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Key Takeaways

- **On a transition from capital consuming guarantees to capital-light asset gatherer**
- **Growth and profitability from Savings and Insurance replace run-off business**
- **Back book run off and front book solvency generation enable future capital release**
- **New capital management policy with >150% SII target ensures protection of bondholders**

Storebrand an integrated financial services group - Norway and Sweden core markets



Life and pensions

- 40k corporate customers
- 1.9m individual customers
- NOK 393 bn of reserves of which approx. 1/3 Unit Linked



Asset management

- NOK 569bn in AuM of which 24% external assets
- 100% of investments assessed by sustainability criteria



Insurance

- Health, P&C and group life insurance
- NOK 4.5 bn in portfolio premiums



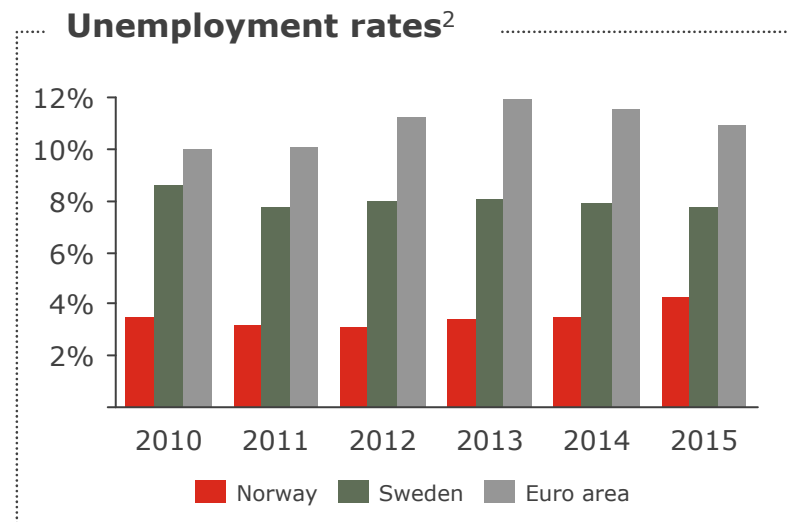
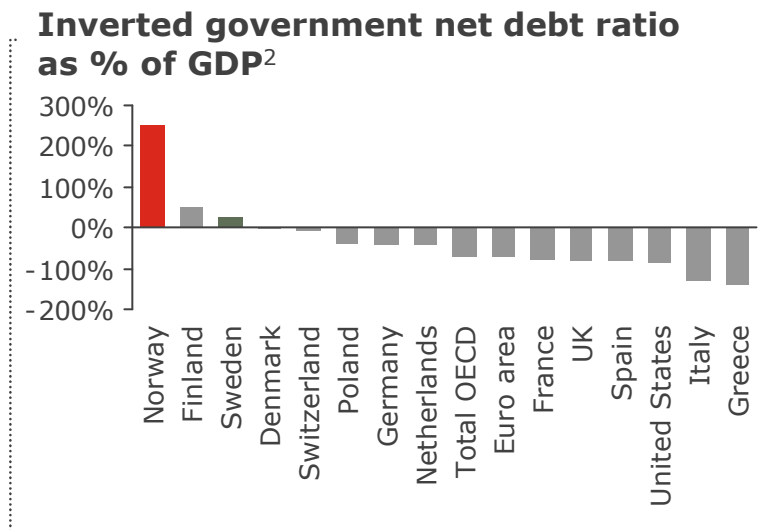
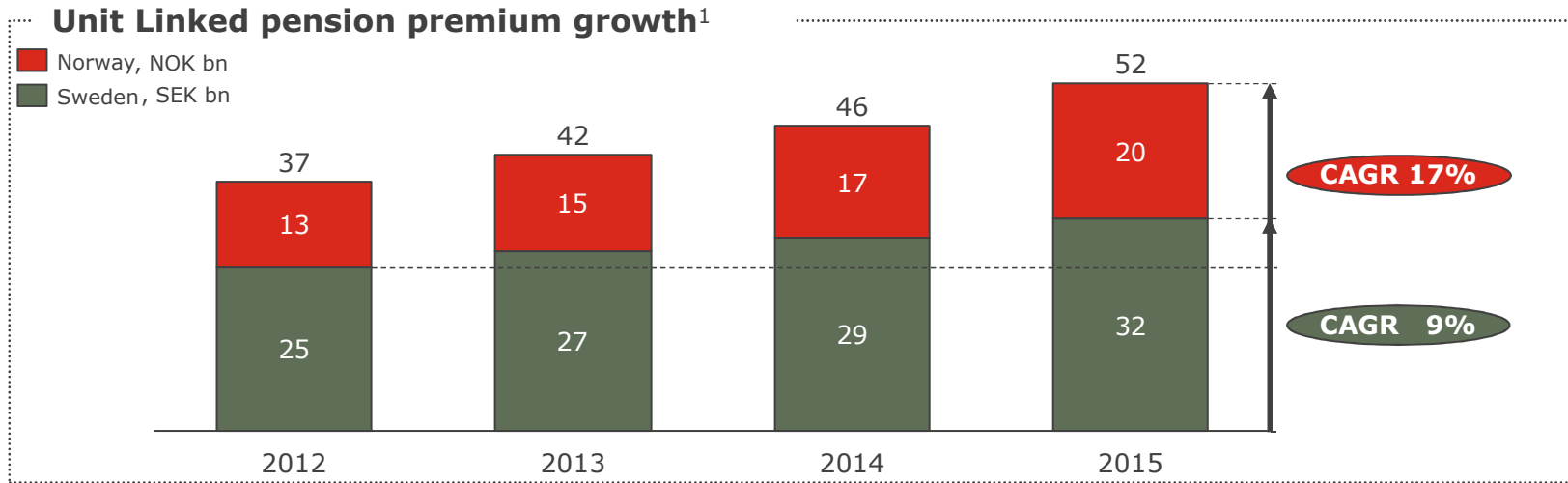
Retail bank

