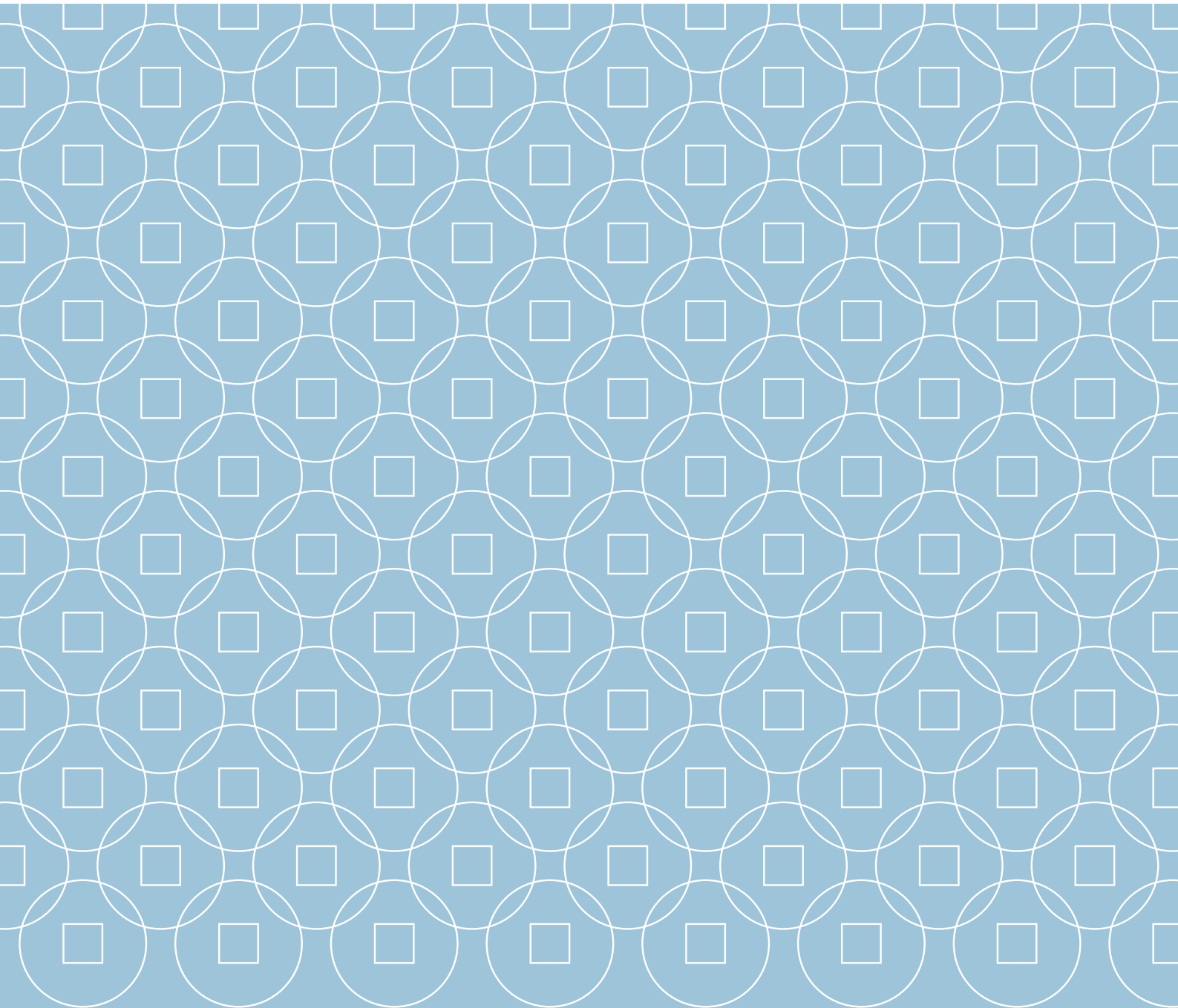


Storebrand Bank

Annual Report 2004



KEY FIGURES

KEY FIGURES

NOK million	GROUP				PARENT BANK			
	31.12.04		31.12.03		31.12.04		31.12.03	
Profit and Loss account: (as % of average total assets)								
Interest and credit commission income	1 171.8	4.48 %	1 803.9	6.77 %	1 124.6	4.44 %	1 759.8	6.77 %
Interest and related expenses	-744.7	-2.84 %	-1 311.2	-4.92 %	-729.7	-2.88 %	-1 300.2	-5.01 %
Net interest and commission income	427.1	1.63 %	492.7	1.85 %	395.0	1.56 %	459.5	1.77 %
Income on securities with variable yield	7.7	0.03 %	2.4	0.01 %	5.7	0.02 %	2.5	0.01 %
Commission and other income from banking services	91.5	0.35 %	89.1	0.33 %	74.8	0.29 %	69.0	0.27 %
Commission and other expense for banking services	-20.1	-0.08 %	-19.1	-0.07 %	-16.0	-0.06 %	-14.8	-0.06 %
Net gain/loss on securities and foreign exchange	20.6	0.08 %	32.4	0.12 %	14.9	0.06 %	26.4	0.10 %
Commission from sales of savings products and personal risk products to the retail market	159.1	0.61 %	194.5	0.73 %	159.1	0.63 %	194.5	0.75 %
Other operating income	15.5	0.06 %	20.0	0.08 %	13.5	0.05 %	18.3	0.07 %
Total non-interest income	274.3	1.05 %	319.2	1.20 %	251.9	0.99 %	295.9	1.14 %
Salaries and general administration expenses	-403.5	-1.54 %	-481.4	-1.81 %	-360.3	-1.42 %	-440.9	-1.70 %
Depreciation of fixed and intangible assets	-16.8	-0.06 %	-37.2	-0.14 %	-15.7	-0.06 %	-34.7	-0.13 %
Other operating expenses	-160.5	-0.61 %	-190.2	-0.71 %	-149.0	-0.59 %	-176.4	-0.68 %
Total operating expenses	-580.8	-2.22 %	-708.8	-2.66 %	-525.0	-2.07 %	-652.0	-2.51 %
		0.00 %		0.00 %				
Operating profit before losses and write-downs	120.6	0.46 %	103.1	0.39 %	121.9	0.48 %	103.5	0.40 %
Loan losses and provisions	7.4	0.03 %	-173.8	-0.65 %	3.7	0.01 %	-175.2	-0.67 %
Profit/losses from long term shares	-2.7	-0.01 %	-38.3	-0.14 %	-4.5	-0.02 %	-38.1	-0.15 %
Profit before tax	125.3	0.48 %	-109.0	-0.41 %	121.1	0.48 %	-109.9	-0.42 %
Tax on ordinary profit	-50.0	-0.19 %	63.1	0.24 %	-59.5	-0.23 %	15.6	0.06 %
Profit/loss for the year	75.3	0.29 %	-45.9	-0.17 %	61.7	0.24 %	-94.3	-0.36 %
Main balance sheet items:								
Total assets		27 193.2		25 525.3		26 350.0		24 685.8
Average total assets		26 176.9		26 657.2		25 355.2		25 977.1
Total lending to customers		24 051.0		22 697.1		23 167.9		21 720.2
Equity		1 984.3		1 969.3		1 976.9		1 976.9
Other key figures:								
Non-interest income as percentage of total income		39.11 %		39.31 %		38.94 %		39.17 %
Loan losses and provisions as a percentage of average total lending		-0.03 %		0.80 %		-0.02 %		0.83 %
Cost as a percentage of operating income		82.81 %		87.30 %		81.15 %		86.30 %
Return on equity after tax ¹⁾		3.77 %		-2.30 %		3.08 %		-4.60 %
Capital adequacy:								
Primary capital		2 369.8		2 076.5		2 384.7		2 097.4
Capital ratio		13.80 %		12.28 %		14.55 %		13.07 %
Core capital ratio		11.59 %		9.79 %		12.23 %		10.44 %

Definitions:

¹⁾ Ordinary profit after tax as a percentage of average equity

Report of the Board of Directors for 2004

Main features and activities

Storebrand Bank ASA is a wholly owned subsidiary of Storebrand ASA, and is one of the three main business areas of the Storebrand group.

Storebrand Bank ASA's corporate vision is to be a modern commercial bank for the retail market and for selected segments of the corporate market. The bank aims to be easy to relate to, with competitive products and prices. Storebrand Bank is the sixth largest commercial bank in Norway, with total assets of NOK 27 billion. The bank has approximately 211 employees and operates from its head office at Filipstad Brygge 1 in Oslo.

2004 was an historic turning point for the Storebrand Bank group in terms of both earnings and capital adequacy. After several years of weak results, the group reported a profit after tax of NOK 75.3 million for 2004 (as compared to a loss of NOK 45.9 million for 2003). The group's capital ratio and core capital ratio at the close of 2004 were 13.80% and 11.59%, as compared to 12.28% and 9.79% respectively at the close of 2003.

By the close of 2004 the Board and management were well on the way to completing the task of integrating the two banks in terms of systems, organisational structure and corporate culture. This has helped to rationalise the bank's operations and reduce its cost base. Work on securing and building down the bank's loss-exposed loans and non-strategic lending continued in 2004, and is now so well advanced that the separate department for non-strategic lending was closed at year end and its responsibilities were integrated into the Corporate Lending department. The loan losses incurred in rationalising these areas of the loan portfolio proved to be lower than expected, as were the costs of the work undertaken.

The Board again paid particular attention in 2004 to refocusing the bank's lending portfolio away from corporate lending towards retail lending. The overall effect of this shift has been an improvement in portfolio quality, accompanied by somewhat lower income as a result of competitive pressure on lending margins in the residential mortgage market. This makes it essential that the bank achieves further improvements in operational efficiency and cost control in order to maintain its competitiveness.

The bank's loan portfolio was of better quality and exposed to less uncertainty at the close of 2004 than was the case at the previous year-end. The shipping portfolio was reduced to NOK 278 million out of a total corporate lending portfolio of NOK 8,943 million at the close of 2004. Lending to the retail market at year-end totalled NOK 14,224 million. The Board intends to carefully monitor the progress of the change in portfolio composition in a very competitive market and the effects this has on the bank's risk profile, earnings and costs over the course of 2005.

The bank ceased to use the Finansbanken name and brand in its Norwegian activities in the first quarter of 2004. This decision was based on customer surveys that showed that it would be beneficial to focus on Storebrand Bank as the only name and brand for Storebrand's banking activities.

The bank sold the Retail Distribution unit, which is the Storebrand group's joint sales unit for marketing and sales to the retail market, to its fellow subsidiary Storebrand Livsforsikring AS with effect from 1 October 2004. The transfer of this unit reduced employee numbers at Storebrand Bank ASA by around 250. In parallel with the sale, the bank has entered into an agreement with Storebrand Livsforsikring AS that will satisfy the major part of the bank's requirements for marketing and sales capacity in the retail market.

In the third quarter of 2004, Storebrand Bank ASA established Ring Eiendomsmegling AS as a chain of real estate brokers with share capital of NOK 10 million. The bank subscribed for 100% of the new company's share capital on incorporation, but this has since been reduced as brokers have joined the chain and purchased shares from the bank. By the close of 2004, 19 real estate offices around the country had joined the chain and purchased in total 7.5% of its share capital. The bank took the initiative to establish this chain in order to establish a new sales channel for residential mortgage lending.

Over the course of 2004, the bank strengthened its financial base and diversified its financing, giving it a greater range of investors, financing instruments and funding maturities. These steps, together with the improvement in earnings, helped to further improve the bank's access to funding and reduce funding costs. The Board wants to ensure that the bank has the appropriate level and structure of capital to meet the changes in lending volume and risk profile expected over the 2005-2007 budget period. As part of this preparation, the bank issued tier 1 subordinated bond loans totalling NOK 275 million in autumn 2004, and following this the Board has proposed that the 2005 general meeting should approve a reduction in the bank's share capital of NOK 400 million to be carried out by cancelling shares.

The Board and management paid particular attention in 2004 to simplifying and refining the bank's range of products and services. These changes, together with steps taken to improve the efficiency of banking production systems, have improved the bank's response times and reduced unit costs.

Further steps were taken in 2004 to simplify the corporate structure of the Storebrand Bank group. The bank's only operational subsidiaries are now Finansbanken A/S, Denmark (100%), Ring Eiendomsmegling AS (92.5%) and Bertel O. Steen Finans AS (50%).

Financial Results

The Storebrand Bank group reported a profit before loan losses and provisions of NOK 120.6 million for 2004 (NOK 103.1 million in 2003). Losses and movements in loss provisions on loans and guarantees represented a net write-back of NOK 7.4 million (charge of NOK 173.8 million). The bank incurred losses on securities held as fixed assets totalling NOK 2.7 million (NOK 38.3 million). The pre-tax result for 2004 was a profit of NOK 125.3 million (loss of NOK 109.0 million). After tax of NOK 50.0 million, the Storebrand Bank group reported a profit for the year of NOK 75.3 million.

Net interest income amounted to NOK 427.1 million, equivalent to a net interest margin calculated on average total assets of 1.63%. Net interest income fell in 2004 mainly as a result of lower interest rates and a shift in lending towards a lower risk profile with a higher proportion of residential mortgage lending.

Non-interest income totalled NOK 274.3 million. This represents a positive underlying trend, principally due to higher sales of life insurance savings products. However, the sale of the Retail Distribution unit to Storebrand Livsforsikring AS in the third quarter of 2004 caused a reduction in total non-interest income from 2003 to 2004.

Operating expenses totalled NOK 580.8 million, equivalent to 83% of total operating income. This represents a reduction of NOK 128 million, equivalent to a cost saving of 18% from 2003. The bank expects to reduce its cost base further in 2005.

Report of the Board of Directors for 2004

Gross customer lending grew marginally in 2004 by NOK 1,354 million, equivalent to 6%. The increase relates to retail lending, and includes the purchase of a loan portfolio of approximately NOK 1.1 billion from Storebrand Livsforsikring AS in the third quarter of 2004.

The bank's exposure to real estate lending increased by 2.4% in 2004, while exposure to other corporate sectors fell by 15.6%. Lending to the retail market grew by 12.5%.

Non-performing loans, loan losses and assets repossessed

The volume of non-performing loans fell in 2004. Gross non-performing and loss-exposed loans totalled NOK 909.6 million at the close of the year, of which interest is no longer accrued on NOK 798.2 million. This represents an overall reduction of NOK 807.6 million from the start of the year. The net value of non-performing and loss-exposed loans after specific loan loss provisions amounted to NOK 530.6 million at the end of 2004, equivalent to 2.2% of net lending.

Losses and movements in loss provisions on loans and guarantees represented a net write-back of NOK 7.4 million in 2004. Specific loan loss provisions totalled NOK 379.0 million at 31 December 2004. In addition, the bank's general loan loss provisions totalled NOK 194.3 million, equivalent to 0.8% of gross lending.

The Storebrand Bank group held repossessed assets totalling NOK 88.2 million at the end of 2004.

The bank is in the process of establishing a normalised long-term average annual level of loan losses which, given the current composition of its lending portfolio, should be in the range 0.30% - 0.35% of average gross lending.

The company's stock exchange listed owner, Storebrand ASA, will be required to prepare its consolidated accounts in accordance with International Financial Reporting Standards (IFRS) from 2005. Norwegian banks that are not stock exchange listed are not currently allowed to adopt IFRS for their accounts. Storebrand Bank will therefore not apply IFRS accounting for its own accounts or for the consolidated accounts of the banking sub-group. However, Storebrand ASA will account for the results of the group's banking activities in its consolidated accounts in accordance with IFRS.

Balance sheet – total assets and subordinated loan capital

The bank's total assets increased in 2004 in pace with a marginal increase in the lending portfolio. The deposit to loan ratio was 48% at the end of 2004. The bank has a balanced financing structure, basing its funding on customer deposits, issuing securities and borrowing in the Norwegian and international markets. At the close of 2004, the bank had available undrawn committed credit facilities totalling NOK 2.4 billion.

