

Interim Report
Gjensidige NOR ASA
30.06.2003



**Gjensidige
NOR**

PROFIT AND LOSS ACCOUNT

(NOK Million)	Note	1st half 2003	1st half 2002	2nd quarter 2003	2nd quarter 2002	Year end 2002
Interest income	2	8 785	8 858	4 232	4 461	18 403
Interest expenses	2	5 873	6 082	2 743	3 052	12 688
Net Interest Income		2 912	2 776	1 489	1 409	5 715
Dividends	3	96	88	58	43	148
Commission income	3	906	906	449	462	1 778
Commission expenses	3	275	289	150	147	557
Capital gains	3	250	119	143	18	162
Additional operating income	3	247	252	117	120	461
Other Operating Income, net		1 224	1 076	617	496	1 992
Net Profit - Gj. NOR Spareforsikring	4	113	(99)	75	(120)	(157)
Operating Income		4 249	3 753	2 181	1 785	7 550
Personnel and administrative expenses	5,6	1 815	1 793	912	891	3 612
Depreciation and write-downs	5	237	227	121	118	482
Other operating expenses	5	333	304	141	161	674
Operating Expenses		2 385	2 324	1 174	1 170	4 768
Operating Profit before Losses		1 864	1 429	1 007	615	2 782
Losses on loans and guarantees	7,8	332	160	251	105	546
Losses (gains) on long-term financial assets		0	0	0	1	2
Operating Profit	11,12	1 532	1 269	756	509	2 234
Taxes		392	387	185	176	733
Net Profit		1 140	882	571	333	1 501

RATIOS/YIELDS (% p.a. of average total assets)

Net interest income	2.26	2.33	2.32	2.34	2.35
Other operating income, net	1.04	0.82	1.08	0.62	0.75
Operating expenses	1.85	1.95	1.83	1.94	1.96
Operating profit before losses	1.45	1.20	1.57	1.02	1.14
Losses	0.26	0.13	0.39	0.18	0.22
Operating profit	1.19	1.06	1.18	0.84	0.92
Taxes	0.30	0.32	0.29	0.29	0.30
Net profit	0.89	0.74	0.89	0.55	0.62
Earnings per share (NOK)	13.10	10.14	6.56	3.83	17.25
Return on equity (net profit as % p.a. of average equity)	13.6	10.9	13.4	8.1	9.1

BALANCE SHEET (NOK million)

Assets	30.06.03	31.03.03	31.12.02	30.09.02	30.06.02
Cash and deposits with Central Bank of Norway	1 747	1 739	3 857	1 889	754
Deposits with and loans to credit institutions	4 959	6 648	6 220	10 375	18 212
Gross loans to customers	225 121	218 657	211 928	206 998	204 691
Specified loan loss provisions	1 123	1 044	1 087	992	950
Unspecified loan loss provisions	1 418	1 399	1 386	1 381	1 377
Net loans to customers	222 580	216 214	209 455	204 625	202 364
Repossessed assets	138	298	252	253	97
Certificates and bonds	18 792	18 402	18 955	21 005	18 035
Shares and equity interests	1 595	1 699	1 672	1 519	1 526
Associated companies/joint ventures	561	541	531	544	544
Owner interest, Spareforsikring	4	2 956	2 843	2 569	2 641
Intangible assets	13	830	885	850	874
Real estate	1 222	1 238	1 223	1 249	1 273
Fixed assets	810	839	907	938	940
Other assets	4 719	7 347	6 890	4 871	2 688
Total Assets	260 909	258 715	253 690	250 687	249 948
Liabilities and Equity					
Loans and deposits from credit institutions	39 066	33 064	31 243	30 334	30 984
Deposits from customers	123 427	123 073	122 797	114 580	114 341
Certificates and bond loans	62 445	65 269	64 798	70 557	69 062
Other liabilities, accruals and allocations	8 396	10 168	10 262	12 154	11 981
Subordinated loan capital	10 197	10 335	8 355	6 105	6 997
Share capital	8 700	8 700	8 700	8 700	8 700
Other equity	14	8 678	7 535	8 257	7 883
Total Liabilities and Equity	260 909	258 715	253 690	250 687	249 948

Report for the first six months of 2003

Gjensidige NOR ASA posted a net profit of NOK 1,140 million for the first half-year, an increase of NOK 258 million over the same period of 2002. Underlying operations are sound, more than compensating for higher loss provisioning. The result before loss provisions and tax was up NOK 435 million on last year, due to improved net interest income, higher capital gains and a considerably improved result for Life Insurance and Pensions. Earnings per share came to NOK 13.10 for the first half and to NOK 6.56 for the second quarter, representing an advance of almost NOK 3 on the first half of 2002. Disregarding goodwill amortisation, earnings per share were NOK 14.29 for the first half and NOK 7.15 for the second quarter of 2003. First-half return on equity was 13.6 per cent, up 2.7 percentage points. Group return on equity before goodwill amortisation amounted to 14.8 per cent in the same period.

INCOME

Interest rates fell significantly in the first half-year. Since November 2002 Norges Bank lowered its key rate on five occasions by a total of 3 percentage points. The interest rate fall in isolation reduced the company's direct return on equity by 1.5 percentage points between the first half of 2002 and the first half of 2003. For the full year 2003 this will weaken the result by about NOK 190 million, about half of which is reflected in the first-half figures.

At NOK 2,912 million, net interest income was NOK 136 million up on last year's figure. The customer spread, averaging 2.75 per cent this year compared with 2.89 per cent last year, weakened the result by about NOK 70 million. This is largely attributable to low interest rates which make it unfeasible to maintain the spread on current accounts representing about NOK 9 billion of total deposits. The reduced spread was however more than compensated for by higher deposit and loan volumes.

Norges Bank's 3 percentage point rate reduction will be fully priced into the bank's portfolio as from 1 August 2003, by which time the best mortgage interest rate will be 3.08 percentage points lower in effective terms. The bank has concurrently reduced its deposit spread. The fall in interest rates enables the bank to price risk more correctly, bringing a rise in the spread on corporate lending.

As of end-June 2003, year-on-year growth in deposits was 7.9 per cent. In the first half of 2003 deposit volumes remained virtually unchanged. Overall lending grew by 10 per cent in the 12 months to end-June, with loans to retail customers rising 10.8 per cent and to corporate customers 9.1 per cent. Overall first-half lending growth came to 6.2 per cent.

At NOK 1,224 million, net other operating income was NOK 148 million higher in the first half of the current year than in the same period last year. The bulk of the increase, which took place in the second quarter, is ascribable to higher capital gains, essentially as a result of interest rate developments in the money and bond market. While income from share market activities remains low, market activity shows a slight increase and some signs of higher demand for alternative savings products are in evidence.

COSTS

Group costs, which rose by NOK 61 million to NOK 2,385 million in the first half-year, are well under control. On a comparable basis, growth came to NOK 13 million or 0.6 per cent. Sound cost control combined with rising income produced a cost-income ratio of 0.56 in the second quarter.

Group staffing was reduced by 144 FTEs to 4,056 FTEs in the first half-year. For the full year 2003 staffing is to be reduced by 200 FTEs, thereby enabling a cost reduction of NOK 100 million. As of end-June the rate of cost reduction was just under NOK 70 million on an annual basis.

LOSS PROVISIONS

At NOK 332 million, net losses were NOK 172 million higher in this year's first half than in the same period last year. In the second quarter in isolation net losses totalled NOK 251 million, NOK 146 million above last year's figure. The loan portfolio is amply diversified, and exposure to industries that are particularly at risk in the current situation is modest. A breakdown of losses by industry and size of commitment confirms that the portfolio remains sound.

Losses on loans to business customers totalled NOK 250 million. Risk concentration in the corporate customer segment is low and no customer is in receipt of loans in excess of 10 per cent of the bank's capital base.

Losses on loans to the retail segment amounted to NOK 50 million, referring essentially to the credit card operation, Cresco. Cresco's losses are NOK 18 million down on the first half of last year. Net defaults recorded by Cresco were at a stable 3.3 per cent in the quarter under review.

Net defaults rose from 0.77 per cent of overall loans in last year's first half to 0.84 per cent this year. At end-2002 net defaults measured 0.91 per cent of loans. The portfolio is closely monitored. Doubtful, non-defaulted loans rose by NOK 240 million in the first half of the current year.

