



Positioned for long-term value creation

1 October 2009

Bank of America Merrill Lynch Banking & Insurance
CEO Conference

Odd Arild Grefstad
Group CFO

Storebrand Group

Life and Pensions
NOK 312 bn in assets

- Storebrand Life Insurance
- SPP Life Insurance



Asset Management
NOK 336 bn in AuM

- Storebrand Investments
- Storebrand Real Estate



Storebrand Bank
NOK 46 bn in assets



Storebrand Skadeforsikring (P&C)
NOK 1,7 bn in assets



Figures as at 30.06.09

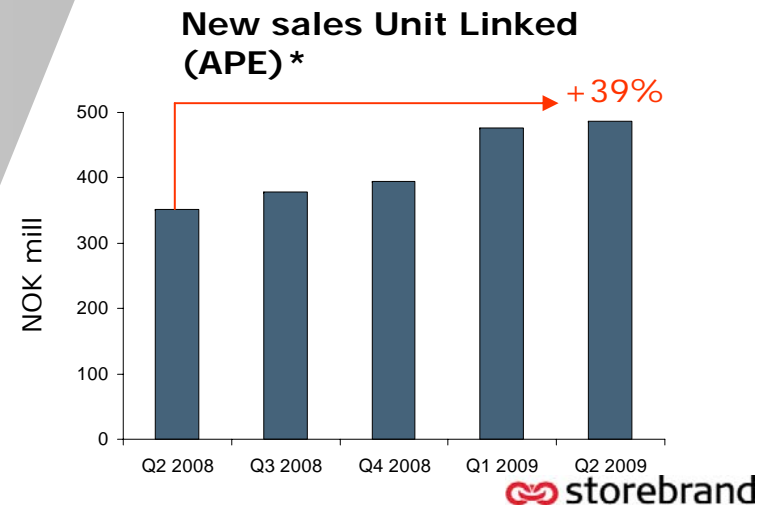
SPP

- successful integration

- Synergies ahead of plan
- Increased brand recognition
- Improved sales processes, strengthened asset- and risk management
- Top DC provider in 2008
- Top score on customer service



'SPP Best in Class'
Svenska Dagbladet
23.03.09





Highlights Q2 2009

RESULT

- Group result of NOK 505 million in Q2, -228 million for 1H*
- Improvement in return gives satisfactory result for the life insurance business

BALANCE SHEET

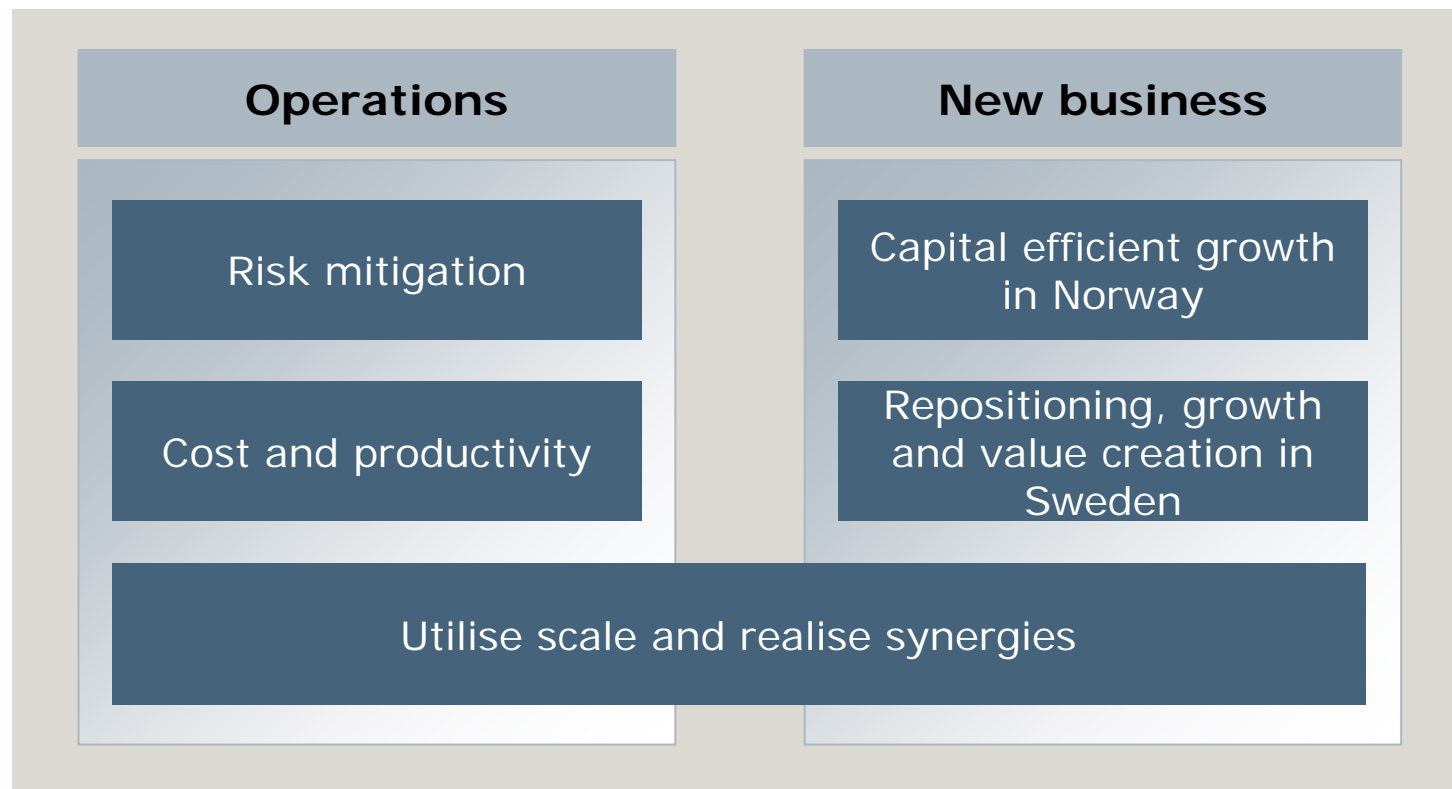
- Adjustments in capital structure and financing according to plan
- Life Insurance solvency margin of 154%
- Risk adjusted asset allocation in the customer portfolios