The Storebrand Bank group's net primary capital amounted to NOK 2,369.9 million at the close of 2004, and the parent bank had primary capital of NOK 2,384.7 million. This represents a capital ratio of 13.80% (14.55% for the parent bank) and a core capital ratio of 11.59% (12.23% for the parent bank).

The bank's capital adequacy improved over the course of the year, due in part to the shift from corporate to residential mortgage lending and in part to additional subordinated borrowing.

Storebrand Bank ASA closed 2004 with sound solidity and liquidity.

Group information and subsidiaries

Storebrand ASA held the entire share capital of 91,937,183 shares in Storebrand Bank ASA at 31 December 2004. The bank's operational subsidiaries are, as noted above, Finansbanken A/S, Denmark, Ring Eiendomsmegling AS and Bertel O. Steen Finans A/S.

Finansbanken A/S, Denmark

Finansbanken A/S, Denmark, reported a post-tax profit for 2004 of DKK 24.9 million (DKK 0.25 million in 2003). The bank, which has markedly improved its earnings, will continue to promote its business concept in the business areas where it is currently active. As a result of the harmonisation of accounting principles between Denmark and Norway, a foreign exchange gain of DKK 16 million is excluded from profit when Finansbanken A/S is consolidated into the Storebrand Bank group accounts.

Ring Eiendomsmegling AS

Ring Eiendomsmegling AS was incorporated on 30 August 2004 with share capital of NOK 10 million subscribed by Storebrand Bank ASA as the sole shareholder. The bank subsequently reduced its ownership interest to 92.5% by selling 7.5% of the shares to franchisees. The company has so far granted real estate broking franchises to 19 franchisees.

Bertel O. Steen Finans AS

2004 was a very good year for Bertel O. Steen Finans AS. The company, which is owned 50% by Storebrand Bank ASA and 50% by Bertel O. Steen AS, strengthened its position as a supplier of financial products and services. Storebrand Bank ASA's dividend entitlement is 20%.

Bertel O. Steen Finans has three employees and reported turnover of NOK 1.8 billion in 2004. The company's portfolio amounted to NOK 2.8 billion at the close of 2004. Profit for 2004 was NOK 44.2 million as compared to NOK 21.2 million in 2003. The company started trading in 1999.

Result for the year, capital adequacy and equity

Storebrand Bank ASA (parent bank) reported a post-tax profit of NOK 61.7 million for 2004 after loan losses and provisions. The Board proposes to the bank's Board of Representatives and Annual General Meeting that the profit is distributed in full as a dividend.

The annual accounts for the parent company and group have been prepared on the going concern basis. The Board regards the group's capital adequacy and core capital adequacy as satisfactory in relation to the present level of activity. The Board is not aware of any material uncertainty attached to the annual accounts or of any matters that have arisen since the accounts were prepared that have a significant effect on the 2004 accounting year.

Disputes

The Storebrand Bank group is involved in a number of disputes as a result of its normal business activities.

The Board does not believe that these disputes, either individually or in total, are of material significance either commercially or operationally.

Guarantees and collateral pledged

At the end of 2004, the group's guarantee portfolio amounted to NOK 663.2 million, of which payment guarantees amounted to NOK 272.4 million and loan guarantees to NOK 118.5 million. Most of the guarantees have been issued on behalf of customers in respect of real estate operations and property development in the Oslo and Akershus region. At year-end, the bank had deposited securities totalling NOK 1,987 million as collateral for access to Norges Bank's overnight loan facility.

Report of the Board of Directors for 2004

The bank had not pledged any other material collateral at 31 December 2004.

Financial risk

The group's financial risk consists mainly of exposure to credit risk, liquidity risk, interest rate risk, foreign exchange risk and share price risk. Credit risk is considered to be the most significant of these. The Board places great importance on the group maintaining low financial risk.

In order to manage credit risk in its lending, the bank has over a number of years developed a system of delegated authority for credit approval, as well as a comprehensive system for monitoring and classifying credit risks in the loan portfolio. Lending is well diversified in terms of both customers and sectors.

The bank's exposure to credit risk improved over the course of 2004. The proportion of exposures in default or classified as high risk was reduced over the course of the year.

Where the bank lends in foreign currency, the loan principal is hedged by corresponding foreign currency funding and/or through NOK funding swapped into foreign currency. Related future interest income and expenses are hedged through forward foreign exchange contracts.

The Board annually reviews a status report detailing the bank's risk exposure. The report is prepared in accordance with Norwegian regulatory requirements, as set out in the internal control regulations.

Environment

The Board is not aware of any aspect of the bank's activities that significantly pollutes the external environment, or which might cause pollution.

The group's organisation

The Storebrand Bank group again made a number of organisational changes in 2004 as a result of essential reorganisation and re-scaling of its business activities. These changes, combined with a heavy workload, have put considerable pressure on the group's employees and their willingness to adapt to change.

In the Board's view the organisation has responded to these challenges very well, and has succeeded in maintaining a good working environment. External consultants carried out an employee satisfaction survey in autumn 2004 that largely confirms this view. With effect from 2005, the bank will participate in the annual employee satisfaction survey carried out by the Storebrand group.

Storebrand Bank ASA participates in the Storebrand group's agreement with the Norwegian National Insurance authorities for the "More inclusive working life" project. Absence due to illness in the Storebrand Bank group was 4.9% in 2004.

Storebrand Bank (the parent bank) had 171 employees at 31 December 2004, of which 69 are men and 102 are women. This represents a satisfactory overall balance between the sexes. Women account for 50% of the bank's executive management team, and for 42% of tier two management.

The average annual salary for all employees of the banking group is NOK 463,919. The average annual salary for male staff is NOK 561,823, while the average for female staff is NOK 393,753. This differential can in part be explained by the fact that female employees are over-represented in jobs traditionally regarded as more 'junior'.

The bank recruited 8 new staff in 2004, of which 3 are men and 5 are women. No male employees work on a part-time basis, whereas 13% of female employees work part-time. Individual part-time arrangements vary from 50% to 90% of full-time employment.

The Board and management work actively to promote employment equality in the Storebrand Bank group. The statistics provided above demonstrate the progress made in this respect, but the Board recognises that the company still faces challenges in promoting equality. Measures have been implemented to improve the group's approach to equal opportunities for both external recruitment and internal promotions. Additional measures in collaboration with the parent company Storebrand ASA are underway.

Strategy and prospects for 2005

Storebrand Bank ASA intends to continue and develop further its objective to be a modern and reliable bank for the retail market and for selected segments of the corporate market. Particular attention will be paid to further simplifying and improving the range of products and services offered, and to improving the bank's internal operational efficiency with the overall objective of ensuring the bank's competitiveness in a demanding market.

The main challenge for the bank in 2005 is to strengthen its position significantly in the retail market while ensuring moderate growth in business volumes in the corporate banking market. The bank intends to meet its ambitious targets for growth without any material increase in costs.

The Board would like to thank the group's customers, business partners and employees for their support and assistance in 2004.

Oslo, 15 February 2005

The Board of Directors of Storebrand Bank ASA

Translation - not to be signed

Idar Kreutzer
Chairman

Hans Henrik Klouman

Per Kumle
Managing Director

Ola Mørkved Rinnan

Roar Thoresen

Stein Wessel-Aas

Kristine Schei

Heidi Storruste

PROFIT AND LOSS ACCOUNT

NOK mill.	Note	GROUP		PARENT BANK	
		31.12.04	31.12.03	31.12.04	31.12.03
Interest and other income on loans to and deposits with credit institutions		24.6	56.7	23.6	57.6
Interest and other income on loans to and due from customers		931.3	1 575.9	888.3	1 533.4
Interest on short-term debt instruments, bonds and other interest-bearing securities		108.4	158.7	106.9	156.5
Other interest income and related income		107.6	12.6	105.8	12.3
Total interest income and related income		1 171.8	1 803.9	1 124.6	1 759.8
Interest and other expenses on debt to credit institutions		-82.0	-159.9	-78.9	-158.8
Interest and other expenses on deposits from and due to customers		-221.6	-686.8	-209.7	-677.0
Interest and other expenses on securities issued		-344.4	-411.5	-344.4	-411.5
Interest and other expenses on subordinated loan capital		-18.4	-30.0	-18.4	-30.0
Other interest and related expenses		-78.2	-23.0	-78.2	-23.0
Total interest expenses and related expenses		-744.7	-1 311.2	-729.7	-1 300.2
NET INTEREST AND CREDIT COMMISSION INCOME		427.1	492.7	395.0	459.5
Income from shares and other securities with a variable return		2.5	0.6	0.2	0.2
Income from shareholding in associated companies		5.0	1.7	5.0	1.7
Income from shareholdings in subsidiaries		0.2	0.0	0.5	0.6
Total dividends and other income from securities with a variable return		7.7	2.3	5.7	2.5
Guarantee commissions receivable		6.8	7.9	4.9	8.2
Other fees and commissions receivable	2, 3	84.7	81.2	69.8	60.8
Total commissions receivable and income from banking services		91.5	89.1	74.8	69.0
Guarantee commissions payable		-0.3	-0.2	0.0	0.1
Other fees and commissions payable	3	-19.8	-19.0	-16.0	-14.9
Total commissions payable and expenses from banking services		-20.1	-19.1	-16.0	-14.8
Net gain/loss on short-term debt instruments, bonds and other interest-earning securities		3.9	7.0	2.5	5.1
Net gain/loss on shares and other securities with a variable return		1.6	2.2	0.0	0.6
Net gain/loss on foreign exchange and financial derivatives		15.1	23.1	12.3	20.7
Total net gain/loss on foreign exchange and securities held as current assets		20.6	32.4	14.9	26.4
Other operating income	4	174.6	214.5	172.6	212.8
Total other operating income		174.6	214.5	172.6	212.8
Salaries		-240.3	-267.9	-212.3	-239.8
Pensions	5	-17.9	-22.3	-16.3	-20.7
Social security expenses		-48.1	-62.3	-45.2	-59.8
Total staff costs		-306.3	-352.5	-273.7	-320.3
Administration expenses		-97.2	-128.9	-86.6	-120.7
Total staff costs and general administration expenses	6	-403.5	-481.4	-360.3	-440.9
Ordinary depreciation		-16.7	-28.2	-15.6	-25.6
Write-downs		-0.1	-9.0	-0.1	-9.0
Total depreciation and write-downs of fixed and intangible assets	20	-16.8	-37.2	-15.7	-34.7
Real estate operating expenses		-0.3	-0.4	-0.3	-0.4
Other operating expenses	7	-160.3	-189.8	-148.7	-176.0
Total other operating expenses		-160.5	-190.2	-149.0	-176.4
Losses and provisions on loans	8, 10	5.5	-170.2	1.8	-171.5
Write-back of losses realised in previous years		0.0	0.2	0.0	0.0
Losses and provisions on guarantees		1.9	-0.3	1.9	-0.3
Credit losses on short-term debt instruments, bonds and other interest-bearing securities		0.0	-3.5	0.0	-3.5
Total losses and provisions on loans and guarantees etc.		7.4	-173.8	3.7	-175.2
Write-downs		-4.2	-38.1	-4.2	-38.1
Gains/losses		1.5	-0.2	-0.3	0.0
Total write-downs and gain/losses on securities held as fixed assets		-2.7	-38.3	-4.5	-38.1
PRE-TAX OPERATING PROFIT		125.3	-109.0	121.1	-109.9
Tax on ordinary profit	11	-50.0	63.1	-59.5	15.6
ORDINARY PROFIT AFTER TAX		75.3	-45.9	61.7	-94.3
Transfers and allocations:					
Other equity				0.0	94.3
Provision for dividend payment				-61.7	0.0
Total transfers and allocations				-61.7	94.3

BALANCE SHEET

Assets

NOK million	Note	GROUP		PARENT BANK	
		31.12.04	31.12.03	31.12.04	31.12.03
Cash and deposits with central banks		531.3	55.0	490.7	24.4
Call loans to and deposits with credit institutions		166.0	165.6	164.5	144.3
Term loans to and deposits with credit institutions		13.2	118.8	0.3	118.8
Total loans to and receivables from credit institutions		179.2	284.4	164.8	263.1
Overdraft and current accounts		818.7	1 062.5	659.4	830.6
Real estate development loans		877.0	434.1	877.0	434.1
Instalment loans	12, 13	22 355.3	21 200.4	21 631.5	20 455.5
Total lending before specific and general loss provisions	13, 14	24 051.0	22 697.1	23 167.9	21 720.2
- Specific loss provisions	8, 10	-379.0	-527.9	-366.5	-509.4
- General loss provisions	8, 10	-194.3	-313.4	-194.3	-313.4
Total net lending to and due from customers	14	23 477.7	21 855.8	22 607.1	20 897.4
Assets repossessed	15	88.2	169.4	88.2	169.4
Short-term debt instruments and bonds issued by public authorities		723.9	1 142.5	720.8	1 137.4
Total securities issued by public authorities		723.9	1 142.5	720.8	1 137.4
Short-term debt instruments and bonds issued by others		1 308.7	940.0	1 261.3	893.8
Total securities issued by others		1 308.7	940.0	1 261.3	893.8
Total short-term debt instruments, bonds and interest-bearing fixed-return securities	16	2 032.6	2 082.5	1 982.1	2 031.3
Shares, other equity investments and primary capital certificates		43.0	24.6	3.0	7.9
Total shares, other equity inv. and other sec. with a variable return	17	43.0	24.6	3.0	7.9
Shareholdings in associated companies		7.9	7.2	7.9	7.2
Total shareholdings in associated companies	18, 19	7.9	7.2	7.9	7.2
Shareholdings in financial companies		0.0	0.0	240.0	207.2
Shareholdings in other group companies		0.0	0.0	0.0	99.2
Total shareholdings in group companies	18	0.0	0.0	240.0	306.3
Goodwill		0.0	0.0	0.0	0.0
Deferred tax assets	11	259.0	308.9	236.7	296.2
Other intangible assets		0.4	1.3	0.4	1.3
Total intangible assets	20	259.4	310.1	237.1	297.4
Machinery, equipment and vehicles		27.0	30.1	24.0	27.2
Buildings and other real estate		5.4	5.7	5.4	5.7
Total fixed assets	20	32.4	35.8	29.4	32.9
Financial derivatives		24.8	33.0	0.0	0.0
Other assets	21, 26	368.3	405.3	357.9	387.1
Total other assets		393.1	438.3	357.9	387.1
Accrued income		123.3	253.3	123.3	253.3
Overfunding of pension commitments	5	10.9	4.3	10.9	4.3
Other prepaid expenses		14.2	4.7	7.4	3.7
Total prepaid expenses		25.1	9.0	18.3	8.0
Total prepaid expenses and accrued income		148.4	262.3	141.6	261.4
TOTAL ASSETS		27 193.2	25 525.3	26 350.0	24 685.8