CAPITAL ADEQUACY

At end-June Gjensidige NOR ASA's capital ratio stood at 11.3 per cent. Core capital adequacy was 7.9 per cent, excluding first-half net profit. The capital base totalled NOK 24.5 billion, with core capital at NOK 17.2 billion.

FURTHER ISSUES

At an extraordinary general meeting held by Gjensidige NOR ASA on 19 May, the planned merger with DnB Holding ASA received a clear majority of 85.55 per cent of the shares present.

An application for the licence needed to carry out the merger was sent to the Ministry of Finance on 20 May. The Competition Authority is examining the competitive aspects of the merger, and has to give notice of any objections no later than three months after the licence application was sent. The Competition Authority must complete its consideration by 19 November 2003.

DnB NOR will comprise five business units: Retail Banking, Corporate Banking, Markets, Asset Management and Life Insurance and Pensions, along with five support functions, viz. Finance; Strategy and Development; Group Communications; IT and Payment Services; and Group Human Resources, Organisation Development and Group Services. A substantial effort has been initiated to plan the integration of the two groups.

REPORTS FROM THE BUSINESS UNITS

SAVINGS BANK

Savings Bank services retail customers and SMEs. Improved earnings and reduced costs increased pre-loss operating profit by NOK 102 million to NOK 953 million in the first half-year.

Despite general pressure on spreads due to lower interest rates, Savings Bank's first-half earnings were NOK 54 million higher than in the same period of 2002. The growth in earnings is attributable to higher business volume and improved pricing of the bank's products and services.

Overall lending grew by NOK 10 billion (8 per cent) in the 12 months to end-June. Lending to the retail segment grew 11 per cent in the period. At end-June fixed interest loans accounted for 18 per cent of Savings Bank's overall lending.

Deposit growth in the 12 months to end-June came to just over NOK 7 billion (8 per cent). There was a slight reduction in balances on current accounts, while accounts related to long-term saving showed marked growth. In the latter part of the first half-year more than NOK 1 billion was invested in equity linked bank deposits. The switch to longer-term saving contributed to a reduction of 0.12 percentage point to 2.83 per cent in the average customer spread in the first half-year.

Costs were NOK 48 million down on the first half of 2002. This is essentially related to staff reductions of 64 FTEs this year and to a reduction in marketing costs.

At NOK 115 million, losses were NOK 80 million higher than in the first half of 2002. The increase refers primarily to the SME segment. As at end-June 2003 gross defaults amounted to NOK 1,475 million, down NOK 50 million.

CORPORATE CUSTOMERS

Corporate Customers services the largest private and public sector enterprises and organisations in the country. Corporate Customers' first-half pre-loss profit was NOK 214 million, NOK 30 million higher than in the same period last year.

Interest earnings rose by NOK 17 million to NOK 200 million. Higher deposit and loan volumes, exchange rate effects and up front receipts made a positive contribution, while lower deposit spreads reduced earnings somewhat. Up front receipts are higher mainly because a growing share of Corporate Customers' transactions reward the unit for its expertise and experience. In the first half-year the loan volume rose by NOK 3.1 billion (13.4 per cent). NOK 2.3 billion of the rise refers to ordinary volume growth on new and existing customers, NOK 0.5 billion are short-term drawings while NOK 0.3 billion is

attributable to exchange rate effects. The customer spread remained unchanged in the first half-year.

Other income rose by NOK 11 million to NOK 88 million due to higher commission earnings and higher receipts from money transfer services, the latter mainly related to new large-volume customers requiring sophisticated cash management solutions.

Corporate Customers has reduced its operating expenses by NOK 2 million to NOK 74 million. Efficiency has been improved and staffing reduced by 15 FTEs over the past 12 months.

Corporate Customers' provision for losses was moderate in the first half of 2003 at NOK 48 million, an increase of NOK 18 million over the same period last year. The unit maintains good portfolio quality and prospects for losses on loans and guarantees are moderate. A review of the portfolio shows stable client numbers and volume in the high-risk segment, while client numbers and volume in the low-risk segment are rising.

Gross defaults at mid-year totalled NOK 154 million, which is NOK 43 million lower than at the end of the first quarter.

CAPITAL MARKETS

Capital Markets delivers services in the areas of securities trading, mutual funds management, discretionary asset management and fixed income and foreign exchange products, as well as banking services to Norwegian and foreign banks. Income rose by NOK 87 million to NOK 399 million in the first half-year. Pre-tax profit for the same period came to NOK 153 million compared with NOK 51 million last year.

Currency and fixed income markets were still affected by falling interest rates in the second quarter, in Norway as elsewhere. A weaker krone and lower interest rates prompted high activity and good earnings in all of Markets' segments. Progress in advisory services and sales of structured products was positive.

The Financial Institutions Section delivered sound earnings in all business areas in the first half-year. A targeted customer effort produced increased business volume which is expected to generate good earnings in 2003.

Gjensidige NOR Equities has implemented a substantial turnaround. Despite a sluggish market and a negative first-quarter result, the company is now showing growth and is in a positive profit position. Volumes for corporate business are rising, and the company has strengthened its position in the secondary equity market.

As at end-June 2003 Gjensidige NOR Kapitalforvaltning had assets totalling NOK 116 billion under management, of which NOK 32 billion refers to clients outside the Gjensidige NOR Group. The supply of assignments from non-Group clients was satisfactory in the first half-year.

At end-June Avanse Forvaltning managed assets worth NOK 24.7 billion and its market share was 20.2 per cent. The second quarter saw increased investment in mutual funds which, together

with the positive trend in the equity market, improved earnings in the quarter. Lower costs also made a positive contribution.

LIFE INSURANCE AND PENSIONS

Gjensidige NOR Spareforsikring's first-half result after a preliminary allocation to policyholders and tax came to NOK 113 million. This compares with a negative result of NOK 103 million in 2002. Undistributed profit rose from a negative NOK 1,475 million in the first half of 2002 to NOK 942 million in the current year. The preliminary allocation to policyholders over and above guaranteed return amounted to NOK 822 million. Unrealised gains worth NOK 900 million were built up in the first half-year.

The improved profit performance is primarily due to a positive trend in financial markets, while the financial strategy also renders results less exposed to market fluctuations. Net financial income totalled NOK 2,312 million in the first half of the current year compared with a negative NOK 245 million last year. This produced a first-half book return of 3.6 per cent, with value-adjusted return at 5 per cent. With unrealised gains on assets held to maturity included, value-adjusted return for the first half-year came to 6 per cent.

Premiums due for the first half-year were on a par with last year at NOK 2,327 million. Although, at NOK 293 million, first-half operating expenses were somewhat higher than the NOK 289 million recorded in 2002, in terms of policyholder assets they improved from 1.01 per cent to 0.94 per cent.

The market for group pensions showed high activity in the first half-year, and Gjensidige NOR Spareforsikring's creditable sales results continued. Interest in defined-contribution plans is growing. Sales of retail market products offering guaranteed returns were somewhat weaker than expected, while sales of unit-linked products picked up somewhat.

First-quarter market statistics for Norwegian life companies show that Gjensidige NOR Spareforsikring ASA retained its end-2002 market shares in both the retail and business segments.

The company's assets under management rose in the first half of 2003 by almost NOK 3.2 billion, or 4.8 per cent, to NOK 69.3 billion. Buffer capital was strengthened by sound financial returns, and as of end-June the company's risk capital totalled almost NOK 3.3 billion

in terms of the solvency margin requirements. At the same point the solvency margin ratio stood at 152.6 per cent and the capital adequacy ratio at 15.5 per cent.

Norwegian shares and bonds produced particularly good returns of 15.8 per cent and 9.4 per cent respectively in the first half-year. Other asset classes also performed satisfactorily. The real estate market has in general been sluggish in the past couple of years, but close scrutiny of the company's portfolio shows that there is no basis for revising the values underlying the annual report and accounts for 2002.

Gjensidige NOR Spareforsikring will continue a financial strategy entailing substantial allocations to asset classes that provide good earnings flows.