- Direct retail bank
- NOK 31 bn of net lending



Strong growth in Nordic pension market

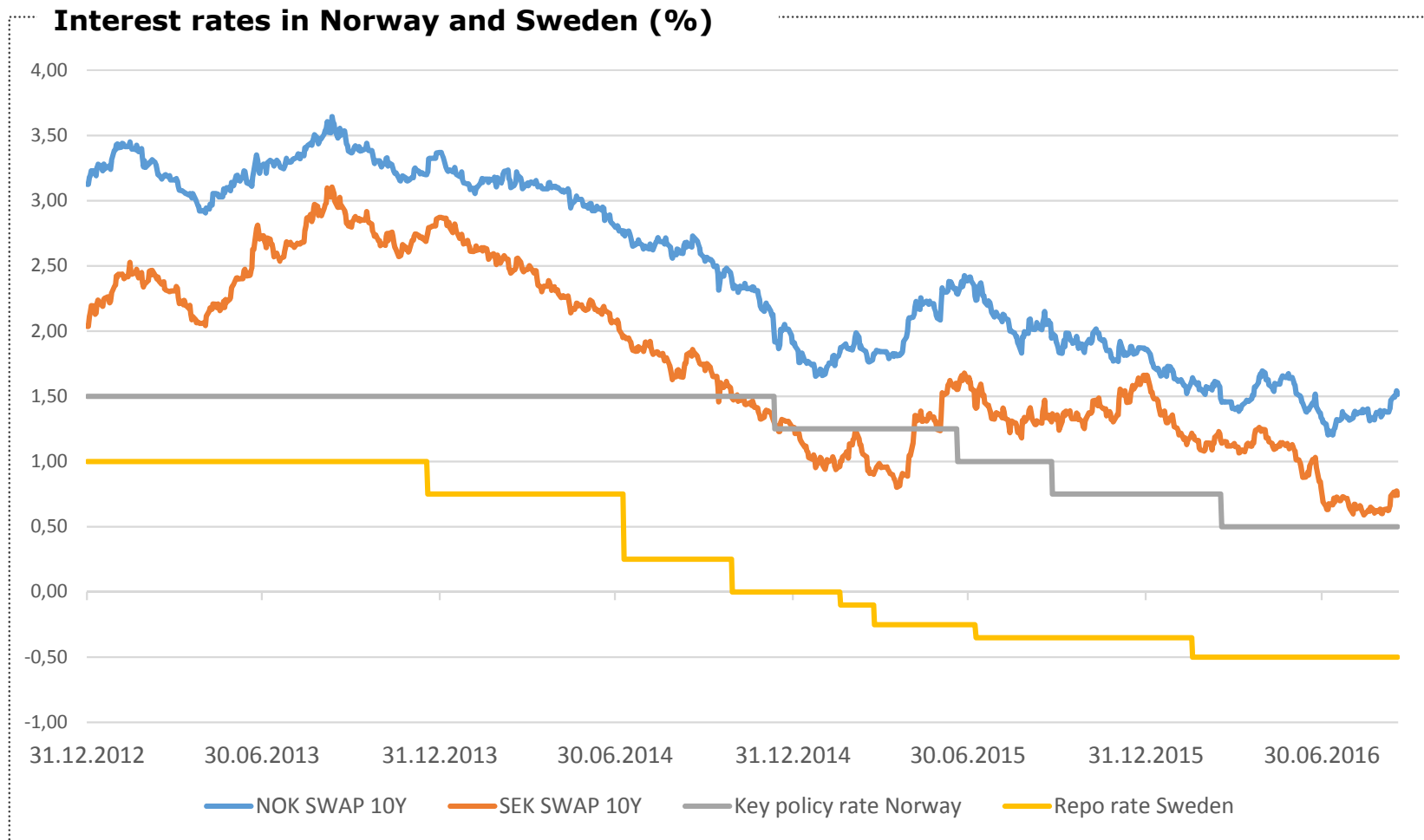
- supported by a solid macro environment and increased savings rates within the Norwegian defined contribution pension framework



¹ Norway: Finance Norway statistics - written pension premiums (table 2b) Unit linked. Sweden: Insurance Sweden statistics - segment Other occupational pensions, includes Unit linked and Depot.

² OECD Economic Outlook No. 98, November 2015. 2015 estimated.

Record low interest rates



Strategic response in a low interest rate environment

1 Manage the guaranteed balance sheet

- Continued transfer out of guaranteed reserves
- Further cost reductions through automation and outsourcing
- Manage for future capital release

>150% SII margin

2 Continued growth in Savings and Insurance

- Leading position in occupational pensions
- Asset gatherer with strong Insurance offering
- Continued retail growth

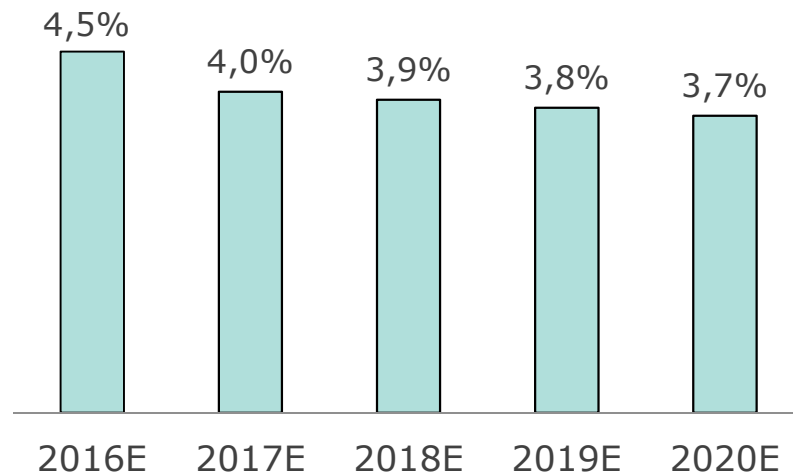
Capital-light and profitable growth

Paid up policies book is the main challenge in a low interest scenario and under SII...