Liabilities and equity

NOK mill.	Note	GROUP		PARENT BANK	
		31.12.04	31.12.03	31.12.04	31.12.03
Call loans and deposits from credit institutions		2.8	65.1	2.3	56.7
Term loans and deposits from credit institutions		2 148.9	3 146.2	2 099.7	3 031.4
Total debt to credit institutions		2 151.8	3 211.3	2 102.0	3 088.1
Call loans and deposits from customers		10 851.6	10 933.5	10 363.1	10 394.3
Term loans and deposits from customers		624.0	1 429.0	372.0	1 251.3
Total deposits from and due to customers	22	11 475.7	12 362.4	10 735.1	11 645.6
Commercial paper and other short-term funding		4 283.1	1 414.2	4 283.1	1 414.2
- own unamortised commercial paper		-0.1	-45.1	-0.1	-45.1
Bond debt	23	7 207.8	6 724.8	7 207.8	6 724.8
- Own unamortised bonds	23	-1 257.2	-1 240.6	-1 257.2	-1 240.6
Total securities issued		10 233.6	6 853.3	10 233.6	6 853.3
Financial derivatives		21.9	15.3	0.0	0.0
Other debt	24, 26	504.9	446.7	483.5	457.1
Total other debt		526.9	462.0	483.5	457.1
Total accrued expenses and prepaid income		146.8	207.4	146.8	206.9
Pension commitments etc.	5	17.0	21.7	17.0	21.7
Specific loss provisions for guarantee liabilities		0.0	0.3	0.0	0.3
General loss provisions for guarantee liabilities		0.0	1.6	0.0	1.6
Other provisions for accrued commitments and expenses		4.6	15.0	2.4	13.3
Total provisions for accrued commitments and expenses	25	21.6	38.5	19.4	36.8
Perpetual subordinated loan capital		282.4	0.0	282.4	0.0
Subordinated loan capital with conversion rights		0.0	9.3	0.0	9.3
Other subordinated loan capital		370.4	411.8	370.4	411.8
Total subordinated loan capital	29	652.7	421.1	652.7	421.1
TOTAL LIABILITIES		25 209.0	23 556.0	24 373.1	22 708.9
Share capital		1 315.9	1 315.9	1 315.9	1 315.9
Share premium reserve		0.0	714.5	0.0	714.5
Total paid-in share capital		1 315.9	2 030.4	1 315.9	2 030.4
Other reserves		654.7	-15.1	661.0	40.8
Profit for the year		13.7	-45.9	0.0	-94.3
Total accrued reserves		668.4	-61.1	661.0	-53.5
TOTAL EQUITY	30	1 984.3	1 969.3	1 976.9	1 976.9
TOTAL LIABILITIES AND EQUITY		27 193.2	25 525.3	26 350.0	24 685.8

Oslo, 15 February 2005
The Board of Directors of Storebrand Bank ASA

Translation - not to be signed

Idar Kreutzer
Chairman

Hans Henrik Klouman

Per Kumle
Managing Director

Ola Mørkved Rinnan

Roar Thoresen

Stein Wessel-Aas

Kristine Schei

Heidi Storruste

ANALYSIS OF CASH FLOW

NOK million	GROUP		PARENT BANK	
	2004	2003	2004	2003
Interest and credit commission income	1 171.8	1 803.9	1 124.6	1 759.8
- Interest expenses	-744.7	-1 311.2	-729.7	-1 300.2
+ Non-interest income	294.4	338.3	267.9	310.7
- Operating expenses	-584.1	-728.8	-525.3	-632.2
- Gain on disposal of fixed assets	0.0	-3.7	0.0	-3.5
= Net cash flow from operations (A)	137.4	98.5	137.6	134.6
-/+ Decrease (increase) in receivables from credit institutions	105.2	80.3	98.3	36.6
-/+ Decrease (increase) in loans to and due from customers	-1 614.5	3 009.0	-1 706.0	3 301.6
-/+ Decrease (increase) in assets repossessed	81.1	-156.7	81.1	-156.7
-/+ Decrease (increase) in short-term debt instruments, bonds and other securities	49.9	-258.7	49.2	-254.7
-/+ Decrease (increase) in shareholdings	-18.5	8.4	4.8	4.7
-/+ Investments in subsidiaries and associated companies	-0.7	-2.0	-5.4	-116.9
-/+ Investments in fixed assets	40.6	16.7	19.1	-19.9
+ Sales of fixed assets	0.3	0.0	0.3	0.0
-/+ Decrease (increase) in other assets	37.0	-235.7	29.2	-221.7
-/+ Decrease (increase) in prepaid expenses and accrued income	113.9	80.8	119.7	81.0
= Net cash flow from financial activities (B)	-1 205.6	2 542.1	-1 309.5	2 654.1
+/- Increase (decrease) in deposits from financial institutions	-1 059.5	-1 079.3	-986.1	-1 201.8
+/- Increase (decrease) in deposits from customers	-886.7	-836.6	-910.5	-817.4
+/- Increase (decrease) in issues of own securities	3 380.3	-1 002.6	3 380.3	-1 002.6
+/- Increase (decrease) in other liabilities	-9.4	204.3	-35.2	205.2
+/- Increase (decrease) in accrued expenses and prepaid income	-95.1	-116.1	-24.7	-116.1
+/- Increase (decrease) in provisions for commitments and expenses	-16.7	-16.3	-17.2	-7.3
+/- Increase (decrease) in subordinated loan capital	231.7	-102.9	231.7	-102.9
= Net cash flow from financing activities (C)	1 544.6	-2 949.4	1 638.3	-3 042.8
Net change in cash and cash equivalent assets (A+B+C)	476.4	-308.8	466.4	-254.1
+ Cash and cash equivalent assets at 01.01 *)	55.0	363.7	24.4	278.5
= Cash and cash equivalent assets at 31.12 *)	531.3	55.0	490.7	24.4

*) Cash and cash equivalent assets include cash, cash deposits and deposits with Norges Bank.

ACCOUNTING POLICIES AND PRINCIPLES OF VALUATION

The accounts of Storebrand Bank have been prepared in accordance with relevant laws, regulations and provisions, and comply with generally accepted accounting principles in Norway. When applying the accounting principles and presenting transactions and other matters, due consideration is taken of commercial reality in addition to the legal form. The same accounting principles are applied to both the parent bank and the group.

Consolidation

The consolidated accounts relate to the parent bank, Storebrand Bank ASA, and its subsidiaries. Subsidiaries are defined as companies in which the parent bank is a long-term shareholder with more than 50% of the voting share capital. On consolidation, material inter-company balances are netted. If the parent bank owns less than 100% of the share capital, this is reflected by showing minority interests in the profit and loss account and balance sheet.

Companies acquired are consolidated in accordance with the past equity method from the date of acquisition. The difference between cost price and the net book value of assets at the time of acquisition, corrected for any values in excess of or less than book values, is classified as goodwill and amortised on a straight-line basis over a stipulated period. The profit and loss account of foreign subsidiaries is translated into Norwegian kroner at the average exchange rate for the year, whilst the balance sheet is translated at the exchange rate on the date of the balance sheet.

Where the group's ownership interest in a company is between 20% and 50% of the voting capital and the group exercises significant influence the investment is treated as an associated company. Associated companies are accounted for on the equity method of accounting in the consolidated accounts. Companies acquired by way of repossession as security for lending are not consolidated since they are not intended to be long-term investments.

The parent company accounts recognise shareholdings in subsidiaries on the cost method of accounting.

Recording of income and accruals

Prepaid income is accrued and entered as a liability in the balance sheet. Accrued income receivable is taken to income and recorded under accounts receivable.

Loan arrangement fees, commissions etc. payable by the customer when a loan is first made available that do not form part of the normal repayment schedule of the loan, are recognised as income over the loan period to the extent that such income exceeds the direct costs of establishing the loan commitment.

Dividends are recognised as income when received. Dividends and group contributions from subsidiaries are taken to income in the year in which they are provided for in the accounts of the paying company to the extent that this represents a return on the investment.

In calculating gains or losses on the sale of securities, the cost price is defined as the average purchase cost.

Foreign exchange

All accounts receivable or payable in foreign currency are converted into Norwegian kroner (NOK) at the mid-market rate at year-end. Income and expenses denominated in foreign currency are converted into NOK at the prevailing rates at the time of each transaction.

Financial derivatives

Financial derivatives are contracts entered into with either customers or banks in respect of future interest rates or foreign exchange rates. These agreements include forward foreign exchange transactions, foreign exchange options, future rate agreements (FRAs), financial futures and interest rate swaps.

A distinction is made between agreements which are part of the bank's own trading activities entered into in order to make a profit on price and interest rate movements, and agreements which are entered into as part of the bank's other activities. The first of these categories forms part of the bank's trading portfolio, while the second category forms part of banking operations (the banking portfolio). Foreign exchange and interest rate related agreements are classified when they are entered into either as trading portfolio transactions or as belonging to the banking portfolio. The purpose of hedging agreements is to neutralise existing or expected interest rate and/or foreign exchange exposure. To be classified as a hedging agreement, there must be a close connection between the price and value of the contract and the item hedged. Interest rate and foreign exchange contracts used to hedge the bank's balance sheet items or other financial instruments are valued in connection with the item hedged. Income from and expenses related to these contracts are recognised to the profit and loss account together with the items hedged.

Financial derivatives in the trading portfolio are valued on the basis of market value at year-end. Net change in market value is recognised in the profit and loss account as a gain or loss on foreign exchange and financial derivatives.

Shares and investments

Both shares classified as current assets and shares classified as long-term shareholdings are valued at the lower of the acquisition cost and market value at year-end.

Bonds and short-term debt instruments

The bank's holdings of short-term debt instruments and bearer bonds are split into two portfolios.

Securities used to hedge corresponding items on the other side of the balance sheet are stated at cost. Premiums/discounts are recognised to profit and loss over the bond's residual period to maturity.

Securities that are not part of the hedging portfolio are valued at the lower of the portfolio's aggregate market value and cost. This also applies to forward purchases of securities.

Equity index bonds

The bank issues index bonds which comprise three elements: the issue of a bond loan, the issue of a call option related to a stock exchange index and the purchase of an option to fully hedge the option element of the index bond. The bond loan and the option agreements are entered into simultaneously and are treated as a single transaction. The discount on the bond loan element is amortised up to nominal value in the period to maturity as an interest expense. The bond loan is classified under the headings "securities issued" in the balance sheet, and is valued as a zero-coupon bond.

Commission paid are recognised to profit and loss in part at the date of issue and the balance is amortised over the life of the bonds issued.

Options are shown as gross amounts under the headings "other assets" and "other liabilities" in the balance sheet and are valued at the lower of the acquisition cost and market value at 31 December.

Long-term funding transactions

Direct expenses related to long-term issues are capitalised in the balance sheet and depreciated over the period until the next interest fixing date/maturity. Any premium /discount arising on the issue of securities is recorded in the profit and loss account over the period until the next interest fixing date/maturity as an adjustment to interest expenses. Holdings of bonds issued by the bank are netted against bond debt in the balance sheet. Gains or losses on the purchase and sale of own bonds in the secondary market are treated as premiums/discounts on issue.

Fixed assets

Fixed assets are stated in the balance sheet at cost less ordinary depreciation. Fixed assets are written down if actual value (net sales value or npv of cash flows) is less than book value. Fixed assets are depreciated on a straight-line basis over the economic life of the assets. Ordinary depreciation is recorded as an operating expense.

The following depreciation rates are used:

Asset type	Annual depreciation
- Real estate	2-5%
- Vehicles	20%
- Machinery/equipment	20%
- IT equipment	30%

Defaults and losses on loans and guarantees

Losses on loans and guarantees are based on a review of the loan and guarantee portfolios at year-end, applying the valuation rules issued by the Financial Supervisory Authority of Norway (Kredittilsynet or the 'FSA'). Non-performing and doubtful commitments are monitored and assessed continuously. At the end of each quarter the bank carries out a specific appraisal of losses on loans and guarantees.

Defaults: In accordance with the FSA's regulations, a commitment is considered to be in default if a contractual payment is not received and 90 days have elapsed from the due date, or where an account is overdrawn without authorisation and the situation is not rectified within 90 days. Commitments where bankruptcy/insolvency or debt settlement proceedings have started are also considered as being in default.

Specific loan loss provisions: When a commitment is identified as doubtful because of bankruptcy/ insolvency or debt settlement proceedings, legal collection, attachment of property, distraint or other non-performance, the need for a specific loss provision is evaluated.

In the event of bankruptcy/insolvency, a compromise agreement with creditors or debt settlement proceedings, the value of the loan security forms the basis of the loss assessment. In the event of default, the loss assessment also takes account of the debtor's financial position and debt-servicing ability.

When the borrower is not in default but the commitment is affected by other circumstances such as the level of liquid funds, solvency, the ability to generate earnings or the value of the loan security, the commitment is regarded as a doubtful debt and the necessary specific loss provision is made.

Specific loan loss provisions are recorded separately in the balance sheet and deducted from gross lending.

General loan loss provisions: In addition to recording realised losses and specific loss provisions, general loss provisions are also made. These provisions are intended to cover conditions existing at year-end which may lead to losses on commitments not identified and assessed as requiring specific loss provisions in accordance with the rules for such evaluation. General loss provisions are intended to cover debtor groups which represent a clear risk of loss because of factors existing at year-end (e.g. industry-related risk, risk categories, geographical areas etc.).

Realised loan losses: Realised losses are recognised in the accounts in the case of bankruptcy, a legally binding composition with creditors, failure to receive a court order for attachment of property, a legally binding judgement, or if the bank has terminated legal collection procedures or has otherwise renounced the commitment or its share of the commitment. Realised losses are deducted from gross lending in the balance sheet.

Non-accrual of interest: Where the evaluation of a loan in default leads to a specific loss provision being made and the security available is insufficient to cover interest and commission due, the recognition to profit and loss account of interest, commissions and fees related to the commitment in question ceases. At the same time, a reversing entry is made for interest, commissions and fees accrued but not received in

the current year. Where a specific loss provision has been made but the loan is not in default, consideration is given to ceasing accrual of interest, commissions and fees on a case-by-case basis.

Reinstatement of loans and guarantees

When remedial action has been taken and a previous doubtful debt is no longer considered to be doubtful, the commitment is reinstated. Accrued interest due is then taken to income as interest income and a reversing entry is made for the specific loss provisions made for the commitment.

Assets repossessed

As part of the bank's loss management procedures, assets given as loan security are in some cases repossessed by the bank. Repossessed assets are valued at estimated realisable value at the date of repossession, and are stated separately in the balance sheet at the lower of estimated realisable value or the principal and interest outstanding secured on the assets in question. Repossessed assets are shown as a separate item in the balance sheet.

Any loss/gain on realisation or write-down due to a fall in value in respect of assets repossessed is debited or credited to loan losses.

Deferred tax / tax charge

The tax charge in the profit and loss account reflects the tax on income arising from the accounting profit and consists of the tax payable for the period and the change in deferred tax.

In the balance sheet, deferred tax/deferred tax assets are calculated at a rate of 28% on the temporary differences between balance sheet values for accounting and taxation purposes after setting off any tax loss carried forward at the balance sheet date. Tax increasing and tax reducing timing differences are netted against each other if they occur within the same period. Deferred tax assets are capitalised in the balance sheet if it is considered likely that the benefit can be applied in respect of future earnings.

Pension costs and pension commitments

Pension costs and pension liabilities are treated for accounting purposes in accordance with the accounting standards for pension costs issued by the Norwegian Accounting Standards Board. The net pension cost for the period consists of the sum of pension liabilities accrued in the period, the interest charge on the estimated liability and the expected return on the pension funds.

Prepaid pension is the difference between the actual value of the pension funds and the present value of estimated pension liabilities, and is booked as a long-term asset in the balance sheet. Correspondingly a long-term liability arises in the accounts when the pension liability is greater than the pension funds. A distinction is made between insured and uninsured schemes. The uninsured scheme will always be entered as a liability since it does not have a pension fund.

The effects of changes in assumptions, deviations between calculated and estimated pension liabilities and the difference between the expected and actual return achieved on pension funds are charged to profit and loss over the remaining period for pension accrual or the expected remaining life once the cumulative effect exceeds 10% of the higher of either the pension liability or pension funds at the start of the year (the 'corridor approach').

Leasing

Operational leasing obligations are recorded as leasing expenses in the profit and loss account.

Extraordinary items

Income or expenses are classified as extraordinary items if they are substantial, of an unusual nature and not expected to arise regularly. All three criteria must be met before an item can be treated as extraordinary. Substantial changes arising from changes of accounting principles are posted as extraordinary items in the profit and loss account.