OUTLOOK

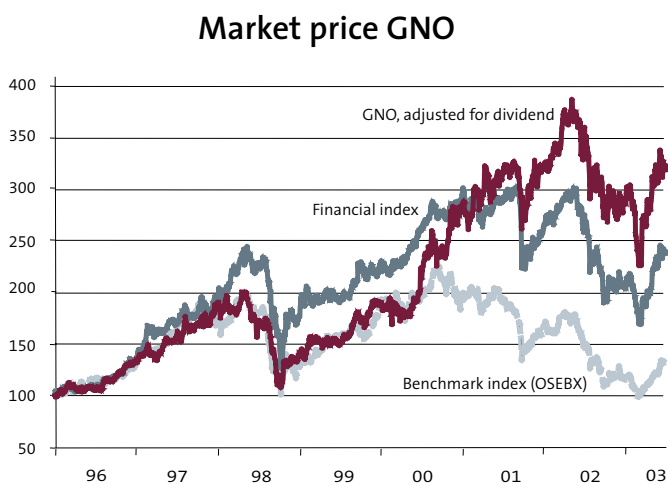
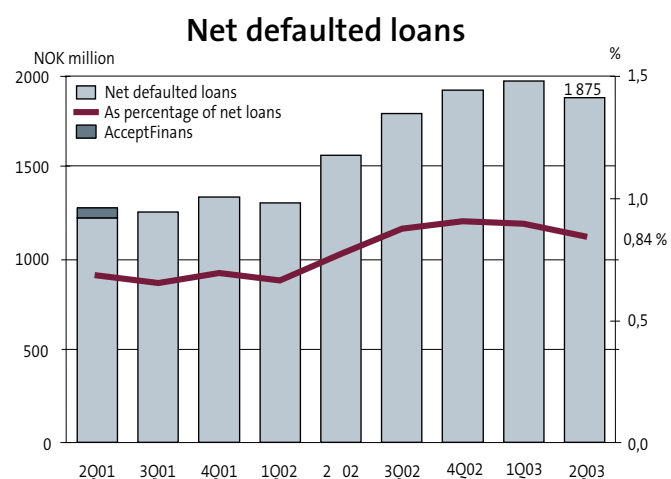
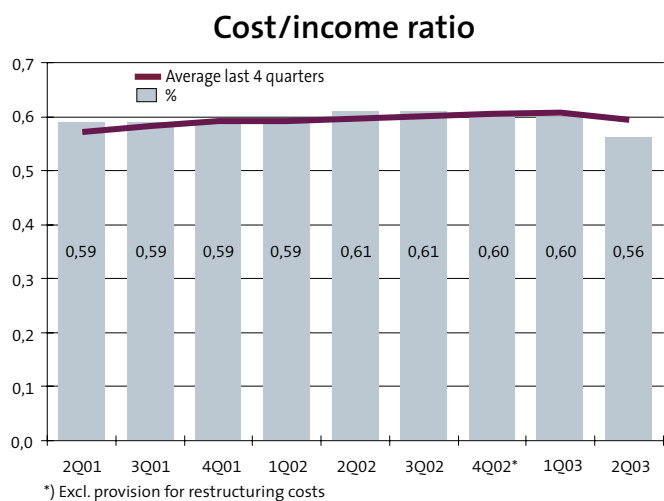
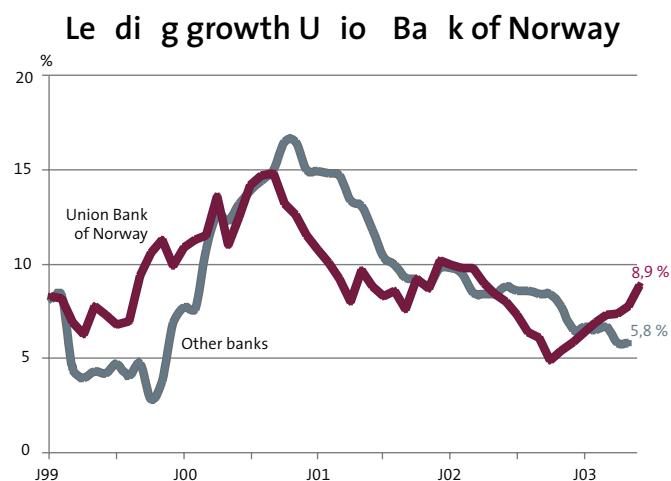
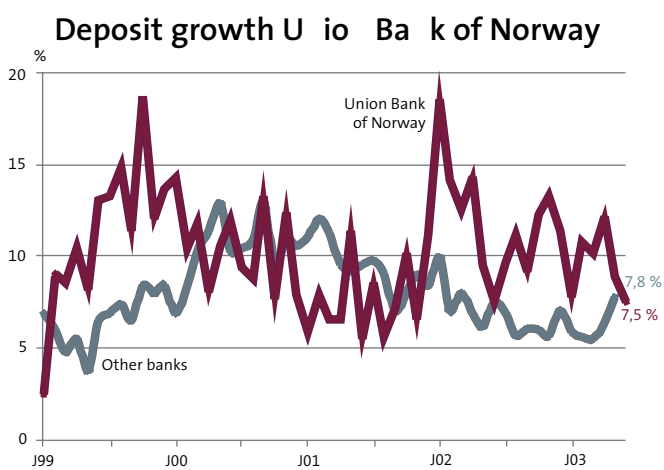
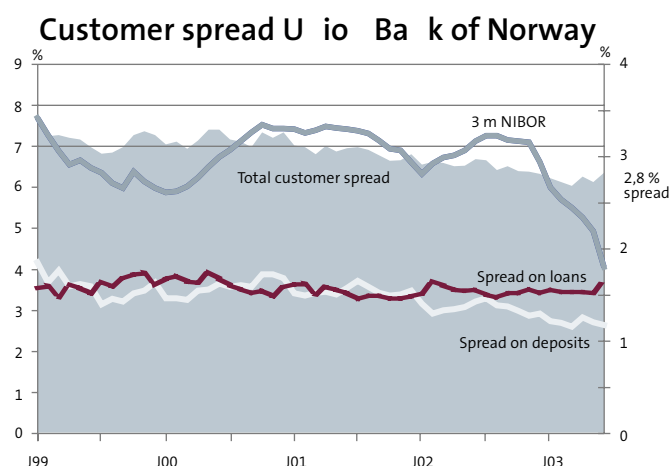
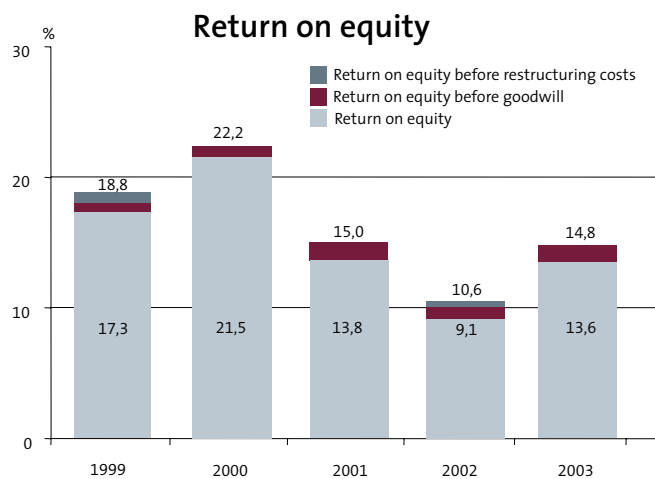
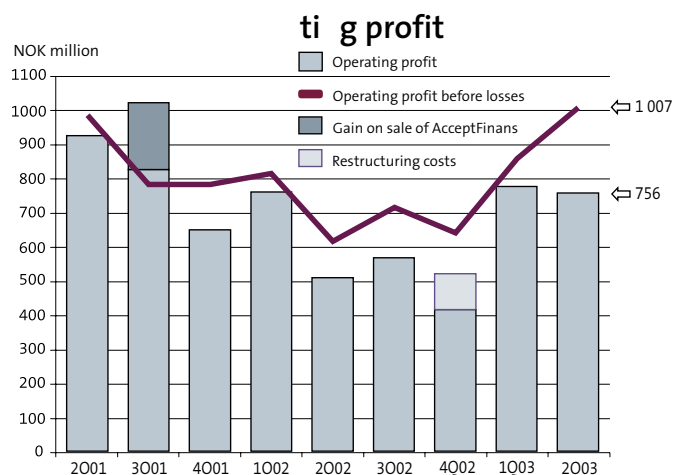
The Board of Directors expects the authorities to complete their consideration of the application to merge Gjensidige NOR ASA and DnB Holding ASA in the course of the fourth quarter. Assuming that the requisite authorisations are given, the Board also expects settlement to Gjensidige NOR's shareholders in the form of shares in DnB NOR and cash payments to take place in the fourth quarter.