...But still manageable both short and long term

Expected return paid up polices without use of buffers 2016-2020¹

...including reinvestment due and expected issuance of new paid up polices



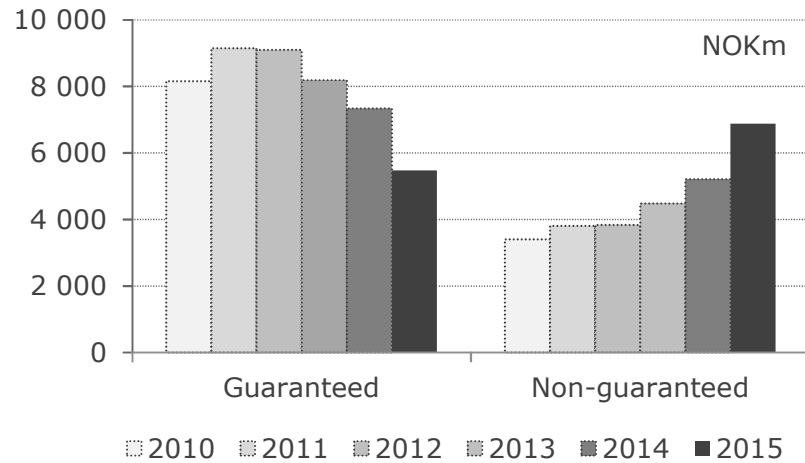
- **Q2 2016:** Built NOK 3.1 bn in new A rated HTM investments at 3.1% yield and 11.3 years average life
- **2016-2020:** Longevity reserve strengthening and interest rate guarantee to be covered by expected return, buffers and planned company contribution²
- **2020-2025:** Prolonged low interest rate environment will have limited impact on results²

¹ Expected return paid up polices, including reinvestment and issuance of new paid up polices, without the use of buffers. Illustration is based on normal risk premiums and interest rate level as of June 30, 2016.

² Based on current interest rates and point estimate based on normal risk premiums. Market shocks could lead to higher use of buffers and reduced results.

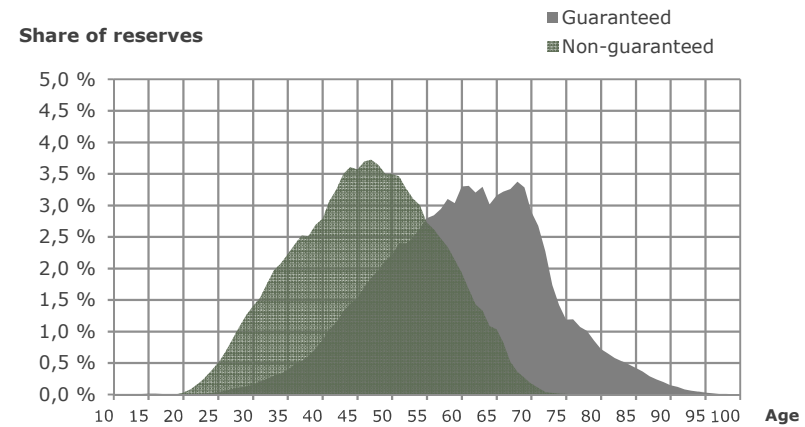
Manage the guaranteed balance sheet - From guaranteed to non-guaranteed pension savings

Premium income Storebrand Life Insurance¹

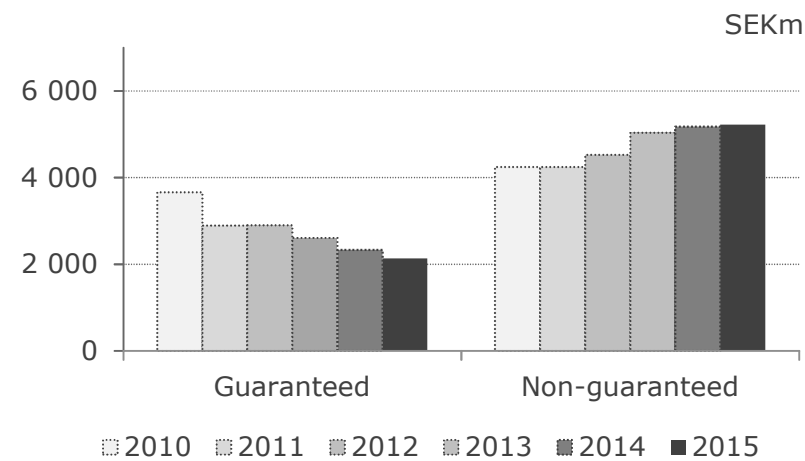


Storebrand Life Insurance²

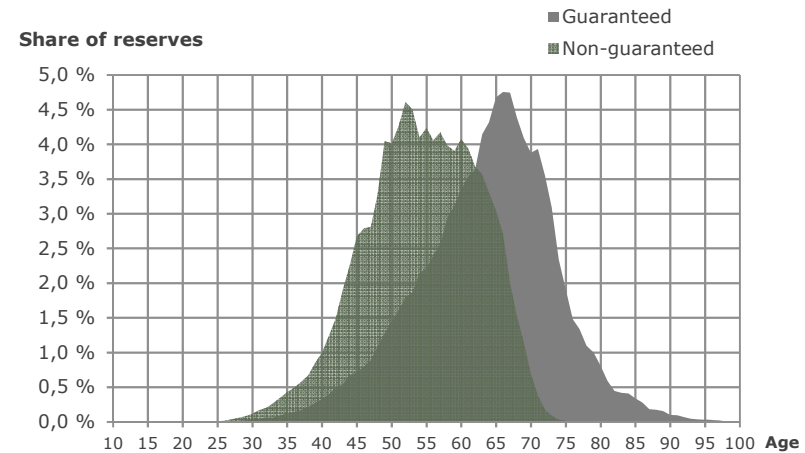
Share of reserve distributed by age of policy-holder



Premium income SPP Life Insurance³



SPP Life Insurance³



¹ Guaranteed: Defined Benefit Norway. Non-guaranteed: Unit Linked (occupational pension) Norway, Q1 2016.

