Gjensidige

Interim Report 1st quarter 2019

Gjensidige Forsikring Group

Group highlights
First quarter 2019

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

First quarter

Group

- Profit/loss before tax expense: NOK 3,030.7 million (605.0)
- Earnings per share: NOK 5.57 (1.07)

General Insurance

- Earned premiums: NOK 5,936.7 million (5,866.3)
- Underwriting result: NOK 798.1 million (411.2)
- Combined ratio: 86.6 (93.0)
- Cost ratio: 14.9 (15.3)
- Financial result: NOK 682.2 million (254.8)

Special factors and events

- Sale of Gjensidige Bank completed with a gain of NOK 1.6 billion for the Group
- Dividend for 2018 paid on 9 April 2019: NOK 3,550 million, corresponding to NOK 7.10 per share

Profit performance Group

NOK millions	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
General Insurance Private	395.0	343.7	1,934.8
General Insurance Commercial	333.3	68.9	1,548.2
General Insurance Denmark	102.8	85.5	434.5
General Insurance Sweden	21.8	10.1	78.2
General Insurance Baltics	5.7	8.8	68.5
Corporate Centre/costs related to owner	(79.5)	(82.5)	(379.1)
Corporate Centre/reinsurance [1]	19.0	(23.2)	(79.3)
Underwriting result general insurance	**798.1**	**411.2**	**3,605.8**
Pension	53.4	31.8	166.6
Financial result from the investment portfolio	682.2	254.8	820.9
Amortisation and impairment losses of excess value – intangible assets	(62.1)	(71.0)	(264.6)
Other items	1,559.2	(21.9)	(63.8)
Profit/(loss) before tax expense [2]	**3,030.7**	**605.0**	**4,265.0**
Alternative performance measures			
Large losses [3, 4]	82.6	225.2	954.7
Run-off gains/(losses) [3]	365.6	340.1	2,356.9
Loss ratio [3]	71.7%	77.7%	69.8%
Underlying frequency loss ratio [3]	76.5%	79.7%	75.6%
Cost ratio [3]	14.9%	15.3%	15.2%
Combined ratio [3]	86.6%	93.0%	85.0%

[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 occur. As a main rule, the Baltics segment has a retention level of EUR 0.5 million, while the Swedish segment has a retention level of NOK 10 million. Large losses allocated to the Corporate Centre amounted to NOK 0.0 million (69.1) for the year to date. Accounting items related to written reinsurance and reinstatement premiums are also included.
[2] The profit before tax expense is presented for the continuing operation (excluding Gjensidige Bank).
[3] Defined as alternative performance measure (APM). APMs are described on www.gjensidige.no/reporting in document named APMs Gjensidige Forsikring Group Q1 2019.
[4] Large losses = loss events in excess of NOK 10.0 million. Expected large losses for the quarter were NOK 295.0 million.

A solid first quarter result

The first quarter 2019 was characterised by more favourable weather conditions in Norway and strong financial markets, resulting in a significant improvement in Gjensidige's results compared with the same quarter last year. Profitability for the motor insurance line in Norway reached a turning point during the quarter, paving the way for a lower underlying loss ratio for this insurance line from the second quarter. The sale of Gjensidige Bank was completed in the quarter, generating a gain of NOK 1.6 billion. The Group continued to put through significant price increases across all segments, which together with re-underwriting and efficiency measures, are intended to improve underlying profitability.

Group profit performance

Gjensidige Forsikring Group recorded a profit before tax expense of NOK 3,030.7 million (605.0) for the quarter. The sale of Gjensidige Bank was completed on 1 March, with proceeds of approximately NOK 5.6 billion and a gain for the Group of NOK 1.6 billion recorded in the first quarter. The profit before tax expense excluding this gain was NOK 1,446.2 million.

The profit from general insurance operations measured by the underwriting result was NOK 798.1 million (411.2), corresponding to a combined ratio of 86.6 (93.0).

The return on financial assets was 1.2 per cent (0.5) or NOK 682.2 million (254.8).

The tax expense amounted to NOK 282.6 million (161.9), resulting in an effective tax rate of 9.3 per cent (26.8). The effective tax rate was impacted by the sale of shares in Gjensidige Bank and realised and unrealised gains and losses on equity investments in the EEA.

The profit after tax expense from continuing and discontinued operations was NOK 2,785.7 million (534.4) and the corresponding earnings per share were NOK 5.57 (1.07).

Earned premiums from general insurance increased to NOK 5,936.7 million (5,866.3) for the quarter. The underwriting result improved, mainly due to more favourable weather conditions in Norway compared with the first quarter last year. Higher run-off gains and lower large losses also contributed to the improved results.

Earned premiums in the Private segment increased by 1.3 per cent. The increase in the underwriting result was primarily due to more favourable weather conditions than in the same quarter last year.

Earned premiums in the Commercial segment increased by 8.6 per cent, which together with more favourable weather conditions and increased run-off gains, led to an increase in underwriting results.

The Danish segment recorded 3.9 per cent lower earned premiums measured in local currency. The underwriting result improved due to higher run-off gains and a lower underlying frequency loss ratio following repricing measures.

The Swedish segment recorded 15.0 per cent lower earned premiums measured in local currency. The underwriting result improved due to lower large losses and higher run-off gains as well as a lower underlying frequency loss ratio, partly offset by lower earned premiums.

Earned premiums in the Baltic segment increased by 0.4 per cent measured in local currency. The underwriting result declined following a higher underlying frequency loss ratio, partly offset by higher run-off gains.

The Pension segment generated an increased profit for the quarter, due to a growing customer portfolio, increased assets under management and higher net financial income.

Gjensidige Bank was recorded as a discontinued operation until the closing of the sale on 1 March 2019. The profit after tax expense in the first two months of the year was NOK 37.6 million (91.4 in the first quarter 2018).

The return on financial assets was higher than in the first quarter last year. Current equities and bonds in the free portfolio in particular contributed to the solid result.

Equity and capital position

The Group's equity amounted to NOK 22,393.6 million (24,091.0) at the end of the quarter. The annualised return on equity was 49.6 per cent (9.3). Excluding the NOK 1.6 billion gain on the sale of Gjensidige Bank, annualised return on equity was 21.6 per cent. The solvency margins at the end of the period were:

- Approved Partial Internal Model [1]: 248 per cent
- Own Partial Internal Model [2]: 295 per cent

Total comprehensive income for the year-to-date is included in the solvency calculations, minus a formulaic dividend pay-out ratio of 80 per cent of net profit (excluding the gain on the sale of Gjensidige Bank).

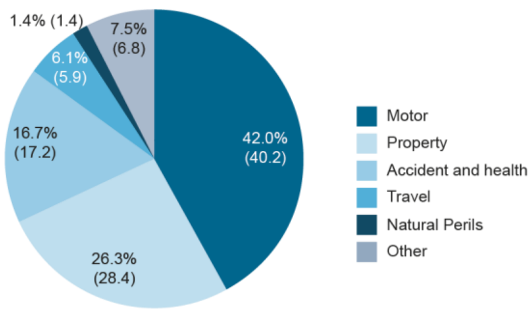
The guarantee scheme provision is treated as a liability in accordance with instructions from the Financial Supervisory Authority of Norway. In Gjensidige's opinion, special Norwegian provisions that are actually an equity element must be treated as solvency capital. Gjensidige will continue to make endeavours to ensure that the regulations are in line with this view.

Gjensidige has an 'A' rating from Standard & Poor's.

[1] Regulatory approved partial internal model
[2] Partial internal model with own calibration

Product groups Private

Gross earned premiums year to date (same period last year)



General Insurance Private

Development during the quarter

The underwriting result was NOK 395.0 million (343.7). The increase in the underwriting result was primarily driven by more favourable weather conditions than in the same quarter last year. The combined ratio was 81.2 (83.4).

Earned premiums increased to NOK 2,101.5 million (2,075.0), mainly due to price increases for motor insurance. Price increases were implemented for all main product lines. The number of insured objects declined somewhat, both as a result of the ongoing pricing measures for motor and property in particular, and because of the previously announced termination of the NITO partner agreement with effect from 1 January 2019.

Claims incurred amounted to NOK 1,440.6 million (1,465.8). The loss ratio improved to 68.5 (70.6), reflecting a 3.4 percentage points improvement in the underlying frequency loss ratio and somewhat lower large losses, partly offset by somewhat lower run-off gains. Both the motor and property insurance lines showed improved profitability, reflecting the difference in weather conditions compared to the first quarter 2018. Adjusted for weather, profitability for both were down year-on-year.

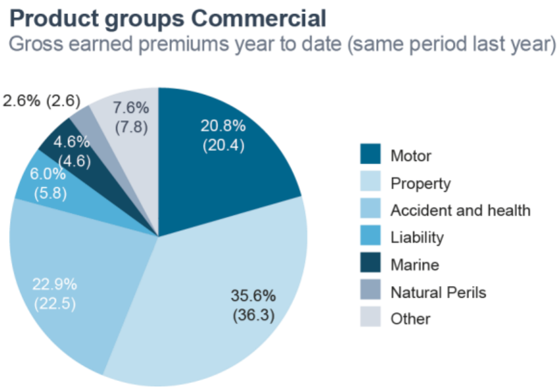
The negative 12 month rolling underlying profitability trend for motor, excluding the extraordinary weather effects last year, reached a turning point during the first quarter of 2019. This is the result of significant pricing measures in response to higher claims inflation.

Operating expenses increased to NOK 266.0 million (265.4). The cost ratio was 12.7 (12.8).

General Insurance Private

NOK millions	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Earned premiums	2,101.5	2,075.0	8,762.5
Claims incurred etc.	(1,440.6)	(1,465.8)	(5,720.7)
Operating expenses	(266.0)	(265.4)	(1,106.9)
Underwriting result	**395.0**	**343.7**	**1,934.8**
Amortisation and impairment losses of excess value – intangible assets	(4.4)	(4.3)	(17.5)
Large losses [1]	8.1	28.3	142.2
Run-off gains/(losses) [1]	103.8	150.6	787.2
Loss ratio [1]	68.5%	70.6%	65.3%
Underlying frequency loss ratio [1]	73.1%	76.5%	72.6%
Cost ratio [1]	12.7%	12.8%	12.6%
Combined ratio [1]	81.2%	83.4%	77.9%

[1] Defined as alternative performance measure (APM). APMs are described on www.gjensidige.no/reporting in document named APMs Gjensidige Forsikring Group Q1 2019.



General Insurance Commercial

Development during the quarter

The underwriting result was NOK 333.3 million (68.9). The increase was primarily driven by higher earned premiums, more favourable weather conditions and increased run-off gains. The combined ratio was 83.3 (96.2).

Earned premiums increased to NOK 1,994.3 million (1,835.7), reflecting pricing measures and solid renewals. All product lines recorded higher premiums. Overall portfolio quality is solid, reflecting good risk selection and risk pricing.

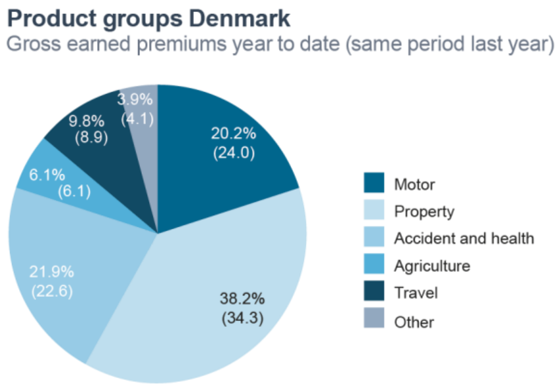
Claims incurred amounted to NOK 1,452.3 million (1,554.1). The loss ratio improved to 72.8 (84.7), reflecting a 7.0 percentage points improvement in the underlying frequency loss ratio, lower large losses and higher run-off gains. The underlying frequency loss ratio declined as a result of improved weather conditions in addition to effective pricing and re-underwriting measures, particularly for the property insurance line.

Operating expenses amounted to NOK 208,7 million (212.7), corresponding to a cost ratio of 10.5 (11.6). The decrease was due to staff reductions and cost discipline. The cost ratio was also positively impacted by higher earned premiums.