The outlook for the Norwegian economy remains uncertain. The krone exchange rate and interest rates have fallen substantially over the past half-year. Positive signals in Norway and the international arena of late indicate some improvement in the economic situation. Even so, losses and defaults in the business market can be expected to be somewhat higher than in previous years.

Norwegian households account for more than half of Gjensidige NOR's total lending. Losses and defaults in this customer segment remain at a low level and are not anticipated to rise significantly. While rising unemployment is bringing the debt-servicing ability of parts of the customer base under pressure, low interest rates are helping to reduce the financial consequences of higher unemployment. Net losses measured 0.30 per cent of overall loans in the first half-year. Normalised losses at the end of 2002 were estimated at 0.48 per cent. Although losses are expected to exceed the full-2002 figure of 0.26 per cent, the Board still expects losses to be well below the estimated normalised level, and it foresees a satisfactory profit performance for the year as a whole.

Oslo, 12 August 2003

The Board of Directors of Gjensidige NOR ASA



Key figures from the past 9 quarters

Amounts in NOK million	2Q2003	1Q2003	4Q2002	3Q2002	2Q2002	1Q2002	4Q2001*	3Q2001*	2Q2001*
Profit and loss account									
Net interest income	1 489	1 423	1 492	1 447	1 409	1 367	1 430	1 395	1 385
Capital gains	143	107	(12)	55	18	101	106	46	66
Other operating income	474	500	424	449	478	479	549	405	525
Net profit – Gj. NOR Spareforsikring	75	38	(11)	(47)	(120)	21	(73)	17	167
Operating income	2 181	2 068	1 893	1 904	1 785	1 968	2 012	1 863	2 143
Operating expenses	1 174	1 211	1 253	1 191	1 170	1 154	1 230	1 081	1 159
Operating profit before losses	1 007	857	640	713	615	814	782	782	984
Losses on loans	251	81	223	163	105	55	143	153	87
Losses (gains) on long-term financial assets	0	0	2	0	1	(1)	(9)	(196)	(27)
Operating profit	756	776	415	550	509	760	648	825	924
Taxes	185	207	159	187	176	211	174	229	222
Net profit	571	569	256	363	333	549	474	596	702
Balance sheet									
Loans, retail customers	119 558	116 192	113 446	111 195	107 890	104 605	102 545	99 281	95 581
Loans, corporate customers	105 563	102 465	98 482	95 803	96 801	95 020	94 165	93 770	93 955
Specified loan loss provisions	1 123	1 044	1 087	992	950	932	906	734	924
Unspecified loan loss provisions	1 418	1 399	1 386	1 381	1 377	1 393	1 386	1 375	1 421
Customer deposits	123 427	123 073	122 797	114 580	114 341	112 745	109 405	105 887	106 962
Total assets at end of quarter	260 909	258 715	253 690	250 687	249 948	238 411	233 883	240 205	235 147
Average total assets (ATA)	256 000	259 100	248 900	247 600	241 100	236 400	235 600	229 000	232 300
Average equity	17 092	16 521	17 075	16 685	16 416	15 979	16 264	15 725	15 076
Total assets under management	388 000	377 700	366 400	370 700	369 300	359 900	351 200	351 700	352 600
Share capital	8 700	8 700	8 700	8 700	8 700	8 700	8 700	8 700	8 700
Other equity	8 678	8 106	7 535	8 257	7 883	7 549	7 008	7 323	6 727
Total equity	17 378	16 806	16 235	16 957	16 583	16 249	15 708	16 023	15 427
Operations and profitability									
Interest income (in % of ATA)	6.6 %	7.0 %	7.8 %	7.6 %	7.4 %	7.4 %	7.8 %	8.0 %	8.1 %
Interest expenses (in % of ATA)	4.3 %	4.8 %	5.4 %	5.3 %	5.1 %	5.1 %	5.4 %	5.6 %	5.7 %
Interest margin (in % of ATA)	2.3 %	2.2 %	2.4 %	2.3 %	2.3 %	2.3 %	2.4 %	2.4 %	2.4 %
Operating income (in % of ATA)	3.4 %	3.2 %	3.0 %	3.1 %	3.0 %	3.3 %	3.4 %	3.3 %	3.7 %
Operating income – change **	9.2 %	2.9 %	(0.1 %)	1.8 %	(14.9 %)	15.8 %	(0.3 %)	(4.2 %)	
Cost ratio (in % of ATA)	1.8 %	1.9 %	2.0 %	1.9 %	1.9 %	2.0 %	2.1 %	1.9 %	2.0 %
Costs per NOK earned (1)	0.56	0.60	0.66	0.61	0.61	0.59	0.59	0.59	0.59
Costs per NOK earned (exclusive of capital gains)	0.60	0.63	0.65	0.63	0.62	0.63	0.62	0.60	0.61
Operating profit before losses/write-downs (in % of ATA)	1.6 %	1.3 %	1.0 %	1.2 %	1.0 %	1.4 %	1.3 %	1.4 %	1.7 %
Return on total assets (operating profit after taxes, in % of ATA)	0.9 %	0.9 %	0.4 %	0.6 %	0.6 %	0.9 %	0.8 %	1.0 %	1.2 %
Return on equity (2)	13.4 %	13.8 %	6.0 %	8.6 %	8.1 %	13.7 %	11.7 %	15.2 %	18.6 %
Return on equity pre-goodwill-depreciation	14.6 %	15.0 %	7.3 %	9.9 %	9.4 %	15.0 %	12.8 %	16.3 %	19.9 %
Pro forma key figures, shares (***)									
Market price end of quarter (NOK)	252,50	209,50	227	226,50	278	298	272	235	265,50
Book value per share (NOK) – including dividend allocated	200	204	198	195	191	187	190	184	177
Price/book value – including dividend allocated	1.3	1.0	1.1	1.2	1.5	1.6	1.4	1.3	1.5
Price/earnings	9.6	8.0	19.3	13.6	18.2	11.8	12.5	8.6	8.2
Earnings per share (NOK)	6.56	6.54	2.94	4.17	3.83	6.31	5.45	6.85	8.07
Earnings per share pre-goodwill-depreciation	7.15	7.14	3.55	4.78	4.41	6.91	5.98	7.31	8.67
Effective yield (3)	16.1 %	(7.7 %)	(10.3 %)	(10.5 %)	8.5 %	15.8 %	12.5 %	(1.9 %)	9.9 %
Balance sheet development									
12 months loan growth	9.9 %	9.5 %	7.7 %	7.1 %	8.0 %	9.1 %	9.5 %	7.0 %	8.5 %
12 months deposit growth	7.9 %	9.2 %	12.2 %	8.2 %	6.9 %	10.7 %	9.4 %	5.3 %	5.6 %
Deposit coverage (4)	55 %	56 %	58 %	55 %	56 %	56 %	56 %	55 %	56 %
12 months growth in total assets	4.4 %	8.5 %	8.5 %	4.4 %	6.3 %	3.0 %	11.6 %	11.2 %	12.8 %
Defaults, provisions and loan losses									
Defaults, gross	1.2 %	1.3 %	1.3 %	1.2 %	1.1 %	1.0 %	1.0 %	0.9 %	1.1 %
Defaults, net	0.8 %	0.9 %	0.9 %	0.9 %	0.8 %	0.7 %	0.7 %	0.7 %	0.7 %
Provision ratio on defaulted loans	31 %	29 %	30 %	30 %	32 %	33 %	31 %	31 %	37 %
Unspecified loan loss provisions (in % of gross lending)	0.6 %	0.6 %	0.7 %	0.7 %	0.7 %	0.7 %	0.7 %	0.7 %	0.7 %
Losses on loans and guarantees (in % of gross lending)	0.45 %	0.15 %	0.42 %	0.31 %	0.21 %	0.11 %	0.29 %	0.32 %	0.18 %
Net defaulted and doubtful loans (in % of gross lending)	1.1 %	1.1 %	1.1 %	1.0 %	0.9 %	0.8 %	0.9 %	0.8 %	0.8 %
Capital adequacy									
Capital base	24 466	25 571	23 923	20 942	21 450	20 908	21 058	19 867	20 059
Calculation base	217 141	209 927	204 531	205 746	208 339	206 963	205 813	199 035	200 141
Capital ratio	11.3 %	12.2 %	11.7 %	10.2 %	10.3 %	10.1 %	10.2 %	10.0 %	10.0 %
Of which Core capital	7.9 %	8.2 %	8.4 %	6.8 %	6.6 %	6.7 %	6.7 %	6.5 %	6.4 %
Total FTP-equivalents at end of quarter	4 056	4 154	4 210	4 202	4 255	4 345	4 351	4 235	4 321

(*) Pro forma.