Notes

Note 1: Remuneration of key personnel etc.

	No. of shares owned*)	No. of bonus unit**)	Loans NOK 1,000	Interest rate at 31.12.04	Repayment basis	Severance Pay
Senior Executives ***)						
Per Kumle ****)	10 510		5 400	2.35%	SE 2017/2027	24 months
Per Kjetil Lilleskare Anne Grete T. Wardeberg Kristin V. Tønnesen			1 291	2.35 - 2.9%	AN 2007/2033	15 months
Tore Hopen	285		2 003	2.35 - 2.75%	AN 2016/2025	
Nina Juel Arstal	850		3 257	2.35 - 3.2%	SE 2029/AN 2029	
			1 197	2.35%	AN 2028	12 months
Board of Directors *****)						
Idar Kreutzer *****)	26 760		6 263	2.35 - 3.2%	AN 2021/2031	
Hans Henrik Klouman	1 448	340 000	1 200	2.35%	AN 2025	
Lennart Lorentzen	850		1 743	2.35 - 3.69%	SE 2009/2026/2030	
Heidi Storruste	160		927	2.35%	AN 2029	
Ola Mørkved Rinnan Kristine Schei Roar Thoresen	510		1 090	2.35%	AN 2022	
Steinar Wessel-Aas			1 400	2.90%	SE 2019	
Control Committee	64		1 765	2.75%	AN 2023	

*) The summary shows the number of shares owed in Storebrand ASA by the individual, as well as his or her close family and companies where the individual exercises significant influence (cf. Accounting Act 7-26).

***) The Storebrand Group has a cash bonus scheme for key managers which is linked to the share price development of the Storebrand share. The bonus, which can be paid out no earlier than 2 or 3 years after it is awarded, is calculated as the difference between market share price and the contract share price of NOK 60, and is paid out in cash. The bonus scheme has defined periods in which it can be exercised, and expires no later than 2009.

****) Senior employees are contractually entitled to performance related bonuses related to the group's value-based management system. Subsequent to year end it has been decided that the bonus scheme will be terminated. In the event of termination of employment in certain defined circumstances, such as receiving notice from the company, senior employees are entitled to guaranteed income/salary for periods that vary from 12-24 months after the normal notice period.

*****) The terms of employment for Per Kumle, Chief Executive Officer for the Storebrand Bank ASA, provide at guarantee of 24 month's salary following the expiry of the normal notice period. All forms of work-related income from other sources, including consultancy assignments, will be deducted from such payments after 18 months. Kumle is entitled to a performance-related bonus based on the group's ordinary bonus scheme. Payments under the ordinary bonus scheme are payable in three instalments. The group's value creation finances the overall amount of the bonus, but individual performance determines allocation. Kumle's individual bonus entitlement is credited to a bonus account, and 1/3 of the balance on the bonus account is paid each year. The payment in 2004 is estimated at NOK 1.6 million. Kumle is a member of the Storebrand pension scheme on normal terms including retirement at age 65. Note that pension rights are earned for salary above 12 G, entitling Kumle to a policy also for salary above 12 G if employment is terminated before retirement. The discounted present value of his pension entitlement amounts to NOK 0.6 million, made up of NOK 0.1 million in the insured scheme and NOK 0.5 million in the uninsured scheme. These amounts represent the liability of the insured and uninsured scheme calculated on a linear basis using the financial assumption specified in the accounts.

*****) Bonus schemes for members of the Board are connected with their employment in Storebrand ASA.

*****) Chairman of the Board, Idar Kreutzer, does not receive any remuneration from Storebrand Bank and the company is not liable if his status as director and chairman is altered or terminated. Idar Kreutzer is CEO of Storebrand ASA and Storebrand Livsforsikring AS. His terms of employment provide a guarantee of 24 months' salary following the expiry of the normal notice period. All forms of work-related income from other source, including consultancy assignments, will be deducted from such payments. He is entitled to a performance-related bonus based on Storebrand's ordinary bonus scheme, payable in three instalments. The group's value creation finances the overall amount of the bonus, but individual performance determines allocation. Kreutzer's bonus entitlement is credited to a bonus account, and 1/3 of the account's balance is paid each year. Kreutzer is a member of Storebrand's pension scheme on normal terms. The discounted present value of his pension entitlement amounts to NOK 5 million, made up of NOK 0.7 million in the insured scheme and NOK 4.3 million in the uninsured scheme. These amounts represent the liability of the insured and uninsured scheme calculated in a linear bases using financial assumptions specified in the accounts.

Remuneration of officers of the company:

NOK 1,000	Parent Bank	
	2004	2003
Managing Director *)	5 004	4 165
Chairman of the Board	0	0
Other Board members	625	625
Control Committee	352	380

*) Incl. salary paid, pensions cost and other taxable benefits.

Remuneration of the auditor:

NOK 1,000	Group		Parent Bank*)	
	2004	2003	2004	2003
Audit	2 631	5 069	1 451	3 907
Consultancy	965	597	487	81
Total	3 596	5 666	1 938	3 988

*) Remuneration for audit of subsidiaries is NOK 284. Storebrand Bank ASA changed auditors in 2004. Deloitte Statsautoriserete Revisorer AS are the new external auditors. Remuneration for auditing and related services in 2004 total NOK 408 (all figures in '000s).

Staffing and personnel:

	Group		Parent Bank	
	2004	2003	2004	2003
Average number of employees	342	518	299	470
Number of employees at 31.12.	211	467	171	427
Full time equivalent positions	207.2	455.6	168.8	418.6

Notes

Note 2: Accrual of commissions and arrangement fees

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Accrued fees and commissions at 01.01	19.6	26.7	19.6	26.7
Fees and commissions received	26.5	28.3	26.5	28.3
Fees and commissions recognised to Profit and Loss Account	-29.0	-35.4	-29.0	-35.4
Accrued fees and commissions at 31.12	17.1	19.6	17.1	19.6

Note 3: Commissions and fees on banking services

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Other fees and commissions receivable				
Loan fees	14.3	12.5	14.0	12.5
Money transfer fees	19.5	20.8	19.4	20.7
Service charges on deposit accounts	13.0	9.7	13.0	9.7
Brokerage on equity index linked bonds	22.6	15.2	22.6	15.2
Fees from securities trading and management	11.4	10.8	0.0	0.0
Other commission income	3.9	12.1	0.8	2.7
Total other fees and commissions receivable	84.7	81.2	69.8	60.8
Other fees and commissions payable				
Money transfer fees	-13.6	-13.1	-13.6	-13.1
Fee on securities to Norwegian Registry of Securities	-1.1	-0.6	-1.1	-0.6
Other commission expenses	-5.1	-5.3	-1.3	-1.2
Total other fees and commissions payable	-19.8	-19.0	-16.0	-14.9

Note 4: Other operating income

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Income on distribution and management of loans	7.7	8.0	7.7	8.0
Income on distribution of mutual fund products	13.6	11.4	13.6	11.4
Income on distribution of life insurance products	115.0	143.0	115.0	143.0
Income on distribution of health insurance products	3.8	6.7	3.8	6.7
Income on distribution of unit linked products	19.0	25.4	19.0	25.4
Other income	15.7	20.0	13.6	18.3
Total other operating income	174.6	214.5	172.6	212.8

Storebrand Bank ASA distributed and managed a portfolio of loans for Storebrand Livsforsikring AS and Storebrand Skadeforsikring AS until autumn 2004. Storebrand Skadeforsikring's portfolio and the major part of Storebrand Livsforsikring's portfolio was at that time purchased by Storebrand Bank ASA and included in the bank's own loan portfolio.

Storebrand Bank ASA distributed products for other group entities until 1 October 2004. At this time the distribution unit was sold to Storebrand Livsforsikring AS. Income from the distribution unit has been included in the bank's accounts for the first 9 months of 2004.

Note 5: Pension cost and pension liabilities

Staff pension are provided by a group scheme, primarily with Storebrand Livsforsikring AS, in accordance with the rules on private occupational pension schemes. Pensions are payable at pension age which is 67 for employees (and 65 for underwriters). The ordinary retirement age is 65, and a pension equivalent to 70% of pensionable salary becomes payable on retirement. The pension benefits form a part of the standard terms applicable to employment by Storebrand. Early retirees are defined as those who retire before reaching age 65. Pension costs and pension liabilities are treated for accounting purposes in accordance with the accounting standards for pension costs issued by the Norwegian Accounting Standards Board (see also Accounting principles). Both insured and uninsured schemes are treated as defined benefit plans.

In view of lower interest rates, the financial assumptions were amended with effect from 31 December 2004. The changed assumptions affect pension liabilities at 31 December 2004. The effect of the changes is shown in the deviation not applied to P&L at 31.12.04. However the changes do not affect the pension cost or the amortisation of the deviation booked in 2004.

Notes

The following assumptions have been used in the calculations:

Financial assumptions:	Assumptions net pension cost in period:	Assumptions pension liability as per 31.12.04:
- Return on pension funds	7.00 %	
- Discount rate	6.50 %	5.50 %
- Annual salary growth	3.00 %	3.00 %
- Expected adjustment of Social Security Funds's basic amount (G)	3.00 %	3.00 %
- Annual pension increase	2.00 %	2.00 %

Actuarial assumptions:

- Standardised assumptions on mortality/morbidity and other demographic factors, as produced by the Norwegian Insurance Association
- Average employee turnover rate of 2-3% of entire workforce
- Linear earnings profile

The calculation apply to 186 employees.

Net pension costs

	Group			2003	Parent Bank			2003
	2004	2004	Total		2004	2004	Total	
NOK mill.	Insured scheme	Uninsured scheme	Total	Total	Insured scheme	Uninsured scheme	Total	Total
Pension liabilities accrued for the year	-11.1	-4.0	-15.2	-19.0	-11.1	-4.0	-15.2	-19.0
Interest expenses	-9.2	-1.9	-11.1	-13.4	-9.2	-1.9	-11.1	-13.4
Expected return of pension funds	9.9	0.0	9.9	13.6	9.9	0.0	9.9	13.6
Effect of changes in estimated deviation recognised to P&L	0.0	-0.4	-0.4	-0.9	0.0	-0.4	-0.4	-0.9
Effect of changes in pension plan recognised to P&L	-0.2	0.0	-0.2	-0.2	-0.2	0.0	-0.2	-0.2
Recognised to P&L because of changes in number of employees	2.0	-0.5	1.5	0.0	2.0	-0.5	1.5	0.0
Accrued employer's contribution	0.0	-0.8	-0.8	-1.1	0.0	-0.8	-0.8	-1.1
Net pensin costs *)	-8.8	-7.5	-16.3	-20.9	-8.8	-7.5	-16.3	-20.9

*) Pension costs in Finansbanken AS (Denmark) are not included. Employees of Finansbanken AS (Denmark) are members of a defined contribution pension scheme. The pension cost for 2004 was NOK 1.6 million.

Calculated liability

Shown below is a reconciliation of the estimated pension liability, and the pension funds held in respect of this, to the liability and funds booked in the balance sheet.

Net pension liability

	Group			2003	Parent Bank			2003
	2004	2004	Total		2004	2004	Total	
NOK mill.	Insured scheme	Uninsured scheme	Total	Total	Insured scheme	Uninsured scheme	Total	Total
Earned pension liability	-44.7	-17.0	-61.7	-178.0	-44.7	-17.0	-61.7	-178.0
Estimated effect of future salary growth	-15.7	-7.3	-23.0	-54.8	-15.7	-7.3	-23.0	-54.8
Estimated pension liability	-60.4	-24.3	-84.7	-232.7	-60.4	-24.3	-84.7	-232.7
Market value of pension funds	51.3	0.0	51.3	187.0	51.3	0.0	51.3	187.0
Net estimated pension liability/surplus	-9.2	-24.3	-33.5	-45.8	-9.2	-24.3	-33.5	-45.8
Estimated deviation not recognised to P&L because of changes in assumptions	18.4	7.3	25.7	26.5	18.4	7.3	25.7	26.5
Change in pension plan not recognised to P&L	1.6	0.0	1.6	1.9	1.6	0.0	1.6	1.9
Net pension liability as shown in the balance sheet	10.9	-17.0	-6.1	-17.4	10.9	-17.0	-6.1	-17.4
Provision for employer's contribution	0.0	-2.4	-2.4	-3.0	0.0	-2.4	-2.4	-3.0
Net pension liability incl. employer's contribution	10.9	-19.4	-8.5	-20.4	10.9	-19.4	-8.5	-20.4

Deviation from estimates are booked first against the "corridor" in accordance with Norwegian Accounting Standards, with surplus amounts booked to P&L over the average remaining accrual period (cf. Accounting Principles).

Effect of changes in the pension plan are booked to P&L over the average remaining accrual period.

Calculated employer's contribution (NOK 2.4 million) of recorded pension liability are included in the balance sheet under the item "Provision for accrued commitments and expenses".

Notes

Note 6: Staff costs and general administration expenses

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Ordinary salaries	240.3	267.9	212.3	239.8
Employer's contribution	32.8	40.6	30.0	37.3
Other staff costs *	15.3	21.7	15.2	22.5
Pension costs	17.9	22.3	16.3	20.7
Total staff costs	306.3	352.5	273.7	320.3
Equipment rentals and maintenance	64.5	70.8	64.1	71.0
Stationary, supplies and postage	9.3	17.8	8.6	17.1
Travel, meeting and training expenses	7.8	11.7	6.6	10.7
Marketing and advertising	15.6	28.6	7.4	21.8
Total administration expenses	97.2	128.8	86.6	120.6
Total staff costs and administration expenses	403.5	481.4	360.3	440.9
* Including expenses related to interest rate subsidies on loans to employees	1.3	2.8	1.3	2.8

Note 7: Other operating expenses

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Contract personell	26.2	32.1	25.5	31.5
Operating expenses on rented premises	50.3	78.0	44.0	73.6
Inter-company charges for services	62.0	50.3	62.0	50.5
Other operating expenses	21.7	29.3	17.2	20.4
Total other operating expenses	160.3	189.8	148.7	176.0

Note 8: Change in specific and general loan loss provisions

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Specific loss provisions for loans, guarantees etc. at 01.01	527.9	504.0	509.4	481.6
Realised losses in period on items specifically provided for previously	-261.4	-147.6	-259.1	-144.9
Increase in existing specific loan loss provisions in period	85.2	26.5	85.2	26.1
New specific loan loss provisions in period	66.8	198.3	63.7	193.9
Write-back of specific loan loss provisions in period	-39.6	-53.4	-32.7	-47.3
Specific loss provisions for loans, guarantees etc. at 31.12	379.0	527.8	366.5	509.4
General loss provisions for loans, guarantees etc. at 01.01	315.0	314.3	315.0	314.3
Change in general loss provisions for loans, guarantees etc. in period	-120.7	0.7	-120.7	0.7
General loss provisions for loans, guarantees etc. at 31.12	194.3	315.0	194.3	315.0

SPECIFICATION OF LOSSES AND PROVISIONS ON LOANS AND GUARANTEES IN PERIOD

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Change in specific loan loss provisions	-148.8	23.7	-142.8	27.8
Change in general loan loss provisions	-120.7	0.7	-120.7	0.7
Realised losses on commitments specifically provided for previously	261.4	147.6	259.1	144.9
Realised losses on commitments not specifically provided for previously	3.3	-0.6	3.3	-0.7
Recoveries on previously realised losses	-2.6	-1.2	-2.6	-1.0
Losses and provisions on loans and guarantees in period	-7.4	170.2	-3.7	171.7