General Insurance Commercial

NOK millions	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Earned premiums	1,994.3	1,835.7	7,603.3
Claims incurred etc.	(1,452.3)	(1,554.1)	(5,182.8)
Operating expenses	(208.7)	(212.7)	(872.3)
Underwriting result	**333.3**	**68.9**	**1,548.2**
Large losses [1]	74.5	117.8	523.9
Run-off gains/(losses) [1]	190.1	135.8	1,268.4
Loss ratio [1]	72.8%	84.7%	68.2%
Underlying frequency loss ratio [1]	78.6%	85.6%	78.0%
Cost ratio [1]	10.5%	11.6%	11.5%
Combined ratio [1]	83.3%	96.2%	79.6%

[1] Defined as alternative performance measure (APM). APMs are described on www.gjensidige.no/reporting in document named APMs Gjensidige Forsikring Group Q1 2019.



General Insurance Denmark

Development during the quarter

The underwriting result was NOK 102.8 million (85.5). The increase in the underwriting result was driven by higher run-off gains and a lower underlying frequency loss ratio. The combined ratio was 91.4 (93.1).

Earned premiums amounted to NOK 1.196.3 million (1.233.6). Measured in local currency, earned premiums decreased 3.9 percent, as a result of continued price increases and re-underwriting for the commercial lines as well as selected private lines.

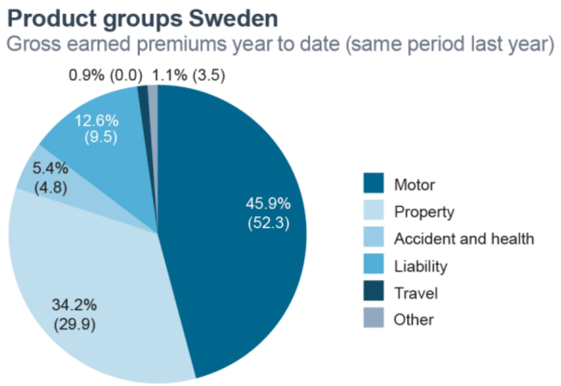
Claims incurred amounted to NOK 919.5 million (970.5). The loss ratio was 76.9 (78.7), positively impacted by higher run-off gains and a 0.5 percentage point decrease in the underlying frequency loss ratio. The latter reflects the gradual improvement in profitability for private lines as the ongoing pricing measures feed through the portfolio.

Operating expenses amounted to NOK 174.0 million (177.6). The cost ratio was 14.5 (14.4). Development and configuration of the new core IT system in Denmark was initiated during the quarter.

General Insurance Denmark

NOK millions	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Earned premiums	1,196.3	1,233.6	4,904.6
Claims incurred etc.	(919.5)	(970.5)	(3,766.2)
Operating expenses	(174.0)	(177.6)	(704.0)
Underwriting result	**102.8**	**85.5**	**434.5**
Amortisation and impairment losses of excess value – intangible assets	(36.6)	(44.1)	(159.0)
Large losses [1]			55.7
Run-off gains/(losses) [1]	41.0	26.7	171.0
Earned premiums in local currency (DKK) [1]	916.3	953.7	3,805.8
Loss ratio [1]	76.9%	78.7%	76.8%
Underlying frequency loss ratio [1]	80.3%	80.8%	79.1%
Cost ratio [1]	14.5%	14.4%	14.4%
Combined ratio [1]	91.4%	93.1%	91.1%

[1] Defined as alternative performance measure (APM). APMs are described on www.gjensidige.no/reporting in document named APMs Gjensidige Forsikring Group Q1 2019.



General Insurance Sweden

Development during the quarter

The underwriting result was NOK 21.8 million (10.1). The increase in the underwriting result was driven by lower large losses and higher run-off gains as well as a reduction in the underlying frequency claims ratio, partly offset by lower earned premiums. The combined ratio was 93.8 (97.7).

Earned premiums decreased to NOK 352.9 million (428.9). Measured in local currency, earned premiums decreased by 15.0 per cent, reflecting a decline in the insurance portfolio following repricing measures for private insurance lines and the loss of one large unprofitable account in the private portfolio.

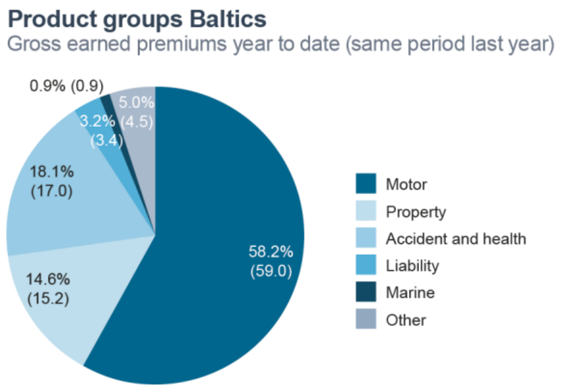
Claims incurred amounted to NOK 262.3 million (347.5). The loss ratio was 74.3 (81.0), positively impacted by lower large losses and increased run-off gains as well as a 1.5 percentage point decrease in the underlying frequency claims loss ratio. The improvement in the underlying frequency loss ratio was related to both the private and commercial portfolios as a result of price increases and ongoing efforts to improve risk selection.

Operating expenses decreased to NOK 68.8 million (71.3). The cost ratio was 19.5 per cent (16.6), impacted by lower earned premiums.

General Insurance Sweden

NOK millions	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Earned premiums	352.9	428.9	1,569.2
Claims incurred etc.	(262.3)	(347.5)	(1,231.7)
Operating expenses	(68.8)	(71.3)	(259.3)
Underwriting result	**21.8**	**10.1**	**78.2**
Amortisation and impairment losses of excess value – intangible assets	(16.7)	(18.5)	(70.2)
Large losses [1]		10.0	30.0
Run-off gains/(losses) [1]	17.9	9.3	64.7
Earned premiums in local currency (SEK) [1]	377.3	443.6	1,675.6
Loss ratio [1]	74.3%	81.0%	78.5%
Underlying frequency loss ratio [1]	79.4%	80.9%	80.7%
Cost ratio [1]	19.5%	16.6%	16.5%
Combined ratio [1]	93.8%	97.7%	95.0%

[1] Defined as alternative performance measure (APM). APMs are described on www.gjensidige.no/reporting in document named APMs Gjensidige Forsikring Group Q1 2019.



General Insurance Baltics

Development during the quarter

The underwriting result amounted to NOK 5.7 million (8.8), negatively affected by a higher underlying frequency loss ratio, partly offset by higher run-off gains. The combined ratio was 97.9 (96.7).

Earned premiums amounted to NOK 268.2 million (264.1). Measured in local currency, earned premiums rose by 0.4 per cent, reflecting sales growth in the accident and health and motor insurance lines.

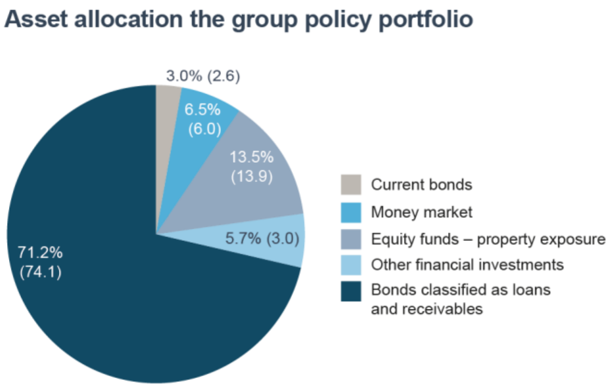
Claims incurred amounted to NOK 177.5 million (169.2). The loss ratio was 66.2 (64.1), mainly impacted by a 6.0 percentage point increase in the underlying frequency loss ratio due to less favourable weather conditions compared with the same quarter last year. The increase was partly counteracted by higher run-off gains.

Operating expenses amounted to NOK 85.0 million (86.1). The cost ratio was 31.7 (32.6). The improvement was mainly due to ongoing restructuring and cost saving initiatives, with focus on operational efficiency.

General Insurance Baltics

NOK millions	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Earned premiums	268.1	264.1	1,078.8
Claims incurred etc.	(177.5)	(169.2)	(675.9)
Operating expenses	(85.0)	(86.1)	(334.4)
Underwriting result	**5.7**	**8.8**	**68.5**
Amortisation and impairment losses of excess value – intangible assets	(3.6)	(3.7)	(14.5)
Run-off gains/(losses) [1]	15.8	5.2	24.4
Earned preiums in local currency (EUR) [1]	27.5	27.4	112.3
Loss ratio [1]	66.2%	64.1%	62.7%
Underlying frequency loss ratio [1]	72.1%	66.1%	64.9%
Cost ratio [1]	31.7%	32.6%	31.0%
Combined ratio [1]	97.9%	96.7%	93.7%

[1] Defined as alternative performance measure (APM). APMs are described on www.gjensidige.no/reporting in document named APMs Gjensidige Forsikring Group Q1 2019.



Pension

Development during the quarter

Increased financial income and operating revenues contributed to significant growth in earnings. The profit before tax expense was NOK 53.4 million (31.8).

Administration fees increased to NOK 37.5 million (35.0) and insurance income increased to NOK 21.4 million (15.2), both driven by a growing customer portfolio. Management income increased to NOK 38.7 million (34.5), as a result of growth in assets under management.

Operating expenses increased to NOK 63.0 million (59.8), driven by increased business volume.

Net financial income, including returns on both the group policy portfolio and the corporate portfolio, amounted to NOK 18.7 million (7.0). The increased return was related to gains on divestments of loans and receivables.

The return on the paid-up policy portfolio was 0.9 per cent (2.3). The decline was related to non-recurring effects last year due to a change in the classification of unrealised gains relating to property investments. The average annual interest guarantee was 3.3 per cent.

Assets under management increased by NOK 2,992.4 million since year end 2018. Total pension assets under management amounted to NOK 33,680.6 million (28,979.6) including the group policy portfolio of NOK 6,798.5 million (6,195.5).

Pension

NOK millions	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Administration fees	37.5	35.0	144.4
Insurance income	21.4	15.2	72.6
Management income etc.	38.7	34.5	150.5
Operating expenses	(63.0)	(59.8)	(241.0)
Net operating income	**34.6**	**24.9**	**126.5**
Net financial income	18.7	7.0	40.2
Profit/(loss) before tax expense	**53.4**	**31.8**	**166.6**
Run-off gains/(losses) [1]			
Operating margin [1]	35.48%	29.37%	34.41%
Recognised return on the paid-up policy portfolio [2]	0.92%	2.27%	5.61%
Value-adjusted return on the paid-up policy portfolio [3]	1.24%	1.11%	4.30%

[1] Defined as alternative performance measure (APM). APMs are described on www.gjensidige.no/reporting in document named APMs Gjensidige Forsikring Group Q1 2019.
[2] Recognised return on the paid-up policy portfolio = realised return on the portfolio
[3] Value-adjusted return on the paid-up policy portfolio = total return on the portfolio

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 segment. The investment portfolio is split into two parts: a match portfolio and a free portfolio. The match portfolio is intended to correspond to the Group's technical provisions. It is invested in fixed-income instruments with a duration and currency that match the duration and currency of the technical provisions. The free portfolio consists of various assets. The allocation of assets in this portfolio must be seen in conjunction with the Group's capitalisation and risk capacity, as well as the Group's risk appetite at all times. Results from the use of derivatives for tactical and risk management purposes are assigned to the respective asset classes. Currency risk in the investment portfolio is generally hedged close to 100 per cent, within a permitted range of +/- 10 per cent per currency.

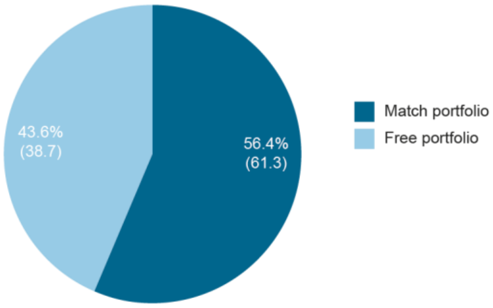
At the end of the period, the investment portfolio totalled NOK 59.9 billion (56.2). The financial result as of the first quarter was NOK 682.2 million (254.8), which corresponds to a return on total assets of 1.2 per cent (0.5).

Match portfolio

The match portfolio amounted to NOK 33.8 billion (34.4). The portfolio yielded a return of 0.7 per cent (0.7), excluding changes in the value of the bonds recognised at amortised cost. Bonds recognised at amortised cost amounted to NOK 15.5 billion (16.2). Unrealised excess value amounted to NOK 0.9 billion (1.0) at the end of the period. The reinvestment rate for new investments in the portfolio of bonds held at amortised cost was approximately 3.6 per cent on average for the quarter, and the running yield for the portfolio of bonds held at amortised cost was 3.7 per cent at the end of the period.

