

## First quarter 2011: Satisfactory insurance profits

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- Profit before tax: NOK 815.0 million (NOK 344.3 million in first quarter 2010)
- Positive development in underwriting result: NOK 50.0 million (-368.7). Combined ratio of 98.8 (109.7). The improvement is mainly due to fewer winter-related claims
- Return on financial assets was NOK 779.0 million (836.7), or 1.5 per cent (1.6)
- Earned premiums for general insurance operations increased by 10.8 per cent. The growth was in the Nordic and Private Norway segments
- Operating costs in general insurance activities are developing satisfactorily
- Pensions and savings have achieved a positive result for the first time since starting up in 2006

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The net return on financial assets for the investment portfolio was 1.5 per cent (1.6) for the quarter. This increase is attributed primarily to the good return on shares, including private equity and associated companies.

Operating costs in general insurance activities are developing satisfactorily. The cost ratio ended up at 17.1 (16.7). Corrected for recognition of revenue of AFP of NOK 43.3 million in the first quarter last year, the cost share has improved from 17.8 last year to 17.1 in the corresponding period this year.

More customer-oriented and cost-effective solutions will strengthen the company's competitive ability. Important measures will be self-service solutions, simplification of the product structure and co-localization of customer and operations-related functions, says CEO Helge Leiro Baastad.

### Contacts:

Head of Communication Øystein Thoresen. Tel: 47 952 33 382  
Investor Relations Director Finn Anonsen. Tel: 47 918 94 737

Gjensidige Forsikring ASA is Norway's largest general insurance company with a market share of 27.9 percent in 2010. The group also offers banking, pension and saving products and health care services in Norway and general insurance in Denmark, Sweden and the Baltic countries. The company has approximately 3,800 employees, whereof 2,900 work in Norway. Operating income in 2009 was NOK 18.8 billion, while total assets constituted NOK 84 billion.