

To NASDAQ OMX Copenhagen A/S
and the press

**Gjensidige acquires Nykredit Forsikring
– forms strategic alliance with Nykredit**

8 March 2010

- Nykredit and Gjensidige Forsikring form a long-term strategic alliance in the insurance area
- Nykredit is selling Nykredit Forsikring A/S to Gjensidige at a price of DKK 2.5bn, of which goodwill amounts to about DKK 1.5bn.
- The parties have concluded a distribution agreement according to which Nykredit will continue to sell non-life insurance products and services to retail customers under the Nykredit brand and to commercial, including agricultural, customers under the Gjensidige brand.

The Danish financial services provider Nykredit and the Nordic insurance group Gjensidige have entered into a long-term strategic alliance in the non-life insurance area resulting in close cooperation on the sale and distribution of insurance products and services in the Danish market in the coming years.

Under the agreement, the Nykredit Group sells Nykredit Forsikring A/S to Gjensidige. The parties also enter into a distribution agreement according to which Nykredit continues to supply and sell insurance products and services to its customers with Gjensidige as supplier. Retail customers will continue to be served under the Nykredit brand, whereas commercial – including agricultural – customers will be served under the Gjensidige brand.

Nykredit's current 230,000 insurance customers as well as its bank and mortgage customers will in future enjoy a wider product range as well as the economies of scale and synergies inherent in the strategic alliance.

Gjensidige is the fourth largest Nordic and Norway's largest non-life insurance company. Gjensidige entered the Danish market in 2006 through the acquisition of Fair Forsikring and a year later KommuneForsikring. Today Gjensidige commands a market share of 3%. The acquisition of Nykredit Forsikring A/S increases Gjensidige's total market share in Denmark to 6% and thus strengthens Gjensidige's strategic presence in Denmark significantly. Furthermore, the alliance with Nykredit provides Gjensidige with a sizeable sales channel to Nykredit's more than 500,000 bank and mortgage customers.

The new insurance alliance underpins Nykredit's growth ambition as a broad-based financial services business with banking and mortgage lending as core business activities.

The change of ownership of Nykredit Forsikring A/S will not influence the current insurance business with customers, which will continue unchanged. Helge Leiro Baastad, CEO of Gjensidige, comments on the agreement with Nykredit:

– We aim to be a strong player in the Danish market, and right now we focus on strategic acquisitions. Nykredit Forsikring A/S is a fantastic opportunity, not least due to the composition of its portfolio, its earnings trend and the distribution network we get access to. This acquisition brings us even more competencies and creates the energy necessary for us to offer our customers even better insurance products at reasonable prices. In addition, I believe that the strategic alliance holds great potential in terms of distribution, not least thanks to the Nykredit Group's marked growth strategy in the banking area.

Peter Engberg Jensen, Group Chief Executive of Nykredit, has the following comments on the strategic alliance:

– The new alliance provides Nykredit with a business partner whose core competency is non-life insurance, and as a result we obtain access to an insurance product range that is even more attractive than the one we offer today. Insurance activities are complex structures, and as Nykredit is constantly striving to streamline its operation, the long-term strategic alliance with Gjensidige offers an opportunity to simplify the organisation while retaining insurance products and services for the benefit of our customers.

The transaction is subject to the approval of the Danish and Norwegian financial supervisory authorities.

Price

The agreed price is DKK 2.5bn, of which goodwill accounts for about DKK 1.5bn. Nykredit Forsikring's equity amounts to DKK 1bn after distribution of DKK 500m dividend as adopted at Nykredit Forsikring A/S's Annual General Meeting on 23 February 2010.

Advisers:

Danske Markets is acting as financial adviser to Nykredit.

Gorrissen Federspiel is acting as legal adviser to Nykredit.

FIH PARTNERS is acting as financial adviser to Gjensidige.

Kromann Reumert is acting as legal adviser to Gjensidige.

Press conference today

Nykredit and Gjensidige are holding a press conference today at 11:00 at Nykredit's headquarters, Kalvebod Brygge 1-3, DK-1780 Copenhagen V.

To attend the press conference, please contact Hanne Westermann at hwk@nykredit.dk or tel +45 44 55 14 71.

Contacts

Gjensidige: Helge Leiro Baastad, CEO, or Øystein Thoresen, Head of Communication, tel +47 95 23 33 82.

Nykredit: Peter Engberg Jensen, Group Chief Executive, or Nels Petersen, Head of Corporate Communications, tel +45 44 55 14 70 or +45 20 22 22 72.

Facts about the contracting parties

Nykredit Forsikring A/S

The Nykredit Group set up insurance activities in 1998 and acquired Østifterne Forsikring in 1999. Nykredit Forsikring A/S's premium income has grown significantly ever since, and its portfolio today amounts to about DKK 1.4bn from a total of 230,000 customers, of which 211,000 are retail and 19,000 commercial customers. Nykredit Forsikring A/S's current market share is 3%.

In 2009 Nykredit Forsikring A/S recorded a profit of DKK 245m after tax and a combined ratio of 86.

Nykredit Forsikring A/S has a staff of about 380. 320 will be transferred to Gjensidige, while 60 retail insurance agents will be retained in the Nykredit Group, attached to the nationwide centre structure.

Gjensidige

Gjensidige Forsikring is the fourth largest Nordic and Norway's largest non-life insurance company with a market share of 29%.

Gjensidige has insurance activities in Denmark, Norway, Sweden, Estonia, Latvia and Lithuania, and the company recorded net premium income of NOK 16.2bn in 2009. The group has a staff of 3,600 in Scandinavia and the Baltic states.

Gjensidige entered the Danish market in 1996 through the acquisition of Fair Forsikring and a year later KommuneForsikring. The activities are now all carried out under the name of Gjensidige. The company has a staff of 250 in Denmark and a market share of about 3% before the acquisition of Nykredit Forsikring A/S.

Nykredit

The Nykredit Group is one of Denmark's leading financial services groups with activities ranging from banking, mortgage lending and insurance to pension and estate agency business. The principal business areas are banking with a total market share of 5% and mortgage lending with a total market share of 41%. Total bank and mortgage lending amounts to DKK 1,046bn.

The Group has more than 1.1m customers (including Totalkredit) and a staff of 4,600.