(**) Measured against same quarter last year.

(***) Until third quarter 2002 Primary Capital Certificates were Union Bank of Norway's equity instrument.

(1) Ratio of operating expenses to operating income.

(2) After-tax operating profit in % of quarterly reported average equity (incl. minority interests).

(3) Dividend paid plus change in market price from 1 Jan to end of period, in % of market price on 1 Jan.

(4) Customer deposits in % of gross loans to customers at end of quarter.

Notes

1 ACCOUNTING POLICY - CREATION OF THE GROUP

The consolidated accounts for Gjensidige NOR ASA include Union Bank of Norway ASA, Gjensidige NOR Spareforsikring ASA and Gjensidige NOR Fondsforsikring AS with subsidiaries and associated companies. The accounts for the Gjensidige NOR ASA Group have been compiled in accordance with the policy described in the annual accounts for 2002.

All amounts are shown in NOK million.

2 INTEREST INCOME AND EXPENSES

	1st half 2003	1st half 2002	2nd quarter 2003	2nd quarter 2002	Year end 2002
Interest on deposits with and loans to credit institutions	470	674	213	345	1 281
Interest on loans to customers	7 882	7 726	3 819	3 898	16 121
Net interest income on loans previously written off	27	25	14	12	43
Interest on CDs and bonds	406	433	186	206	958
Interest income	8 785	8.858	4 232	4 461	18 403
Interest on loans from credit institutions	1 303	1.394	649	696	2 741
Interest on customer deposits	3 056	3.112	1 379	1 555	6 586
Interest on CDs and bond loans	1 262	1.401	591	716	2 981
Interest on subordinated loan capital	165	94	85	45	218
Levy to Savings Banks' Guarantee Fund	87	81	39	40	162
Interest expenses	5 873	6.082	2 743	3 052	12 688
Net interest income	2 912	2.776	1 489	1 409	5 715

3 OTHER OPERATING INCOME, NET

	1st half 2003	1st half 2002	Year end 2002
Share dividends	19	24	27
Income from money market funds	44	39	82
Income from ownership interests in associated companies/joint ventures	33	25	39
Dividends	96	88	148
Guarantee commissions	47	45	87
Interbank fees	40	32	74
Money transfer fees	380	386	797
Mutual funds management fees	111	138	241
Discretionary asset management	64	46	91
Securities broking activities	58	69	123
Life insurance (Gjensidige NOR Spareforsikring)	38	39	85
Miscellaneous commissions and fees	168	151	280
Commission income	906	906	1 778
Interbank fees	43	40	90
Money transfer fees, external costs	98	120	239
Other commissions and fees	134	129	228
Commission expenses	275	289	557
Capital gains on bonds and CDs	120	19	168
Capital gains (losses) on shares and PCC's	14	(18)	(58)
Foreign currency gains	137	149	254
Gains (losses) on financial derivatives	(21)	(31)	(202)
Capital gains	250	119	162
Operating income, real estate	17	16	34
Gains on disposals of fixed assets	3	1	4
Real estate agency commissions	146	152	283
Additional operating income	81	83	140
Miscellaneous operating income	247	252	461
Other operating income, net	1 224	1.076	1 992

3 OTHER OPERATING INCOME, NET (cont.)

PAST FIVE QUARTERS	2Q2003	1Q2003	4Q2002	3Q2002	2Q2002
Share dividends	15	4	1	2	10
Income from money market funds	22	22	21	22	21
Income from ownership interests in associated companies/joint ventures	21	12	2	12	12
Dividends	58	38	24	36	43
Guarantee commissions	22	25	22	20	22
Interbank fees	21	19	21	21	20
Money transfer fees	197	183	197	214	203
Mutual funds management fees	59	52	49	54	68
Discretionary asset management	29	35	23	22	25
Securities broking activities	31	27	23	31	28
Life insurance (Gjensidige NOR Spareforsikring)	17	21	27	19	19
Miscellaneous commissions and fees	73	95	65	64	77
Commission income	449	457	427	445	462
Interbank fees	23	20	26	24	25
Money transfer fees, external costs	50	48	56	63	61
Other commissions and fees	77	57	48	51	61
Commission expenses	150	125	130	138	147
Capital gains on bonds and CDs	25	95	26	123	6
Capital gains (losses) on shares and PCC's	20	(6)	(11)	(29)	(23)
Foreign currency gains	76	61	54	51	78
Gains (losses) on financial derivatives	22	(43)	(81)	(90)	(43)
Capital gains (losses)	143	107	(12)	55	18
Operating income, real estate	9	8	8	10	8
Gains on disposals of fixed assets	3	0	1	2	1
Real estate agency commissions	82	64	60	71	92
Additional operating income	23	58	34	23	19
Miscellaneous operating income	117	130	103	106	120
Other operating income, net	617	607	412	504	496

4 GJENSIDIGE NOR SPAREFORSIKRING ASA

	1st half 2003	1st half 2002	2nd quarter 2003	2nd quarter 2002	Year end 2002
PROFIT AND LOSS ACCOUNT					
Premium income	2 951	3 808	839	1 039	8 618
Income from financial assets etc., (net)	2 375	(252)	1 374	(913)	1 125
Claims and transfers (premium reserves)	(3 024)	(1 890)	(1 495)	(1 007)	(4 124)
Change in technical reserves	(1 005)	(2 858)	124	(510)	(6 407)
Operating expenses related to underwriting	(265)	(257)	(131)	(127)	(515)
Other income/expenses	(90)	(26)	(63)	(12)	(111)
Unallocated profit	942	(1 475)	648	(1 530)	(1 414)
From supplementary reserves	0	1 296	0	1 296	1 146
Customer allocation	(822)	0	(570)	36	(30)
Pre-tax profit (loss)	120	(179)	78	(198)	(298)
Tax charge	(7)	76	(3)	78	141
Net profit (loss)	113	(103)	75	(120)	(157)

	30.06.03	31.03.03	31.12.02	30.09.02	30.06.02
BALANCE SHEET					
Assets					
Buildings and real estate	8 527	8 419	8 324	8 171	7 863
Shares and interests, domestic	1 988	2 343	2 175	2 051	3 270
Shares and interests, foreign	4 471	2 900	2 333	4 289	3 797
Mortgage loans	3 040	3 086	3 180	3 234	3 080
Other financial assets	47 927	47 204	46 568	43 580	41 288
Other assets	3 367	4 042	3 583	2 988	2 704
Total assets	69 320	67 994	66 163	64 313	62 002
Equity and Liabilities					
Equity	2 956	2 880	2 843	2 569	2 470
Subordinated loan capital	1 500	1 516	1 478	1 533	1 544
Hybrid capital	225	225	225	0	0
Unrealised gains	900	0	0	0	0
Additional provisions	474	477	484	70	406
Technical provisions for own account	62 415	61 891	60 598	59 290	57 093
Other liabilities	850	1 005	535	851	489
Total equity and liabilities	69 320	67 994	66 163	64 313	62 002

	1st half 2003	1st half 2002	2nd quarter 2003	2nd quarter 2002	Year end 2002
PROFIT ANALYSIS					
Interest result	1 146	(1 342)	748	(1 463)	(1 148)
Risk result	(39)	(45)	(18)	(35)	6
Increase of disability provision	(84)	(26)	(42)	0	(64)
Administration result	(53)	(58)	(26)	(28)	(104)
Other allocations to reserves	(28)	(4)	(14)	(4)	(104)
Unallocated profit	942	(1 475)	648	(1 530)	(1 414)

KEY RATIOS					
Book return (*)	7.3 %	(0.7 %)	8.4 %	(5.9 %)	1.9 %
Value adjusted return (*)	12.3 %	(1.2 %)	17.3 %	(6.4 %)	2.3 %
Expenses as % of customer funds (*)	0.94 %	1.01 %	0.92 %	1.00 %	0.97 %
Return on equity, after tax (*)	7.8 %	(8.2 %)	10.3 %	(15.7 %)	(5.8 %)
Customer funds (NOK billion)	62.9	57.5			61.0
Capital adequacy	15.5 %	12.7 %			15.9 %
Core capital	9.6 %	6.7 %			9.8 %
Solvency margin in % of requirements (**)	152.6 %	131.4 %			153.3 %

(*) Quarterly figures have been annualised.

