Gjensidige

September 3, 2026

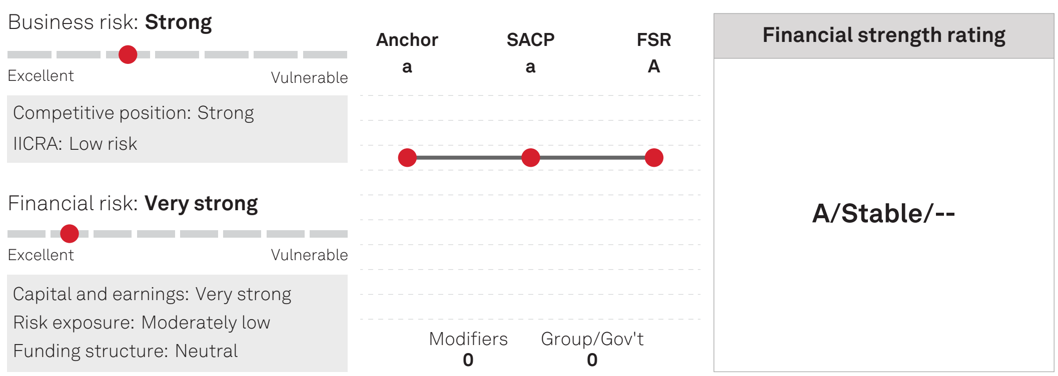
Primary Contact

Andreas Lindberg
Stockholm
46764950026
andreas.lindberg
@spglobal.com

Secondary Contact

Andreas Lundgren Harell
Stockholm
46-8-440-5921
andreas.lundgren.harell
@spglobal.com

This report does not constitute a rating action.



FSR--Financial strength rating. IICRA--Insurance industry and country risk assessment. SACP--Stand-alone credit profile.

Credit Highlights

Overview

Key strengths	Key risks
Market-leading position in Norwegian property/casualty (P/C) insurance.	Higher-than-peer-average risk appetite.
Consistently strong underwriting performance.	Limited product and geographic diversification compared with higher-rated peers.
A well-regarded brand and renowned reputation in the domestic market.	

Gjensidige's dominant position in Norwegian P/C insurance and robust underwriting performance underpin its credit profile, a trend we expect will persist over 2026-2027. While the group's geographic diversification remains limited to Scandinavia, we believe its strong brand recognition and competitive advantages in core markets will continue to push combined ratios consistently below 90% and return on equity (ROE) above 15%.

We estimate the group's capital adequacy will remain well above our 99.8% confidence level over 2026-2027. In our view, Gjensidige will continue to demonstrate strong capital generation, thanks to robust underwriting profitability and investment yields. We anticipate the group will maintain a dividend payout ratio of at least 80% of earnings. Additionally, we expect the group to maintain its solvency capital ratio within its target of 140%-190%.

We forecast the group's leverage ratio at about 21% over the next two years. In our view, Gjensidige will maintain a conservative approach to leverage. We believe robust capital generation capacity further reduces its reliance on external capital markets to finance growth. The group's fixed-charge coverage will remain very strong, supported by consistently resilient underwriting earnings, by our estimates.

Outlook

The stable outlook on Gjensidige reflects our view that the group will continue to report excellent underwriting results and maintain capital well in excess of our 99.8% confidence level over the next two years. During this period, we expect it will demonstrate its strong competitive position by recording combined ratios below 90% and ROE above 15%.

Downside scenario

We could take a negative rating action over the next 24 months if Gjensidige suffers significant underwriting or investment losses that drive its capital base consistently below our 99.8% confidence level.

Upside scenario

We could take a positive rating action over the next 24 months if Gjensidige continues to record combined ratios below 90% while consistently maintaining capital at the 99.99% confidence level.

Assumptions

- Solid household consumption and higher oil and gas prices will push up real GDP growth to 1.4% in 2026, despite largely stable production. The Middle East conflict will also lead to a slight increase in hydrocarbon-related investments this year. Thereafter, we expect energy prices and investments to reduce, resulting in average economic growth of about 1.1% over 2027-2029.
- Inflation to remain above 3% in 2026 before converging toward the 2% target by 2029. It has exceeded this level since mid-2025, largely due to persistent increases in the cost of services and strong real wage growth.
- Gjensidige will maintain a dividend payout ratio of at least 80%.