SPECIFICATION OF NON-ACCRUED INTEREST IN PERIOD

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Interest accrued but not recognised on balance sheet commitments at 01.01	123.4	62.2	123.4	62.2
Loan interest from previous periods recognised in period	-16.0	-3.8	-16.0	-3.8
Interest accrued but not recognised on commitments removed from balance sheet	-25.1	-19.4	-25.1	-19.4
Interest accrued but not recognised in period on loss exposed loans	10.7	84.4	10.7	84.4
Interest accrued but not recognised on balance sheet lending at 31.12	93.0	123.4	93.0	123.4

Notes

Note 9: Non-performing and loss exposed loans

Parent Bank

NOK mill.	2004	2003	2002	2001
Non-performing loans where interest is not accrued	790.8	1 266.4	1 125.0	473.6
Non-performing loans where interest continues to accrue	52.5	364.4	927.3	919.3
Total non-performing loans	843.3	1 630.8	2 052.3	1 392.9
Specific loan loss provisions	365.8	499.6	412.8	173.9
Net non-performing loans	477.5	1 131.2	1 639.4	1 219.0
Loss exposed loans where interest is not accrued	1.7	0.0	0.0	0.0
Loss exposed loans where interest continues to accrue	0.2	17.4	235.6	596.5
Total loss exposed loans	1.8	17.4	235.6	596.5
Specific loan loss provisions	0.7	9.8	68.8	135.5
Net loss exposed loans	1.1	7.6	166.9	461.0
Net total non-performing and loss exposed loans	478.6	1 138.8	1 806.3	1 680.0

Group

NOK mill.	2004	2003	2002	2001
Non-performing loans where interest is not accrued	790.8	1 266.4	1 125.0	473.6
Non-performing loans where interest continues to accrue	55.7	364.4	933.8	921.7
Total non-performing loans	846.5	1 630.8	2 058.8	1 395.2
Specific loan loss provisions	365.8	499.6	412.8	173.9
Net non-performing loans	480.7	1 131.2	1 645.9	1 221.3
Loss exposed loans where interest is not accrued	7.4	8.1	13.7	6.4
Loss exposed loans where interest continues to accrue	55.7	78.1	288.9	650.6
Total loss exposed loans	63.1	86.2	302.6	657.0
Specific loan loss provisions	13.2	28.3	91.2	156.0
Net loss exposed loans	49.9	57.9	211.4	501.0
Net total non-performing and loss exposed loans	530.6	1 189.1	1 857.4	1 722.3

Note 10: Analysis of loan loss provisions by sector

Parent Bank

NOK mill.	Non-performing and doubtful loans		Specific loan loss provisions		Net non-performing and doubtful loans	
	2004	2003	2004	2003	2004	2003
Sector and industry classification:						
Agriculture, forestry, fishing etc.	0.4	0.0	0.4	0.0	0.0	0.0
Water and power supply, building and construction	26.1	4.8	9.3	0.0	16.8	4.8
Oil and gas	0.5	0.0	0.2	0.0	0.3	0.0
Industry and mining	6.2	0.0	0.4	0.0	5.8	0.0
Wholesale/retail trade, hotels and restaurants	5.5	17.2	3.9	5.0	1.6	12.1
International shipping and pipelines	80.2	204.0	62.2	97.6	18.0	106.4
Other transportation and communications	10.1	0.0	10.1	0.0	0.0	0.0
Services and real estate operations	266.4	680.0	87.6	185.8	178.8	494.2
Other service industries	0.0	9.3	0.0	7.3	0.0	2.0
Retail customers	419.0	633.6	165.0	177.6	254.0	456.0
Foreign / others	30.8	99.4	27.4	36.1	3.4	63.4
Total	845.1	1 648.2	366.5	509.4	478.6	1 138.8

Group

NOK mill.	Non-performing and doubtful loans		Specific loan loss provisions		Net non-performing and doubtful loans	
	2004	2003	2004	2003	2004	2003
Sector and industry classification:						
Agriculture, forestry, fishing etc.	0.4	0.0	0.4	0.0	0.0	0.0
Water and power supply, building and construction	26.1	4.8	9.3	0.0	16.8	4.8
Oil and gas	0.5	0.0	0.2	0.0	0.3	0.0
Industry and mining	6.2	0.0	0.4	0.0	5.8	0.0
Wholesale/retail trade, hotels and restaurants	5.5	17.2	3.9	5.0	1.6	12.1
International shipping and pipelines	80.2	204.0	62.2	97.6	18.0	106.4
Other transportation and communications	10.1	0.0	10.1	0.0	0.0	0.0
Services and real estate operations	266.4	680.0	87.6	185.8	178.8	494.2
Other service industries	0.0	9.3	0.0	7.3	0.0	2.0
Retail customers	419.0	633.6	165.0	177.6	254.0	456.0
Foreign / others	95.3	168.2	39.9	54.5	55.4	113.7
Total	909.6	1 717.0	379.0	527.9	530.6	1 189.2

Notes

Note 11: Tax

BASIS FOR CALCULATION OF DEFERRED TAX ASSET / DEFERRED TAX LIABILITY

NOK mill.	Parent Bank	
	2004	2003
Pre-tax profit	121.1	-109.9
Permanent differences:		
Non-allowable expenses	0.9	0.8
Non-taxable income	0.0	-0.2
RISK-adjustments for subsidiaries	0.0	53.7
Changes resulting from 2004 tax reform	90.4	0.0
Change in temporary timing differences:		
Fixed assets and long-term shareholdings	-273.2	-57.0
Acquisition cost in excess of book values	0.0	1.8
Pension commitments	-11.2	6.6
Provision in accordance with GRS	-15.1	2.5
Write-downs of shareholdings	-48.7	2.8
Securities accruals	10.5	-7.2
Other temporary timing differences	0.0	0.6
Tax base for the year	-125.3	-105.5
Applicable tax rate	28 %	28 %
Tax asset/liability for the year	-35.1	-29.5

CALCULATION OF DEFERRED TAX ASSET / DEFERRED TAX LIABILITY

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Tax increasing timing differences:				
Securities	0.3	1.1	0.3	1.1
Pension commitments	-6.1	-17.4	-6.1	-17.4
Other temporary timing differences	18.8	16.3	10.6	2.8
Total tax increasing temporary timing differences	12.9	0.1	4.7	-13.4
Tax reducing temporary timing differences:				
Fixed assets and long-term shareholdings	-63.6	-335.7	-34.3	-307.5
Portfolio of hedging securities	-8.2	-53.4	0.0	-48.7
Provision in accordance with GRS	-8.6	-23.8	-8.2	-23.3
Other temporary timing differences	-13.3	-1.2	-13.3	4.1
Total tax reducing temporary timing differences	-93.6	-414.1	-55.8	-375.4
Net tax reducing temporary timing differences	-80.7	-414.0	-51.1	-388.8
Deferred loss and tax allowances	-839.3	-697.2	-794.4	-669.1
Net temporary timing differences and deferred loss/tax allowances	-920.0	-1 111.2	-845.4	-1 057.8
Deferred tax liability	0.0	0.0	0.0	0.0
Deferred tax asset	259.0	308.9	236.7	296.2

TAX CHARGE FOR THE YEAR

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Change in deferred tax asset	50.0	-63.1	59.5	-15.6
Tax charge (tax refund)	50.0	-63.1	59.5	-15.6

ACCRUED, UNASSESSED AND DEFERRED TAX

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Deferred tax	259.0	308.9	236.7	296.2
Tax	259.0	308.9	236.7	296.2

Notes

Note 12: Loans to employees

NOK mill.	2004
Loans to employees in Storebrand Bank ASA	170.8

Note 13: Analysis of loan portfolio

Parent Bank

NOK mill.	2004		2003	
	NOK	%	NOK	%
Sector and industry classification:				
Agriculture, forestry, fishing etc.	3.5	0.0 %	5.4	0.0 %
Oil and gas	0.5	0.0 %	0.5	0.0 %
Industry and mining	54.1	0.2 %	97.6	0.4 %
Water and power supply, building and construction	84.5	0.4 %	97.2	0.4 %
Wholesale/retail trade, hotels and restaurants	130.3	0.6 %	171.9	0.8 %
International shipping and pipelines	142.5	0.6 %	416.7	1.9 %
Other transportation and communications	84.3	0.4 %	134.6	0.6 %
Services and real estate operations	6 033.2	26.0 %	5 758.8	26.5 %
Other service industries	200.7	0.9 %	225.9	1.0 %
Retail customers	16 026.5	69.2 %	14 226.9	65.5 %
Other	11.8	0.1 %	18.9	0.1 %
Foreign	396.0	1.7 %	565.8	2.6 %
Total	23 167.9	100.0 %	21 720.2	100.0 %
Geographic distribution:				
Eastern Norway	17 778.0	76.7 %	16 183.1	74.5 %
Western Norway	2 036.0	8.8 %	2 123.4	9.8 %
Southern Norway	1 773.8	7.7 %	1 778.4	8.2 %
Mid-Norway	788.8	3.4 %	720.6	3.3 %
Northern Norway	395.2	1.7 %	348.9	1.6 %
Foreign	396.0	1.7 %	565.8	2.6 %
Total	23 167.9	100.0 %	21 720.2	100.0 %

Group

NOK mill.	2004		2003	
	NOK	%	NOK	%
Sector and industry classification:				
Agriculture, forestry, fishing etc.	3.5	0.0 %	5.4	0.0 %
Oil and gas	0.5	0.0 %	0.5	0.0 %
Industry and mining	54.1	0.2 %	97.6	0.4 %
Water and power supply, building and construction	84.5	0.4 %	97.2	0.4 %
Wholesale/retail trade, hotels and restaurants	130.3	0.5 %	171.9	0.8 %
International shipping and pipelines	142.5	0.6 %	416.7	1.8 %
Other transportation and communications	84.3	0.4 %	134.6	0.6 %
Services and real estate operations	6 033.2	25.1 %	5 758.8	25.4 %
Other service industries	200.7	0.8 %	225.9	1.0 %
Retail customers	16 026.5	66.6 %	14 226.9	62.7 %
Other	11.8	0.0 %	18.9	0.1 %
Foreign	1 279.1	5.3 %	1 542.7	6.8 %
Total	24 051.0	100.0%	22 697.1	100.0%
Geographic distribution:				
Eastern Norway	17 778.0	73.9 %	16 183.1	71.3 %
Western Norway	2 036.0	8.5 %	2 123.4	9.4 %
Southern Norway	1 773.8	7.4 %	1 778.4	7.8 %
Mid-Norway	788.8	3.3 %	720.6	3.2 %
Northern Norway	395.2	1.6 %	348.9	1.5 %
Foreign	1 279.1	5.3%	1 542.7	6.8%
Total	24 051.0	100.0%	22 697.1	100.0%

Notes

Note 14: Credit Exposure

In order to identify the credit risk in its lending portfolio, Storebrand Bank classifies all corporate and retail customers both when first establishing a credit relationship and whenever changes are made. All corporate customer classifications are also reviewed annually and/or whenever circumstances indicate the need for such review. Customer classification thus provides a picture of the credit risk at any time.

All new credit facilities are priced individually, and must meet predefined minimum criteria for credit approval. Pricing reflects the level of credit risk involved.

Risk classification for lending to corporate customers takes the form of three scores, each from 1 to 5, where 1 represents the best score. The first score is for the quality of the borrower/financial condition (debt service capacity). The second score is for the quality of the collateral (loan to value ratio). The third score is for commercial factors (internal/external risk). The analysis shown below is based on the scores for financial condition and collateral, giving a matrix of 25 risk groups. In addition some credit relationships are still awaiting classification. The analysis shown here is somewhat simplified, with a breakdown into four risk levels.

Risk classification for lending to private individuals (retail market lending) is based on the customer's capacity to service the loan and on the loan to value ratio. In order to provide comparability between the two classification systems, retail lending with a loan to value ratio below 80% is allocated to the low risk category, while lending with a loan to value ratio up to 100% is allocated to the moderate risk category.

Figures for the bank's portfolio of defaulted and loss-exposed loans are also specified.

The bank's model for determining the level of provisions for unidentified risks (general loan loss provisions) is based on a matrix of financial condition and collateral as indicated above. General loan loss provisions are made against the total exposure (total of lending, guarantees and undrawn credit facilities) to all customers for which no specific loss provisions have been made. Provisions are evaluated using the risk classification of individual loans based on the likelihood that the borrower will default or become insolvent (financial condition) and the likely loss given default (collateral). Multiplying the total exposure by these two factors calculates the expected future loss. This represents the need for a general provision against the loan, and the total of the calculated amounts for all loans indicates the level of general provision required for the portfolio as a whole. For retail customers, current and historical payment records are used to categorise loans in risk groups. Provisions are calculated using historical statistical data, economic indicators, segment analyses and other factors that are significant when calculating expected losses. Risk exposure for credit cards and overdrafts are calculated using recovery data.

The model is used to calculate the necessary level of general loan loss provisions on a quarterly basis. Storebrand Bank's general provisions at 31 December 2004 were somewhat higher than the level calculated by the model. The bank has NOK 194.3 million of general provisions, weighted in accordance with the portfolio allocation shown below.

Classification matrix - parent bank

NOK mill.	Loans	Undrawn committed facilities	Guarantees	Total Exposure	Specific loan loss provisions	General loan loss provisions	Net Exposure
Low risk	19 132.8	910.2	263.6	20 306.6	-	44.9	20 261.7
Moderate risk	2 171.9	69.1	47.0	2 288.	-	51.5	2 236.5
High risk	982.2	22.2	29.5	1 033.9	-	97.1	936.8
Unclassified	24.4	-	0.3	24.7	-	0.8	23.9
Non-performing/doubtful	856.5	-	-	856.5	366.5	-	490.0
Total	23 167.8	1 001.5	340.4	24 509.7	366.5	194.3	23 948.9

The following table provides an analysis of the bank's exposure to certain sectors. Exposure is allocated to sectors on the basis of industrial classification/business codes, with aggregated figures shown for sectors where the bank has significant exposure.

	Intenational shipping and pipelines	Services and real estate operations	Water and power supply, building and construction	Retail customers	Foreign/ Other	Total exposure
Loans	131.7	5 126.6	77.0	16 592.5	1 240.0	23 167.8
Guarantees	25.8	240.6	3.4	21.5	49.1	340.4
Undrawn commitments	0.0	909.7	6.4	60.9	24.5	1 001.5
Total exposure	157.5	6 276.9	86.8	16 674.9	1 313.6	24 509.7
Of which:						
Non-performing/doubtful loans	80.2	266.4	26.1	419.0	53.4	845.1
Specific loan loss provisions	62.2	87.6	9.3	165.0	42.4	366.5

Notes

Note 15: Assets repossessed

Company	Registered office	Ownership/ voting	Share capital (NOK 1,000)	Book value 31.12.04	Book value 31.12.03
Filipstad Tomteselskap AS	Oslo	100.0 %	100	10.3	0.0
Filipstad Eiendom AS	Oslo	100.0 %	500	17.4	15.6
Neskollen Eiendom AS	Oslo	100.0 %	990	20.5	37.9
Kragerø Golfpark	Kragerø	25.0 %	306	4.4	14.4
Kristian August AS *)	Oslo	49.0 %	100	0.0	24.7
Heimstaden *)	Sweden	25.8 %	7 300	0.0	71.4
Virtual Garden AS	Oslo	12.6 %	119	3.3	3.3
Investra ASA **)	Oslo	44.5 %	19 236	1.4	0.0
Seildukgata 25/31 AS	Oslo	50.0 %	4 500	30.0	0.0
Others				0.9	2.1
Total shares - parent bank				88.2	169.4

*) Sold in 2004.