Portfolio split

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



The average duration of the match portfolio was 3.2 years. The average term to maturity for the corresponding insurance liabilities was 3.7 years. The distribution of counterparty risk and credit rating is shown in the charts on page 12. Securities without an official credit rating amounted to NOK 8.7 billion (10.8). Of these securities, 6.3 per cent (5.5) were issued by Norwegian savings banks, while the remainder were mostly issued by Norwegian power producers and distributors, property companies, industry and municipalities. Bonds with a coupon linked to the development of the Norwegian consumer price index accounted for 6.5 per cent (7.8) of the match portfolio.

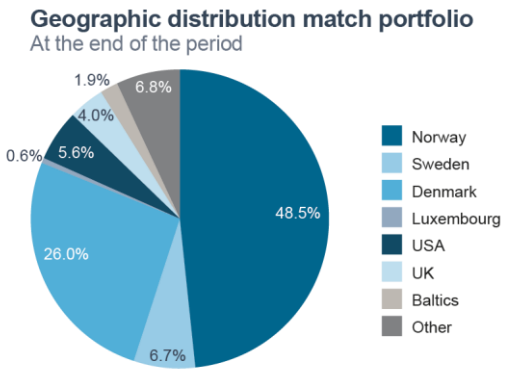
The geographical distribution[1] of the match portfolio is shown in the chart on the next page.

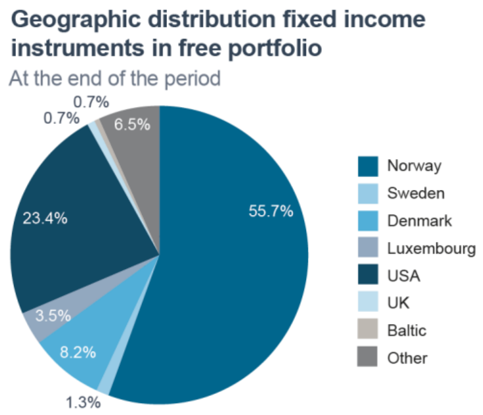
[1] The geographical distribution is related to issuers and does not reflect actual currency exposure.

Financial assets and properties

	Result 1.1.-31.3.		Carrying amount 31.3.	
NOK millions	**2019**	**2018**	**2019**	**2018**
Match portfolio				
Money market	26.7	13.3	5,059.2	4,263.5
Bonds at amortised cost	142.5	177.7	15,526.6	16,237.6
Current bonds [1]	63.3	39.0	13,226.1	13,920.8
Match portfolio total	**232.5**	**230.0**	**33,812.0**	**34,421.9**
Free portfolio				
Money market	13.0	8.6	8,237.8	7,827.1
Other bonds [2]	69.9	(44.0)	6,112.8	2,704.1
High yield bonds [3]	41.4	(3.6)	1,037.6	445.2
Convertible bonds [3]	57.6	(2.8)	1,115.5	1,113.7
Current equities [4]	198.3	0.5	2,716.8	3,292.4
PE funds	47.8	57.7	1,337.8	1,296.8
Property	44.8	41.4	4,565.1	3,844.4
Other [5]	(23.1)	(33.0)	985.8	1,237.9
Free portfolio total	**449.7**	**24.8**	**26,109.1**	**21,761.7**
Financial result from the investment portfolio [6]	**682.2**	**254.8**	**59,921.2**	**56,183.5**
Financial income in Pension	18.7	7.0		
Interest expense on subordinated debt Gjensidige Forsikring ASA	(8.4)	(7.1)		
Interest expense on the lease liability	(8.0)			
Realised gains on subsidiaries	1,584.5			
Net income from investments	**2,268.9**	**254.7**		

[1] The item includes discounting effects of the insurance liabilities in Denmark and Sweden, and a mismatch between interest rate adjustments on the liability side in Denmark and the corresponding interest rate hedge. Investments include mortgage, sovereign and corporate bonds, investment grade bond funds and loan funds containing secured debt.
[2] The item includes investment grade, emerging markets and current bonds. Investment grade and emerging market bonds are investments in internationally diversified funds that are externally managed.
[3] Investments in internationally diversified funds that are externally managed.
[4] Investments mainly in internationally diversified funds that are externally managed. In addition, there is negative derivative exposure of NOK 593.3 million.
[5] The item includes currency hedging related to Gjensidige Sweden and Gjensidige Denmark, lending, paid-in capital in Gjensidige Pensjonskasse, profit/loss effects from a total return swap with Gjensidige Pensjonskasse, hedge funds and finance-related expenses.
[6] Defined as alternative performance measure (APM). APMs are described on www.gjensidige.no/reporting in document named APMs Gjensidige Forsikring Group Q1 2019.





Free portfolio
The free portfolio amounted to NOK 26.1 billion (21.8) at the end of the period. The return was 2.1 per cent (0.1). The increase in assets was mainly due to the sale of Gjensidige Bank ASA.

Fixed-income instruments
The fixed-income instruments in the free portfolio amounted to NOK 16.5 billion (12.1), of which money market investments, including cash, accounted for NOK 8.2 billion (7.8). The rest of the portfolio was invested in international bonds (investment grade, high yield and convertible bonds). The total fixed-income portfolio yielded a return of 1.5 per cent (minus 0.4). A fall in interest rates and lower credit spreads were the main drivers of the positive returns.

At the end of the period, the average duration in the portfolio was approximately 2.6 years. The distribution of counterparty risk and credit rating is shown in the charts on the next page. Securities without an official credit rating amounted to NOK 2.2 billion (3.0). Of these securities, 5.0 per cent (11.0) were issued by Norwegian savings banks, while the remainder were mostly issued by industry and municipalities.

The geographical distribution[1] of the fixed-income instruments in the free portfolio is shown in the chart above.

Equity portfolio
The total equity exposure at the end of the period was NOK 4.1 billion (4.6), of which NOK 2.7 billion (3.3) consisted of current equities and NOK 1.3 billion (1.3) of PE funds. The return on current equities was 7.6 per cent (0.0). PE funds generated a return of 3.6 per cent (4.6).

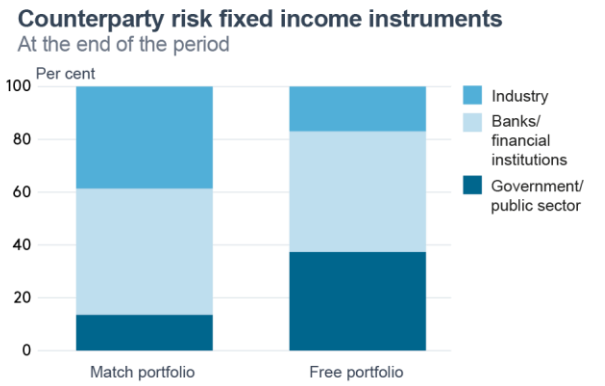
Property portfolio
At the end of the period, the exposure to commercial real estate in the portfolio was NOK 4.6 billion (3.8). The property portfolio yielded a return of 1.0 per cent (1.1).

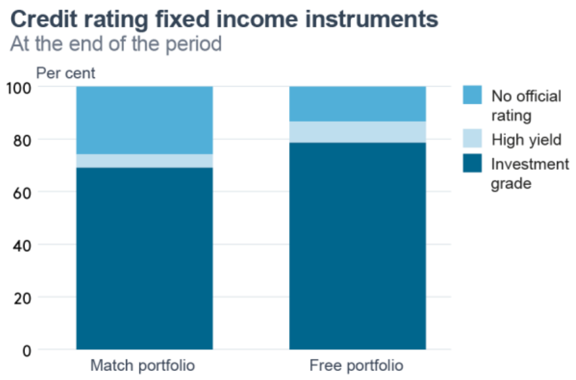
[1] The geographical distribution is related to issuers and does not reflect actual currency exposure.

Return per asset class

Per cent	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Match portfolio			
Money market	0.5	0.3	1.2
Bonds at amortised cost	0.9	1.0	4.0
Current bonds [1]	0.5	0.3	0.1
Match portfolio total	**0.7**	**0.7**	**2.0**
Free portfolio			
Money market	0.2	0.1	0.6
Other bonds [2]	1.5	(1.4)	(0.8)
High yield bonds [3]	4.8	(0.7)	(2.8)
Convertible bonds [3]	6.1	(0.3)	(1.1)
Current equities [4]	7.6	0,0	(6.4)
PE funds	3.6	4.6	14.8
Property	1.0	1.1	7.0
Other [5]	(2.7)	(1.9)	(8.4)
Free portfolio total	**2.1**	**0.1**	**0.6**
Return on financial assets [6]	**1.2**	**0.5**	**1.5**

[1] The item includes discounting effects of the insurance liabilities in Denmark and Sweden, and a mismatch between interest rate adjustments on the liability side in Denmark and the corresponding interest rate hedge. Investments include mortgage, sovereign and corporate bonds, investment grade bond funds and loan funds containing secured debt.
[2] The item includes investment grade, emerging market and current bonds. Investment grade and emerging market bonds are investments in internationally diversified funds that are externally managed.
[3] Investments in internationally diversified funds that are externally managed.
[4] Investments mainly in internationally diversified funds that are externally managed. In addition, there is negative derivative exposure of NOK 593.3 million.
[5] The item includes currency hedging related to Gjensidige Sweden and Gjensidige Denmark, lending, paid-in capital in Gjensidige Pensjonskasse, profit/loss effects from a total return swap with Gjensidige Pensjonskasse, hedge funds and finance-related expenses.
[6] Defined as alternative performance measure (APM). APMs are described on www.gjensidige.no/reporting in document named APMs Gjensidige Forsikring Group Q1 2019.





Organisation

The Group had a total of 3,729 employees at the end of the quarter, compared with 3,893 at the end of 2018. The decrease was mainly due to the sale of Gjensidige Bank.

The composition of the Group's employees was as follows: 1,875 (1,889) in general insurance operations in Norway, 67 (62) in Gjensidige Pensjonsforsikring,738 (718) in Denmark, 280 (289) in Sweden and 769 (764) in the Baltic states (excluding agents). The figures in brackets refer to the number of employees at the end of 2018.

Events after the balance sheet date

No significant events have occurred after the end of the period.

Strategy and outlook

The Group's annual financial and solvency targets for the period 2019 through 2022 are as follows:

- Combined ratio between 86 and 89 per cent (undiscounted)
  - Corresponding to 90 to 93 per cent given zero run-off gains
  - Average annual run-off gains of ~NOK 1 billion are still expected through 2022
- Cost ratio <15 per cent
- Solvency margin based on the Partial Internal Model (both the regulatory approved model and the model with internal calibration) between 135 and 200 per cent
  - The solvency margin should remain in the upper half of the range in order to support an 'A' rating, stable regular dividends over time, financial flexibility for smaller acquisitions and organic growth not financed through retained earnings, as well as providing a buffer for regulatory changes.
- Return on equity after tax > 20 per cent
  - Corresponding to > 16 per cent excluding run-off gains

These are financial targets and should not be regarded as guidance for any specific quarter or year. Unexpected circumstances relating to the weather, the proportion of large losses and run-off gains or losses could contribute to a combined ratio that is above or below the annual target range.

Gjensidige's ambition is to become the most customer-oriented general insurance company in the Nordic region. The Group's priority is to retain its strong and unique position in Norway and to continue improving its profitability outside Norway. Furthermore, the Group will focus on ensuring continued capital discipline, including delivering attractive returns to shareholders. The key operational strategic priorities with a view to achieving these ambitions are to deliver the best digital customer experiences, focus on business intelligence and advanced analytics, and develop dynamic organisational capabilities.

Geopolitical uncertainty, low interest rates and financial challenges in several key economies, reflect an uncertain economic situation. The macroeconomic outlook in the Nordic region and the outlook for Gjensidige's operations are still regarded as good.

Organic growth is expected to be in line with nominal GDP growth in Gjensidige's market areas in the Nordic countries and the Baltic states over time. In addition, profitable growth will be achieved by pursuing a disciplined acquisition strategy, as has been done successfully in the past.

