866.9	4,571.7	13,970.6	13,379.1	17,797.3
Run-off gain/(loss) for the period, net of reinsurance [1]	113.0	88.2	175.2	309.9	342.0
In per cent of earned premiums from general insurance	2.3	1.9	1.3	2.3	1.9

1 Run-off gains/(losses) from general insurance include 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.

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.

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

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 distance. Financial assets/liabilities valued based on quoted prices in active markets are classified as level one in the valuation hierarchy.

The following financial assets/liabilities 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 isted 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.

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 organised as funds are valued using cash flow analysis, price multiples and recent market transactions. The private equity investments that are organised as funds are valued based on NAV values (Net Asset Value) as reported by the fund administrators in accordance with IPEV guidelines (International Private Equity and Venture capital Valuation) set out by the Equity Venture Capital Association. The NAV values 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 values from the previous quarterly reporting are used in estimating fair value. These values are then adjusted for known events since the last reporting date. The typical known event is the increase/decrease in value on listed shares owned by a fund.
- 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 financial reporting 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 both equities and units and bonds and other securities with a fixed return that are included in level three of the valuation hierarchy.

NOK million	Carrying amount as at 30.9.2013	Fair value as at 30.9.2013
Financial assets		
Financial derivatives		
Financial derivatives at fair value through profit or loss	97.7	97.7
Financial assets at fair value through profit of loss, initial recognition		
Shares and similar interests	5,553.4	5,553.4
Bonds and other fixed income securities	21,485.2	21,485.2
Financial assets held to maturity		
Bonds held to maturity	6,000.9	6,101.3
Loans and receivables		
Bonds and other fixed income securities classified as loans and receivables	13,754.9	14,168.8
Loans	26,161.0	26,360.2
Receivables related to direct operations and reinsurance	4,566.1	4,566.1
Other receivables	380.2	380.1
Prepaid expenses and earned, not received income	131.2	130.4
Cash and cash equivalents	2,671.1	2,671.1
Total financial assets	**80,801.7**	**81,514.3**
Financial liabilities		
Financial derivatives		
Financial derivatives at fair value through profit or loss	292.0	292.0
Financial derivatives subject to hedge accounting	64.7	64.7
Financial liabilities at amortised cost		
Deposits from and liabilities to customers, bank	12,973.0	12,973.0
Interest-bearing liabilities	9,318.6	9,368.7
Other liabilities	752.9	752.9
Liabilities related to direct insurance	457.2	457.2
Accrued expenses and deferred income	621.6	621.6
Total financial liabilities	**24,480.0**	**24,530.2**
Gain/(loss) not recognized in profit or loss		**662.5**

Valuation hierarchy

The table shows a valuation hierarchy where financial assets/liabilities measured at fair value through profit or loss are divided into three levels based on the method of valuation.

NOK million	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	(89.5)	187.2		97.7
Financial assets at fair value through profit or loss, initial recognition				
Shares and similar interests	244.4	3,039.3	2,269.7	5,553.4
Bonds and other fixed income securities	10,808.0	10,676.3	1.0	21,485.2
Financial liabilities				
Financial derivatives				
Financial derivatives at fair value through profit or loss		292.0		292.0
Financial derivatives subject to hedge accounting		64.7		64.7

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

NOK million	As at 1.1. 2013	Net realised/ unrealised gains recognised in profit or loss	Purch- ases	Sales	Settle- ments	Transfers into/out of level 3	As at 30.9. 2013	Amount of net realised/ unrealised gains recognised in profit or loss that are attributable to instruments held as at 30.9.2013
Shares and similar interests[1]	1,859.3	73.0	481.7	(170.3)	9.8	16.1	2,269.7	(7.5)
Bonds and other fixed income securities	26.8	16.4		(42.2)			1.0	16.4
Total	**1,886.1**	**89.4**	**481.7**	**(212.5)**	**9.8**	**16.1**	**2,270.7**	**8.9**

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

NOK million		Sensitivity
Shares and similar interests	Decrease in value 10%	227.0
Bonds and other fixed income securities	Decrease in value 10%	0.1
Total		**227.1**

8. Investment properties

The Group's valuation model is developed by the subsidiary Oslo Areal AS over multiple years. The valuation model has been used both in the quarterly financial statements and at year end. In addition, by half year and year end independent valuations from external advisors are gathered for selected parts of the portfolio. The assumptions in the model are reconciled against external observable property transactions.