***) The bank owns additional shares in Investra ASA, see note 17 - Securities with variable yield

Note 16: Holdings of short-term debt instruments and bonds

Parent Bank	2004				2003			
	Nominal value	Cost price	Market value	Book value	Nominal value	Cost price	Market value	Book value
NOK mill.								
Current asset holdings/other portfolio								
Other portfolio, risk weight 0%	725.0	720.7	721.4	720.8	1 117.4	1 137.4	1 141.3	1 137.4
Other portfolio, risk weight 10%	400.0	396.8	403.7	396.8	400.0	394.2	404.4	394.2
Other portfolio, risk weight 20%	862.0	864.5	864.3	864.5	499.0	499.7	500.9	499.7
Other portfolio, risk weight 100%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total short-term debt instruments and bonds								
	1 987.0	1 982.0	1 989.4	1 982.1	2 016.4	2 031.3	2 046.6	2 031.3
Of which listed shares			1 989.4				2 046.6	

Average real interest rate on securities is 2.88%, arithmetically calculated based on monthly averages

Group	2004				2003			
	Nominal value	Cost price	Market value	Book value	Nominal value	Cost price	Market value	Book value
NOK mill.								
Current asset holdings/other portfolio								
Other portfolio, risk weight 0%	827.2	723.4	724.5	723.9	1 183.9	1 142.3	1 146.3	1 142.4
Other portfolio, risk weight 10%	431.3	427.7	435.1	428.2	442.7	436.0	447.7	437.5
Other portfolio, risk weight 20%	870.6	866.5	866.6	866.8	522.1	501.0	502.7	501.5
Other portfolio, risk weight 100%	11.1	13.0	13.7	13.7	1.0	1.1	1.1	1.1
Total short-term debt instruments and bonds								
	2 140.2	2 030.7	2 039.9	2 032.6	2 149.7	2 080.4	2 097.8	2 082.5
Of which listed shares			2 039.9				2 097.8	

ANALYSIS OF SHORT-TERM DEBT INSTRUMENTS AND BONDS HELD BY TYPE OF ISSUER

Parent Bank	2004		2003	
	Government	Other	Government	Other
NOK mill.				
Total book value of short-term debt instruments and bonds - current assets	720.8	1 261.3	1 137.4	893.0
Total book value of short-term debt instruments and bonds - other	0.0	0.0	0.0	0.0
Total book value of short-term debt instruments and bonds	720.8	1 261.3	1 137.4	893.0

Group	2004		2003	
	Government	Other	Government	Other
NOK mill.				
Total book value of short-term debt instruments and bonds - current assets	723.9	1 308.7	1 142.4	940.1
Total book value of short-term debt instruments and bonds - other	0.0	0.0	0.0	0.0
Total book value of short-term debt instruments and bonds	723.9	1 308.7	1 142.4	940.1

Notes

Note 17: Holdings of securities with variable yield

NOK mill.	Share capital (NOK 1.000)	Interest	No. of shares	Nominal value (NOK)	Book value	Market value	Acquisition cost
Company							
NOS ASA	15 948	1.39%	222 100	1.00	2.1	2.1	2.1
Investra AS	21 374	6.09%	2 604 000	0.50	0.3	0.3	29.4
Other	i/a	i/a	i/a	i/a	0.6	0.6	1.1
Total other investments - parent bank					3.0	3.0	32.6
Total other investments owned by Finansbanken AS (Denmark)					40.0	57.5	37.1
Total other investments - group					43.0	60.5	69.7

Note 18: Investments in subsidiaries and associated companies

NOK mill.	Registered office	Owner- ship	Voting	Share capital	Cost price	Book value 31.12.04
Company						
Finansbanken AS	Copenhagen	100.0 %	100.0 %	142.1	270.3	207.2
Skipsinvest I AS	Oslo	100.0 %	100.0 %	0.1	0.1	0.1
Storebrand Finans AS	Oslo	100.0 %	100.0 %	20.1	95.9	23.5
Ring Eiendomsmegling AS	Oslo	92.5 %	92.5 %	9.3	9.3	9.3
Total investments in subsidiaries - parent bank					375.6	240.0
Associated companies						
Bertil O. Steen Finans AS	Lørenskog	50.0 %	50.0 %	0.2	5.0	7.9
Total investments in associated companies - parent bank					5.0	7.9

Note 19: Companies accounted for by the equity method

NOK mill.	Acquisition cost	Share of profit 2004	Book value 31.12.04
Company			
Bertil O. Steen Finans AS	5.0	5.0	7.9
Total companies accounted for by the equity method		5.0	7.9

Storebrand Bank ASA has a 50% ownership share in Bertel O. Steen Finans AS. Share of profit is 20%. Dividend of NOK 3.0 mill. received in 2004.

Notes

Note 20: Fixed assets

Parent Bank

NOK mill.	2004				2003			
	Machinery, equipment etc. *)	Real estate	Good-will	Intangible assets	Machinery, equipment etc.	Real estate	Good-will	Intangible assets
Cost at 01.01	126.9	6.6	0.0	5.3	166.2	1.0	5.5	5.3
Additions in the year	12.5	2.7	0.0	0.0	13.9	5.6	0.0	0.0
Disposals in the year	-3.8	-2.7	0.0	0.0	-24.6	0.0	0.0	0.0
Depreciation and write-downs at 31.12 **)	-111.6	-1.2	0.0	-4.9	-128.3	-0.9	-5.5	-4.0
Book value at 31.12	24.0	5.4	0.0	0.4	27.2	5.7	0.0	1.3
Ordinary depreciation for the year	14.3	0.3	0.0	0.9	19.3	0.3	1.1	1.6
Estimated economic life of asset	3-4 years	15 years	5 years	3 years	3-4 years	15 years	3 years	3 years

*) Scrapped and fully depreciated assets have been netted from the amounts for Additions and Depreciation and write-downs for 2004.

**) Goodwill was written down by NOK 3.3 mill. in 2003.

Group

NOK mill.	2004				2003			
	Machinery, equipment etc. *)	Real estate	Good-will	Intangible assets	Machinery, equipment etc.	Real estate	Good-will	Intangible assets
Cost at 01.01	137.2	6.6	124.2	5.3	178.0	1.0	124.2	5.3
Additions in the year	13.0	2.7	0.0	0.0	14.4	5.6	0.0	0.0
Disposals in the year	-3.8	-2.7	-0.6	0.0	-27.7	0.0	-0.6	0.0
Depreciation and write-downs at 31.12 **)	-119.4	-1.2	-123.6	-4.9	-134.6	-0.9	-123.6	-4.0
Book value at 31.12	27.0	5.4	0.0	0.4	30.1	5.7	0.0	1.3
Ordinary depreciation for the year	15.5	0.3	0.0	0.9	20.5	0.3	4.8	1.6
Estimated economic life of asset	3-4 years	15 years	3-20 years	3 years	3-4 years	15 years	3-20 years	3 years

*) Scrapped and fully depreciated assets have been netted from the amounts for Additions and Depreciation and write-downs for 2004.

**) Goodwill was written down by NOK 33.9 mill. in 2003.

Note 21: Other assets

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Receivables Storebrand group companies	1.1	23.9	1.1	23.9
Group contribution from subsidiaries	0.0	0.0	0.2	0.6
Market value on options related to equity index linked bonds	353.1	264.5	353.1	264.5
Money transfer services	2.8	91.8	2.8	91.8
Deposit relating to lease of premises	2.6	2.5	0.0	0.0
Interest accrued	4.1	4.2	0.0	0.0
Capitalised costs decorating leased premises	0.0	0.6	0.0	0.0
Other assets	4.6	17.8	0.6	6.3
Total other assets	368.3	405.3	357.9	387.1

Notes

Note 22: Analysis of Customer Deposits

Parent Bank NOK mill.	2004		2003	
	NOK	%	NOK	%
Sector and industry classification:				
Central government	9.6	0.1%	0.9	0.0%
County and municipal authorities	7.5	0.1%	1.4	0.0%
Agriculture, forestry, fishing etc.	9.8	0.1%	6.9	0.1%
Oil and gas	7.4	0.1%	7.5	0.1%
Industry and mining	63.0	0.6%	79.3	0.7%
Water and power supply, building and constructions	36.0	0.3%	46.3	0.4%
Wholesale/retail trade, hotels and restaurants	267.8	2.5%	284.5	2.4%
International shipping and pipelines	57.5	0.5%	205.5	1.8%
Other transportation and communications	52.2	0.5%	47.9	0.4%
Services and real estate operations	2 426.4	22.6%	2 721.9	23.4%
Other service industries	370.4	3.5%	454.3	3.9%
Retail customers	6 715.4	62.6%	7 260.2	62.3%
Others	358.2	3.3%	116.0	1.0%
Foreign	353.8	3.3%	413.0	3.5%
Total	10 735.1	100.0%	11 645.6	100.0%

Geographic distribution:

Eastern Norway	7 522.3	70.1%	8 201.5	70.4%
Western Norway	1 279.1	11.9%	1 347.5	11.6%
Southern Norway	957.7	8.9%	1 020.4	8.8%
Mid-Norway	330.7	3.1%	366.5	3.1%
Northern Norway	291.5	2.7%	296.7	2.5%
Foreign	353.8	3.3%	413.0	3.5%
Total	10 735.1	100.0%	11 645.6	100.0%

Group NOK mill.	2004		2003	
	NOK	%	NOK	%
Sector and industry classification:				
Central government	9.6	0.1%	0.9	0.0%
County and municipal authorities	7.5	0.1%	1.4	0.0%
Agriculture, forestry, fishing etc.	9.8	0.1%	6.9	0.1%
Oil and gas	7.4	0.1%	7.5	0.1%
Industry and mining	63.0	0.5%	79.3	0.6%
Water and power supply, building and constructions	36.0	0.3%	46.3	0.4%
Wholesale/retail trade, hotels and restaurants	267.8	2.3%	284.5	2.3%
International shipping and pipelines	57.5	0.5%	205.5	1.7%
Other transportation and communications	52.2	0.5%	47.9	0.4%
Services and real estate operations	2 426.4	21.1%	2 721.9	22.0%
Other service industries	337.4	2.9%	394.7	3.2%
Retail customers	6 715.4	58.5%	7 260.2	58.7%
Others	358.2	3.1%	116.0	0.9%
Foreign	1 127.4	9.8%	1 189.4	9.6%
Total	11 475.7	100.0%	12 362.4	100.0%

Geographic distribution:

Eastern Norway	7 489.3	65.3%	8 141.9	65.9%
Western Norway	1 279.1	11.1%	1 347.5	10.9%
Southern Norway	957.7	8.3%	1 020.4	8.3%
Mid-Norway	330.7	2.9%	366.5	3.0%
Northern Norway	291.5	2.5%	296.7	2.4%
Foreign	1 127.4	9.8%	1 189.4	9.6%
Total	11 475.7	100.0%	12 362.4	100.0%

Notes

Note 23: Securities issued

NOK mill.	2004		2003	
	Book value	Nominal value	Book value	Nominal value
Bonds issued:				
EUR FRN February 2004- August 2005 EURIBOR +0.375	906.2	906.2	758.1	758.1
NOK FRN April 2001-April 2006 NIBOR +0.15	138.0	138.0	1 000.0	1 000.0
NOK FRN April 2001-April 2006 NIBOR +0.21	893.5	894.0	893.1	894.0
NOK FRN June 2003 - June 2006 NIBOR +0.45	509.3	510.0	463.6	465.0
NOK Fixed rate September 2003 - September 2006, 4.85%	565.3	565.3	565.3	565.3
NOK FRN December 2003 - December 2008 NIBOR +0.45	623.8	624.0	199.5	200.0
NOK FRN June 2004 - December 2007 NIBOR +0.25	440.7	441.0	0.0	0.0
NOK Fixed rate June 2004 - December 2007, 4.1%	509.6	509.5	0.0	0.0
Total bonds issued	4 586.4	4 588.0	3 879.6	3 882.4
Other bonds issued (equity linked bonds + hedge fund linked bonds)	2 630.1	2 901.6	2 856.1	3 205.0
Total bonds issued	7 216.5	7 489.6	6 735.7	7 087.4
Bonds repurchased				
Bonds repurchased	922.6	918.8	973.8	973.8
Other bonds repurchased (equity linked bonds + hedge fund linked bonds)	334.6	349.2	266.8	278.4
Total bonds repurchased	1 257.2	1 268.0	1 240.6	1 252.2
Premium/discount to par	8.8	0.0	10.8	0.0
Net bonds issued	5 950.5	6 221.6	5 484.3	5 835.2
Short-term debt issued				
Short-term debt issued	4 283.1	4 283.0	1 414.2	1 415.0
Short-term debt repurchased	0.1		45.1	45.0
Net short-term debt issued	4 283.0	4 283.0	1 369.1	1 370.0

Average interest rate on bonds is 2.9%, whilst average interest rate on equity linked bonds is 5.75%.

Average interest rate on short-term debt is 2.2%, whilst average duration is 10.1 months.

Average interest rate is the arithmetic monthly average.

Note 24: Other debt

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Payable to Storebrand group companies	13.2	3.6	13.2	33.1
Provision for dividend payment to Storebrand ASA	61.7	0.0	61.7	0.0
Market value of options related to equity index linked bonds	348.7	264.5	348.7	264.5
Money transfers	48.5	143.1	48.5	143.1
Accrued operating expenses and interest expenses	15.8	14.2	0.0	0.0
Other debt	17.1	21.3	11.5	16.4
Total other debt	504.9	446.7	483.5	457.1

Note 25: Provisions for accrued commitments and expenses

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Specific loss provisions for guarantee liabilities	0.0	0.3	0.0	0.3
General loss provisions for guarantee liabilities	0.0	1.6	0.0	1.6
Pension liabilities *)	17.0	21.7	17.0	21.7
Provisions for restructuring costs	0.0	10.3	0.0	10.3
Other provisions	4.6	4.6	2.4	2.9
Total provisions for accrued commitments and expenses	21.6	38.5	19.4	36.8

*) See note 5 - Pension cost and pension liabilities

Notes

Note 26: Intra-group transactions and accounts receivable/payable - parent bank

NOK mill.	Subsidiaries		Other group companies	
	2004	2003	2004	2003
Accrued not received				
Other receivables	0.2	0.0	1.1	23.9
Total intra-group accounts receivable	0.2	0.0	1.1	23.9
Other debt	0.0	29.5	13.2	33.1
Deposits from and due to customers	32.9	56.6	0.0	0.0
Provision for dividend payment to Storebrand ASA	0.0	0.0	61.7	0.0
Total intra-group accounts payable	32.9	86.1	74.9	33.1
Profit and loss account items				
Interest income	0.9	2.4	0.0	0.0
Interest expenses	-0.6	-0.8	0.0	-0.1
Other operating income	0.0	1.5	164.2	210.9
Other operating expenses	0.0	-0.5	62.0	-50.0
Group contributions received	0.2	0.6	0.0	0.0
Intra-group transactions	0.5	3.2	226.2	160.8

Note 27: Foreign currency exposure

NOK mill.	31.12.04					
	Assets	Liabilities	Net assets	Forward FX contracts	FX options	Net positions
Parent bank						
CHF	412.9	0.0	412.9	-419.1	0.0	-6.2
DKK	219.3	0.0	219.3	-223.9	0.0	-4.6
EUR	157.8	2 524.4	-2 366.6	2 388.4	0.0	21.8
GBP	5.8	15.5	-9.7	9.3	0.0	-0.4
JPY	59.0	0.0	59.0	-60.6	0.0	-1.6
SEK	199.3	8.6	190.7	-193.0	0.0	-2.3
USD	377.3	670.9	-293.6	295.0	0.0	1.4
CAD	0.7	0.0	0.7	0.2	0.0	0.9
Other	1.3	0.0	1.3	0.0	0.0	1.3
Total	1 433.4	3 219.4	-1 786.0	1 796.3	0.0	10.3
Group						
CHF	835.2	5.6	829.7	-835.6	0.0	-5.9
NOK	0.4	13.4	-13.0	13.2	0.0	0.3
DKK	219.3	0.0	219.3	-223.9	0.0	-4.6
EUR	265.0	2 703.1	-2 438.1	2 461.4	0.0	23.3
GBP	15.6	37.9	-22.3	22.2	0.0	-0.1
JPY	62.4	4.4	57.9	-59.3	0.0	-1.3
SEK	216.3	33.6	182.7	-185.2	0.0	-2.4
USD	413.4	768.8	-355.4	356.9	0.0	1.5
CAD	1.4	9.9	-8.4	9.4	0.0	1.0
Other	11.6	43.0	-31.4	33.8	0.0	2.4
Total	2 040.8	3 619.7	-1 578.9	1 592.9	0.0	14.0

Note 28: Foreign exchange exposure

The bank's Foreign Exchange, Treasury and Capital Markets department is responsible for monitoring the bank's overall foreign exchange exposure. The bank's foreign exchange exposure is subject to limits set by the Board of Directors, and the bank's exposure in relation to these limits is measured daily and reported to the Board of Directors on a monthly basis. The net foreign exchange position is calculated for each currency as the total of assets, liabilities and the other foreign exchange receivables and payables (financial derivatives) denominated in that currency. Long and short positions in the various currencies are aggregated separately. The net aggregate foreign currency position is the higher of the total of all long positions and the total of all short positions. The relevant net aggregate foreign currency positions are as follows:

NOK mill.	Average		Average	
	2004	2004	2003	2003
Net aggregate FX position - parent bank	10.3	10.8	3.5	10.1
Net aggregate FX position - group	14.0	14.0	5.1	6.1

The average aggregate foreign exchange position is calculated on the basis of daily figures. The risk of loss primarily arises from changes in exchange rates relative to the bank's foreign exchange positions. Based on the bank's control procedures the risk of loss is considered to be limited.