Competition is still strong in the Norwegian general insurance market. Gjensidige's competitiveness remains good. Continued efforts to maintain and further strengthen its position in the Norwegian market will be prioritised, ensuring cost-efficiency and improving digital customer experiences. At the same time, new, profitable opportunities for growth will be considered in the Nordic region and the Baltic states to ensure good utilisation of a scalable business model and best practice. Strong emphasis will also be placed on further developing cooperation with partners and distributors.

Profitability of the motor insurance line in Norway has reached a turning point. Price increases will continue going forward to counter the impact from expected claims inflation. Profitability is expected to gradually improve from the second quarter.

Efforts to deliver the best digital customer experiences in the Nordic and Baltic general insurance industry will be intensified. To support this, Gjensidige has started the process of developing and configuring the new core IT system, starting with Denmark. The investment in a new core system is expected to be handled within the current cost ratio target, and will be made step-by-step, starting with Denmark, then Sweden and finally Norway.

Gjensidige has a robust investment strategy, although returns are affected by challenging market conditions. There are still some outstanding uncertainties relating to changes to the regulatory framework conditions for the financial sector in Norway and internationally.

The Group has satisfactory capital buffers in relation to internal risk models, statutory solvency requirements and its target rating. The Board considers the Group's capital situation and financial strength to be strong.

The sale of Gjensidige Bank will have a temporary negative impact on the Group's return on equity, until the proceeds have been reinvested in value-enhancing opportunities or returned to shareholders. The gain on the sale will be excluded from the basis for calculating the payout ratio for regular dividends.

There is always considerable uncertainty associated with the assessment of future developments. However, the Board remains confident in Gjensidige's ability to deliver solid earnings- and dividend growth over time.

Oslo, 24 April 2019
The Board of Gjensidige Forsikring ASA

Gisele Marchand Chair	Per Arne Bjørge	Eivind Elnan	John Giverholt	Vibeke Krag
Gunnar Mjåtvedt	Hilde Merete Nafstad	Anne Marie Nyhammer	Terje Seljeseth	Lotte Kronholm Sjøberg

Helge Leiro Baastad
CEO

Consolidated income statement

NOK millions	Notes	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Operating income				
Earned premiums from general insurance	4	5,936.7	5,866.3	24,052.8
Earned premiums from pension		674.5	566.6	2,050.5
Other income including eliminations		40.2	36.2	158.2
Total operating income	**3**	**6,651.5**	**6,469.1**	**26,261.6**
Net income from investments				
Results from investments in associates and joint ventures		30.7	83.5	291.8
Interest income and dividend etc. from financial assets		240.8	268.8	1,032.2
Net changes in fair value on investments (incl. property)		621.6	(408.8)	(502.8)
Net realised gain and loss on investments		1,403.8	334.8	129.8
Expenses related to investments		(28.0)	(23.7)	(120.8)
Total net income from investments		**2,268.9**	**254.7**	**830.2**
Total operating income and net income from investments		**8,920.4**	**6,723.8**	**27,091.7**
Claims				
Claims incurred etc. from general insurance	5, 6	(4,256.8)	(4,559.5)	(16,791.1)
Claims incurred etc. from pension		(615.6)	(516.4)	(1,833.5)
Total claims		**(4,872.4)**	**(5,075.9)**	**(18,624.6)**
Operating expenses				
Operating expenses from general insurance		(881.8)	(895.7)	(3,655.9)
Operating expenses from pension		(63.0)	(59.8)	(241.0)
Other operating expenses		(10.4)	(16.5)	(40.6)
Amortisation and impairment losses of excess value - intangible assets		(62.1)	(71.0)	(264.6)
Total operating expenses		**(1,017.3)**	**(1,043.0)**	**(4,202.1)**
Total expenses		**(5,889.7)**	**(6,118.8)**	**(22,826.7)**
Profit/(loss) before tax expense	**3**	**3,030.7**	**605.0**	**4,265.0**
Tax expense		(282.6)	(161.9)	(883.5)
Profit/(loss) from continuing operations		**2,748.1**	**443.1**	**3,381.6**
Profit/(loss) from discontinued operations		37.6	91.4	334.9
Profit/(loss) from continuing and discontinued operations		**2,785.7**	**534.4**	**3,716.4**
Profit/(loss) attributable to:				
Owners of the company continuing operations		2,748.0	444.0	3,382.7
Owners of the company discontinued operations		37.6	91.4	334.9
Non-controlling interests		0.1	(0.9)	(1.2)
Total		**2,785.7**	**534.4**	**3,716.4**
Earnings per share from continuing and discontinued operations, NOK (basic and diluted)		**5.57**	**1.07**	**7.44**
Earnings per share from continuing operations, NOK (basic and diluted)		**5.50**	**0.89**	**6.77**

Consolidated statement of comprehensive income

NOK millions	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Profit/(loss) from continuing and discontinued operations	**2,785.7**	**534.4**	**3,716.4**
Other comprehensive income			
Other comprehensive income that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/asset			(50.8)
Tax on other comprehensive income that will not be reclassified subsequently to profit or loss			12.7
Total other comprehensive income that will not be reclassified subsequently to profit or loss			**(38.1)**
Other comprehensive income that will be reclassified subsequently to profit or loss			
Exchange differences from foreign operations	(203.0)	(172.6)	14.9
Tax on other comprehensive income that will be reclassified subsequently to profit or loss	34.7	29.5	(0.7)
Total other comprehensive income that will be reclassified subsequently to profit or loss	**(168.3)**	**(143.0)**	**14.2**
Total other comprehensive income of continuing operations	**(168.3)**	**(143.0)**	**(23.9)**
Total other comprehensive income of discontinued operations			0.1
Total comprehensive income from continuing and discontinued operations	**2,617.3**	**391.4**	**3,692.6**
Total comprehensive income attributable to:			
Owners of the company continuing operations	2,579.7	301.0	3,358.8
Owners of the company discontinued operations	37.6	91.4	335.0
Non-controlling interests	0.1	(0.9)	(1.2)
Total	**2,617.3**	**391.4**	**3,692.6**

Consolidated statement of financial position

NOK millions	Notes	31.3.2019	31.3.2018	31.12.2018
Assets				
Goodwill		3,495.8	3,495.5	3,577.0
Other intangible assets		1,275.2	1,381.5	1,288.1
Deferred tax assets		12.6	29.5	13.1
Investments in associates and joint ventures		3,002.6	2,708.1	2,959.7
Interest-bearing receivables from joint ventures		2,439.1	1,935.8	2,513.1
Owner-occupied property, plant and equipment		1,472.7	308.8	251.9
Pension assets		156.6	206.0	156.6
Financial assets				
Financial derivatives	8	515.3	553.6	577.9
Shares and similar interests	8	5,729.8	6,400.5	5,134.9
Bonds and other securities with fixed income	8	29,428.0	31,258.7	26,374.8
Bonds held to maturity	8	249.4	693.3	391.5
Loans and receivables	8	20,403.1	67,346.3	20,477.9
Assets in life insurance with investment options		26,645.2	22,728.6	23,909.5
Reinsurers' share of insurance-related liabilities in general insurance, gross		1,142.0	894.1	926.9
Receivables related to direct operations and reinsurance		8,367.2	8,188.8	6,784.7
Other assets and receivables		1,341.9	593.6	1,081.7
Prepaid expenses and earned, not received income		191.8	439.8	81.7
Cash and cash equivalents		6,055.9	5,094.0	2,363.3
Assets held for sale	11			57,898.8
Total assets		**111,924.2**	**154,256.5**	**156,752.1**
Equity and liabilities				
Equity				
Share capital		1,000.0	1,000.0	999.9
Share premium		1,430.0	1,430.0	1,430.0
Natural perils capital		2,504.5	2,381.9	2,491.1
Guarantee scheme provision		653.9	638.3	653.9
Perpetual Tier 1 capital Gjensidige Bank (held for sale)				444.8
Other equity		16,804.6	18,623.7	17,824.9
Total equity attributable to owners of the company		**22,393.0**	**24,073.9**	**23,844.7**
Non-controlling interests		0.6	17.1	0.5
Total equity		**22,393.6**	**24,091.0**	**23,845.2**
Provision for liabilities				
Subordinated debt		1,498.1	1,947.4	1,498.0
Premium reserve in life insurance		6,518.9	5,950.4	6,336.2
Provision for unearned premiums, gross, in general insurance		13,640.5	13,434.9	10,051.1
Claims provision, gross	7	28,702.6	31,030.1	29,355.8
Other technical provisions		376.3	344.2	353.2
Pension liabilities		561.5	577.7	562.4
Other provisions		252.1	249.1	319.3
Financial liabilities				
Financial derivatives	8	744.4	619.1	869.9
Deposits from and liabilities to customers	8		23,764.0	
Interest-bearing liabilities	8	1,254.9	23,944.7	
Other liabilities	8	6,529.3	2,510.5	2,838.4
Current tax		357.9	675.1	638.8
Deferred tax liabilities		1,054.2	1,060.9	1,093.0
Liabilities related to direct insurance and reinsurance	8	974.8	757.9	1,174.5
Liabilities in life insurance with investment options	8	26,645.2	22,728.6	23,909.5
Accrued expenses and deferred income	8	419.9	571.2	403.3
Liabilities held for sale	11			53,514.4
Total liabilities		**89,530.6**	**130,165.5**	**132,917.7**
Total equity and liabilities		**111,924.2**	**154,256.5**	**156,752.1**

Consolidated statement of changes in equity

NOK millions	Share capital	Own shares	Share premium	Other paid-in capital	Perpetual Tier 1 capital	Exchange differ-ences	Re-measure-ment of the net defined benefit liab./asset	Other earned equity	Total equity
Equity as at 31.12.2017 attributable to owners of the company	**1,000.0**	**0,0**	**1,430.0**	**48.2**	**1,369.4**	**602.0**	**(1,936.7)**	**21,172.2**	**23,685.1**
Non-controlling interests as at 31.12.2017									18.0
Equity as at 31.12.2017									**23,703.1**
Adjustment due to amendment to IFRS 2				8.5					8.5
Adjustment on initial application of IFRS 9 in the bank								(10.4)	(10.4)
Equity as at 1.1.2018									**23,701.2**
1.1.-31.12.2018									
Comprehensive income									
Profit/(loss) (the controlling interests' share)					47.5			3,670.1	3,717.6
Total components of other comprehensive income				0.1		14.1	(38.0)		(23.8)
Total comprehensive income				**0.1**	**47.5**	**14.1**	**(38.0)**	**3,670.1**	**3,693.8**
Transactions with owners of the company									
Own shares		0,0						(10.9)	(11.0)
Paid dividend								(3,549.9)	(3,549.9)
Equity-settled share-based payment transactions				7.9					7.9
Perpetual Tier 1 capital					75.4			(0.6)	74.7
Perpetual Tier 1 capital - interest paid					(46.9)				(46.9)
Net effect of purchase of non-controlling interests								(7.2)	(7.2)
Total transactions with owners of the company		**0,0**		**7.9**	**28.4**		**0,0**	**(3,568.6)**	**(3,532.3)**
Equity as at 31.12.2018 attributable to owners of the company	**1,000.0**	**(0.1)**	**1,430.0**	**64.7**	**1,445.3**	**616.0**	**(1,974.6)**	**21,263.3**	**23,844.7**
Non-controlling interests as at 31.12.2018									0.5
Equity as at 31.12.2018									**23,845.2**
Adjustment on initial application of IFRS 16								(61.4)	(61.4)
Equity as at 1.1.2019									**23,783.8**
1.1.-31.3.2019									
Comprehensive income									
Profit/(loss) (the controlling interests' share)					14.8			2,770.8	2,785.6
Total components of other comprehensive income				(0.1)		(168.0)	(0.2)		(168.3)
Total comprehensive income				**(0.1)**	**14.8**	**(168.0)**	**(0.2)**	**2,770.8**	**2,617.3**
Transactions with owners of the company									
Own shares		0,0						(1.8)	(1.7)
Approved dividend								(3,550.0)	(3,550.0)
Remeasurement of the net defined benefit liability/asset of sold companies							4.4	(4.4)	
Equity-settled share-based payment transactions				(1.8)				4.6	2.8
Perpetual Tier 1 capital					(446.0)			(0.2)	(446.2)
Perpetual Tier 1 capital - interest paid					(12.5)				(12.5)
Total transactions with owners of the company		**0,0**		**(1.8)**	**(458.5)**		**4.4**	**(3,551.7)**	**(4,007.5)**
Equity as at 31.3.2019 attributable to owners of the company	**1,000.0**	**0,0**	**1,430.0**	**62.8**	**1,001.6**	**448.0**	**(1,970.4)**	**20,421.0**	**22,393.0**
Non-controlling interests as at 31.3.2019									0.6
Equity as at 31.3.2019									**22,393.6**
1.1.-31.3.2018									
Comprehensive income									
Profit/(loss) (the controlling interests' share)					11.3			524.1	535.4
Total components of other comprehensive income				(0.1)		(142.9)			(143.0)
Total comprehensive income				**(0.1)**	**11.3**	**(142.9)**		**524.1**	**392.3**
Transactions with owners of the company									
Own shares		0,0						(2.9)	(2.9)
Remeasurement of the net defined benefit liability/asset of liquidated companies							(0.1)	0.1	
Equity-settled share-based payment transactions				(2.2)					(2.2)
Perpetual Tier 1 capital					0.2			(0.2)	
Perpetual Tier 1 capital - interest paid					(11.1)				(11.1)
Total transactions with owners of the company		**0,0**		**(2.2)**	**(10.9)**		**(0.1)**	**(2.9)**	**(16.2)**
Equity as at 31.3.2018 attributable to owners of the company	**1,000.0**	**0,0**	**1,430.0**	**54.4**	**1,369.8**	**459.0**	**(1,936.8)**	**21,682.9**	**24,073.9**
Non-controlling interests as at 31.3.2018									17.1
Equity as at 31.3.2018									**24,091.0**