The Group's valuation model values each property separately. The valuation model relies on a semi-annually in arrears cash flow method. The most important inputs are yield, market rent, contractual rent, potentially vacant premises, the properties' long-term normalised operating costs and any investment requirements. The method maps all incomes and all expenses in a given investment horizon so that the net cash flow is given yearly for each property. Thereafter, the present value is calculated using this cash flow based on real yield adjusted for expected inflation. The present value of the cash flow and the present value of the remaining value compose the cash flow value of the property, and this is considered as the market value, as it would appear in an orderly transaction between market participants at the measurement date under current market conditions.

Yield is determined based on a normal required rate of return adjusted for the location of the property, type, technical standard and the contracts. The normal required rate of return is determined from the required rate of return that can be derived from transactions in the market, and expectations of interest level and risk adjustment. The market rent is determined from existing contracts on the property and comparable properties, observations from contractual negotiations, requests for offers and information from realtors and Eiendomsverdi's database. For the third quarter of 2013 parameters used for the portfolio are presented in the table below.

Determination of parameters implies a significant level of judgment. Emphasis is put on this judgment being consistent with that observed in the market and that the judgment is applied consistently from period to period. The table below shows how the sensitivity of the yield and the market rent affects the value of the portfolio, as it stands as at 30 September 2013.

The yield and market rent are the two most significant parameters with regard to the valuation. If the yield increases with 0.25 percentage points, the total property value is reduced by NOK 195.5 million. If the market rent is reduced by ten per cent, total property value is reduced by NOK 417.7 million.

Investment properties (level 3)

NOK million	30.9.2013
As at 1 January	4,626.7
Additions	103.3
Additions through business combinations	294.7
Disposals	(352.7)
Net gains/(losses) from fair value adjustments	62.2
Transfer to owner-occupied property	(106.3)
Exchange differences	13.9
As at 30 September	**4,641.8**

Parameters

NOK	Yield	Average market rent	Average contractual rent	Average value per sqm.
Office	6.5%	1,559.0	1,512.0	25,087.0

Sensitivity (level 3)

NOK million	Market rent reduced by 10%	Market rent as at 30.9.2013	Market rent increased by 10%
Yield increases by 0.25 percentage points	4,044.8	4,446.3	4,847.7
Yield 6.5 per cent	4,224.1	4,641.8	5,061.1
Yield decreases by 0.25 percentage points	4,418.1	4,855.1	5,291.9

9. Claims provision, gross

NOK million	30.9.2013	30.9.2012	31.12.2012
General insurance			
Claims provision, gross as at 1 January	29,260.5	29,785.7	29,785.7
Additions from acquisitions		161.2	161.5
Claims for the year	10,258.3	9,634.8	12,771.8
Claims incurred in prior years, gross	(218.0)	(115.3)	(188.2)
Claims paid	(9,178.4)	(9,874.7)	(13,030.4)
Discounting of claims provisions	59.1	65.8	83.7
Change in discounting rate	(213.9)	44.9	67.8
Exchange differences	721.8	(334.0)	(391.4)
Claims provision, gross, at the end of the period	**30,689.5**	**29,368.5**	**29,260.5**
Pension			
Claims provision, gross as at 1 January	301.8	175.9	175.9
Claims for the year	528.6	378.9	559.2
Claims incurred in prior years, gross	10.5	10.9	58.8
Claims paid	(156.0)	(112.5)	(157.8)
Transfer of pension savings	(309.4)	(231.5)	(334.3)
Claims provision, gross, at the end of the period	**375.5**	**221.7**	**301.8**
Group			
Claims provision, gross as at 1 January	29,562.3	29,961.6	29,961.6
Additions from acquisitions		161.2	161.5
Claims for the year	10,786.9	10,014.1	13,331.1
Claims incurred in prior years, gross	(207.4)	(104.8)	(129.4)
Claims paid	(9,334.3)	(9,987.2)	(13,188.2)
Discounting of claims provisions	59.1	65.8	83.7
Change in discounting rate	(213.9)	44.9	67.8
Transfer of pension savings	(309.4)	(231.5)	(334.3)
Exchange differences	721.8	(334.0)	(391.4)
Claims provision, gross, at the end of the period	**31,064.9**	**29,590.2**	**29,562.3**
Discounted claims provision - Gjensidige's workers' compensation insurance in Denmark	4,140.7	3,762.8	3,781.0
Undiscounted claims provision - Gjensidige's workers' compensation insurance in Denmark	5,156.5	4,657.8	4,517.0