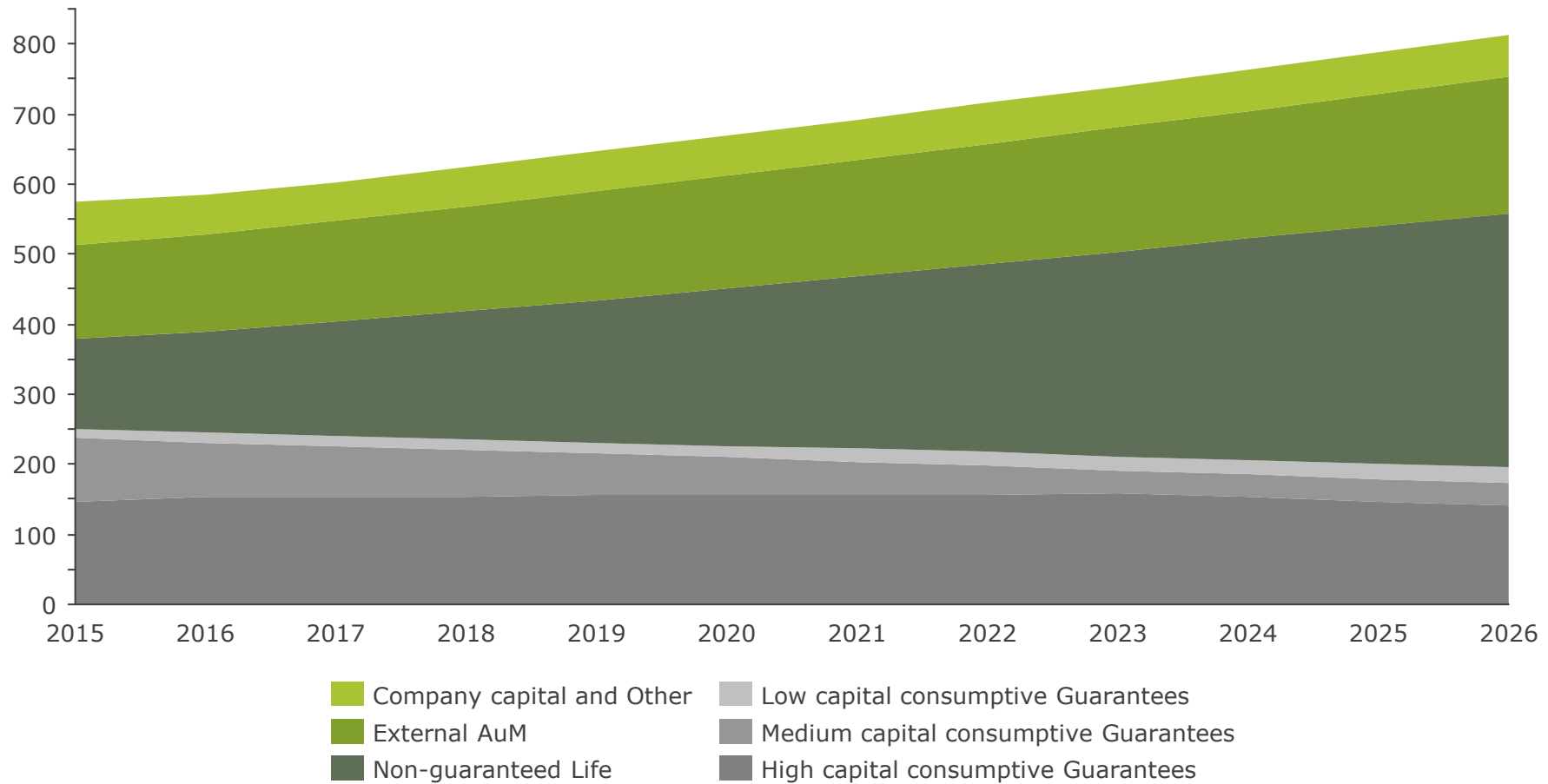
² Guaranteed: Defined Benefit Norway and Paid-up policies. Non-guaranteed: Unit Linked (occupational pension) Norway, Q1 2016.

³ Guaranteed: Guaranteed pension, Sweden. Non-guaranteed: Unit Linked Sweden, excl. transfers, Q1 2016.