Consolidated statement of cash flows

NOK millions	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Cash flow from operating activities			
Premiums paid, net of reinsurance	10,069.1	9,385.0	31,022.5
Claims paid, net of reinsurance	(5,078.8)	(4,762.7)	(20,168.4)
Net payment of loans to customers	827.8	(1,218.5)	(5,498.6)
Net payment of deposits from customers	(589.9)	(1.7)	(647.0)
Payment of interest from customers	279.5	387.5	1,612.1
Payment of interest to customers	(15.0)	(26.1)	(297.2)
Net receipts/payments of premium reserve transfers	(657.2)	(385.9)	(1,266.8)
Net receipts/payments from financial assets	(4,577.0)	270.0	(984.1)
Operating expenses paid, including commissions	(1,272.7)	(1,337.2)	(4,586.8)
Taxes paid	(628.3)	(606.6)	(1,281.7)
Net other receipts/payments	(18.4)	1.1	204.3
Net cash flow from operating activities	**(1,661.0)**	**1,705.0**	**(1,891.7)**
Cash flow from investing activities			
Net receipts/payments from sale/acquisition of subsidiaries and associates/joint venture	5,277.6	(4.9)	(34.7)
Net receipts/payments on sale/acquisition of owner-occupied property, plant and equipment and intangible assets	(161.9)	(106.6)	(403.6)
Net cash flow from investing activities	**5,115.7**	**(111.6)**	**(438.3)**
Cash flow from financing activities			
Payment of dividend			(3,549.9)
Net receipts/payments on subordinated debt incl. interest	(11.1)	(10.0)	(41.8)
Net receipts/payments on loans to credit institutions	(140.9)	964.8	6,455.4
Net receipts/payments on other short-term liabilities	52.9	(60.4)	(26.7)
Net receipts/payments on interest on funding activities	(61.6)	(42.0)	(349.7)
Net receipts/payments on sale/acquisition of own shares	(1.7)	(2.9)	(11.0)
Repayment of lease liabilities	(37.5)		
Payment of interest related to lease liabilities	(6.4)		
Tier 1 issuance/installments			74.7
Tier 1 interest payments	(13.2)	(13.8)	(58.6)
Net cash flow from financing activities	**(219.5)**	**835.9**	**2,492.5**
Effect of exchange rate changes on cash and cash equivalents	(19.3)	(20.6)	(7.9)
Net cash flow	**3,216.0**	**2,408.7**	**154.6**
Cash and cash equivalents at the start of the period	2,839.9	2,685.2	2,685.2
Cash and cash equivalents at the end of the period	6,055.9	5,094.0	2,839.9
Net cash flow	**3,216.0**	**2,408.7**	**154.6**
Specification of cash and cash equivalents			
Deposits with central banks		60.8	53.9
Cash and deposits with credit institutions [1]	6,055.9	5,033.1	2,786.0
Total cash and cash equivalents	**6,055.9**	**5,094.0**	**2,839.9**
Specification of cash and cash equivalents from discontinued operations			
Deposits with central banks			53.9
Cash and deposits with credit institutions			422.6
Total cash and cash equivalents from discontinued operations			**476.6**
Specification of cash and cash equivalents from continuing operations			
Deposits with central banks		60.8	
Cash and deposits with credit institutions	6,055.9	5,033.1	2,363.3
Total cash and cash equivalents from continuing operations	**6,055.9**	**5,094.0**	**2,363.3**
Cash flows from discontinued operations			
Net cash flow from operating activities	(7.0)		(6,162.0)
Net cash flow from investing activities	(4.5)		(28.3)
Net cash flow from financing activities	(150.8)		6,236.8
Total cash flows from discontinued operations	**(162.3)**		**46.5**

Notes

1. Accounting policies

The consolidated financial statements as of the first quarter of 2019, concluded on 31 March 2019, comprise Gjensidige Forsikring ASA and its subsidiaries (collectively referred to as the Group) and the Group's holdings in associated companies. Except for the changes described below, the accounting policies applied in the interim report is the same as those used in the annual report for 2018.

The consolidated financial statements as of the first quarter of 2019 have been prepared in accordance with IFRS and IAS 34 Interim Financial Reporting. The interim report does not include all the information required in a complete annual report and should be read in conjunction with the annual report for 2018.

New standards adopted

IFRS 16 Leases (2016)
Gjensidige implemented IFRS 16 at 1 January 2019 and there were significant implementation effects on the balance sheet, as well as an effect on equity. Please refer to note 11 for further details.

Amendments to IAS 12: Changes in classification of tax on equity items that are classified as liability for tax purposes
In accordance with IAS 12 paragraph 57A, tax on equity items classified as liability for tax purposes are no longer classified as part of the equity transaction, but as part of the tax expense in income the income statement.

New standards and interpretations not yet adopted

A number of new standards, changes to standards and interpretations have been issued for financial years beginning after 1 January 2019. They have not been applied when preparing these consolidated financial statements. Those that may be relevant to Gjensidige are mentioned below. Gjensidige does not plan early implementation of these standards.

IFRS 9 Financial instruments (2014) in the insurance operations
IFRS 9 addresses the accounting for financial instruments and is effective for annual periods beginning on or after 1 January 2018. The standard introduces new requirements for the classification and measurement of financial assets, including a new expected loss model for the recognition of impairment losses, and changed requirements for hedge accounting.

IFRS 9 contains three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income, and fair value through profit or loss. Financial assets will be classified either at amortised cost, at fair value through other comprehensive income, or at fair value through profit or loss, depending on how they are managed and which contractual cash flow properties they have. IFRS 9 introduces a new requirement regarding financial liabilities earmarked at fair value where changes in fair value that can be attributed to the liabilities' credit risk are presented in other comprehensive income rather than over profit or loss.

Amendments to IFRS 4 Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (2016)
The amendments to IFRS 4 permit entities that predominantly undertake insurance activities the option to defer the effective date of IFRS 9 until 1 January 2021. The effect of such a deferral is that the entities concerned may continue to report under the existing standard, IAS 39 Financial Instruments. In addition, the insurance sector of a financial conglomerate is allowed to defer the application of IFRS 9 until 1 January 2021, where all of the following conditions are met:

- no financial instruments are transferred between the insurance sector and any other sector of the financial conglomerate other than financial instruments that are measured at fair value with changes in fair value recognised through the profit of loss account by both sectors involved in such transfers;
- the financial conglomerate states in the consolidated financial statements which insurance entities in the group are applying IAS 39;
- disclosures requested by IFRS 7 are provided separately for the insurance sector applying IAS 39 and for the rest of the group applying IFRS 9.

Gjensidige is a financial conglomerate which primarily operates insurance business and has therefore decided to make use of this exception.

IFRS 17 Insurance Contracts (2017)
IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued. IFRS 17 is a complex standard that includes some fundamental differences to current accounting for liability measurement and profit recognition. Insurance contracts will be recognised at a risk-adjusted present value of the future cash flows plus an amount representing the unearned profit in the group of contracts (the contractual service margin). If a group of contracts is or become loss-making, the loss will be recognised immediately. Insurance revenue, insurance service expenses and insurance finance income or expenses will be presented separately. IFRS 17 is expected to be effective 1 January 2022. The standard is expected to have an effect on the group's financial statements, significantly changing the measurement and presentation of income and expenses.

Based on our preliminary assessments and based on Gjensidige's current operations, other amendments to standards and interpretation statements will not have a significant effect.

The preparation of interim accounts involves the application of assessments, estimates and assumptions that affect the use of accounting policies and the amounts recognised 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 regarding preparing the interim report as in the annual report for 2018.

Comparable figures are based on IFRS. All amounts are shown in NOK millions unless otherwise indicated. Due to rounding-off differences, figures and percentages may not exactly add up to the exact total figures.

Notes are presented on a Group level. Separate notes for Gjensidige Forsikring ASA (GF ASA) is not presented as GF ASA is the material part of the Group and therefore the notes for the Group give a sufficient presentation of both the Group and GF ASA.

A complete or limited audit 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

Gjensidige Bank was discontinued from the third quarter 2018 and is no longer a separate segment in Gjensidige Group. The sale was completed on 1 March.

The Group´s core operations comprise the segments general insurance Private, Commercial, Denmark, Sweden and Baltics. The Group also has operation in the Pension segment.

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 and earned premiums and other income for Pension.

The segment result is defined as the underwriting result for general insurance and the profit before tax expense for Pension.

As from 1 January 2018 the former Nordic segment has been divided into two new segments: Denmark and Sweden. Comparable figures are changed accordingly.

1.1.-31.3.	Segment income [2]		Claims, interest expenses, loss etc.		Operating expenses		Net income from investments		Segment result/profit/(loss) before tax expense	
NOK millions	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
General Insurance Private	2,101.5	2,075.0	(1,440.6)	(1,465.8)	(266.0)	(265.4)			395.0	343.7
General Insurance Commercial	1,994.3	1,835.7	(1,452.3)	(1,554.1)	(208.7)	(212.7)			333.3	68.9
General Insurance Denmark	1,196.3	1,233.6	(919.5)	(970.5)	(174.0)	(177.6)			102.8	85.5
General Insurance Sweden	352.9	428.9	(262.3)	(347.5)	(68.8)	(71.3)			21.8	10.1
General Insurance Baltics	268.1	264.1	(177.5)	(169.2)	(85.0)	(86.1)			5.7	8.8
Pension	713.3	601.1	(615.6)	(516.4)	(63.0)	(59.8)	18.7	7.0	53.4	31.8
Eliminations etc. [1]	25.1	30.8	(4.6)	(52.3)	(151.9)	(170.0)	2,250.2	247.7	2,118.8	56.2
Total	**6,651.5**	**6,469.1**	**(4,872.4)**	**(5,075.9)**	**(1,017.3)**	**(1,043.0)**	**2,268.9**	**254.7**	**3,030.7**	**605.0**

[1] Eliminations etc. consist of internal eliminations and other income and expenses not directly attributable to one single segment, and large losses of NOK 0.0 million (69.1) for the year to date. Interest on subordinated debt is included in Net income from investments.
[2] There is no significant income between the segments at this level in 2019 and 2018.

4. Earned premiums from general insurance

NOK millions	Q1 2019	Q1 2018	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Earned premiums, gross	6,103.9	6,029.4	6,103.9	6,029.4	24,779.3
Ceded reinsurance premiums	(167.2)	(163.1)	(167.2)	(163.1)	(726.5)
Total earned premiums, net of reinsurance	**5,936.7**	**5,866.3**	**5,936.7**	**5,866.3**	**24,052.8**

5. Claims incurred etc. from general insurance

NOK millions	Q1 2019	Q1 2018	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Gross claims	(4,324.4)	(4,615.1)	(4,324.4)	(4,615.1)	(17,111.6)
Claims, reinsurers' share	67.6	55.7	67.6	55.7	320.5
Total claims incurred etc. from general insurance	**(4,256.8)**	**(4,559.5)**	**(4,256.8)**	**(4,559.5)**	**(16,791.1)**

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

NOK millions	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Earned premiums from general insurance	5,936.7	5,866.3	24,052.8
Run-off gain/(loss) for the period, net of reinsurance [1]	365.6	340.1	2,356.9
In per cent of earned premiums from general insurance	6.2	5.8	9.8

[1] Run-off gains/(losses) from general insurance includes run-off from the general insurance segments in addition to run-off on Corporate Centre/reinsurance.