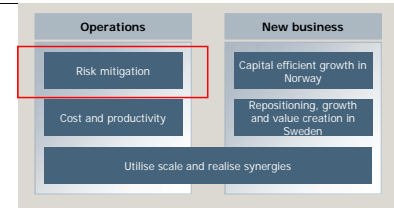
OPERATIONS

- Strong new sales in Storebrand Investments
- Synergy realisation ahead of plan
- Strong market development for Life and Pensions

* Group result before amortisation of intangible assets

Focus on 5 main strategic priorities



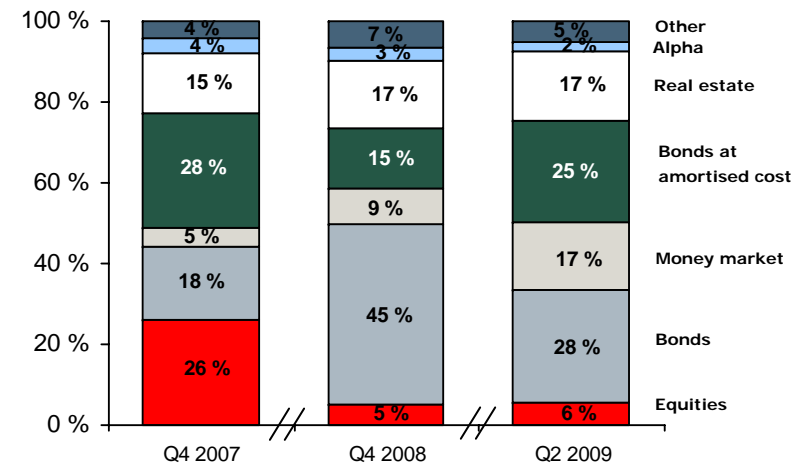


Active balance sheet management

- Dynamic risk management in volatile markets
- Increased allocation to bonds at amortised cost - yielding above interest rate guarantee
- Risk tailored asset mix in customer portfolios
- Higher equity exposure with reduced market volatility