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

10. Provision for unearned premiums, gross

NOK million	30.9.2013	30.9.2012	31.12.2012
General insurance	8,510.9	7,983.2	7,343.7
Pension and savings	2,984.0	2,686.6	2,797.9
Provision for unearned premiums, gross	**11,495.0**	**10,669.7**	**10,141.6**

11. Contingent liabilities

NOK million	30.9.2013	30.9.2012	31.12.2012
Guarantees and committed capital			
Gross guarantees	0.1	0.1	0.1
Committed capital, not paid	1,141.5	934.1	1,158.3

As part of its ongoing financial management the Company has undertaken to invest up to NOK 1,141.5 million (934.1) in various private equity and real estate investments, over and above the amounts recognized in the balance sheet. Investments in private equity and real estate funds totalled NOK 1,805.7 million (1,516.5) at the end of the period.

There are contractual commitments regarding developing of investment properties amounting to NOK 286.0 million (331.0). The liability will fall due during the period 2013 to December 2014.

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

12. Related parties

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

13. Recognition of impairment loss on the Storebrand investment

As of 31 March 2013, Gjensidige Forsikring ASA owned 24,3 per cent of Storebrand ASA. The investment was recognized in the balance sheet in the amount of NOK 3,750.6 million at the beginning of the first quarter.

If there are objective indications that an investment is impaired, the investment shall be tested for a fall in value by calculating the recoverable amount and comparing it with the carrying amount. The recoverable amount is the higher of value in use and fair value reduced by sales costs.

The fair value defined as the stock market value at the end of the first quarter amounted to NOK 2,481.4 million based on a market price of NOK 22.67 per share. Therefore an objective indication of fall in value was present.

The investment was therefore tested in the first quarter, as in some previous quarters, for impairment loss by calculating the value in use and comparing it with the carrying amount on the reporting date (31 March 2013). The value in use was calculated to be NOK 30.00 per share, which amounted to NOK 3,283.7 million in total.

This resulted in the recognition of an impairment loss of NOK 611.0 million in the first quarter.

The recognition of an impairment loss was mainly based on new information from the FSA regarding an updated mortality basis for group pension schemes in Norway. The FSA has suggested that provisions will be increased over a period of five years from 2014 and that at least 20 per cent of the necessary increase should be covered by the pension schemes themselves.

The new information was incorporated in the calculation of value in use and was regarded as material resulting in a lower value than calculated in previous quarters. The impairment loss is included in the item Results from investments in associated companies.

The calculated value in use is based on several assumptions and judgments, and is therefore encumbered with uncertainty. There is also still uncertainty attached to the final framework conditions for the life insurance industry.