7. Claims provision, gross from general insurance

NOK millions	31.3.2019	31.3.2018	31.12.2018
Claims provision, gross, as at 1 January	29,355.8	31,322.7	31,322.7
Claims for the year	4,657.1	4,960.1	19,484.7
Claims incurred in prior years, gross	(331.0)	(343.0)	(2,361.1)
Claims paid	(4,792.0)	(4,633.5)	(19,083.6)
Discounting of claims provisions	14.4	18.2	68.9
Change in discounting rate	70.4	(51.8)	(55.4)
Exchange differences	(271.9)	(242.6)	(20.4)
Claims provision, gross, at the end of the period	**28,702.6**	**31,030.1**	**29,355.8**
Discounted claims provision, gross - annuities	5,796.8	5,893.4	5,941.8
Nominal claims provision, gross - annuities	6,220.8	6,725.3	6,573.4

The claims provisions shall cover future claims payments. The claims provisions for insurances with annuity payments are converted to present value (discounted), whereas other provisions are undiscounted.

The reason why the claims provisions for annuities are discounted is due to very long cash 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. For Swedish MTPL personal injuries are paid as lifelong annuities. The discount rate used is a swap interest rate.

Over the next 4 years, average annual run-off gains are expected to be around NOK 1,000 million, moving the expected reported combined ratio to the lower end of the 86-89 corridor (undiscounted).

8. 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 at the prevailing market conditions.

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 based on the lowest level input that is significant to the fair value measurement in its entirety.

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

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

The following financial assets 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 based on valuation techniques which are 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 derivatives, equity options and forward rate agreements, 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 listed 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.
- Listed subordinated debt where transactions are not occurring regularly.

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 (Net Asset Value) as reported by the fund administrators in accordance with IPEV guidelines (International Private Equity and Venture Capital Valuation. Because of late reporting from the funds, the NAV from the previous quarterly reporting is used in estimating fair value. The NAV is then assessed for discretionary adjustments based on objective events since the last reporting date. Objective events may be the development in underlying values of listed companies since the last reporting, changes in regulations or substantial market movements.
- 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.

The valuation process for financial assets classified as level three

In consultation with the Investment Performance and Risk Measurement 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 based on 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 shares and similar interests, as well as bonds and other securities with a fixed return that are included in level three of the valuation hierarchy.

NOK millions	Carrying amount as at 31.3.2019	Fair value as at 31.3.2019	Carrying amount as at 31.3.2018	Fair value as at 31.3.2018
Financial assets				
Financial derivatives				
Financial derivatives at fair value through profit or loss	515.3	515.3	553.6	553.6
Financial assets at fair value through profit or loss, designated upon initial recognition				
Shares and similar interests	5,729.8	5,729.8	6,400.5	6,400.5
Bonds and other fixed income securities	29,428.0	29,428.0	31,258.7	31,258.7
Shares and similar interests in life insurance with investment options	22,991.9	22,991.9	19,953.3	19,953.3
Bonds and other fixed income securities in life insurance with investment options	3,653.3	3,653.3	2,775.2	2,775.2
Loans	3.9	3.9	0,0	0,0
Financial assets held to maturity				
Bonds held to maturity	249.4	250.5	693.3	705.6
Loans and receivables				
Bonds and other fixed income securities classified as loans and receivables	20,355.1	21,401.4	20,172.1	21,288.6
Loans	2,483.2	2,483.2	49,110.0	49,110.0
Receivables related to direct operations and reinsurance	8,367.2	8,367.2	8,188.8	8,188.8
Other assets and receivables	1,341.9	1,341.9	593.6	593.6
Prepaid expenses and earned, not received income	191.8	191.8	439.8	439.8
Cash and cash equivalents	6,055.9	6,055.9	5,094.0	5,094.0
Total financial assets	**101,366.8**	**102,414.2**	**145,232.9**	**146,361.7**
Financial liabilities				
Financial derivatives				
Financial derivatives at fair value through profit or loss	744.4	744.4	619.1	619.1
Financial liabilities at fair value through profit or loss, designated upon initial recognition				
Debt in life insurance with investment options	26,645.2	26,645.2	22,728.6	22,728.6
Financial liabilities at amortised cost				
Subordinated debt	1,498.1	1,487.6	1,947.4	1,964.5
Deposits from and liabilities to customers, bank	0,0	0,0	23,764.0	23,764.0
Interest-bearing liabilities	1,254.9	1,254.9	23,944.7	24,166.7
Other liabilities	6,529.3	6,529.3	2,510.5	2,510.5
Liabilities related to direct insurance	974.8	974.8	757.9	757.9
Accrued expenses and deferred income	419.9	419.9	571.2	571.2
Total financial liabilities	**38,066.6**	**38,056.2**	**76,843.2**	**77,082.4**
Gain/(loss) not recognised in profit or loss		**1,057.9**		**889.7**

Valuation hierarchy 2019

The table shows a valuation hierarchy where financial assets/liabilities are divided into three levels based on the method of valuation.

NOK millions	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		515.3		515.3
Financial assets at fair value through profit or loss, designated upon initial recognition				
Shares and similar interests	140.4	4,240.0	1,349.5	5,729.8
Bonds and other fixed income securities	12,354.4	16,308.9	764.7	29,428.0
Shares and similar interests in life insurance with investment options	22,958.4	33.6		22,991.9
Bonds and other fixed income securities in life insurance with investment options	3,636.9	16.4		3,653.3
Loans			3.9	3.9
Financial assets at amortised cost				
Bonds held to maturity	250.5			250.5
Bonds and other fixed income securities classified as loans and receivables		21,401.4		21,401.4
Loans			2,483.2	2,483.2
Financial liabilities				
Financial derivatives				
Financial derivatives at fair value through profit or loss		744.4		744.4
Financial liabilities at fair value through profit or loss, designated upon initial recognition				
Debt in life insurance with investment options	26,595.3	49.9		26,645.2
Financial liabilities at amortised cost				
Subordinated debt		1,487.6		1,487.6
Interest-bearing liabilities		1,254.9		1,254.9

Valuation hierarchy 2018

The table shows a valuation hierarchy where financial assets/liabilities are divided into three levels based on the method of valuation.

NOK millions	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		553.6		553.6
Financial assets at fair value through profit or loss, designated upon initial recognition				
Shares and similar interests	65.6	5,006.6	1,328.4	6,400.5
Bonds and other fixed income securities	12,856.1	17,553.2	849.3	31,258.7
Shares and similar interests in life insurance with investment options	19,940.2	13.2		19,953.3
Bonds and other fixed income securities in life insurance with investment options	2,761.5	13.7		2,775.2
Financial assets at amortised cost				
Bonds held to maturity	274.1	431.5		705.6
Bonds and other fixed income securities classified as loans and receivables		16,540.1	4,748.4	21,288.6
Loans		4,743.8	44,366.1	49,110.0
Financial liabilities				
Financial derivatives				
Financial derivatives at fair value through profit or loss		619.1		619.1
Financial liabilities at fair value through profit or loss, designated upon initial recognition				
Debt in life insurance with investment options	22,701.7	26.8		22,728.6
Financial liabilities at amortised cost				
Subordinated debt		1,964.5		1,964.5
Interest-bearing liabilities		24,000.5	166.1	24,166.7

Reconciliation of financial assets valued based on non-observable market data (level 3) 2019

NOK millions	As at 1.1.2019	Net realised/ unrealised gains recognised in profit or loss	Purch-ases	Sales	Settle-ments	Trans-fers into/out of level 3	Cur-rency effect	As at 31.3.2019	Amount of net realised/ unrealised gains recognised in profit or loss that are attributable to instruments held as at 31.3.2019
Shares and similar interests	1,359.1	17.2	33.2	(59.8)			(0.2)	1,349.5	33.1
Bonds and other fixed income securities	778.7	4.4					(18.4)	764.7	
Loans at fair value						3.8	0,0	3.9	
Total	**2,137.8**	**21.6**	**33.2**	**(59.8)**		**3.8**	**(18.6)**	**2,118.1**	**33.1**

Sensitivity of financial assets valued based on non-observable market data (level 3) 2019

NOK millions		Sensitivity
Shares and similar interests	Change in value 10%	134.9
Bonds and other fixed income securities	Change in value 10%	76.5
Loans at fair value	Change in value 10%	0.4
Total		**211.8**

Reconciliation of financial assets valued based on non-observable market data (level 3) 2018

NOK millions	As at 1.1.2018	Net realised/ unrealised gains recognised in profit or loss	Purch-ases	Sales	Settle-ments	Trans-fers into/out of level 3	Cur-rency effect	As at 31.3.2018	Amount of net realised/ unrealised gains recognised in profit or loss that are attributable to instruments held as at 31.3.2018
Shares and similar interests	2,211.8	5.9	39.4	(17.1)		(911.7)	(0.1)	1,328.4	33.7
Bonds and other fixed income securities	904.3	30.2		(69.9)			(15.3)	849.3	
Total	**3,116.2**	**36.1**	**39.4**	**(86.9)**		**(911.7)**	**(15.4)**	**2,177.7**	**33.7**

Sensitivity of financial assets valued based on non-observable market data (level 3) 2018

NOK millions		Sensitivity
Shares and similar interests	Change in value 10%	132.8
Bonds and other fixed income securities	Change in value 10%	84.9
Total		**217.8**

9. Contingent liabilities

NOK millions	31.3.2019	31.3.2018	31.12.2018
Guarantees and committed capital			
Gross guarantees	0.1	0.1	0.1
Committed capital, not paid	812.1	1,092.7	702.2

As part of its ongoing financial management Gjensidige has committed, but not paid up to NOK 812.1 million (1,092.7) in loan funds containing secured debt and various private equity and real estate funds, over and above the amounts recognised in the balance sheet.

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

According to the agreement with Gjensidige Pensjonskasse the return, if not sufficient to cover the pension plans guaranteed interest rate, should be covered from the premium fund or through contribution from Gjensidige Forsikring.

10. Related parties

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

11. Leasing

IFRS 16 requires all contracts that qualify under its definition as a lease to be reported on a lessee`s balance sheet as right of use assets and lease liabilities. Earlier classification of leases as either operating leases or finance leases are removed. Short-term leases (less than 12 months) and leases of low-value assets are exempt from the requirements. A lessee shall recognise a right-of-use asset and a lease liability. The interest effect of discounting the lease liability shall be presented separately from the depreciation charge for the right-of-use asset. The depreciation expense will be presented with the group's other depreciations, whereas the interest effect of discounting will be presented as a financial item.

To determine whether a contract contains a lease, it is considered whether the contract conveys the right to control the use of an identified asset. This is for Gjensidige considered to be the case for rental contracts, leases for cars and some office machines, etc. However, the main part of the latter group is exempted for recognition due to low value. IT agreements are not considered to fall under IFRS 16 since these are based on the purchase of capacity that is not physically separated and thus not identifiable.

The rental period is calculated based on the duration of the agreement plus any option periods if these with reasonable certainty will be exercised. Joint expenses etc. are not recognised in the lease liability for the rental contracts.

The discount rate for the rental contracts is determined by looking at observable borrowing rates in the bond market for each of the countries in which Gjensidige operates. The interest rates are adapted to the actual lease contracts duration etc. The discount rate for the leasing cars is determined based on an assessment of which loan interest Gjensidige would achieve for financing cars from a financing company.

Gjensidige has recognised its lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application, as well as the recognition of related right-of-use assets to an amount corresponding to the lease liability according to the modified retrospective approach. However, for the largest rental agreements in Norway, Sweden and Denmark, Gjensidige has chosen to recognise the right-of-use asset at the carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate at the date of initial application. Comparative figures were not adjusted. The difference between this and the lease liability, less deferred tax, amounted to NOK 61.4 million and was recognised directly in equity on 1 January 2019.