Notes

Note 29: Subordinated loan capital

SUBORDINATED LOAN CAPITAL > 10% OF TOTAL PRIMARY CAPITAL

NOK mill.	2004		2003	
	Book value	Average interest rate	Book value	Average interest rate
Tier 1 hybrid capital				
Subordinated perpetual bond 2004, NIBOR + 1.50%, call 2014	166.3	3.5 %		
Subordinated perpetual bond 2004, 5.9%, call 2014	106.7	5.9 %		
Subordinated loan capital with conversion rights				
Perpetual subordinated loan 1995, 8.5% coupon	9.3	8.5 %	9.3	8.5 %
Other subordinated loan capital				
Subordinated loan 2000-2010, USD 10 Mill., LIBOR + 1.3%, call 2005	60.4	3.0 %	66.8	2.6 %
Subordinated loan 2000-2010, NIBOR + 1.3%, call 2005	110.0	3.4 %	110.0	5.0 %
Subordinated loan 2002-2012, 3 mnd NIBOR +2.0%, call 2007	100.0	4.1 %	100.0	6.0 %
Subordinated loan 1999-2009, 7.75 % rente, call 2004			35.0	7.8 %
Subordinated loan 2003-2013, NIBOR +2.25 %, call 2008	100.0	4.5 %	100.0	7.0 %
Total	652.7		421.1	

NOK mill.	2004	2003
Subordinated loan capital included in capital adequacy calculation	652.7	421.1
Profit/loss		
Subordinated loan capital in foreign currency	60.4	66.8
Subordinated loan capital in foreign currency, book value	60.4	66.8
Interest expense		
Subordinated loan interest charged in the accounts	18.4	30.0

Note 30: Change in equity capital

Parent Bank	2004				2003			
	Share capital	Share premium reserve	Other reserves	Total equity	Share capital	Share premium reserve	Other reserves	Total equity
NOK mill.								
Opening balance at 01.01	1 315.9	714.5	-53.5	1 976.9	1 315.9	714.5	40.8	2 071.2
New shares issued	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transferred from share premium reserve to other reserves	0.0	-714.5	714.5	0.0	0.0	0.0	0.0	0.0
Profit for the year	0.0	0.0	61.7	61.7	0.0	0.0	-94.3	-94.3
Provision for dividend payment	0.0	0.0	-61.7	-61.7	0.0	0.0	0.0	0.0
Total equity at 31.12	1 315.9	0.0	661.0	1 976.9	1 315.9	714.5	-53.5	1 976.9

Group	2004				2003			
	Share capital	Share premium reserve	Other reserves	Total equity	Share capital	Share premium reserve	Other reserves	Total equity
NOK mill.								
Opening balance at 01.01	1 315.9	714.5	-61.1	1 969.3	1 315.9	714.5	-15.2	2 015.2
New shares issued	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transferred from share premium reserve to other reserves	0.0	-714.5	714.5	0.0	0.0	0.0	0.0	0.0
Other changes	0.0	0.0	1.3	1.3	0.0	0.0	0.0	0.0
Profit for the year	0.0	0.0	75.3	75.3	0.0	0.0	-45.9	-45.9
Provision for dividend payment	0.0	0.0	-61.7	-61.7	0.0	0.0	0.0	0.0
Total equity at 31.12	1 315.9	0.0	668.4	1 984.3	1 315.9	714.5	-61.1	1 969.3

The entire share capital of NOK 1,315.9 million made up of 91,937,183 shares (of nominal value NOK 14.313) is owned by Storebrand ASA.

Notes

Note 31: Analysis of guarantees issued

Parent Bank

NOK mill.	2004		2003	
	NOK	%	NOK	%
Sector and industry classification:				
Financial aid agencies	147.7	29.9%	92.6	14.7%
Industry and mining	1.4	0.3%	1.4	0.2%
Water and power supply, building and constructions	4.4	0.9%	6.1	1.0%
Wholesale/retail trade, hotels and restaurants	1.8	0.4%	4.5	0.7%
International shipping and pipelines	25.8	5.2%	30.2	4.8%
Other transportation and communications	1.2	0.2%	1.3	0.2%
Services and real estate operations	243.7	49.4%	270.9	43.1%
Other service industries	0.4	0.1%	12.0	1.9%
Retail customers	21.5	4.4%	4.4	0.7%
Others	16.7	3.4%	25.3	4.0%
Foreign	28.7	5.8%	180.2	28.7%
Total	493.4	100.0 %	628.9	100.0 %
Geographic distribution:				
Eastern Norway	454.0	92.0%	403.9	64.2%
Western Norway	5.5	1.1%	7.8	1.2%
Southern Norway	1.7	0.3%	29.3	4.7%
Mid-Norway	3.4	0.7%	7.7	1.2%
Northern Norway	0.0	0.0%	0.0	0.0%
Foreign	28.7	5.8%	180.2	28.7%
Total	493.4	100.0%	628.9	100.0%
Analysis of guarantee liabilities:				
Loan guarantees	0.0	0.0%	0.3	0.0%
Payment guarantees	222.2	45.0%	217.8	34.6%
Performance guarantees	108.3	22.0%	317.6	50.5%
Commercial Banks' Guarantee Fund	147.7	29.9%	92.1	14.6%
Other guarantee liability	15.2	3.1%	1.1	0.2%
Total	493.4	100.0%	628.9	100.0%

Group

NOK mill.	2004		2003	
	NOK	%	NOK	%
Sector and industry classification:				
Financial aid agencies	147.7	22.3%	92.6	11.9%
Industry and mining	1.4	0.2%	1.4	0.2%
Water and power supply, building and constructions	4.4	0.7%	6.1	0.8%
Wholesale/retail trade, hotels and restaurants	1.8	0.3%	4.5	0.6%
International shipping and pipelines	25.8	3.9%	30.2	3.9%
Other transportation and communications	1.2	0.2%	1.3	0.2%
Services and real estate operations	243.7	36.7%	270.9	34.7%
Other service industries	0.4	0.1%	12.0	1.5%
Retail customers	21.5	3.2%	4.4	0.6%
Others	16.7	2.5%	25.3	3.2%
Foreign	198.5	29.9%	332.3	42.5%
Total	663.2	100.0 %	781.0	100.0 %
Geographic distribution:				
Eastern Norway	454.0	68.5%	403.9	51.7%
Western Norway	5.5	0.8%	7.8	1.0%
Southern Norway	1.7	0.3%	29.3	3.8%
Mid-Norway	3.4	0.5%	7.7	1.0%
Northern Norway	0.0	0.0%	0.0	0.0%
Foreign	198.5	29.9%	332.3	42.5%
Total	663.2	100.0 %	781.0	100.0 %
Analysis of guarantee liabilities:				
Loan guarantees	118.5	17.9%	126.4	16.2%
Payment guarantees	272.4	41.1%	241.8	31.0%
Performance guarantees	109.4	16.5%	319.7	40.9%
Commercial Banks' Guarantee Fund	147.7	22.3%	92.1	11.8%
Other guarantee liability	15.2	2.3%	1.1	0.1%
Total	663.2	100.0%	781.0	100.0%

Notes

Note 32: Off-balance sheet liabilities and contingent liabilities

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Guarantees	663.2	781.0	493.4	628.9
Book value of assets pledged as collateral for mortgage debt etc. *)	1 984.7	1 560.8	1 982.1	1 533.6
Other contingent liabilities	0.0	1.3	0.0	0.0
Total contingent liabilities	2 648.0	2 343.2	2 475.5	2 162.5

*) Assets pledged as collateral:

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Book value of bonds lodged as collateral for overnight loans from Central Bank of Norway	1 982.1	1 533.6	1 982.1	1 533.6
Book value of bonds lodged as collateral to Central Bank of Denmark	2.6	27.2	0.0	0.0
Total	1 984.7	1 560.8	1 982.1	1 533.6

See note 33 - Financial Derivatives.

Note 33: Financial derivatives

Storebrand Bank ASA offers its customers various financial instruments to hedge foreign exchange and interest rate exposure. The same instruments are also used actively by the bank to hedge its own exposure. Derivatives serve as efficient tools in the asset/liability management process, and are primarily used to adjust interest rate sensitivity, foreign exchange positions, liquidity positions and to control risks connected with structured products. Derivatives also form an integrated part of the currency desk's daily operations.

The bank's Board of Directors has set limits for the bank's interest rate and foreign exchange positions, and procedures have been established which ensure that these limits are observed. The bank uses only liquid instruments and focuses on dealing in a small number of major currencies with reputable counterparties.

Storebrand Bank ASA uses the following financial instruments:

Forward foreign exchange transactions:

These are agreements to buy or sell foreign exchange at an agreed exchange rate with settlement at a predetermined future date.

Interest rate agreements (FRA/Futures):

These are agreements relating to a fixed rate of interest on an agreed amount for a future period. At the commencement of the future period only the difference between interest calculated at the agreed rate of interest and the market rate is exchanged. FRAs are used to lock in a return or funding cost for a fixed period, and to cover interest rate swaps entered into with customers. Futures are used to adjust the bank's interest rate sensitivity.

Interest rate swaps:

These are agreements to swap interest rate conditions for a future period. At the commencement of the future period only the difference between interest calculated at the agreed rate of interest and the market rate is exchanged. Interest rate swaps are used to adjust the bank's interest rate sensitivity and liquidity position, and to cover interest rate swaps entered into with customers.

Interest rate caps:

An interest rate cap is an instrument that places a cap on the interest rate paid under a floating interest rate agreement. Only the difference between interest calculated at the agreed rate of interest and the market rate is exchanged when the interest period occurs.

Foreign currency options:

Agreement that gives the purchaser the right to buy or sell foreign currency at an agreed rate and with settlement at a future date. Foreign currency options are used for proprietary trading and to cover currency options entered into with customers.

Equity options:

An agreement which gives the purchaser the right to buy or sell shares, equity indices, etc. at an agreed time and price and with settlement at a future date. Similarly, hedge fund options gives the purchaser the right to buy or sell hedgefund shares, portfolios etc. at an agreed time and price and with settlement at a future date. Equity and hedge fund options are used to secure the bank's exposure related to the sale of equity index linked bonds (structured bonds).

Main risk factors:

Where there is an open position related to a forward foreign exchange transaction or a foreign currency option, the bank runs the risk that both the exchange rate (the foreign exchange risk) and the interest rate differential (interest rate risk) between the currencies involved may change. The bank's activity in this area relates mainly to interest rates. Interest rate swaps are entered into for the sole purpose of reducing the exposure attached to the bank's balance sheet items. The bank incurs counterparty risk for all types of derivatives except for futures. The liquidity, credit and operational risks related to the various derivatives are considered to be limited based on the bank's established procedures.

Notes

Credit exposed value:

The credit exposed value is the credit risk expressed in numerical terms (risk-weighted volume) calculated in accordance with regulations set by the Financial Supervisory Authority of Norway. Credit risk is the risk that the contract counterparty fails to meet its contractual obligations. As can be seen from the table, the bank has a low credit exposure in respect of financial derivatives. The bulk of the bank's credit risk relates to the ordinary loan portfolio.

Nominal values:

The nominal value of forward foreign exchange transactions is based on the agreed settlement amounts in NOK applying exchange rates as at 31 December 2004. The nominal value of other instruments is based on the agreed amount forming the basis of the risk exposure calculation. In the case of share options, the nominal value is reflected in the nominal share price of the contract (strike-price) multiplied by the number of shares and calculated separately for options purchased and issued (sold). The figures in the table are stated gross since no legally binding netting agreements have been entered into.

Parent Bank

	31.12.04		31.12.03		Average 2004		Average 2003		Market value 31.12.04	Credit equivalent value 31.12.04	Credit equivalent value 31.12.03
	Bought	Sold	Bought	Sold	Bought	Sold	Bought	Sold			
NOK mill.											
Forward foreign exchange											
- trading portfolio	2 448	2 420	1 874	1 678	2 077	2 001	2 249	2 138	0	39	98
- other portfolio	3 278	1 510	4 733	3 786	3 850	2 347	3 707	3 720	7	54	148
Foreign currency options											
- trading portfolio	0	0	0	0	0	0	0	0	0	0	0
- other portfolio	0	0	0	0	0	0	0	0	0	0	0
Interest rate swaps											
- trading portfolio	0	0	0	0	0	0	0	0	0	0	0
- other portfolio	659	3 786	1 655	1 000	1 036	2 232	1 432	1 283	65	91	81
Interest rate caps											
- trading portfolio	0	0	0	0	0	0	0	0	0	0	0
- other portfolio	0	0	0	0	0	0	0	0	0	0	0
Forward rate agreement (FRA/futures)											
- trading portfolio	0	0	0	0	0	0	0	0	0	0	0
- other portfolio	0	0	550	585	110	117	0	0	0	0	3
Equity options											
- trading portfolio	0	0	0	0	0	0	0	0	0	0	0
- other portfolio	2 703	2 703	265	265	2 239	2 239	193	193	8	142	82

Group

	31.12.04		31.12.03		Average 2004		Average 2003		Market value 31.12.04	Credit equivalent value 31.12.04	Credit equivalent value 31.12.03
	Bought	Sold	Bought	Sold	Bought	Sold	Bought	Sold			
NOK mill.											
Forward foreign exchange											
- trading portfolio	3 008	3 172	2 564	2 802	2 711	3 044	2 939	2 989	3	40	130
- other portfolio	3 278	1 510	4 733	3 786	3 850	2 347	3 707	3 720	7	54	148
Foreign currency options											
- trading portfolio	0	0	0	0	0	0	10	10	0	0	0
- other portfolio	0	0	0	0	0	0	0	0	0	0	0
Interest rate swaps											
- trading portfolio	10	0	20	0	18	0	20	0	0	0	1
- other portfolio	659	3 786	1 655	1 000	1 036	2 232	1 432	1 283	65	91	81
Interest rate caps											
- trading portfolio	0	0	0	0	0	0	0	0	0	0	0
- other portfolio	0	0	0	0	0	0	0	0	0	0	0
Forward rate agreement (FRA/futures)											
- trading portfolio	21	21	0	4	10	11	18	18	0	0	0
- other portfolio	0	0	550	585	110	117	0	0	0	0	3
Equity options											
- trading portfolio	0	0	0	0	0	0	3	3	0	0	0
- other portfolio	2 703	2 703	265	265	2 239	2 239	193	193	8	142	86

Other portfolio incl. hedging of balance sheet items.