Key figures

		3 q. 2013	3 q. 2012	1.1.-30.9. 2013	1.1.-30.9. 2012	1.1.-31.12. 2012
Gjensidige Insurance Group						
Return on financial assets	%	1.5	1.5	2.8	4.0	5.4
Equity	NOK million			25,068.2	23,980.2	25,617.7
Return on equity, annualised	%			17.8	24.3	23.8
Equity per share	NOK million			50.1	48.0	51.2
Capital adequacy ratio	%			15.9	15.9	16.8
Solvency margin capital Gjensidige Forsikring [4]	NOK million			16,055.3	15,418.2	16,288.6
Solvency margin Gjensidige Forsikring [5]	%			537.0	525.9	545.1
Share capital						
Issued shares, at the end of the period	Number			500,000,000	500,000,000	500,000,000
Earnings per share (basic and diluted) [6]	NOK	2.66	2.50	5.07	6.50	8.56
General insurance						
Market share non-marine insurance Norway (Finance Norway) per Q2 13	%			25.4	25.9	25.3
Gross premiums written						
Private	NOK million	1,911.7	1,795.1	6,230.5	5,962.3	7,669.0
Commercial	NOK million	1,131.6	1,148.1	5,783.6	5,597.2	7,096.0
Nordic	NOK million	527.4	480.6	2,732.6	2,536.4	3,144.8
Baltics	NOK million	143.2	114.9	406.4	357.4	473.0
Corporate Centre/reinsurance	NOK million	(0.0)	0.0	162.9	176.5	176.5
Total	NOK million	3,713.9	3,538.7	15,315.9	14,629.8	18,559.3
Premiums, net of reinsurance [7]	%			97.1	97.0	97.4
Earned premiums						
Private	NOK million	2,064.5	1,969.8	5,832.7	5,622.2	7,498.5
Commercial	NOK million	1,779.9	1,710.7	5,221.8	5,095.9	6,764.8
Nordic	NOK million	838.7	735.7	2,411.6	2,198.2	2,909.7
Baltics	NOK million	132.5	112.2	372.9	322.3	436.9
Corporate Centre/reinsurance	NOK million	51.3	43.2	131.5	140.6	187.5
Total	NOK million	4,866.9	4,571.7	13,970.6	13,379.1	17,797.3
Loss ratio 8						
Private	%	67.3	65.5	71.0	67.0	67.4
Commercial	%	68.2	67.9	74.7	72.6	73.1
Nordic	%	70.0	72.6	71.4	66.1	64.7
Baltics	%	67.9	66.3	68.3	67.3	67.0
Total	%	67.7	68.2	73.0	69.7	69.9
Cost ratio 9						
Private	%	13.2	12.9	13.3	13.5	13.4
Commercial	%	12.0	11.2	12.0	11.8	12.0
Nordic	%	15.1	16.3	16.3	17.0	17.4
Baltics	%	25.7	27.8	26.4	29.2	28.7
Total	%	14.8	14.8	15.3	15.3	15.5
Combined ratio 10						
Private	%	80.5	78.3	84.4	80.4	80.8
Commercial	%	80.2	79.2	86.7	84.4	85.0
Nordic	%	85.1	88.9	87.7	83.1	82.1
Baltics	%	93.5	94.1	94.7	96.5	95.7
Total	%	82.5	82.9	88.2	85.0	85.3
Combined ratio discounted [11]	%	78.8	79.9	84.9	81.3	81.7

		3 q. 2013	3 q. 2012	1.1.-30.9. 2013	1.1.-30.9. 2012	1.1.-31.12. 2012
Pension and Savings						
Assets under management pension at the end of the period	NOK million			13,259.4	9,972.0	10,408.8
of which the group policy portfolio	NOK million			3,459.6	2,987.0	3,163.8
Assets under management savings at the end of the period	NOK million			11,563.3	10,189.1	10,070.0
Operating margin [12]	%	12.51	(37.41)	11.59	1.67	0.19
Recognised returun on the paid-up policy portfolio [13]	%			3.43	3.50	4.76
Value-adjusted return on the paid-up policy portfolio [14]	%			3.50	3.58	4.77
Customers with insurance agreements at the end of the period	%			84.6	84.7	84.6
Return on equity, annualised [2]	%			9.5	4.6	3.2
Retail Bank						
Gross lending, addition in the period	NOK million	2,297.4	742.2	5,872.0	1,298.8	2,305.2
Deposits, addition in the period	NOK million	512.6	296.9	1,392.5	917.2	1,804.2
Gross lending, at the end of the period	NOK million			23,196.3	16,317.8	17,324.3
Deposits, at the end of the period	NOK million			12,973.0	10,693.4	11,580.5
Deposits-to-loan ratio at the end of the period [15]	%			55.9	65.5	66.8
Net interest margin, annualised [16]	%			2.50	2.46	2.52
Write-downs and losses in per cent [17]	%			0.33	0.47	0.43
Cost/income ratio [18]	%	58.2	63.4	56.9	63.1	62.8
Customers with insurance agreements, at the end of the period	%			45.1	45.2	46.2
Capital adequacy [19]	%			13.2	13.0	13.6
Return on equity, annualised [2]	%			12.3	7.8	8.7