NOK millions	31.3.2019	1.1.2019
Leases in the balance sheet		
Assets		
Right-of-use assets - property	1,177.2	1,210.0
Right- of-use assets - plant and equipment	11.7	13.6
Total	**1,189.0**	**1,223.7**
Liabilities		
Lease liabilities	1,254.9	1,304.3
Leases in the income statement		
Depreciation right-of-use assets	(39.3)	
Interest expense on lease liabilities	(8.2)	

Alternative performance measures and key figures

		1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Gjensidige Forsikring Group				
Equity	NOK millions	22,393.6	24,091.0	23,845.2
Equity per share	NOK	44.8	48.2	47.7
Earnings per share in the period, basic and diluted [1]	NOK	5.57	1.07	7.44
Return on equity, annualised [2]	%	49.6	9.3	17.3
Return on tangible equity, annualised [2]	%	63.2	11.9	22.4
Return on financial assets [2]	%	1.2	0.5	1.5
Total eligible own funds to meet the group SCR [3]	NOK millions	24,618.5	21,599.4	23,665.1
Group SCR margin [4]	%	248.1	159.4	168.5
Total eligible own funds to meet the minimum consolidated group SCR [5]	NOK millions	21,613.0	14,239.2	15,772.6
Minimum consolidated group SCR margin [6]	%	437.6	290.7	321.9
Gjensidige Forsikring ASA				
Total eligible own funds to meet the SCR [7]	NOK millions	23,652.3	19,352.7	21,899.5
SCR margin [8]	%	259.8	210.7	234.6
Total eligible own funds to meet the MCR [9]	NOK millions	20,782.7	16,491.0	19,051.8
MCR margin [10]	%	507.3	399.1	465.0
Issued shares, at the end of the period	Number	500,000,000	500,000,000	500,000,000
General Insurance				
Gross premiums written [2]				
Private	NOK millions	2,764.9	2,823.0	8,942.2
Commercial	NOK millions	3,923.2	3,580.7	8,017.9
Denmark	NOK millions	2,222.5	2,262.6	5,196.8
Sweden	NOK millions	460.2	518.8	1,495.1
Baltics	NOK millions	305.5	292.5	1,110.1
Corporate Centre/reinsurance	NOK millions	113.6	105.6	105.7
Total General Insurance	NOK millions	9,789.8	9,583.2	24,867.8
Premiums, net of reinsurance [2]	%	96.0	96.0	97.1
Earned premiums				
Private	NOK millions	2,101.5	2,075.0	8,762.5
Commercial	NOK millions	1,994.3	1,835.7	7,603.3
Denmark	NOK millions	1,196.3	1,233.6	4,904.6
Sweden	NOK millions	352.9	428.9	1,569.2
Baltics	NOK millions	268.1	264.1	1,078.8
Corporate Centre/reinsurance	NOK millions	23.6	29.1	134.4
Total General Insurance	NOK millions	5,936.7	5,866.3	24,052.8
Loss ratio [2]				
Private	%	68.5	70.6	65.3
Commercial	%	72.8	84.7	68.2
Denmark	%	76.9	78.7	76.8
Sweden	%	74.3	81.0	78.5
Baltics	%	66.2	64.1	62.7
Total General Insurance	%	71.7	77.7	69.8
Underlying frequency loss ratio [2]				
Private	%	73.1	76.5	72.6
Commercial	%	78.6	85.6	78.0
Denmark	%	80.3	80.8	79.1
Sweden	%	79.4	80.9	80.7
Baltics	%	72.1	66.1	64.9
Total General Insurance	%	76.5	79.7	75.6
Cost ratio [2]				
Private	%	12.7	12.8	12.6
Commercial	%	10.5	11.6	11.5
Denmark	%	14.5	14.4	14.4
Sweden	%	19.5	16.6	16.5
Baltics	%	31.7	32.6	31.0
Total General Insurance	%	14.9	15.3	15.2

		1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Combined ratio [2]				
Private	%	81.2	83.4	77.9
Commercial	%	83.3	96.2	79.6
Denmark	%	91.4	93.1	91.1
Sweden	%	93.8	97.7	95.0
Baltics	%	97.9	96.7	93.7
Total General Insurance	%	86.6	93.0	85.0
Combined ratio discounted [2]	%	86.6	91.7	84.0
Pension				
Assets under management pension, at the end of the period	NOK millions	33,680.6	28,979.6	30,688.2
of which the group policy portfolio	NOK millions	6,798.5	6,195.5	6,586.4
Operating margin [2]	%	35.48	29.37	34.41
Recognised return on the paid-up policy portfolio [11]	%	0.92	2.27	5.61
Value-adjusted return on the paid-up policy portfolio [12]	%	1.24	1.11	4.30
Share of shared commercial customers [13]	%	69.7	69.7	70.0
Return on equity, annualised [2]	%	20.6	12.9	16.0

[1] Earnings per share from continuing and discontinued operations, basic and diluted = the shareholders' share of the profit or loss from continuing and discontinued operations in the period/average number of outstanding shares in the period

[2] Defined as alternative performance measure (APM). APMs are described on www.gjensidige.no/reporting in document named APMs Gjensidige Forsikring Group Q1 2019.

[3] Total eligible own funds to meet the group SCR = Total eligible own funds to meet the group solvency capital requirement, where the group solvency capital requirement is based on approved partial internal model. Total comprehensive income for the year-to-date is included in the solvency calculations, minus a formulaic dividend pay-out ratio of 80 per cent of net profit (excluding the gain from Gjensidige Bank).

[4] Group SCR margin = Ratio of total eligible own funds to group solvency capital requirement, where the group solvency capital requirement is based on approved partial internal model.

[5] Total eligible own funds to meet the minimum consolidated group SCR = Total eligible own funds to meet the minimum consolidated group solvency capital requirement, where the minimum consolidated group solvency capital requirement is based on approved partial internal model. Total comprehensive income for the year-to-date is included in the solvency calculations, minus a formulaic dividend pay-out ratio of 80 per cent of net profit (excluding the gain from Gjensidige Bank).

[6] Minimum consolidated group SCR margin = Ratio of eligible own funds to minimum consolidated group solvency capital requirement, where the minimum consolidated group solvency capital requirement is based on approved partial internal model.

[7] Total eligible own funds to meet the SCR = Total eligible own funds to meet the solvency capital requirement for Gjensidige Forsikring ASA, where the solvency capital requirement is based on approved partial internal model. Total comprehensive income for the year-to-date is included in the solvency calculations, minus a formulaic dividend pay-out ratio of 80 per cent of net profit (excluding the gain from Gjensidige Bank).

[8] SCR margin = Ratio of total eligible own funds to solvency capital requirement for Gjensidige Forsikring ASA, where the solvency capital requirement is based on approved partial internal model.

[9] Total eligible own funds to meet the MCR = Total eligible own funds to meet the minimum capital requirement for Gjensidige Forsikring ASA, where the minimum capital requirement is based on approved partial internal model. Total comprehensive income for the year-to-date is included in the solvency calculations, minus a formulaic dividend pay-out ratio of 80 per cent of net profit (excluding the gain from Gjensidige Bank).

[10] MCR margin = Ratio of eligible own funds to minimum capital requirement for Gjensidige Forsikring ASA, where the minimum capital requirement is based on approved partial internal model.

[11] Recognised return on the paid-up policy portfolio = realised return on the portfolio

[12] Value-adjusted return on the paid-up policy portfolio = total return on the portfolio

[13] Share of shared commercial customers = customers having both pension and general insurance products with Gjensidige

Quarterly earnings performance

NOK millions	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
Earned premiums from general insurance	5,936.7	6,081.2	6,118.1	5,987.2	5,866.3	5,969.5	6,056.4	5,824.7	5,547.7
Other income	714.7	511.7	499.2	595.0	602.8	522.9	553.6	352.2	539.1
Total operating income	**6,651.5**	**6,592.9**	**6,617.4**	**6,582.1**	**6,469.1**	**6,492.3**	**6,610.0**	**6,177.0**	**6,086.8**
Total net income from investments	**2,268.9**	**(224.6)**	**429.7**	**370.4**	**254.7**	**487.1**	**475.5**	**471.0**	**568.6**
Total operating income and net income from investments	**8,920.4**	**6,368.3**	**7,047.1**	**6,952.5**	**6,723.8**	**6,979.5**	**7,085.5**	**6,648.0**	**6,655.4**
Claims incurred etc. from general insurance	(4,256.8)	(3,268.9)	(4,591.7)	(4,371.0)	(4,559.5)	(4,468.4)	(4,013.7)	(3,961.7)	(3,957.9)
Claims incurred etc. from pension	(615.6)	(408.1)	(406.1)	(503.0)	(516.4)	(444.9)	(478.1)	(282.6)	(456.2)
Total claims etc.	**(4,872.4)**	**(3,676.9)**	**(4,997.8)**	**(4,874.0)**	**(5,075.9)**	**(4,913.3)**	**(4,491.9)**	**(4,244.2)**	**(4,414.1)**
Operating expenses from general insurance	(881.8)	(897.9)	(953.0)	(909.3)	(895.7)	(945.7)	(892.5)	(890.7)	(857.6)
Other operating expenses	(135.5)	(132.3)	(132.3)	(134.3)	(147.3)	(124.9)	(123.1)	(132.1)	(121.5)
Total operating expenses	**(1,017.3)**	**(1,030.2)**	**(1,085.3)**	**(1,043.6)**	**(1,043.0)**	**(1,070.7)**	**(1,015.6)**	**(1,022.8)**	**(979.0)**
Total expenses	**(5,889.7)**	**(4,707.1)**	**(6,083.1)**	**(5,917.6)**	**(6,118.8)**	**(5,984.0)**	**(5,507.5)**	**(5,267.0)**	**(5,393.1)**
Profit/(loss) for the period before tax expense	**3,030.7**	**1,661.2**	**964.0**	**1,034.9**	**605.0**	**995.5**	**1,578.1**	**1,381.0**	**1,262.2**
Underwriting result general insurance	**798.1**	**1,914.4**	**573.4**	**706.8**	**411.2**	**555.4**	**1,150.2**	**972.3**	**732.2**

NOK millions	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014
Earned premiums from general insurance	5,685.6	5,705.5	5,536.8	5,514.0	5,493.5	5,471.2	5,188.1	5,119.2	5,214.4
Other income	476.5	440.2	315.1	338.1	498.6	357.4	333.4	364.0	481.8
Total operating income	**6,162.1**	**6,145.6**	**5,851.9**	**5,852.2**	**5,992.1**	**5,828.6**	**5,521.5**	**5,483.2**	**5,696.3**
Total net income from investments	**541.5**	**709.2**	**573.9**	**328.0**	**618.7**	**(156.5)**	**508.0**	**518.1**	**363.1**
Total operating income and net income from investments	**6,703.6**	**6,854.8**	**6,425.8**	**6,180.2**	**6,610.8**	**5,672.1**	**6,029.4**	**6,001.3**	**6,059.4**
Claims incurred etc. from general insurance	(4,013.8)	(4,004.3)	(3,599.6)	(3,898.1)	(3,734.7)	(3,588.0)	(3,341.8)	(3,933.0)	(3,607.9)
Claims incurred etc. from pension	(387.1)	(371.2)	(250.2)	(275.1)	(432.8)	(286.4)	(263.1)	(293.5)	(423.3)
Total claims etc.	**(4,400.9)**	**(4,375.5)**	**(3,849.8)**	**(4,173.2)**	**(4,167.5)**	**(3,874.3)**	**(3,604.9)**	**(4,226.5)**	**(4,031.2)**
Operating expenses from general insurance	(971.3)	(989.4)	(865.6)	(365.2)	(879.5)	(792.3)	(776.1)	(769.6)	(799.3)
Other operating expenses	(120.0)	(115.7)	(119.7)	(114.7)	(176.0)	(111.1)	(93.8)	(95.8)	(118.4)
Total operating expenses	**(1,091.3)**	**(1,105.1)**	**(985.2)**	**(479.9)**	**(1,055.5)**	**(903.4)**	**(869.9)**	**(865.4)**	**(917.7)**
Total expenses	**(5,492.2)**	**(5,480.6)**	**(4,835.1)**	**(4,653.1)**	**(5,223.0)**	**(4,777.7)**	**(4,474.8)**	**(5,091.9)**	**(4,949.0)**
Profit/(loss) for the period before tax expense	**1,211.4**	**1,374.2**	**1,590.8**	**1,527.1**	**1,387.7**	**894.4**	**1,554.6**	**909.3**	**1,110.4**
Underwriting result general insurance	**700.4**	**711.8**	**1,071.6**	**1,250.7**	**879.2**	**1,091.0**	**1,070.2**	**416.5**	**807.2**