(**) The solvency margin requirement is an expression of risks attached to technical commitments (interest guarantee and death/disability), and is computed on the basis of the size of the life insurance fund and the sum of risk insurance premiums. The solvency margin capital includes the eligible capital base, 50% of supplementary reserves and that part of the contingency reserve that exceeds 55% of the minimum required contingency reserve. Total solvency margin capital must at a minimum cover the solvency margin requirement.

	30.06.2003	30.06.2002	31.12.2002		
BUFFER CAPITAL					
Equity	2 842	4.6 %	2 573	4.6 %	2 842
Unallocated profit	942	1.5 %	(1 475)	(2.6 %)	0
Subordinated loan capital	1 500	2.4 %	1 544	2.7 %	1 478
Hybrid capital	225	0.4 %	0	0.0 %	225
Supplementary reserves	474	0.8 %	1 703	3.0 %	484
Contingency reserve	79	0.1 %	63	0.1 %	75
Unrealised gains	900	1.4 %	0	0.0 %	0
Additional value, fixed assets	1 089	1.8 %	40	0.1 %	418
Total buffer capital (*)	8 051	13.0 %	4 448	7.9 %	5 522

(*) Buffer capital as per cent of technical provisions exclusive of supplementary reserves and contingency reserve.

5 OPERATING EXPENSES

	1st half 2003	1st half 2002	Year end 2002
Salaries	800	797	1 596
Pensions	128	107	243
Other benefits	203	192	356
Restructuring expenses	0	0	73
Allocation to employee fund	8	14	5
Personnel expenses	1 139	1 110	2 273
IT and development costs	216	180	360
Office supplies	25	30	61
Telecommunications, postage	102	104	193
Fees, substitute personnel, other services	146	163	317
Travel, staff training	58	60	121
Marketing	129	146	287
Administrative expenses	676	683	1 339
Personnel and administrative expenses	1 815	1 793	3 612
Amortised goodwill	92	92	187
Ordinary depreciation	139	128	268
Write-downs	6	7	27
Depreciation and write-downs	237	227	482
Operating expenses, real estate	25	22	50
Rental and operating expenses, rented premises	163	164	341
<i>Properties and premises</i>	188	186	391
Operating assets, expensed	11	23	30
Expenses - secondary offering of shares upon conversion			34
Restructuring expenses	0	0	32
Merger expenses	29		
Miscellaneous operating expenses	105	95	187
<i>Additional operating expenses</i>	145	118	283
Other operating expenses	333	304	674
Operating expenses	2 385	2 324	4 768

PAST FIVE QUARTERS	2Q2003	1Q2003	4Q2002	3Q2002	2Q2002
Salaries	390	410	387	412	392
Pensions	62	66	76	60	53
Other benefits	101	102	81	83	90
Restructuring expenses	0	0	73	0	0
Allocation to employee fund	5	3	(11)	2	3
Personnel expenses	558	581	606	557	538
IT and development costs	118	98	92	88	95
Office supplies	13	12	18	13	17
Telecommunications, postage	52	50	43	46	48
Fees, substitute personnel, other services	72	74	69	85	83
Travel, staff training	29	29	41	20	30
Marketing	70	59	79	62	80
Administrative expenses	354	322	342	314	353
Personnel and administrative expenses	912	903	948	871	891
Amortised goodwill	46	46	48	47	46
Ordinary depreciation	69	70	71	69	65
Write-downs	6	0	13	7	7
Depreciation and write-downs	121	116	132	123	118
Operating expenses, real estate	13	12	15	13	10
Rental and operating expenses, rented premises	79	84	83	94	83
<i>Properties and premises</i>	92	96	98	107	93
Operating assets, expensed	3	8	2	5	17
Expenses – secondary offering of shares upon conversion			1	33	
Restructuring expenses	0	0	32	0	0
Merger expenses	4	25			
Miscellaneous operating expenses	42	63	40	52	51
<i>Additional operating expenses</i>	49	96	75	90	68
Other operating expenses	141	192	173	197	161
Operating expenses	1 174	1 211	1 253	1 191	1 170

6 STAFFING

Full-time position equivalents		30.06.03	31.12.02	Transfers	Change
Savings Bank	(1)	1 603	1 677	(10)	(64)
Corporate Customers		79	86		(7)
Capital Markets		250	262		(12)
Of which: Gjensidige NOR Equities		59	56		3
Gjensidige NOR Kapitalforvaltning	(2)	83	68	16	(1)
Avanse Forvaltning	(2)	32	63	(16)	(15)
Capital Markets, other		76	75		1
Life Insurance and Pensions		443	445		(2)
Other businesses:					
Bank, other	(3)	923	947		(24)
Elcon Finans		426	437		(11)
Gjensidige NOR Eiendomsmegling		253	254		(1)
Hafjell Alpinsenter		18	41		(23)
UBNI Luxembourg		32	33		(1)
Sparebankkreditt		29	28		1
Total full-time position equivalents		4 056	4 210	(10)	(144)

(1) 10 FTP equivalents were in 1st quarter 2003 transferred to Gjensidige NOR Driftspartner.

(2) 16 FTP equivalents were in 1st quarter 2003 transferred from Avanse Forvaltning to Gjensidige NOR Kapitalforvaltning.

(3) Includes Cresco, Banking Products, Group Finance, Group Staff and Corporate Communications.

7 LOSSES ON LOANS AND GUARANTEES

	1st half 2003	1st half 2002	2nd quarter 2003	2nd quarter 2002	Year end 2002
Realised losses exceeding previous years' specified loss provisions	107	64	56	40	237
Increase in specified loss provisions	31	83	17	46	103
New, specified loss provisions	289	137	220	97	424
Gross losses	427	284	293	183	764
Reduction in specified loss provisions due to reduced risk	21	12	12	5	26
Reversal of specified loss provisions due to reclassification	58	42	25	20	87
Reductions in and reversals of specified loan loss provisions	79	54	37	25	113
Recovered on previously realised loan losses	48	61	24	37	105
Increase in unspecified loss provisions	32	(9)	19	(16)	0
Losses on loans and guarantees	332	160	251	105	546
Realised losses (additional) covered by specified provisions from previous years	223	119	120	95	228

8 LOANS AND LOSSES (RECOVERIES) BY CUSTOMER SECTOR

Sector/Industry	30.06.03			30.06.02		
	Loans	Share	Losses	Loans	Share	Losses
Retail market	119 558	52.7 %	50	107 890	51.9 %	66
Public administration	725	0.3 %	1	767	0.4 %	0
Agriculture, forestry and fishing	4 529	2.0 %	11	4 395	2.1 %	3
Manufacturing	9 484	4.2 %	85	8 684	4.2 %	(8)
Construction, power and water supply	6 209	2.7 %	27	6 524	3.1 %	2
Retailing, hotel and restaurant trade	10 985	4.9 %	33	10 698	5.2 %	15
Shipping	4 426	2.0 %	2	2 936	1.4 %	(1)
Real estate management	42 827	18.9 %	45	40 799	19.6 %	60
Transportation and other services	8 241	3.6 %	12	8 469	4.1 %	30
Other customer categories	8 813	3.9 %	7	6 285	3.0 %	(12)
Foreign	9 324	4.1 %	36	7 244	3.5 %	15
Gross loans to customers	225 121	99.3 %	309	204 691	98.5 %	170
Credit institutions, domestic	865	0.4 %	0	1 890	0.9 %	0
Credit institutions, foreign	792	0.3 %	0	1 193	0.6 %	0
Total loans	226 778	100.0 %	309	207 774	100.0 %	170
Increase in unspecified loan loss provisions			32			(9)
Guarantee losses (recoveries)			(9)			(1)
Losses on loans and guarantees			332			160