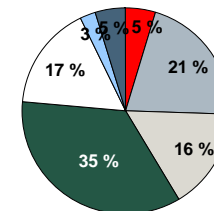
Storebrand Life Insurance

- Asset allocation customer portfolios

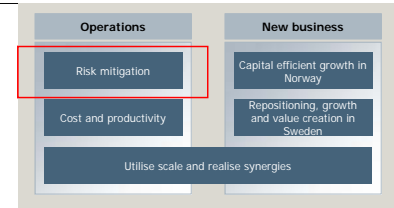


Asset allocation Paid-up policies

~35% allocated to bonds at amortised cost

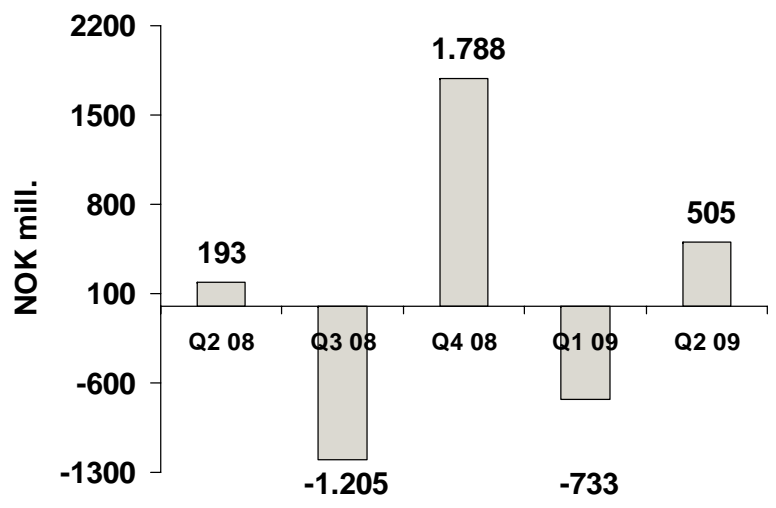


Expected return 5,1%

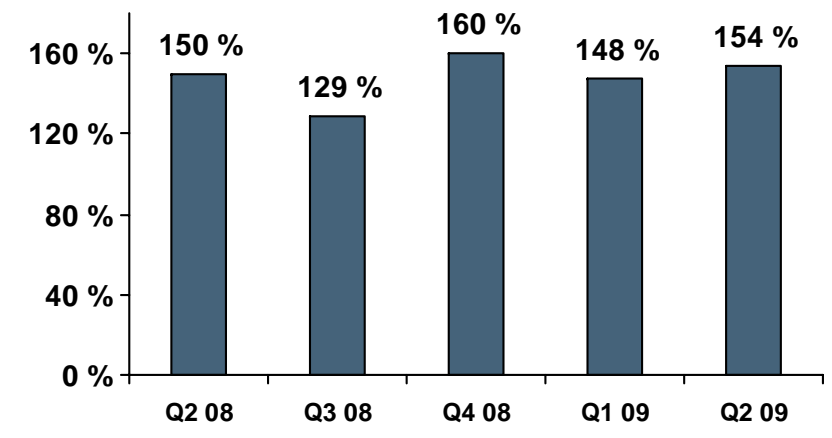


Maintaining sound capitalisation in turbulent markets

Group result*



Solvency margin life group

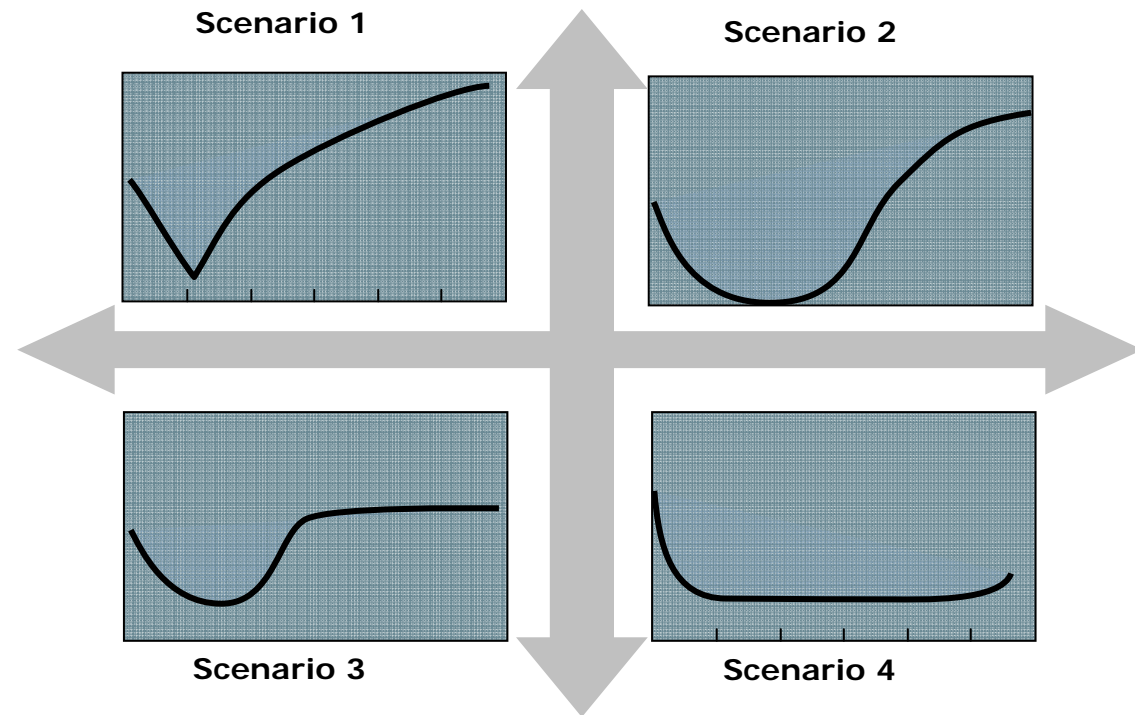


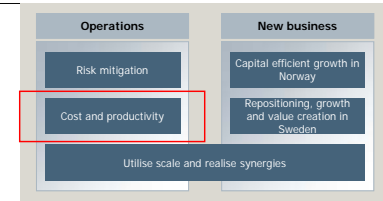
* Result before amortisation and write-downs of intangible assets

Operations	New business
Risk mitigation	Capital efficient growth in Norway
Cost and productivity	Repositioning, growth and value creation in Sweden
Utilise scale and realise synergies	