Gjensidige--Key metrics

	2027f	2026f	2025	2024	2023
Insurance revenue	~49,200	~46,900	43,489	38,883	36,625
EBIT	~11,200	~10,600	8,790	7,088	5,730
Net income (attributable to shareholders)	~8,690	~8,150	6,417	5,181	4,131
S&P Global Ratings capital adequacy	99.95	99.95	99.95	99.95	99.95
Capital adequacy: Redundancy/deficiency at defined confidence level*	0-5%	0-5%	0-5%	-	-
Return on shareholder's equity (%)	>20	~>20	23.6	20.6	17.1

Gjensidige--Key metrics

	2027f	2026f	2025	2024	2023
EBITDA fixed-charge coverage (x)	>20	>20	26.8	22.1	20.2
Financial leverage including pension deficit as debt (%)	~21	~21	25.2	25.1	21.6
P/C : Net combined ratio (%)§	<85	<85	82.7	85.6	87.4

*Shows total adjusted capital (TAC) compared with risk-based capital (RBC) at the relevant capital adequacy confidence level at the end of the projection period. §--S&P Global Ratings-calculated. P/C--Property/casualty. f--S&P Global Ratings forecast.

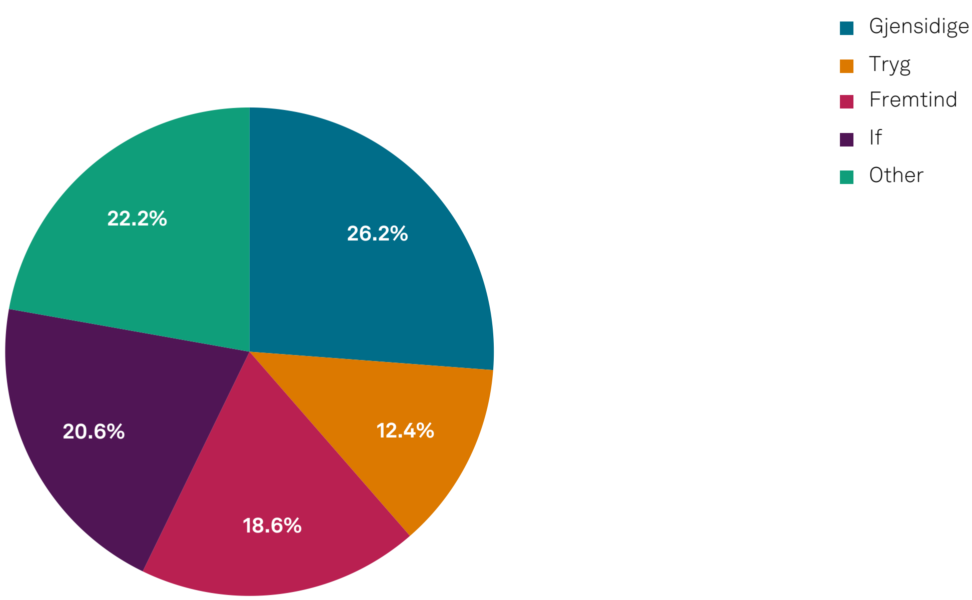
Business Risk Profile

Gjensidige holds a dominant market position in Norwegian P/C insurance, thanks to high customer retention and strong brand value. While the group's revenue is heavily concentrated in the Norwegian P/C market (69% of 2025 revenue), its presence in Denmark (24%) and Sweden (5%) bolsters geographic diversity.

However, we consider the group's geographic and product diversification limited relative to higher-rated peers, as we do not anticipate it will expand beyond Scandinavia over 2026-2027. While we expect the Norwegian pension and savings segment's earnings contribution to expand, we estimate it will remain limited compared to the non-life business.

Chart 1

Gjensidige remains a dominant player in Norway's non-life insurance sector
Market share



Source: S&P Global Ratings.