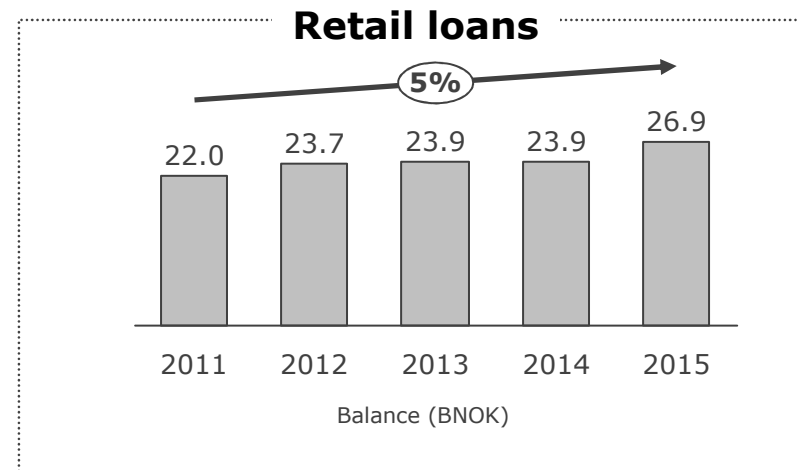
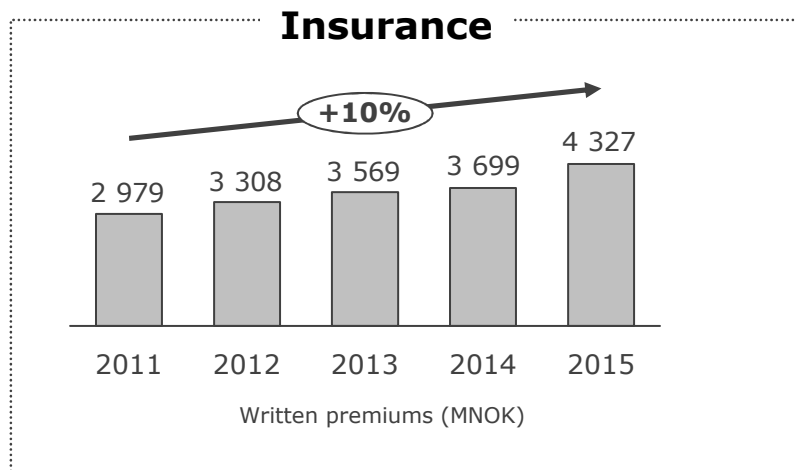
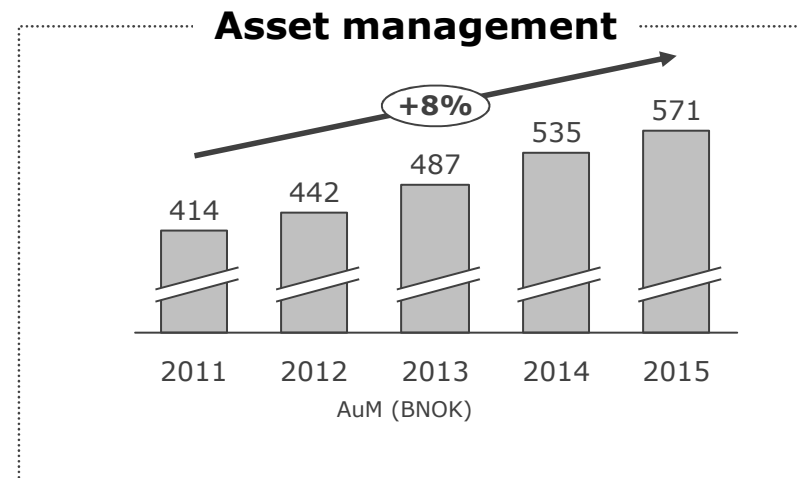
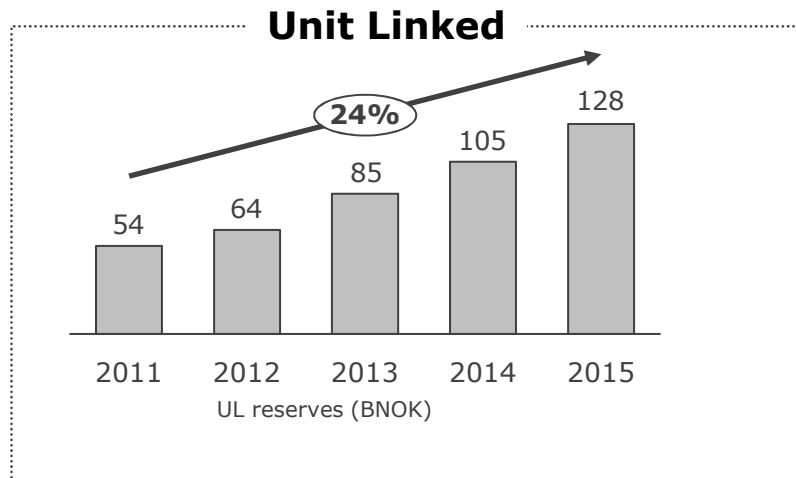
Long term balance sheet shift

Forecast assets under management (NOKbn)

ILLUSTRATION

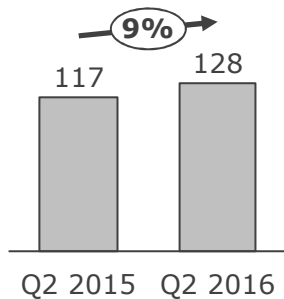


Continued growth in Savings and Insurance (1/2)



Continued growth in Savings and Insurance (2/2)

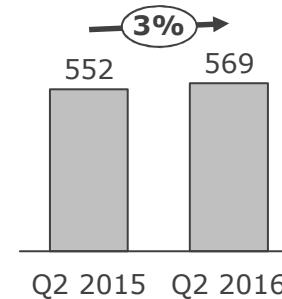
Unit Linked



UL reserves (BNOK)

- 17% premium growth 2Q 2016
- Weak financial markets dampens growth in reserves

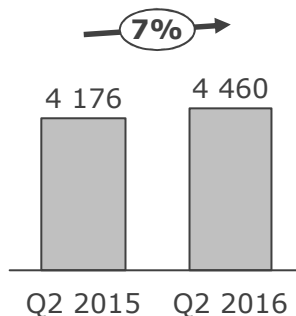
Asset management



AuM (BNOK)

- Gathering assets from life company and strong sales
- Weak financial markets dampens growth in reserves

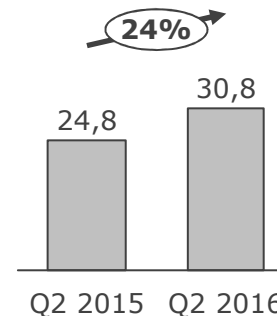
Insurance



Portfolio Premiums (MNOK)

- Premium growth from Akademikerne
- Cross sales to pension customers

Retail loans



Balance (BNOK)

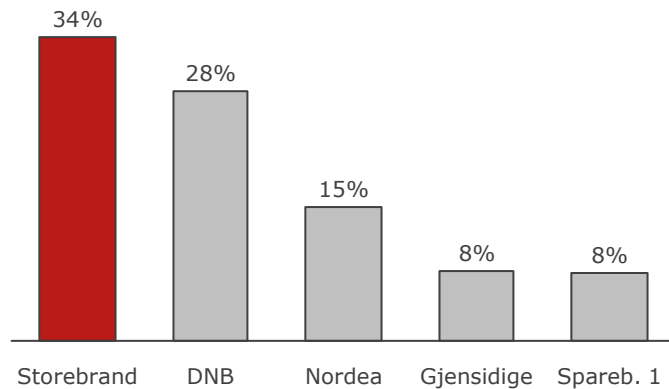
- Competitive interest rates
- New customer groups add growth

