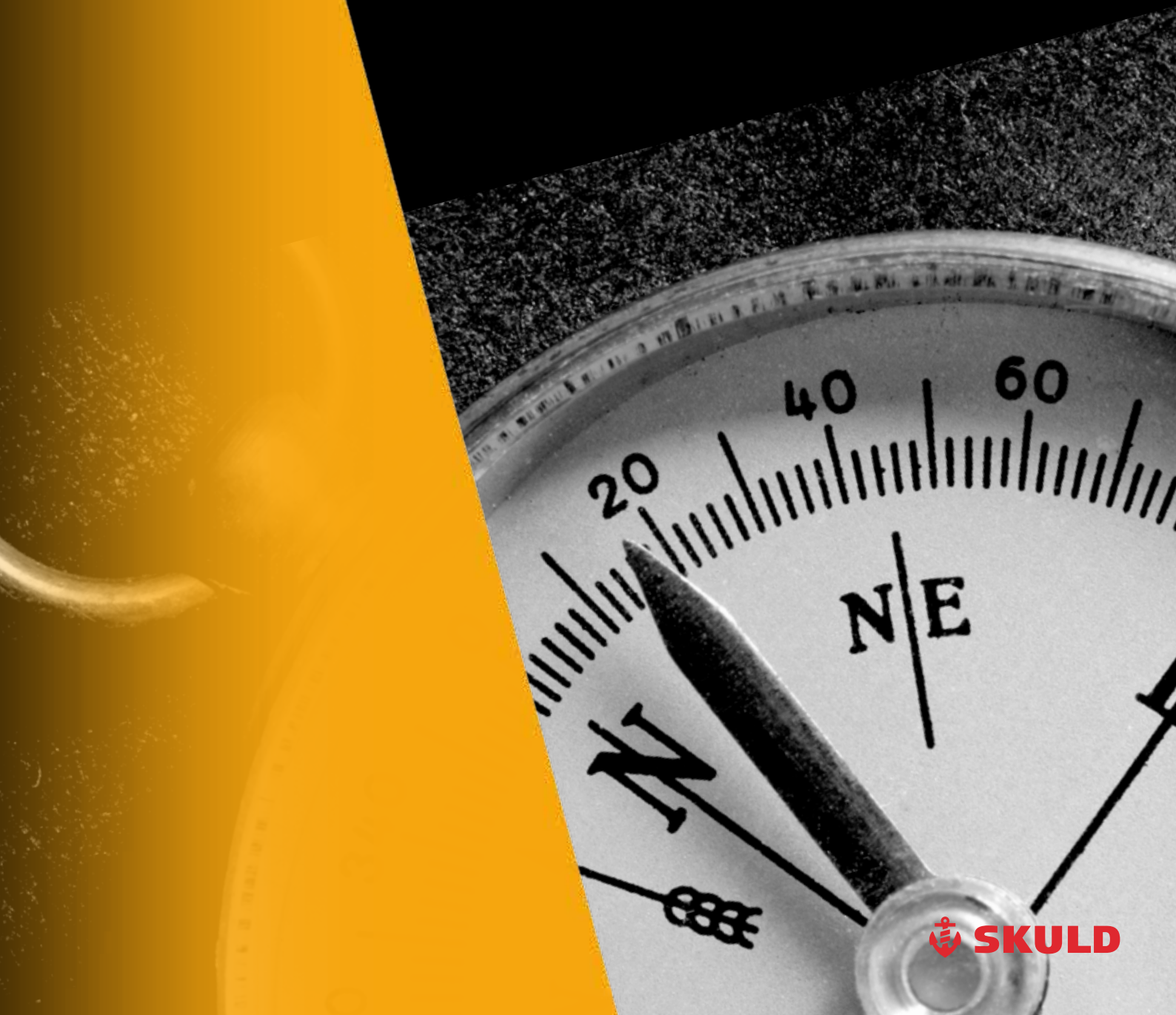


HALF YEAR REPORT 2012

20.02.12–20.08.12



TEN YEARS OF UNDERWRITING SURPLUS

We started 2012 with consolidation of the P&I owners' book of business in order to maintain our strong underwriting performance. This is reflected in the modest net growth on our top line at the end of the first half year of 2012.