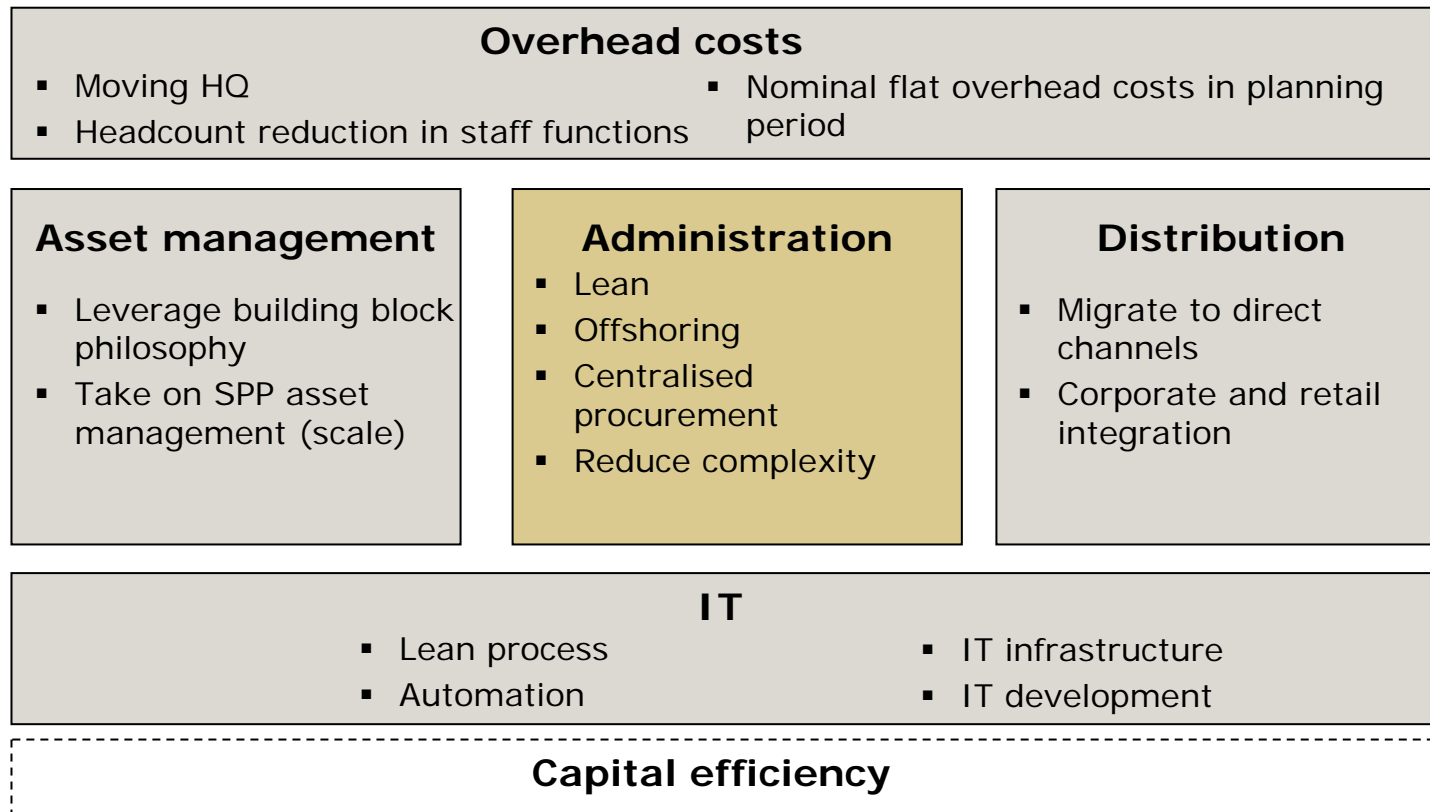
The future is uncertain...

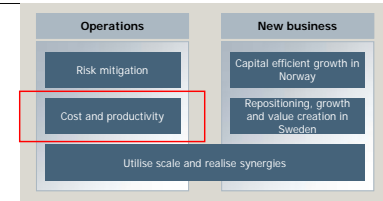
Financial market recovery





Comprehensive cost reduction program



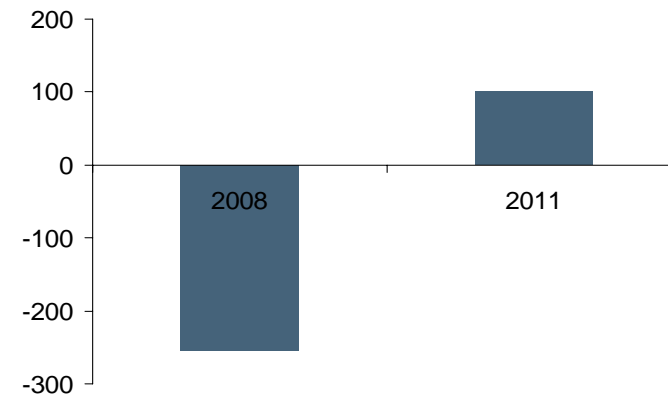


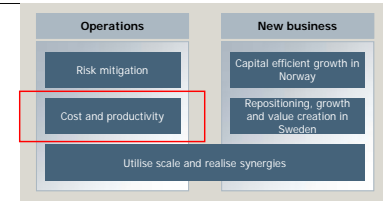
Life and Pensions Norway

- cost savings according to plan

- Lean programs implemented
 - 20% improved efficiency
 - Realisation of approx 305 full time equivalents
- Offshoring to Storebrand Baltic
 - Cost savings of MNOK 18 per year
- Restructuring of sales organisation
- Centralised procurement projects ongoing
- Moving of HQ Dec 09
 - Annual savings of MNOK 40