- 1 Manage guaranteed balance sheet
- 2 Growth in Savings and Insurance

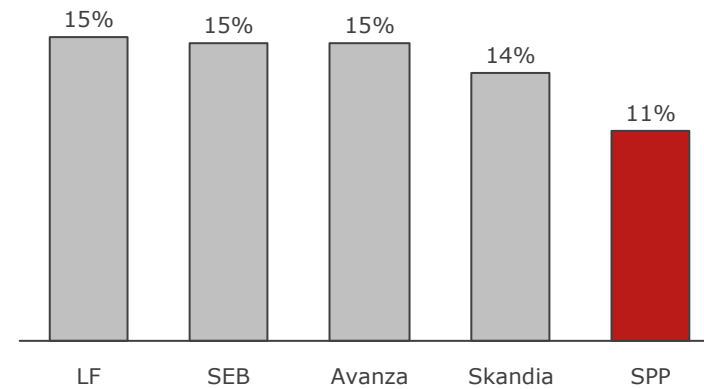
Defined Contribution

- Leading position in Norway and strong contender in Sweden

Norway – market leader defined contribution (private sector)¹



Sweden – growing in defined contribution (private sector)²



Storebrand with clear value proposition in the corporate market

...We want to be recommended by our customers



Best customer satisfaction for Norwegian corporates >20 employees 2004-2015



Best customer service in Sweden 2012-13 and 2015

...Unique Nordic pension competence



Norwegian fund selector of the year five times in 2010-15



Swedish Unit Linked provider of the year five times in 2008-14

...Leading sustainability offering



7 analysts, 90 indicators, 2,500 companies

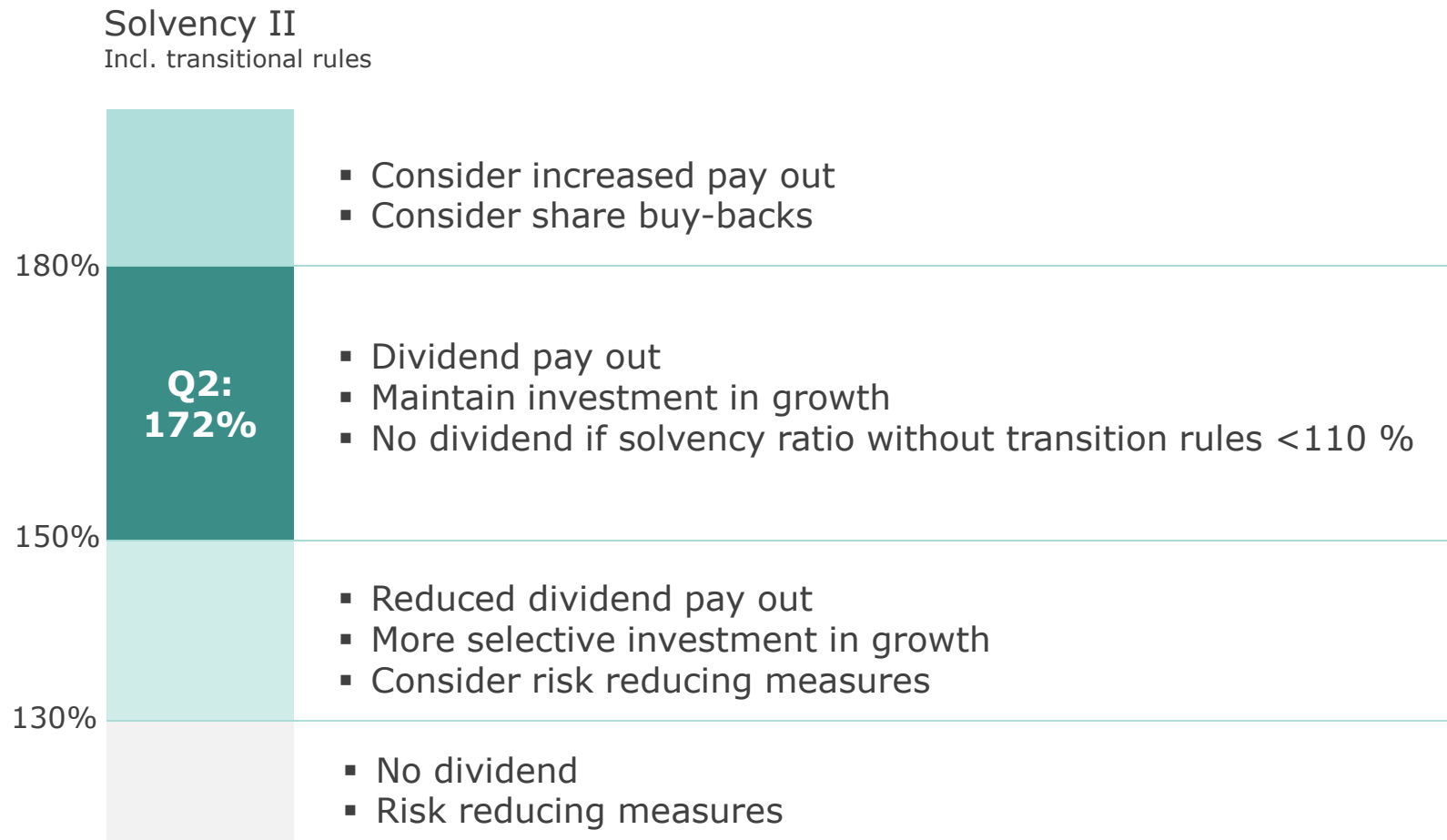
All assets screened and given a sustainability score



¹ Finance Norway. Gross premiums defined contribution with and without investment choice. 4Q 2015
² Insurance Sweden. Segment Unit Linked pensions 'Other occupational pensions' (written premiums) 4Q 2015

Group Capital Management Policy protects creditors

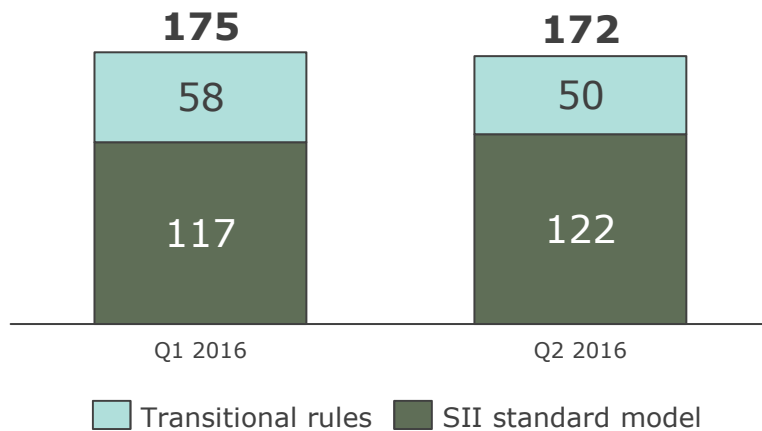
- Plans to hold a solid margin to solvency capital requirement