9 DEFAULTED, DOUBTFUL AND NON-ACCRUAL LOANS

DEFAULTED LOANS	30.06.03	31.03.03	31.12.02	30.09.02	30.06.02
<i>Retail market</i>					
Gross defaulted loans	1 318	1 360	1 378	1 309	1 253
Specified loss provisions	418	413	421	395	383
Net defaults, retail market	900	947	957	914	870
Level of provisions, retail market	32 %	30 %	31 %	30 %	31 %
<i>Corporate market</i>					
Gross defaulted loans	1 381	1 392	1 366	1 235	1 029
Specified loss provisions	406	375	408	363	338
Net defaults, corporate market	975	1.017	958	872	691
Level of provisions, corporate market	29 %	27 %	30 %	29 %	33 %
<i>All loans</i>					
Gross defaulted loans	2 699	2 752	2 744	2 544	2 282
Specified loss provisions	824	788	829	758	721
Net defaults	1 875	1 964	1 915	1 786	1 561
Level of provisions, all loans	31 %	29 %	30 %	30 %	32 %
DOUBTFUL LOANS					
Doubtful loans with loss provisions	877	662	637	598	545
Specified loss provisions	299	256	258	234	229
Net doubtful loans	578	406	379	364	316
Level of provisions	34 %	39 %	41 %	39 %	42 %
NON-ACCRUAL LOANS					
Net non-accrual retail loans	380	374	434	390	325
Net non-accrual corporate loans	601	616	479	364	322
Net non-accrual loans	981	990	913	754	647
Gross non-accrual loans	1 805	1 788	1 754	1 583	1 463

10 CAPITAL ADEQUACY

GJENSIDIGE NOR ASA GROUP	30.06.03		31.12.02	
Equity	16 235	7.5 %	16 235	7.9 %
Minority interests	0	0.0 %	(2)	(0.0 %)
Hybrid capital, Union Bank of Norway (*)	2 492	1.1 %	2 434	1.2 %
Hybrid capital, Eksportfinans	92	0.0 %	142	0.1 %
Excess funding of pension commitments	(217)	(0.1 %)	(175)	(0.1 %)
Goodwill	(558)	(0.3 %)	(662)	(0.4 %)
Deferred tax benefit	(521)	(0.2 %)	(513)	(0.3 %)
Other intangible assets	(295)	(0.1 %)	(287)	(0.1 %)
Core capital	17 228	7.9 %	17 172	8.4 %
Hybrid capital, Union Bank of Norway (*)	67	0.0 %	119	0.1 %
Additional capital (Upper Tier 2)	3 094	1.5 %	3 091	1.5 %
Supplementary capital (Lower Tier 2)	4 172	1.9 %	3 689	1.8 %
Other items, net	(95)	(0.0 %)	(148)	(0.1 %)
Capital base	24 466	11.3 %	23 923	11.7 %
Calculation base	217 141		204 531	

(*) Hybrid capital may account for up to 15% of core capital, additional hybrid capital is recorded as Upper Tier 2.

UNION BANK OF NORWAY GROUP	30.06.03		31.12.02	
Equity	13 347	6.9 %	13 347	7.4 %
Minority interests	0	0.0 %	(2)	(0.0 %)
Hybrid capital, Union Bank of Norway	2 102	1.1 %	2 047	1.1 %
Hybrid capital, Eksportfinans	92	0.1 %	142	0.1 %
Excess funding of pension commitments	(118)	(0.1 %)	(79)	(0.0 %)
Goodwill	(425)	(0.2 %)	(515)	(0.3 %)
Deferred tax benefit	(244)	(0.1 %)	(245)	(0.1 %)
Other intangible assets	(131)	(0.1 %)	(103)	(0.1 %)
Core capital	14 623	7.6 %	14 592	8.1 %
Hybrid capital, Union Bank of Norway	457	0.2 %	506	0.3 %
Additional capital (Upper Tier 2)	3 095	1.6 %	3 090	1.7 %
Supplementary capital (Lower Tier 2)	4 172	2.2 %	2 892	1.6 %
Other items, net (*)	(1 742)	(0.9 %)	(1 011)	(0.6 %)
Capital base	20 605	10.7 %	20 069	11.1 %
Calculation base	192 389		181 102	

(*) Of which, perpetual subordinated loans and other subordinated loans to Gjensidige NOR Spareforsikring account for NOK 1 725 million.

11 SELECTED ACCOUNTING FIGURES FOR BUSINESS AREAS

SUMMARIES OF PROFIT AND LOSS ACCOUNTS	Net interest income		Other operating income		Operating expenses		Operating income before losses and taxes		Net loss loans and longterm securities		Operating profit before taxes	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
Amounts in NOK million												
Savings Bank	1 674	1 640	331	311	1 052	1 100	953	926	115	35	838	847
Corporate Customers	200	183	88	77	74	76	214	192	48	30	166	206
Capital Markets	38	23	361	289	246	261	153	51	0	0	153	51
Liv insurance and Pensions (*)	3	0	126	(99)	19	0	110	(99)			110	(99)
Other	997	930	438	399	999	887	436	359	169	95	267	264
Eliminations			(7)	0	(5)	0	(2)	0			(2)	0
Gjensidige NOR ASA Group	2 912	2 776	1 337	977	2 385	2 324	1 864	1 429	332	160	1 532	1 269

(*) Net profit after taxes.

BALANCE SHEETS/KEY FIGURES

	Net loans to customers		Customer deposits/ managed funds		Managed assets		Net loss in % of gross lending		Cost ratio		Return on equity, after taxes	
	30.06. 2003	31.12. 2002	30.06. 2003	31.12. 2002	30.06. 2003	31.12. 2002	01.01. - 30.06. 2003	2002	01.01. - 30.06. 2003	2002	30.06. 2003	Året 2002
Amounts in NOK billion												
Savings Bank	135,5	130,6	95,9	94,2	136,9	132,1	0,17	0,12	52	53	16,0	16,0
Corporate Customers	27,1	23,0	22,8	24,1	27,5	23,4	0,35	(0,13)	26	26	12,3	13,1
Capital Markets	0,6	0,5	110,9	100,2	117,4	106,6			62	84		
Liv insurance and Pensions					74,4	70,9						
Other	60,1	56,1	5,4	4,8	143,6	145,2	0,54	0,34	70	73		
Eliminations	(0,7)	(0,7)	(0,8)	(0,5)	(111,8)	(111,8)						
Gjensidige NOR ASA Group	222,6	209,5	234,2	222,8	388,0	366,4	0,29	0,16	58	60	13,6	9,1

The accounting figures above are based on internal accounting reports. Figures from 2002 are made comparable with 2003 figures.

12 SELECTED ACCOUNTING FIGURES FOR INTRA-GROUP COMPANIES

SUMMARIES OF PROFIT AND LOSS ACCOUNTS	Net interest income		Other operating income		Operating expenses		Operating income before losses and taxes		Net loss loans and longterm securities		Operating profit before taxes	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
Amounts in NOK million												
Union Bank of Norway	2 367	2 318	749	634	1 726	1 708	1 390	1 244	240	132	1 150	1 112
Elcon Finans	445	356	53	43	218	202	280	197	85	25	195	172
Sparebankkreditt	112	106	0	0	17	18	95	88	7	3	88	85
UBNI Luxembourg	29	26	23	14	18	17	34	23			34	23
Avanse forvaltning	3	3	54	67	48	68	9	2			9	2
Gj. NOR Kapitalforvaltning	0	2	64	47	65	55	(1)	(6)			(1)	(6)
Gjensidige NOR Equities	(1)	(2)	42	39	39	58	2	(21)			2	(21)
Gj. NOR Eiendomsmegling	2	4	148	152	136	138	14	18			14	18
Assoc.companies / joint ventures			32	24			32	24			32	24
Other group companies	(33)	(37)	53	56	60	60	(40)	(41)			(40)	(41)
Banking Group	2 924	2 776	1 218	1 076	2 327	2 324	1 815	1 528	332	160	1 483	1 368
Gj. NOR Spareforsikring (*)			113	(99)			113	(99)			113	(99)
Gjensidige NOR Fondsforsikring	2		13		19		(4)				(4)	
Gjensidige NOR ASA	(14)				44		(58)				(58)	
Eliminations			(7)		(5)		(2)				(2)	
Gjensidige NOR ASA Group	2 912	2 776	1 337	977	2 385	2 324	1 864	1 429	332	160	1 532	1 269

(*) Net profit after taxes.