Gjensidige's underwriting performance remains a core credit strength, with combined ratios consistently below 90% over the past decade. The group's reported combined ratio improved to

79.1% as of June 30, 2026, from 82.8% a year earlier. We attribute this to effective price increases across the private and commercial portfolios and improved loss ratios in Norway and Denmark. The smaller Swedish segment recorded a decline in insurance services results, reflecting a higher loss ratio in first-half 2026. Consequently, the group continued to demonstrate robust profitability, with reported annualized ROE of 33.3% in first-half 2026, significantly outperforming both its historical average and 'A' rated peers. We expect this trend to persist through 2027, although we estimate the Swedish segment will continue to contribute with narrower margins due to its smaller scale.

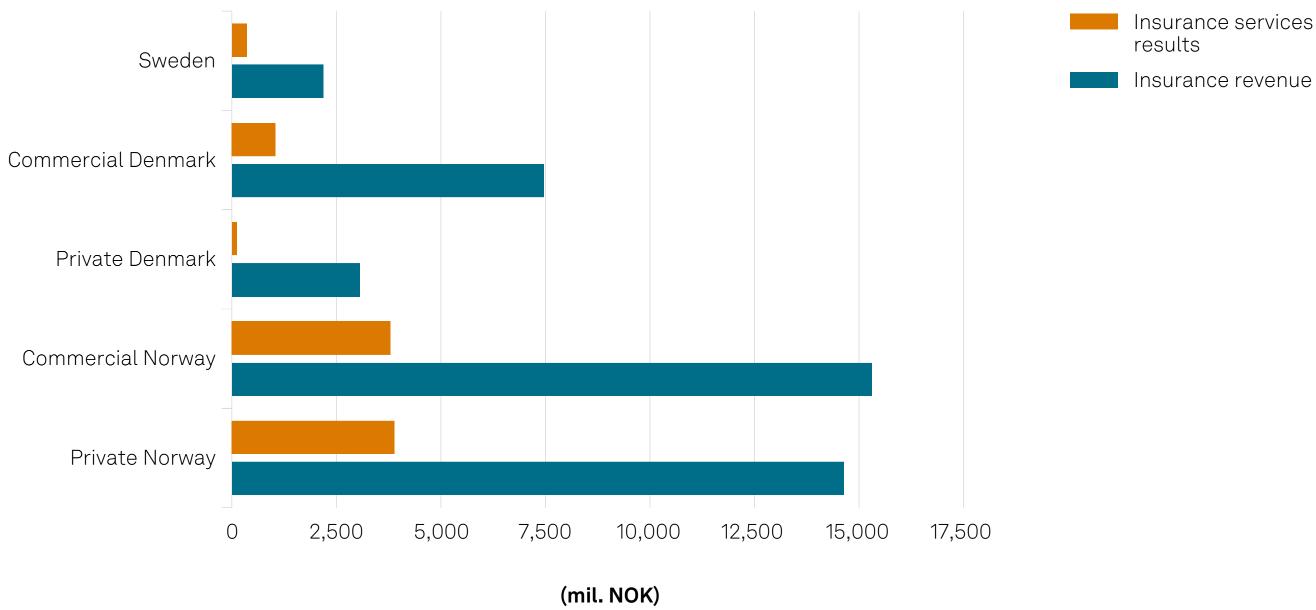
We anticipate Gjensidige's revenue growth will remain solid over 2026-2027. The group's insurance revenue increased by 8.7% in the first six months of 2026. We largely attribute the growth to rate increases implemented to mitigate the rising frequency of claims and inflation. Both domestic and international growth remain robust.

We expect Gjensidige to uphold its prudent underwriting standards and pricing policy, and therefore forecast its insurance revenue will increase 5%-9% annually over the next two years.

Chart 2

Commercial and retail lines in Norway dominate revenue and profit generation

Gjensidige's 2025 results by business line



NOK--Norwegian krone. Source: S&P Global Ratings.

Financial Risk Profile

We anticipate Gjensidige will maintain a significant capital cushion above our 99.8% confidence level over 2026-2027. While underwriting and investment results will remain robust over the next two years, they will largely be offset by shareholder returns. Although the group targets a dividend payout ratio of at least 80%, historical distributions have at times exceeded 100% of earnings and as such we expect Gjensidige to continue maintaining a generous dividend distribution policy.