Target: positive administration result



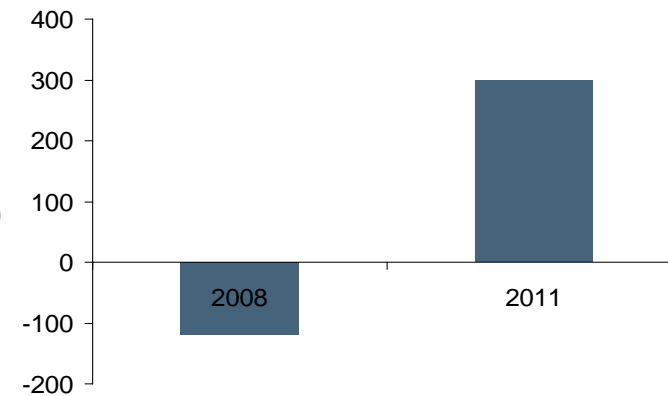


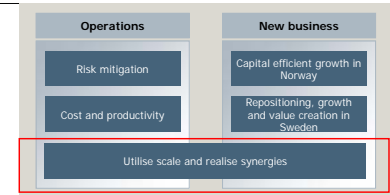
Life and Pensions Sweden

- cost cutting initiatives implemented

- Phase 1 of cost reduction program launched
 - Improved efficiency in sales channels
 - Reduced administration
 - New product development
- Includes amongst others:
 - Target reduction in headcount – 50 employees
 - Target reduction in spending on consultants – 35 consultants
- Target cost reduction of SEK 100 million

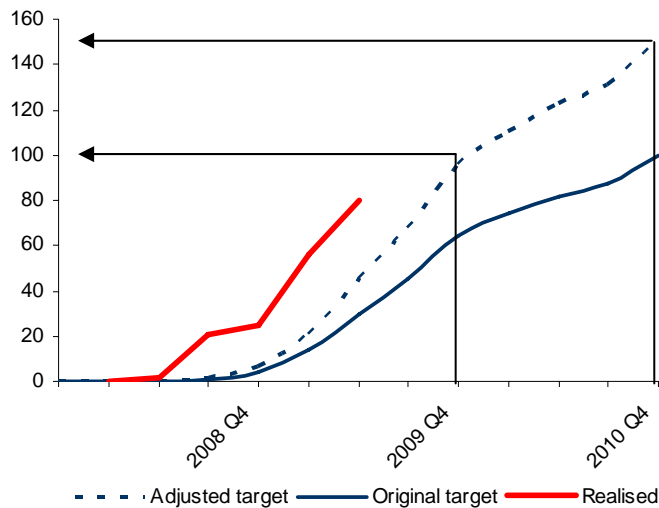
Target: adm res > SEK 300 mill in 2011





Life and Pensions Sweden

- cost synergy realisation ahead of plan

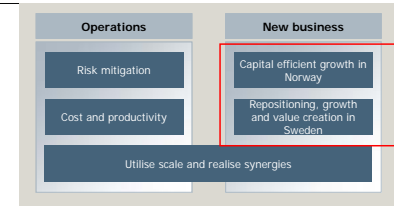


Expected annual realisation

NOK mill.	Adjusted target		Realised synergies*	
Pr. Q2-09	45	30%	80	53%
Pr. Q4-09	96	64%		
Pr. Q4-10	150	100%		

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- Lean
 - Increased efficiency in implemented LEAN projects provides savings
 - Synergy realisation is about 6 months ahead of plan
- Investments
 - Successful take-on of SPP's assets in Q1
- Purchasing
 - Renegotiated contracts with consultancy firms and reduced the number of consultants
 - Target achieved one year before plan
- IT-infrastructure
 - Savings associated with transition to a common platform for IT Infrastructure
 - Transition implemented faster than planned



