

Fourth quarter and 2011: Good performance despite weather-related claims

Gjensidige Forsikring ASA recorded a profit before tax for the fourth quarter 2011 of NOK 898 million (1,068). The profit from general insurance operations, measured by the underwriting result, was NOK 186 million (315).

The preliminary figures for 2011 show a profit before tax of NOK 3,731 million, up from NOK 3,254 million in 2010.

'We are very pleased with the 2011 results, even though the fourth quarter was substantially affected by claims following the hurricanes *Berit* and *Dagmar*. We achieved our financial targets for the year, and the results provide a basis for paying a solid dividend to our owners this year as well,' says CEO Helge Leiro Baastad.

'In Norway, the Private Division achieved excellent results throughout 2011, and the Commercial Division has rationalised underlying operations through a new distribution model and other initiatives. Our international operations are developing on the right track, and we are pleased to note that the support areas in Norway, Gjensidige Bank and Gjensidige Pensjon og Sparing, also make positive contributions. We have entered 2012 with a sound basis for achieving the position as the most customer-oriented company in the Nordic insurance industry,' Baastad says.

The Board of Directors proposes a dividend of NOK 2,275 million, which corresponds to NOK 4.55 per share. The dividend proposal entails a dividend ratio of 80 per cent based on the Group's preliminary profit after tax of NOK 2,832 million (2,950).

Highlights fourth quarter 2011 (2010):

- **Profit before tax: NOK 898 million (1,068)**
- **Profit from general insurance operations (measured by the underwriting result): NOK 186 million (315)**
- **Combined ratio: 95.7 (92.9).** The "Berit" and "Dagmar"-storms had a negative impact on CR by 4,1 percentage points
- **Cost ratio: 16.7 (16.5).** The increase is primarily due to provisions for restructuring and a collective bonus.
- **Earned premiums for general insurance operations showed a slight reduction in the quarter compared with the same period in 2010.**
- **Return on financial assets: 1.4 per cent (1.5) corresponding to NOK 767 million (788)**

Highlights 2011 (2010):

- **Profit before tax: NOK 3,731 million (3,254)**
- **Profit from general insurance operations (measured by the underwriting result): NOK 1,421 million (796)**
- **Combined ratio: 91.9 (95.3)**
- **Cost ratio: 16.4 (16.5)**
- **Return on financial assets: 4.5 per cent (5.2), corresponding to NOK 2,415 million (2,705)**

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Gjensidige is a leading nordic general insurance company built by customers, for customers. For nearly 200 years enthusiasts have been employed to ensure our customers' life, health and property. We have 3 150 employees and offers general insurance in Norway, Denmark, Sweden and in the Baltics. In Norway, we also offer banking and pension. Operating income in 2011 was NOK 19,4 billion, while total assets constituted NOK 88,5 billion.