Gjensidige’s solvency ratio remained well within its target, at 189% for first-half 2026 under the approved partial internal model. We expect the group's solvency will remain within its 140%-190% target over 2026-2027. Although the Danish Supreme Court ruling on workers’ compensation strained the group’s results by NOK419 million in first-half 2026 (net of reserves released), we do not anticipate further significant adverse effects from this decision and believe Gjensidige’s capital position will remain robust over the forecast period.

Gjensidige maintains a higher-than-average risk appetite, which, in our view, may result in more volatile investment results relative to European P/C peers. The group has notable exposure to unrated and speculative-grade securities; however, the investment portfolio remains highly liquid.

Both tier-two and restricted tier-one instruments are part of Gjensidige’s total adjusted capital. The group maintains conservative leverage levels, with a debt to EBITDA of approximately 25% at year-end 2025, and we anticipate this trend will continue over the next two years. At the same time, we estimate fixed-charge coverage will remain significantly above 4x through 2027.

Although Gjensidige is a publicly traded company, the Gjensidige Foundation (a financial foundation) maintains a controlling interest with a 63% stake. We view the foundation's ability to reduce its holding if required as a factor that enhances the group's financial flexibility.

Other Credit Considerations

Governance

We believe Gjensidige's risk and governance practices are supportive for the ratings. In our opinion, Gjensidige's key strengths include its management of exposures within the boundaries of the group's risk appetite. These are set at manageable levels and in line with business plans.

In our view, the three-lines-of-defense framework is well implemented and enhances top-down risk oversight and execution of group risk policies. Furthermore, strategic planning, a robust reinsurance program, capital contingency plans, and clear performance metrics are embedded in the management of economic capital.

We view management's experience and expertise, and its ability to adapt its strategies to market conditions and fully execute them, as favorable. Several acquisitions as part of a strategy to strengthen Gjensidige's position in Scandinavia reflect this.

Liquidity

We believe the liquidity sources available to the company are sound. We consider that Gjensidige is well positioned to meet liquidity needs that may arise due to large claims amid adverse developments, largely due to the credit quality of its bond portfolio, which is typically very strong.

Climate and other evolving factors

Climate and other evolving factors have no material influence on our credit rating analysis of Gjensidige. Formerly a mutual insurance company, Gjensidige is still majority-owned (63%) by the Gjensidige Foundation. Distributing the dividends that Gjensidige receives to its Norwegian customers is one of the foundation’s key aims. We believe this model helps improve Gjensidige's position in the market as well as customer loyalty.

Rating Component Scores	
Business Risk Profile	**Strong**
Competitive position	Strong
IICRA	Low risk
Financial Risk Profile	**Very Strong**
Capital and earnings	Very strong
Risk exposure	Moderately low
Funding structure	Neutral
Anchor	**a**
Modifiers	
Governance	Neutral
Liquidity	Exceptional
Comparable rating analysis	0
Current Credit Rating	
Local currency financial strength rating	A/Stable/--
Foreign currency financial strength rating	--
Local currency issuer credit rating	A/Stable/--
Foreign currency issuer credit rating	--

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions , Oct. 13, 2025
- Criteria | Insurance | General: Insurer Risk-Based Capital Adequacy--Methodology And Assumptions , Nov. 15, 2023
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings , Oct. 10, 2021
- Criteria | Insurance | General: Insurers Rating Methodology , July 1, 2019
- General Criteria: Group Rating Methodology , July 1, 2019
- General Criteria: Principles Of Credit Ratings , Feb. 16, 2011

Related Research

Insurance Industry And Country Risk Assessment: Norway Property/Casualty Insurance, July 9, 2026

Ratings Detail (as of September 03, 2026)*	
Operating Company Covered By This Report	
Gjensidige	
Financial Strength Rating	
Local Currency	A/Stable/--
Issuer Credit Rating	
Local Currency	A/Stable/--
Junior Subordinated	BBB
Junior Subordinated	BBB+

Ratings Detail (as of September 03, 2026)*	
Subordinated	BBB+
Domicile	Norway

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.