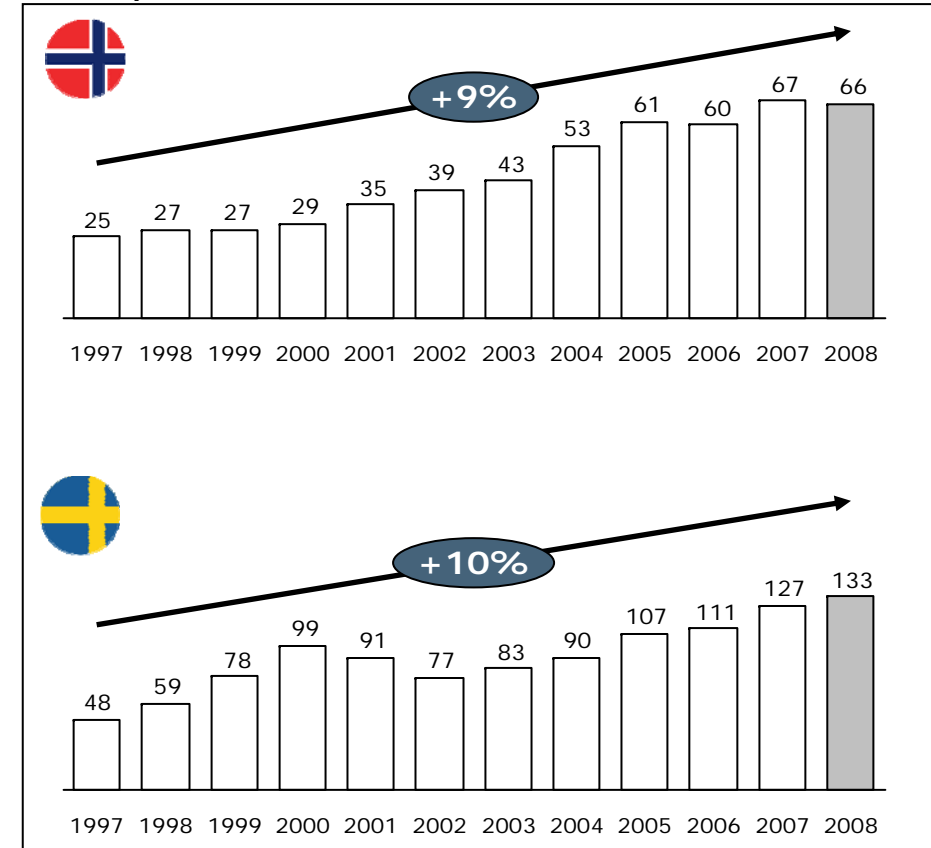
The Nordic market is strong – steady pensions growth through economic cycles

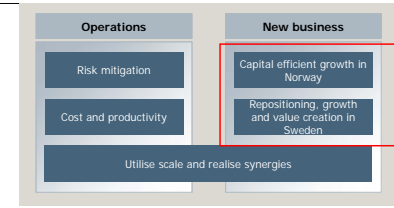
Growth drivers

- Regulatory reforms
 - Anticipated increase in contributions (Norway)
 - Pension markets increasingly open to competition (Sweden)
- Occupational pensions less sensitive to market conditions
- Continued growth in wealthy and 50+ segments
- Anticipated increase in life and pension savings as % of total personal financial assets