Notes

Note 34: Capital Adequacy

SPECIFICATION OF CAPITAL BASE NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Equity	2 257.3	1 969.3	2 249.9	1 976.9
Intangible assets	259.4	310.1	237.1	297.4
Over-funding of pension commitments	7.8	3.1	7.8	3.1
Core capital	1 990.1	1 656.1	2 005.0	1 676.3
Subordinated loan capital less own holdings	379.8	421.1	379.8	421.1
Net capital base (A)	2 369.9	2 077.2	2 384.7	2 097.4
Asset base for calculation (B)	17 172.0	16 913.7	16 389.2	16 050.5
Capital ratio (A/B)	13.80 %	12.28 %	14.55 %	13.07 %
Excess primary capital NOK million	1 012.2	724.0	1 073.6	813.4
Core capital ratio	11.59 %	9.79 %	12.23 %	10.44 %

SPECIFICATION OF ASSET BASE FOR CALCULATION NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Total assets, other portfolio	17 167.4	17 131.9	16 573.2	16 423.1
Total off-balance sheet items, other portfolio	453.2	522.9	344.0	406.3
Foreign exchange risk and trading portfolio	124.6	100.1	32.7	43.9
Deduction for loss provisions, revaluation account	-573.3	-841.3	-560.8	-822.8
Basis of calculation	17 172.0	16 913.7	16 389.2	16 050.5

Note 35: Earnings per share

The accounting profit per share is calculated in order to arrive at a figure for the bank's earnings per share. The calculations are made in accordance with the Provisional Norwegian Accounting Standard for Earnings per Share.

Earnings per share is calculated by dividing the profit for the year by the time-weighted average number of shares. Shares arising from the conversion of subordinated loan capital during the year are included in the calculations with effect from 1 January since interest expense for the whole year lapses on the conversion of subordinated loans.

Similarly, diluted earnings per share is arrived at by taking account of all the potential outstanding shares during the period. The accounting result is adjusted for the pre-tax effect of the cessation of interest expense on the convertible share capital.

NOK mill.	Group		Parent Bank	
	2004	2003	2004	2003
Time-weighted average number of outstanding shares	91.9	91.9	91.9	91.9
Time-weighted average number of outstanding shares on full dilution	91.9	91.9	91.9	91.9
Profit for the year	75.3	-45.9	61.7	-94.3
Profit for the year on full dilution	75.3	-45.9	61.7	-94.3
Earnings per share (NOK)	819.5	-499.5	670.3	-1 026.1
Diluted earnings per share (NOK)	819.5	-499.5	670.3	-1 026.1

Note 36: Main financial figures for subsidiaries

NOK mill.	Finansbanken AS (Denmark)		Others	
	2004	2003	2004	2003
Pre-tax profit	5.2	0.2	-2.5	0.8
Assets	1 087.9	1 142.0	34.1	54.5
Liabilities	866.4	934.7	2.6	1.3
Share capital	142.1	142.1	30.2	37.8
Other equity	79.4	65.1	1.5	15.4

Notes

Note 37: Liquidity Risk at 31 December 2004 - Storebrand Bank Group

ANALYSIS OF BALANCE SHEET ITEMS BY REMAINING MATURITY*)

NOK mill.	<1 month <3 months	>1 month >3 months	>3 months <1 year	>1 year <5 years	>5 years	No fixed maturity **)	Total
Cash and deposits with central banks	529.2	0.0	0.0	0.0	0.0	2.1	531.3
Loan to and receivables from credit institutions	179.2	0.0	0.0	0.0	0.0	0.0	179.2
Loans to and receivables from customers	13 582.1	670.1	1 816.0	2 320.7	5 662.1	-573.3	23 477.7
Bonds and commercial paper	8.9	64.9	622.1	1 311.0	25.7	0.0	2 032.6
Other assets with fixed maturity	135.5	0.0	0.0	473.7	248.2	3.2	860.6
Assets without residual maturity	0.0	0.0	0.0	0.0	0.0	111.9	111.9
Total assets	14 434.9	735.0	2 438.1	4 105.4	5 936.0	-456.1	27 193.2
Debt to credit institutions	144.4	1.5	505.1	1 500.8	0.0	0.1	2 151.8
Deposits from and debt to customers	11 015.7	233.2	119.9	81.1	25.8	0.0	11 475.7
Securities issued	350.0	1 101.3	3 918.9	4 872.2	0.0	-8.8	10 233.6
Other debt with fixed maturity	146.9	61.7	0.0	0.0	0.0	0.0	208.6
Debt with no residual maturity	0.0	0.0	0.0	0.0	0.0	486.6	486.6
Subordinated loan capital	0.0	0.0	0.0	0.0	652.7	0.0	652.7
Equity	0.0	0.0	0.0	0.0	0.0	1 984.3	1 984.3
Total equity and liabilities	11 657.0	1 397.6	4 543.9	6 454.1	678.5	2 462.2	27 193.2
Net liquidity exposure of balance sheet items	2 777.9	-662.6	-2 105.8	-2 348.7	5 257.5	-2 918.3	0.0
Net total all items	2 777.9	-662.6	-2 105.8	-2 348.7	5 257.5	-2 918.3	0.0

*) Overdraft facilities are included in the category >1 month < 3 months.

Instalments due are included on the basis of maturity structure.

***) Loans to and receivables from customers with no fixed maturity mainly represent loan loss provisions.

OF WHICH BALANCE SHEET ITEMS BY REMAINING MATURITY IN FOREIGN CURRENCY *)

NOK mill.	<1 month <3 months	>1 month >3 months	>3 months <1 year	>1 year <5 years	>5 years	No fixed maturity	Total
Cash and deposits with central banks	0.1	0.0	0.0	0.0	0.0	0.3	0.4
Loan to and receivables from credit institutions	177.1	0.0	0.0	0.0	0.0	0.0	177.1
Loans to and receivables from customers	266.9	414.5	116.3	517.4	309.4	-0.1	1 624.4
Bonds and commercial paper	0.0	0.0	3.1	1.1	2.8	0.0	7.0
Other assets with fixed maturity	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assets without residual maturity	0.0	0.0	0.0	0.0	0.0	231.9	231.9
Total assets	444.0	414.5	119.4	518.5	312.2	232.1	2 040.8
Debt to credit institutions	66.8	0.0	505.1	1 500.8	0.0	0.0	2 072.7
Deposits from and debt to customers	324.3	28.0	41.9	56.8	0.0	129.4	580.4
Securities issued	0.0	0.0	906.2	0.0	0.0	0.0	906.2
Other debt with fixed maturity	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt with no residual maturity	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Subordinated loan capital	0.0	0.0	0.0	0.0	60.4	0.0	60.4
Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total equity and liabilities	391.1	28.0	1 453.2	1 557.6	60.4	129.4	3 619.7
Net liquidity exposure of balance sheet items	52.9	386.6	-1 333.8	-1 039.0	251.8	102.7	-1 578.9
Net total all items	52.9	386.6	-1 333.8	-1 039.0	251.8	102.7	-1 578.9

*) Overdraft facilities are included in the category >1 month <3 months.

Instalments due are included on the basis of maturity structure.

Notes

Note 38: Residual interest rate fixing periods and interest rate risk at 31 December 2004 - Storebrand Bank Group

ANALYSIS OF BALANCE SHEET ITEMS BY PERIOD TO INTEREST RATE FIXING *)

NOK mill.	<1 month	>1 month <3 months	>3 months <1 year	>1 year <5 years	>5 year	No interest exposure**)	Total	Interest exposure p.a.
Cash and deposits with central banks	529.2	0.0	0.0	0.0	0.0	2.1	531.3	0.2
Loan to and receivables from credit institutions	179.2	0.0	0.0	0.0	0.0	0.0	179.2	0.1
Loans to and receivables from customers	519.1	20 755.8	757.2	1 810.0	199.7	-564.1	23 477.7	49.0
Bonds and commercial paper	333.2	948.3	712.7	12.7	25.7	0.0	2 032.6	6.1
Other assets with fixed maturity	0.0	0.0	0.0	0.0	0.0	3.2	3.2	0.0
Assets without residual maturity	0.0	0.0	0.0	0.0	0.0	969.3	969.3	0.0
Total assets	1 560.7	21 704.1	1 469.9	1 822.7	225.4	410.5	27 193.2	55.3
Debt to credit institutions	145.8	1 923.5	82.4	0.0	0.0	0.1	2 151.8	2.8
Deposits from and debt to customers	11 133.0	180.1	105.9	30.6	15.2	10.9	11 475.7	5.6
Securities issued	1 053.2	3 520.8	3 745.0	1 923.4	0.0	-8.8	10 233.6	0.0
Other debt with fixed maturity	0.0	0.0	0.0	0.0	0.0	61.7	61.7	0.0
Debt with no residual maturity	0.0	0.0	0.0	0.0	0.0	590.6	590.6	0.0
Subordinated loan capital	266.2	270.4	106.8	0.0	9.3	43.0	695.7	1.2
Equity	0.0	0.0	0.0	0.0	0.0	1 984.3	1 984.3	0.0
Total equity and liabilities	12 598.3	5 894.8	4 040.1	1 954.0	24.5	2 681.6	27 193.2	9.6
Net interest rate exposure of balance sheet items	-11 037.6	15 809.3	-2 570.2	-131.3	200.9	-2 271.1	0.0	45.7
Financial derivatives affecting interest rate exp.	-717.7	-2 444.7	35.8	0.0	0.0	0.0	-3 126.6	0.0
Net interest rate exposure	-11 755.3	13 364.6	-2 534.4	-131.3	200.9	-2 271.1	-3 126.6	45.7
Net interest rate exp. as % of average total assets	-44.9 %	51.1 %	-9.7 %	-0.5 %	0.8 %	-8.7 %	-11.9 %	0.0

*) Period to interest rate fixing is the period up to the earliest possible date on which the bank can initiate a change in interest rate.

**) Loans to and receivables from customers with no interest rate exposure mainly represent loan loss provisions.

OF WHICH BALANCE SHEET ITEMS IN FOREIGN CURRENCY BY PERIOD TO INTEREST RATE FIXING

NOK mill.	<1 month	>1 month <3 months	>3 months <1 year	>1 year <5 years	>5 year	No interest exposure	Total	Interest exposure p.a.
Cash and deposits with central banks	0.1	0.0	0.0	0.0	0.0	0.3	0.4	0.0
Loan to and receivables from credit institutions	177.1	0.0	0.0	0.0	0.0	0.0	177.1	0.1
Loans to and receivables from customers	187.9	444.2	490.7	489.4	12.3	0.0	1 624.5	8.7
Bonds and commercial paper	0.0	0.0	3.1	1.1	2.8	0.0	7.0	0.1
Other assets with fixed maturity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assets without residual maturity	0.0	0.0	0.0	0.0	0.0	231.9	231.9	0.0
Total assets	365.0	444.2	493.8	490.5	15.1	232.2	2 040.9	8.8
Debt to credit institutions	66.8	1 923.5	82.4	0.0	0.0	0.0	2 072.7	2.8
Deposits from and debt to customers	422.0	59.8	41.9	56.8	0.0	0.0	580.5	1.1
Securities issued	0.0	0.0	906.2	0.0	0.0	0.0	906.2	5.7
Other debt with fixed maturity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt with no residual maturity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Subordinated loan capital	0.0	0.0	0.0	0.0	60.4	0.0	60.4	0.6
Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total equity and liabilities	488.8	1 983.3	1 030.5	56.8	60.4	0.0	3 619.8	10.1
Net interest rate exposure of balance sheet items	-123.8	-1 539.0	-536.7	433.8	-45.3	232.2	-1 578.9	-1.3
Financial derivatives affecting interest rate exp.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net interest rate exposure	-123.8	-1 539.0	-536.7	433.8	-45.3	232.2	-1 578.9	-1.3
Net interest rate exp. as % of average total assets	-0.5 %	-5.9 %	-2.1 %	1.7 %	-0.2 %	0.9 %	-6.0 %	0.0

INTEREST RATE RISK

Throughout 2004 Storebrand Bank ASA endeavoured to maintain a low or neutral interest rate exposure in relation to both Norwegian krone and foreign currencies. The bank's interest rate exposure relates mainly to holdings of securities, securities issued by the bank and financial derivatives. The bank seeks to neutralise its interest rate exposure through active use of hedging transactions to hedge interest rates in both the trading portfolio and other portfolios. The effect that any changes in the yield curve in the various currencies might have on the bank's results is thereby minimised.

Translation from the original Norwegian version

To the Annual Shareholders' Meeting of Storebrand Bank ASA

AUDITOR'S REPORT FOR 2004

We have audited the annual financial statements of Storebrand ASA as of 31 December 2004 showing a profit of NOK 61,7 million for the parent company and a profit of NOK 75,3 million for the group. We have also audited the information in the Board of Directors' report concerning the financial statements, the going concern assumption, and the proposal for the allocation of the profit. The financial statements comprise the balance sheet, the statements of income and cash flows, the accompanying notes and the group accounts. These financial statements are the responsibility of the Company's Board of Directors and Managing Director. Our responsibility is to express an opinion on these financial statements and on the other information according to the requirements of the Norwegian Act on Auditing and Auditors.

We conducted our audit in accordance with the Norwegian Act on Auditing and Auditors and generally accepted auditing standards in Norway. Generally accepted auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. To the extent required by law and generally accepted auditing standards, an audit also comprises a review of the management of the Company's financial affairs and its accounting and internal control systems. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- the financial statements are prepared in accordance with the law and regulations and present the financial position of the Company and of the Group as of 31 December 2004, and the results of its operations and its cash flows for the year then ended, in accordance with generally accepted accounting principles in Norway
- the Company's management has fulfilled its duty to maintain the Company's accounting process in such a proper and well-arranged manner that the accounting process is in accordance with the law and generally accepted accounting practices in Norway
- the information in the Board of Directors' report concerning the financial statements, the going concern assumption, and the proposal for the allocation of the profit is consistent with the financial statements and complies with the law and regulations.

Oslo, 15 February 2005

Deloitte Statsautoriserte Revisorer AS

Ingebret G. Hisdal (sign.)

State Authorised Public Accountant (Norway)

Audit • Tax & Legal • Consulting • Financial Advisory •

Member of
Deloitte Touche Tohmatsu

Storebrand Bank ASA

Control Committee's Statement 2004

The Control Committee of Storebrand Bank ASA has reviewed the Board of Directors' proposed Annual Report and Accounts for 2004 for Storebrand Bank ASA and the Storebrand Bank Group.

With reference to the auditor's report of 15 February 2005 the Control Committee recommends that the Annual Report and Accounts proposed be adopted as the Annual Report and Accounts of Storebrand Bank ASA for 2004.

Oslo, 1 March 2005

Translation - not to be signed

Finn Myhre
Chairman of the Control Committee

Storebrand Bank ASA

Board of Representatives' Statement 2004

The Board of Directors' proposal for the Annual Report and Accounts, together with the Auditor's report and the Control Committee's statement have, in the manner required by law, been presented to the Board of Representatives. The Board of Representatives recommends that the Annual General Meeting approve the Board of

Directors proposal for the Annual Report and Accounts of Storebrand Bank ASA and Storebrand Bank Group.

The Board of Representatives raises no objections to the Board's proposal regarding the allocation of the result for the year of Storebrand Bank ASA.

Oslo, 3 March 2005

Translation - not to be signed

Sven Ullring
Chairman of the Board of Representatives



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