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Results characterised by harsh winter and volatile capital markets

The Gjensidige Forsikring Group recorded a profit before tax expense of NOK 726.8 million (1,365.0) for the quarter. The profit from general insurance operations measured by the underwriting result was NOK 411.2 million (732.2), corresponding to a combined ratio of 93.0 (86.8).

- The results were significantly impacted by demanding weather conditions in Norway and high volatility in the financial markets. We are pleased to see that operations in Denmark, Sweden and the Baltics delivered considerably improved results, says CEO Helge Leiro Baastad.

The return on financial assets was 0.5 per cent (1.0) or NOK 254.8 million (566.2).

Earned premiums increased to NOK 5.9 billion (5.5) for the quarter. The underwriting result was significantly impacted by the harsh weather conditions in Norway with considerably higher snowfall compared with the first quarter of 2017. Weather-related frequency claims in the quarter of 2018 are estimated to have been ~ NOK 250-300 million higher than for the historical first quarter average in Norway. Large losses came in lower than expected and slightly higher than the same quarter last year. The increase was partly driven by the weather conditions. Run-off gains came in higher than anticipated as well as compared with the first quarter of 2017.

The Retail Bank's profit performance improved, largely driven by portfolio growth. The Pension segment's profit performance was stable.
Return on financial assets was lower than in the same period last year, following weaker results for current equities and bonds in the free portfolio.

Highlights first quarter 2018 (first quarter 2017):

- Profit/loss before tax expense: NOK 726.8 million (1,365.0)
- Earnings per share: NOK 1.07 (2.22)
- Earned premiums: NOK 5,866.3 million (5,547.7)
- Underwriting result: NOK 411.2 million (732.2)
- Combined ratio: 93.0 (86.8)
- Cost ratio: 15.3 (15.5)
- Financial result: NOK 254.8 million (566.2)

Special factors and events:

• Dividend for 2017 was paid on 16 April 2018: NOK 3,550 million, corresponding to NOK 7.10 per share

This information is subject to disclosure under the Norwegian Securities Act section §5-12.

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