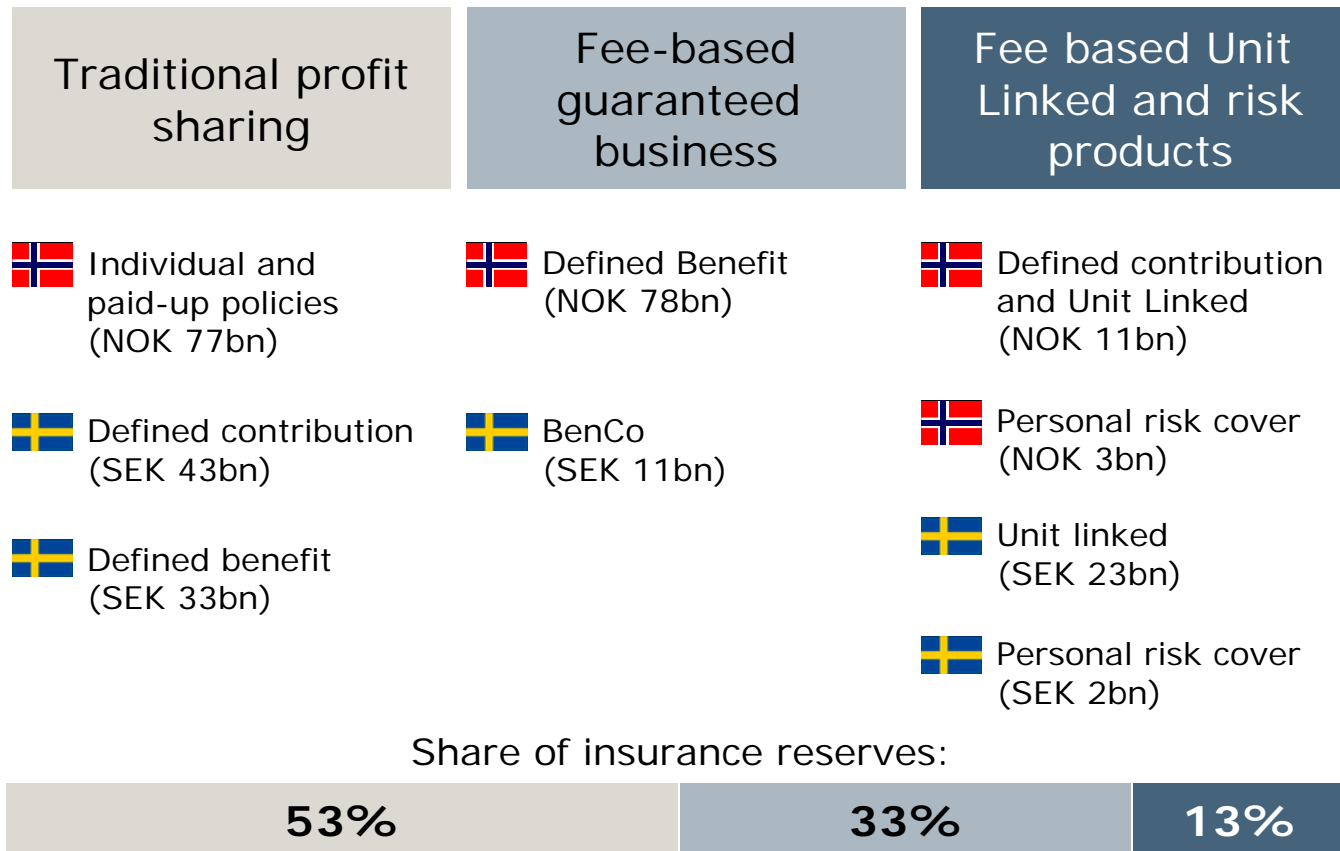
Market growth

Annual premiums in MNOK

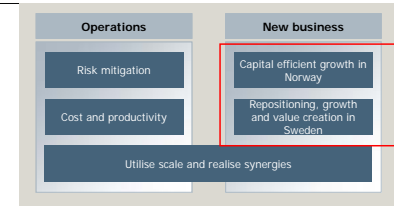




Life and Pensions - 3 main product groups

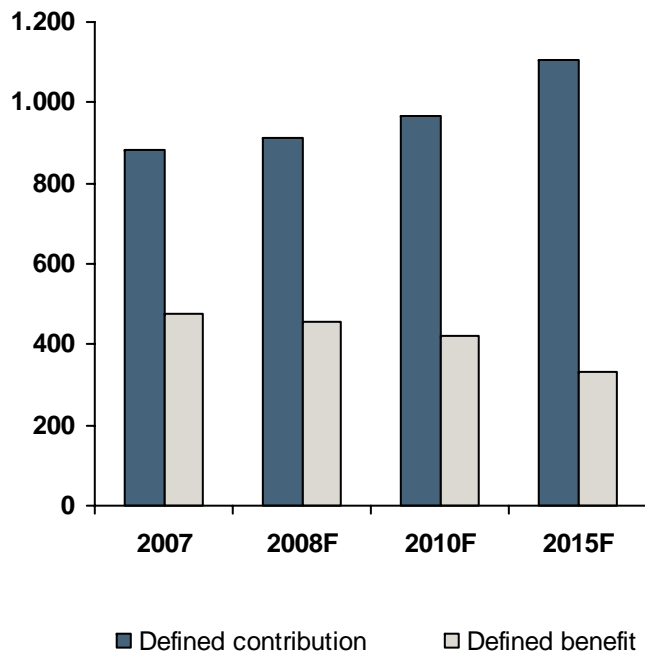


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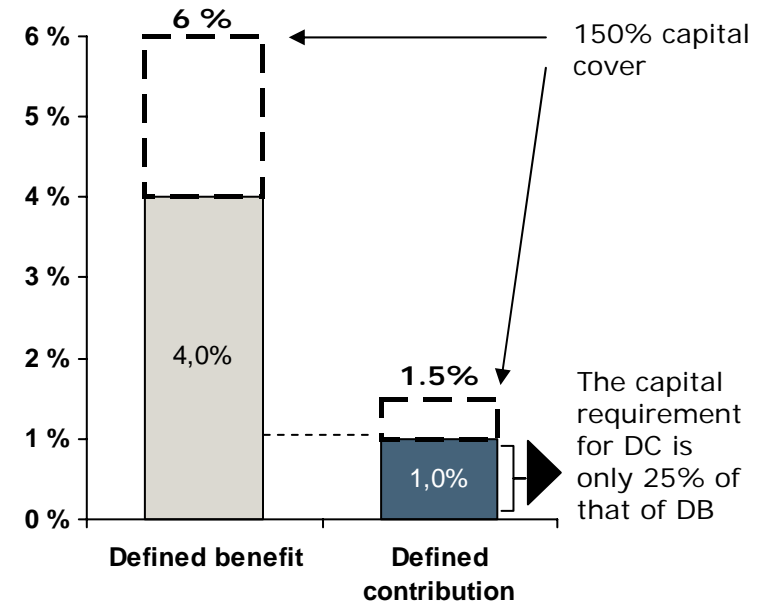