BALANCE SHEETS/KEY FIGURES

	Net loans to customers		Customer deposits/ managed funds		Managed assets		Net loss in % of gross lending		Cost ratio		Return on equity, after taxes	
	30.06. 2003	31.12. 2002	30.06. 2003	31.12. 2002	30.06. 2003	31.12. 2002	01.01. - 30.06. 2003	2002	01.01. - 30.06. 2003	2002	30.06. 2003	Year end 2002
Amounts in NOK billion												
Union Bank of Norway	174.8	165.0	123.3	122.5	241.4	235.0	0.27	0.16	55	58	12.8	12.8
Elcon Finans	25.6	23.3	0.4	0.3	26.5	24.3	0.65	0.22	44	51	13.4	13.4
Sparebankkreditt	18.0	17.7			18.4	18.2	0.08	0.04	15	17	10.3	10.2
UBNI Luxembourg	5.6	5.0	0.5	0.5	8.8	8.0			35	43	22.0	13.8
Avanse forvaltning			24.7	21.5	24.7	21.5			84	97	20.9	(19.6)
Gjensidige NOR Kapitalforvaltning			116.0	78.2	116.0	78.2			102	112	(2.3)	(51.4)
Gjensidige NOR Equities				0.3	0.3	0.3			95	157	5.8	(85.1)
Gjensidige NOR Eiendomsmegling					0.2				91	88	42.7	21.7
Other group companies	(0.7)	(0.8)	(30.0)	(0.2)	(69.1)	(39.7)						
Banking Group	223.3	210.2	234.9	223.1	367.2	345.8	0.29	0.16	56	60	15.5	11.7
Gjensidige NOR Spareforsikring					69.3	66.2					7.8	(5.8)
Other, Spareforsikring Group					3.0	3.0						
Spareforsikring Group					72.3	69.2						
Gjensidige NOR Fondsforsikring					2.1	1.7			71		(6.1)	(1.6)
Gjensidige NOR ASA					17.5	20.4						
Eliminations	(0.7)	(0.7)	(0.7)	(0.3)	(71.1)	(70.7)						
Gjensidige NOR ASA Group	222.6	209.5	234.2	222.8	388.0	366.4	0.29	0.16	58	60	13.6	9.1

13 GOODWILL AND OTHER INTANGIBLE ASSETS**GOODWILL**

	Credit card portfolio Cresco	Gj.NOR Spare- forsikrings- portfolio	Branches Bø og Vinje	Avanse Forvaltning	GN Kapital- forvaltning	Gjensidige NOR Equities	Other	Total goodwill
Original goodwill at 01.01.2003	307	55	32	279	148	209	17	1 047
Total depreciation at 01.01.2003	144	26	7	174	76	94	9	530
Book value at 01.01.2003	163	29	25	105	72	115	8	517
Additions								0
Ordinary depreciation	19	7	3	28	15	18	2	92
Book value at 31.03.2003	144	22	22	77	57	97	6	425
Depreciation plan	8 years	4 years	5 years	5 years	5 years	5 years		

Goodwill on credit card- and other customer portfolios is amortised over the portfolios' expected economic lifetime at the time of acquisition. Goodwill on the portfolio from Spareforsikring is amortised over the same period as the duration of the commission agreement:

INTANGIBLE ASSETS	30.06.03	31.03.03	31.12.02	30.09.02	30.06.02
Goodwill	425	471	517	564	602
Deferred tax benefit	272	282	257	181	166
Other intangible assets	133	117	111	105	106
Total intangible assets	830	870	885	850	874

Other intangible assets consist of application software. This is amortised over estimated longevity – maximum five years. In addition, the following intangible assets are on Gjensidige NOR Spareforsikring's balance sheet, which company has – in the Group's figures -been accounted for according to the equity method.

INTANGIBLE ASSETS GJENSIDIGE NOR SPAREFORSIKRING	30.06.03	31.03.03	31.12.02	30.09.02	30.06.02
Goodwill	128	134	139	145	150
Deferred tax benefit	248	251	256	738	545
Other intangible assets	157	169	175	0	0
Total intangible assets	533	554	570	883	695

14 EQUITY

	Share capital	Other, equity capital	Total equity
Equity as at 31.12.2002	8 700	7 535	16 235
Net profit		1 140	1 140
Change in currency exchange rates		3	3
Balance pr. 30.06.2003	8 700	8 678	17 378

Gjensidige NOR ASA

PROFIT AND LOSS ACCOUNT	1st half	2nd quarter	Year end
(NOK Million)	2003	2003	2002
Interest income	7	5	4
Interest expenses	21	9	15
Net Interest Income	(14)	(4)	(11)
Group contribution	0	0	2 390
Other Operating Income, net	0	0	2 390
Personnel expenses	3	2	0
Merger expenses (1)	35	5	0
Expenses - secondary offering of shares upon conversion	0	0	52
Other operating expenses	6	3	0
Operating Expenses	44	10	52
Operating Profit	(58)	(14)	2 327
Taxes	(16)	(4)	652
Net profit	(42)	(10)	1 675

BALANCE SHEET (NOK million)	30.06.03	31.03.03	31.12.02	30.09.02
Assets				
Deposits in and loans to credit institutions (group companies)	613	143	193	190
Owner interests in group companies	16 907	16 907	16 907	16 575
Deferred tax benefit	16	12		12
Other assets (group companies)	7	3 267	3 278	0
Total assets	17 543	20 329	20 378	16 777
Liabilities and Equity				
Loans and deposits from credit institutions (group companies)	680	680	680	680
Other liabilities (group companies)	0	1 675	1 675	0
Other liabilities	61	1 140	1 140	0
Accrued expenses and pre-paid income	11	32	49	13
Share capital	8 700	8 700	8 700	8 700
Other equity	8 091	8 102	8 134	7 384
Total liabilities and equity	17 543	20 329	20 378	16 777

The company presented its first interim financial statement as of 30 September 2002.

(1) Merger expenses

In connection with the proposed merger with Den norske Bank, irreversible accrued expenses amounting to NOK 30 million on financial advisers have been expensed. If the merger is carried out, total costs on financial advisers and translation, printing and distribution of the prospectus and other relevant information to Gjensidige NOR's shareholders are expected to amount to NOK 114-150 million, depending on the size of discretionary additional fees to financial advisers. The remaining costs on financial advisers will largely be expensed once final approval has been given to carry out the merger.

Additional information – DnB NOR pro forma

PRO FORMA PROFIT AND LOSS ACCOUNTS (selected items)

NOK million	2Q03	1Q03
Net interest income	3 471	3 480
Net other operating income	1 921	1 641
Profit from life insurance operations	297	15
Total income	5 688	5 136
Operating expenses	3 299	3 306
Operating profit	2 390	1 829
Net losses on loans and guarantees	811	448
Net losses on long-term investments	31	1
Taxes	231	365
Profit for the period	1 377	1 015

PRO FORMA BALANCE SHEET AND KEY FIGURES (selected items)

NOK million	30 June 2003	31 March 2003
Net lending to customers	541 145	529 015
Deposits from customers	336 441	330 975
Equity	42 140	40 610
Total assets	699 263	694 792
Total combined assets	1 170 968	1 128 722

	2Q03	1Q03
Earnings per share before goodwill amortisation (NOK)	1.18	0.90
Earnings per share after goodwill amortisation (NOK)	1.05	0.78
Return on equity (%)	13.3	10.1

Note: preliminary and unaudited figures

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**Gjensidige
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