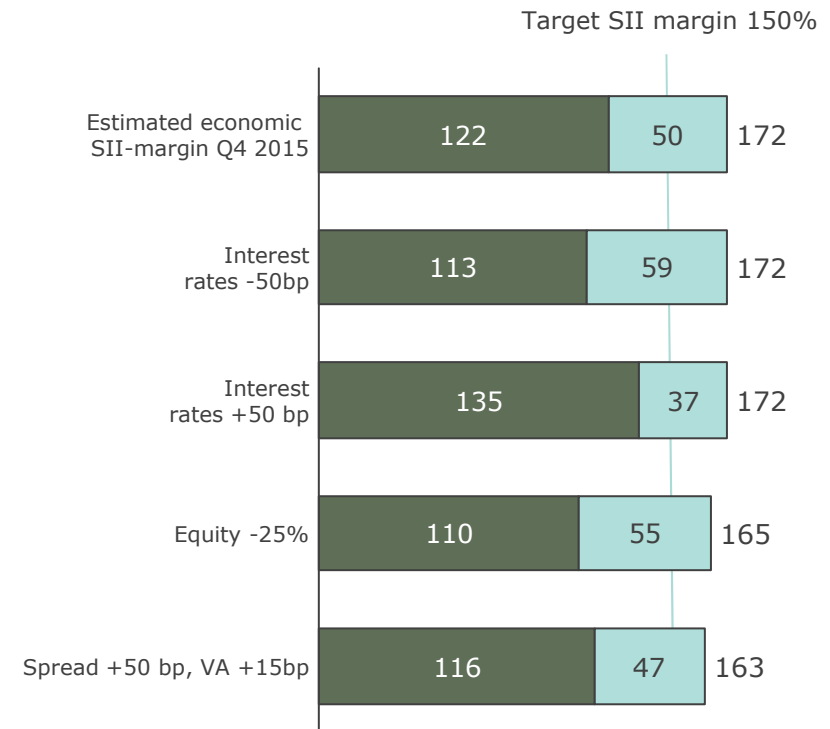
Solvency II position Storebrand Group

- transitional rules reduce sensitivity to market movements

Economic Solvency position(%)¹



Estimated Sensitivities Q2 2016



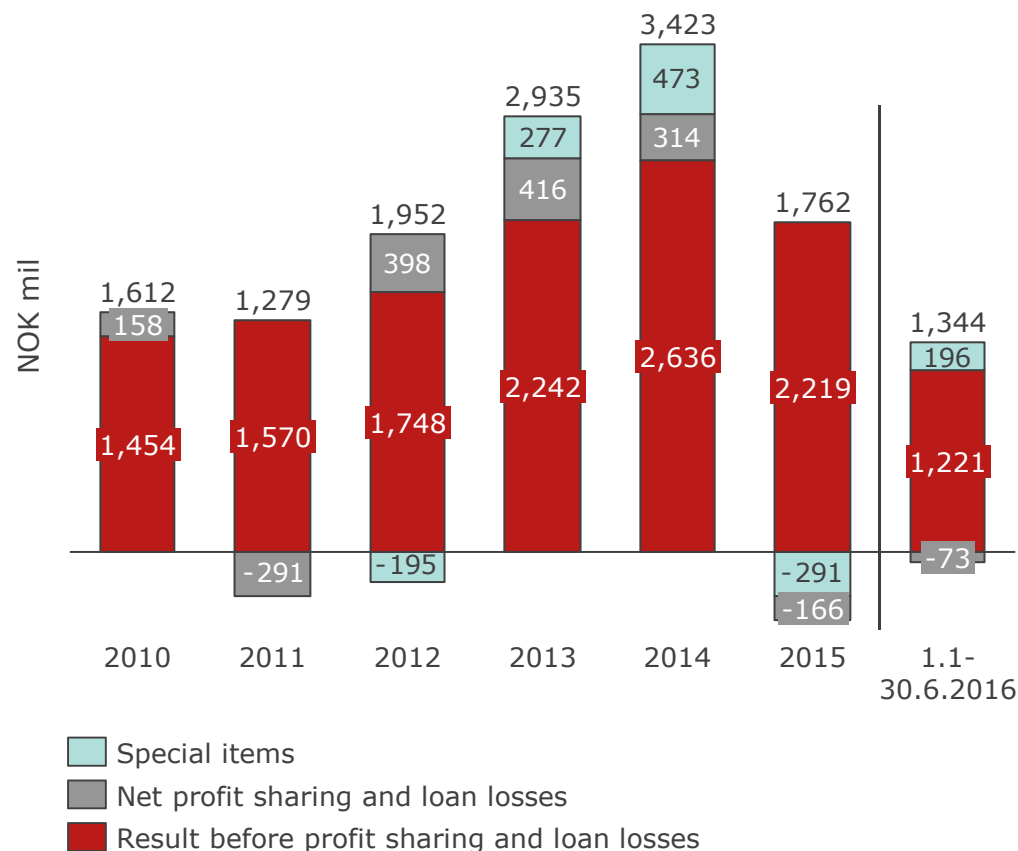
Key takeaways

- Reduction in reported Solvency II figures due to amortization of transitional measures
- Strong results and investment returns improve Solvency ratio excluding transitionals
- Change in asset allocation and reduced stress from equities improve the Solvency ratio

¹ The estimated Economic solvency position of Storebrand Group is calculated using the current Storebrand implementation of the Solvency II Standard model with the company's interpretation of the transition rules from the NFSA. Output is sensitive to changes in financial markets, development of reserves, changes in assumptions and improvements of the calculation framework in the economic capital model as well as changes in the Solvency II legislation and national interpretation of transition rules.