Improving capital efficiency in corporate pension

Number of employees with pension savings

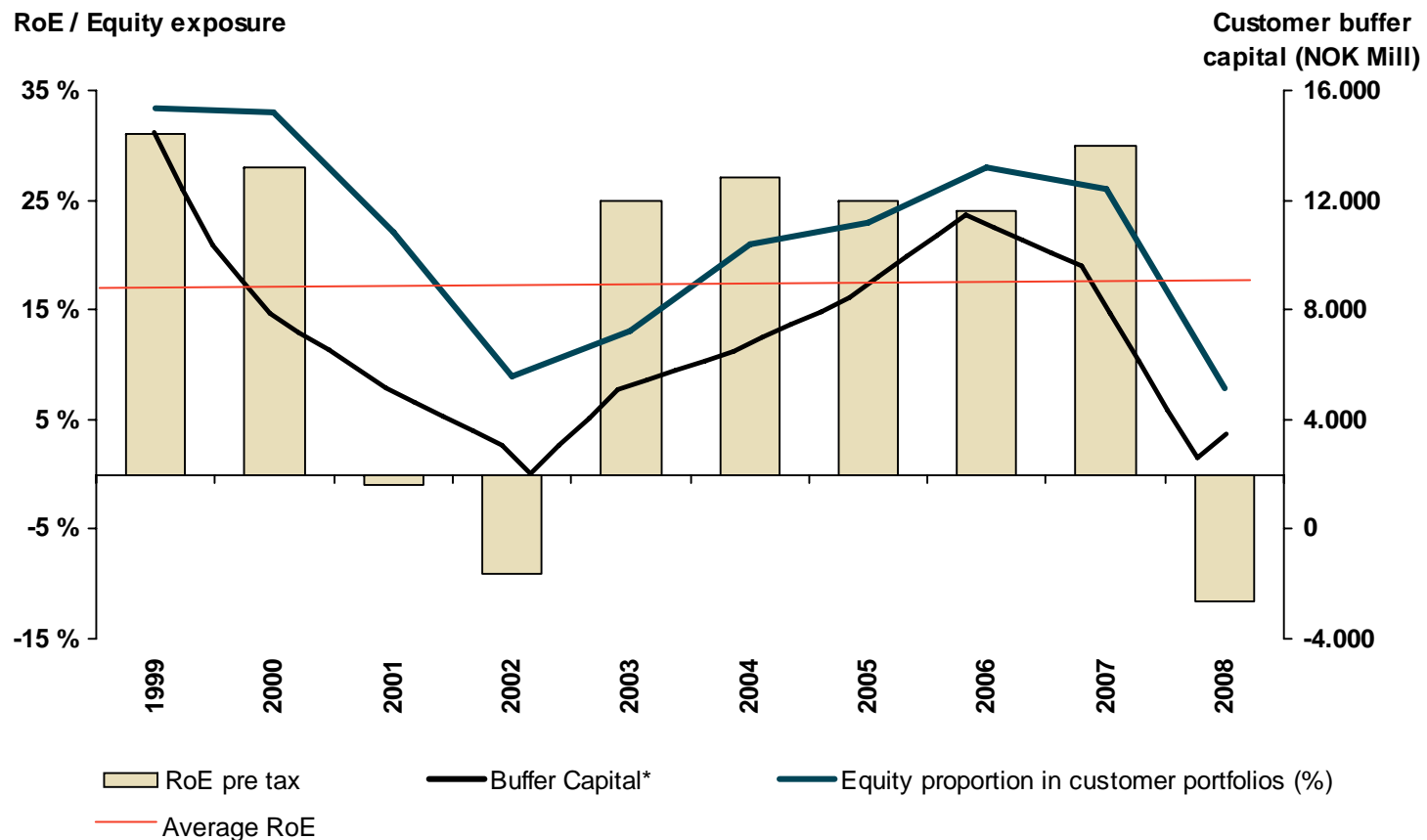


Average capital requirement



Historical strong RoE in Life Insurance

Storebrand Life Insurance - RoE, buffer capital and equity exposure

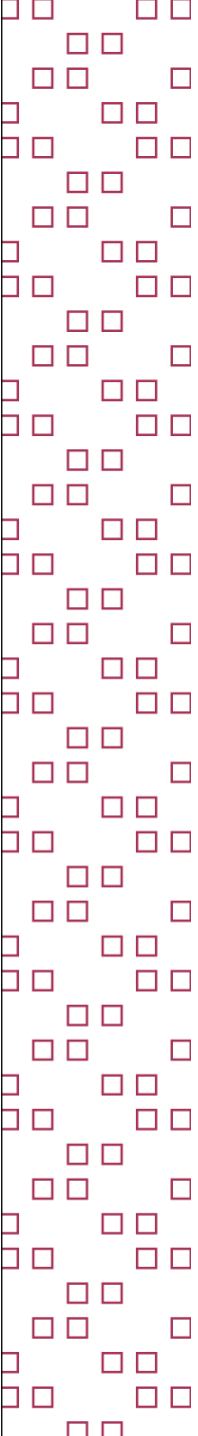


*Additional statutory reserves and market value adjustment reserves



Summary

- Strong position in a growing market
- Active balance sheet management
- Realising cost reduction programs
- Well positioned for growth and long-term value creation



Storebrand's objective is to be the leading and most respected institution in the Nordic market for long-term savings and insurance