Costs on our own members' reported claims have been below budget. However, we notice a significant increase in the number of pool claims reported from other P&I clubs. Our estimates indicate a record high pool cost this year which will have to be shared among the 13 clubs.

These are exciting times – with high volatility in the financial markets. Even with a modest and well diversified risk on investments, the investment result continues to be volatile. However, after having seen an investment loss in the first quarter, the asset portfolio is back in balance after a strong rebound in the second quarter. We will continue to have an efficient hands-on approach to our enterprise risk management.

Skuld continues its unbeaten track record of 10 consecutive years of underwriting profit. At the end of second quarter it stands at USD 3 million, with a corresponding combined ratio of 98%. In June, our S&P rating was upgraded to a clean A with 'stable outlook'.

Our mutual membership base now stands at 72 GT. We have a bottom-line result of USD 2 million, increasing contingency reserves to a record high USD 293 million.

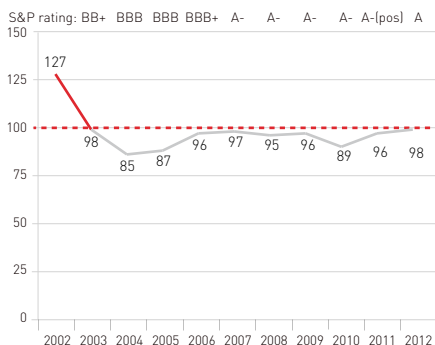
Skuld is performing very well and we will continue growing our P&I, Offshore and Skuld 1897 book of business. The Skuld group continues to provide innovative insurance solutions for our members and clients focusing on the highest quality of service in all aspects of our business. Our vision stands firm; *we shall be a world leading marine insurance provider through innovation, financial strength and the talents of our people.*

Yours sincerely
Assuranceforeningen Skuld (Gjensidig)

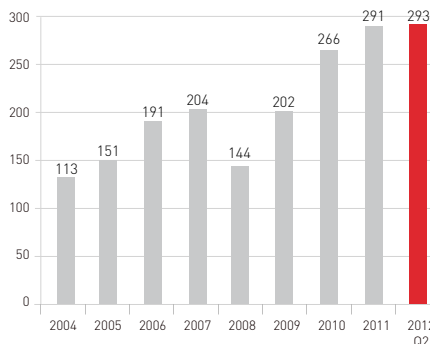


DOUGLAS JACOBSON
PRESIDENT & CHIEF EXECUTIVE OFFICER

COMBINED RATIO
/ IN PERCENT



CONTINGENCY RESERVES
/ MUSD



CONSOLIDATED
INCOME AND
EXPENDITURE
ACCOUNT AS
OF 20/8 2012

MUSD	2012 (Q2)	2011 (Q2)
TECHNICAL ACCOUNT		
Premiums and calls	153.5	148.4
Reinsurance premiums	-19.0	-18.3
Premiums for own account	134.5	130.2
Claims incurred for own account	-104.5	-88.6
Acquisition costs	-21.6	-21.7
Administrative expenses	-5.7	-6.6
Net operating expenses	-27.2	-28.3
Balance carried to non-technical account	2.7	13.2
NON TECHNICAL ACCOUNT		
Balance from technical account	2.7	13.2
Net investment income	0.3	2.5
Taxes	-0.9	-1.0
Balance carried to contingency reserve	2.1	14.8

BALANCE
SHEET AS OF
20/8 2012

MUSD	2012 (Q2)	2011 (Q2)
ASSETS		
Financial investments	631.5	629.2
Debtors	41.4	21.6
Other assets	100.6	78.9
Prepayment and accrued income	9.6	13.6
Total assets	783.1	743.2
LIABILITIES		
Provision for outstanding claims for own account	398.8	382.9
Contingency reserve	293.0	281.3
Technical provisions for own account	691.8	664.2
Provisions for other liabilities	8.8	5.6
Creditors	12.9	20.0
Accruals and deferred income	69.7	53.5
Total liabilities	783.1	743.2

In the P&L, a relevant portion of overhead expenses are allocated to claims-, acquisition- and investment expenses respectively.



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