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

2 Return on equity, annualised = 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. 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, except in the 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 Recognized return on the paid-up policy portfolio = realised return of the portfolio

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

15 Deposit-to-loan ratio = deposits as a per centage 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

Quarterly earnings performance

NOK million	3 q. 2013	2 q. 2013	1 q. 2013	4. q 2012	3 q. 2012	2 q. 2012	1 q. 2012	4 q. 2011	3 q. 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, loss etc.	(332.8)	(343.2)	(318.9)	(321.6)	(294.3)	(234.1)	(300.0)	(277.5)	(254.8)
Total claims, 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**

NOK million	2 q. 2011	1 q. 2011	4 q. 2010	3 q. 2010	2 q. 2010	1 q. 2010	4 q. 2009	3 q. 2009	2 q. 2009
Earned premiums from general insurance	4,414.0	4,224.6	4,426.8	4,535.9	4,289.4	3,811.2	3,925.5	4,022.6	3,923.2
Other income	523.5	492.0	455.8	426.5	462.5	382.7	303.7	222.2	239.7
Total operating income	4,937.5	4,716.6	4,882.6	4,962.3	4,751.9	4,193.9	4,229.2	4,244.7	4,162.9
Total net income from investments	652.4	790.6	803.0	803.9	294.9	846.4	648.6	1,060.1	798.2
Total operating income and net income from investments	5,589.9	5,507.2	5,685.6	5,766.3	5,046.8	5,040.3	4,877.8	5,304.8	4,961.1
Claims incurred etc. from general insurance	(3,059.5)	(3,454.1)	(3,383.2)	(3,260.0)	(3,269.3)	(3,544.1)	(3,025.3)	(3,111.3)	(2,919.5)
Other claims, loss etc.	(239.1)	(216.6)	(191.9)	(187.0)	(215.4)	(148.7)	(123.7)	(81.4)	(86.1)
Total claims, loss etc.	**(3,298.6)**	**(3,670.6)**	**(3,575.2)**	**(3,447.0)**	**(3,484.7)**	**(3,692.8)**	**(3,149.0)**	**(3,192.7)**	**(3,005.7)**
Operating expenses from general insurance	(739.6)	(720.8)	(728.7)	(714.4)	(731.5)	(635.8)	(757.8)	(652.3)	(684.6)
Other operating expenses	(306.8)	(300.7)	(313.7)	(292.9)	(300.9)	(367.5)	(387.2)	(215.5)	(228.8)
Total operating expenses	**(1,046.4)**	**(1,021.5)**	**(1,042.4)**	**(1,007.3)**	**(1,032.4)**	**(1,003.3)**	**(1,145.0)**	**(867.8)**	**(913.4)**
Total expenses	**(4,345.0)**	**(4,692.2)**	**(4,617.5)**	**(4,454.3)**	**(4,517.1)**	**(4,696.0)**	**(4,294.0)**	**(4,060.5)**	**(3,919.1)**
Profit/(loss) for the period before tax expense	**1,244.9**	**815.0**	**1,068.1**	**1,311.9**	**529.7**	**344.3**	**583.9**	**1,244.3**	**1,042.1**
Underwriting result general insurance	**615.0**	**49.7**	**314.9**	**561.5**	**288.6**	**(368.7)**	**142.4**	**259.0**	**319.1**

Gjensidige er et ledende nordisk skadeforsikringsselskap som er bygget av kunder, for kunder. Konsernet har vært notert ved Oslo Børs siden 2010. I snart 200 år har vi ansatt ildsjeler som arbeider for å sikre kunders liv, helse og verdier. Vi har om lag 3.200 medarbeidere og tilbyr skadeforsikring i Norge, Danmark, Sverige og Baltikum. I Norge tilbys også bank, pensjon og sparing. Driftsinntektene var 19,5 milliarder kroner i 2012, mens forvaltningskapitalen utgjorde 94,2 milliarder kroner.

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