Income statement

Gjensidige Forsikring ASA

NOK millions	1.1.-31.3.2019	1.1.-31.3.2018	1.1.-31.12.2018
Premiums			
Earned premiums, gross	5,691.5	5,617.7	23,105.9
Ceded reinsurance premiums	(162.1)	(154.2)	(715.9)
Total earned premiums, net of reinsurance	**5,529.4**	**5,463.5**	**22,389.9**
General insurance claims			
Gross claims	(4,023.9)	(4,312.6)	(15,973.9)
Claims, reinsurers' share	59.4	57.1	324.5
Total claims incurred, net of reinsurance	**(3,964.6)**	**(4,255.5)**	**(15,649.4)**
Insurance-related operating expenses			
Insurance-related administration expenses incl. commissions for received reinsurance and sales expenses	(847.0)	(867.9)	(3,558.6)
Received commission for ceded reinsurance and profit share	11.2	8.2	51.0
Total insurance-related operating expenses	**(835.8)**	**(859.7)**	**(3,507.6)**
Profit/(loss) of technical account general insurance	**729.1**	**348.3**	**3,233.0**
Net income from investments			
Income from investments in subsidiaries, associates and joint ventures	3,097.3	94.9	374.0
Impairment losses of investments in subsidiaries, associates and joint ventures	(58.0)		(76.0)
Interest income and dividend etc. from financial assets	240.4	266.3	1,043.1
Changes in fair value on investments	605.0	(405.6)	(494.7)
Realised gain and loss on investments	(179.7)	337.2	143.2
Administration expenses related to investments, including interest expenses	(40.5)	(28.3)	(166.2)
Total net income from investments	**3,664.5**	**264.4**	**823.4**
Other income	2.6	2.9	10.3
Other expenses	(9.0)	(10.8)	(37.1)
Profit/(loss) of non-technical account	**3,658.1**	**256.6**	**796.6**
Profit/(loss) before tax expense	**4,387.2**	**604.9**	**4,029.5**
Tax expense	(267.0)	(158.7)	(995.0)
Profit/(loss) before components of other comprehensive income	**4,120.1**	**446.2**	**3,034.5**
Other comprehensive income			
Other comprehensive income that will not be reclassified to profit or loss			
Changes in estimates related to defined benefit plans			(49.4)
Tax on other comprehensive income that will not be reclassified to profit or loss			12.3
Total other comprehensive income that will not be reclassified to profit or loss			**(37.0)**
Other comprehensive income that may be reclassified to profit or loss			
Exchange differences from foreign operations	(142.1)	(120.4)	3.2
Tax on other comprehensive income that may be reclassified to profit or loss	34.7	29.5	(0.7)
Total other comprehensive income that may be reclassified to profit or loss	**(107.4)**	**(90.9)**	**2.5**
Total comprehensive income	**4,012.7**	**355.3**	**3,000.0**

Statement of financial position

Gjensidige Forsikring ASA

NOK millions	31.3.2019	31.3.2018	31.12.2018
Assets			
Goodwill	1,800.5	1,805.8	1,846.6
Other intangible assets	953.2	1,022.3	1,013.0
Total intangible assets	**2,753.7**	**2,828.1**	**2,859.5**
Investments			
Buildings and other real estate			
Owner-occupied property	28.5	28.5	28.5
Right-of-use property	1,066.2		
Subsidiaries and associates			
Shares in subsidiaries	3,834.1	6,126.6	3,832.7
Shares in subsidiaries, held for sale			2,461.5
Shares in associates and joint ventures	1,086.9	1,086.9	1,086.9
Interest-bearing receivables on subsidiaries and joint ventures	2,439.1	1,935.8	2,513.1
Financial assets measured at amortised cost			
Bonds held to maturity		391.2	105.8
Loans and receivables	15,321.3	15,675.8	15,471.3
Financial assets measured at fair value			
Shares and similar interests (incl. shares and similar interests measured at cost)	5,624.3	6,370.0	5,061.4
Bonds and other fixed-income securities	25,410.0	22,311.5	22,152.3
Subordinated loans	3.9		44.3
Financial derivatives	515.3	470.9	577.9
Other investments	111.0	111.0	111.0
Reinsurance deposits	1,123.9	494.8	1,094.7
Total investments	**56,564.4**	**55,003.0**	**54,541.4**
Reinsurers' share of insurance-related liabilities in general insurance, gross			
Reinsurers' share of provision for unearned premiums, gross	260.3	259.8	39.6
Reinsurers' share of claims provision, gross	451.7	548.1	473.6
Total reinsurers' share of insurance-related liabilities in general insurance, gross	**711.9**	**808.0**	**513.2**
Receivables			
Receivables related to direct operations	7,903.8	7,690.2	6,323.5
Receivables related to reinsurance	84.7	102.0	75.5
Receivables within the group	104.2	46.2	339.6
Other receivables	1,017.8	256.4	820.2
Total receivables	**9,110.3**	**8,094.9**	**7,558.9**
Other assets			
Plant and equipment	248.4	257.2	203.7
Cash and cash equivalents	5,434.1	4,322.4	1,656.4
Pension assets	155.2	204.4	155.2
Total other assets	**5,837.6**	**4,784.0**	**2,015.2**
Prepaid expenses and earned, not received income			
Other prepaid expenses and earned, not received income	134.2	187.7	46.2
Total prepaid expenses and earned, not received income	**134.2**	**187.7**	**46.2**
Total assets	**75,112.2**	**71,705.6**	**67,534.4**

NOK millions	31.3.2019	31.3.2018	31.12.2018
Equity and liabilities			
Paid in equity			
Share capital	1,000.0	1,000.0	1,000.0
Own shares	0,0	0,0	(0.1)
Share premium	1,430.0	1,430.0	1,430.0
Perpetual Tier 1 Capital	1,001.6	1,000.1	1,000.5
Other paid in equity	60.8	49.4	58.2
Total paid in equity	**3,492.3**	**3,479.4**	**3,488.6**
Retained equity			
Funds etc.			
Natural perils capital	2,504.5	2,381.9	2,491.1
Guarantee scheme provision	653.9	638.3	653.9
Other retained earnings	14,579.3	11,720.7	10,655.3
Total retained earnings	**17,737.7**	**14,740.9**	**13,800.3**
Total equity	**21,230.0**	**18,220.3**	**17,288.9**
Subordinated debt	1,198.4	1,198.1	1,198.3
Insurance-related liabilities in general insurance, gross			
Provision for unearned premiums, gross	12,908.1	12,114.5	9,399.6
Claims provision, gross	28,148.7	30,395.1	28,769.8
Provision for premium discounts and other profit agreements	71.3	62.1	75.4
Total insurance-related liabilities in general insurance, gross	**41,128.2**	**42,571.6**	**38,244.9**
Provision for liabilities			
Pension liabilities	559.0	551.5	559.9
Current tax	306.3	513.7	591.3
Deferred tax liabilities	1,239.6	1,121.5	1,289.0
Other provisions	250.6	244.9	316.5
Total provision for liabilities	**2,355.4**	**2,431.7**	**2,756.7**
Liabilities			
Liabilities related to direct insurance	332.5	242.1	381.5
Liabilities related to reinsurance	189.0	259.6	40.9
Financial derivatives	744.4	544.2	869.9
Accrued dividend	3,550.0	3,550.0	3,550.0
Other liabilities	4,033.2	2,345.4	2,766.0
Liabilities to subsidiaries and associates	3.5		104.9
Total liabilities	**8,852.6**	**6,941.3**	**7,713.3**
Accrued expenses and deferred income			
Other accrued expenses and deferred income	347.6	342.5	332.3
Total accrued expenses and deferred income	**347.6**	**342.5**	**332.3**
Total equity and liabilities	**75,112.2**	**71,705.6**	**67,534.4**

Statement of changes in equity

Gjensidige Forsikring ASA

NOK millions	Share capital	Own shares	Share premium	Other paid-in capital	Perpetual Tier 1 capital	Exchange differ-ences	Changes in estimates related to defined benefit plans	Other earned equity	Total equity
Equity as at 31.12.2017	**1,000.0**	**0,0**	**1,430.0**	**45.1**	**999.8**	**383.8**	**(1,932.8)**	**15,945.9**	**17,871.7**
Adjustment due to amendment to IFRS 2				5.5					5.5
Equity as at 1.1.2018	**1,000.0**	**0,0**	**1,430.0**	**50.6**	**999.8**	**383.8**	**(1,932.8)**	**15,945.9**	**17,877.2**
1.1.-31.12.2018									
Comprehensive income									
Profit/(loss)					35.0			2,999.5	3,034.5
Total components of other comprehensive income				0.1		2.4	(37.0)		(34.5)
Total comprehensive income				**0.1**	**35.0**	**2.4**	**(37.0)**	**2,999.5**	**3,000.0**
Transactions with owners of the company									
Own shares		0,0						(10.9)	(11.0)
Accrued and paid dividend								(3,549.9)	(3,549.9)
Equity-settled share-based payment transactions				7.6					7.6
Perpetual Tier 1 capital					0.6			(0.6)	
Perpetual Tier 1 capital - interest paid					(34.9)				(34.9)
Total transactions with owners of the company		**0,0**		**7.6**	**(34.3)**			**(3,561.5)**	**(3,588.2)**
Equity as at 31.12.2018	**1,000.0**	**(0.1)**	**1,430.0**	**58.2**	**1,000.5**	**386.2**	**(1,969.8)**	**15,384.0**	**17,288.9**
Adjustment on initial application of IFRS 16								(61.4)	(61.4)
Equity as at 1.1.2018	**1,000.0**	**(0.1)**	**1,430.0**	**58.2**	**1,000.5**	**386.2**	**(1,969.8)**	**15,322.6**	**17,227.6**
1.1.-31.3.2019									
Comprehensive income									
Profit/(loss)					12.2			4,107.9	4,120.1
Total components of other comprehensive income				(0.1)		(107.1)	(0.2)		(107.4)
Total comprehensive income				**(0.1)**	**12.2**	**(107.1)**	**(0.2)**	**4,107.9**	**4,012.7**
Transactions with owners of the company									
Own shares		0,0						(1.8)	(1.7)
Equity-settled share-based payment transactions				2.7					2.7
Perpetual Tier 1 capital					0.2			(0.2)	
Perpetual Tier 1 capital - interest paid					(11.2)				(11.2)
Total transactions with owners of the company		**0,0**		**2.7**	**(11.1)**			**(1.9)**	**(10.2)**
Equity as at 31.3.2019	**1,000.0**	**0,0**	**1,430.0**	**60.8**	**1,001.6**	**279.1**	**(1,970.0)**	**19,428.6**	**21,230.0**
1.1.-31.3.2018									
Comprehensive income									
Profit/(loss)					8.3			437.9	446.2
Total components of other comprehensive income				(0.1)		(90.7)	(0.1)		(90.9)
Total comprehensive income				**(0.1)**	**8.3**	**(90.7)**	**(0.1)**	**437.9**	**355.3**
Transactions with owners of the company									
Own shares		0,0						(2.9)	(2.9)
Equity-settled share-based payment transactions				(1.1)					(1.1)
Perpetual Tier 1 capital					0.2			(0.2)	
Perpetual Tier 1 capital - interest paid					(8.2)				(8.2)
Total transactions with owners of the company		**0,0**		**(1.1)**	**(8.1)**			**(3.0)**	**(12.2)**
Equity as at 31.3.2018	**1,000.0**	**0,0**	**1,430.0**	**49.4**	**1,000.1**	**293.1**	**(1,932.9)**	**16,380.8**	**18,220.3**

Gjensidige is a leading Nordic insurance group listed on the Oslo Stock Exchange. We have about 3,900 employees and offer insurance products in Norway, Denmark, Sweden and the Baltic states. In Norway, we also offer pension and savings.
The Group's operating income was NOK 26 billion in 2018, while total assets were NOK 157 billion.

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