A solid and profitable company

Group result¹



Comments

- Exiting public sector Defined Benefit
- Exiting Corporate Banking
- Lower interest rates
- Profitable Defined Benefit Norway significantly reduced
- Strong growth in savings and insurance

Group financial targets

	Target	Status Q2 2016
Return on equity ¹	> 10%	9,5%
Dividend ratio ¹	> 35%	n/a
Solvency II margin Storebrand Group ²	> 150%	172%

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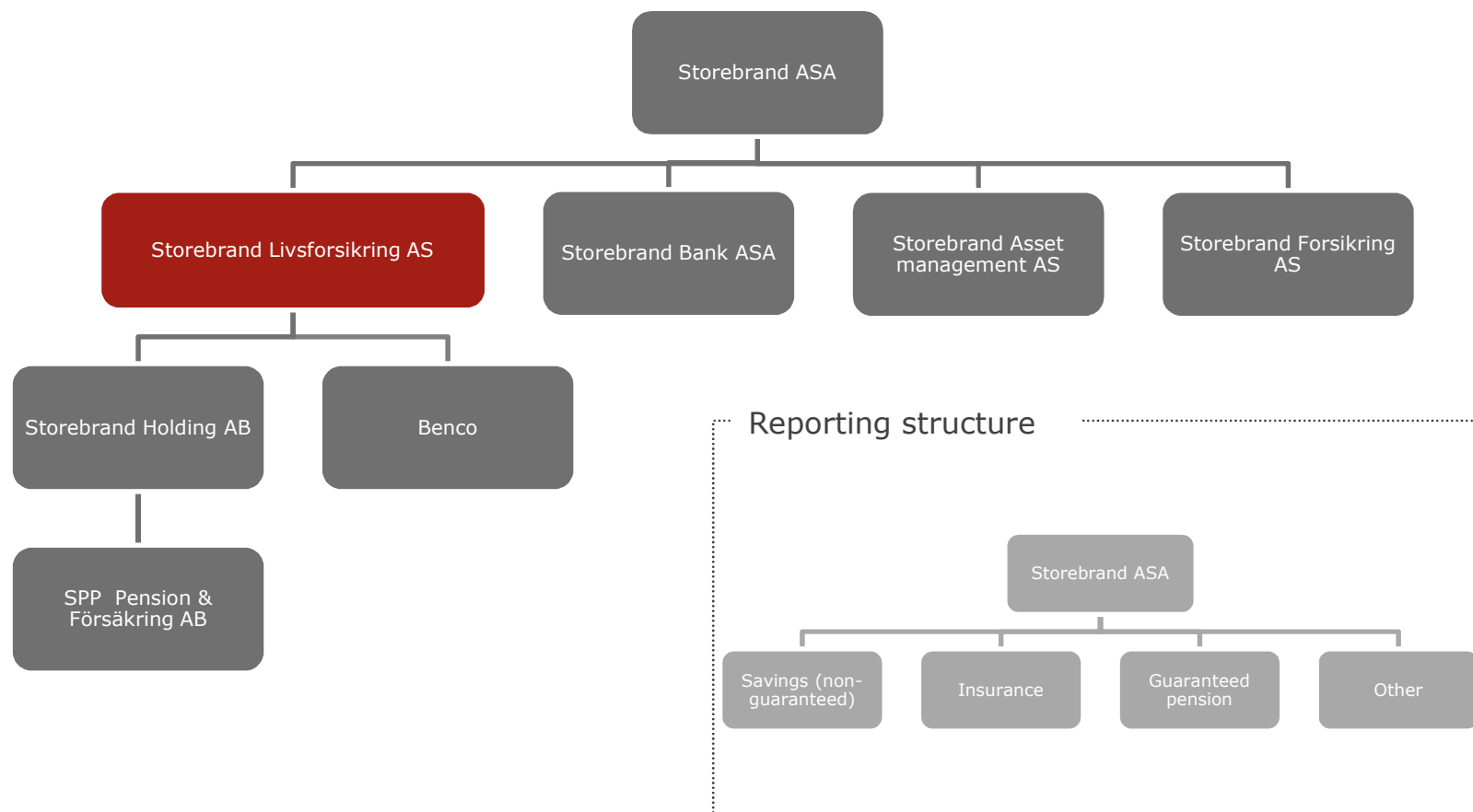
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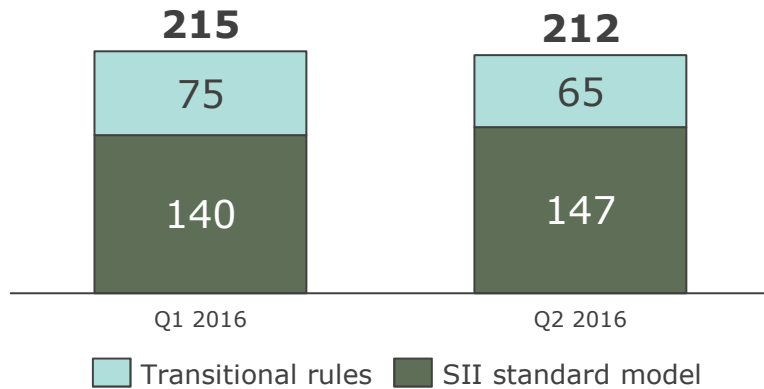
Storebrand Group structure (simplified)

Legal structure (simplified)

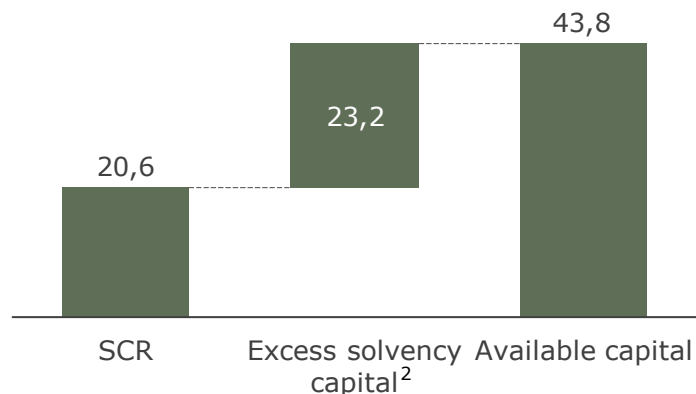


Solvency II position Storebrand Livsforsikring AS

Economic Solvency position(%)¹



Solid buffer above requirement (NOK bn)



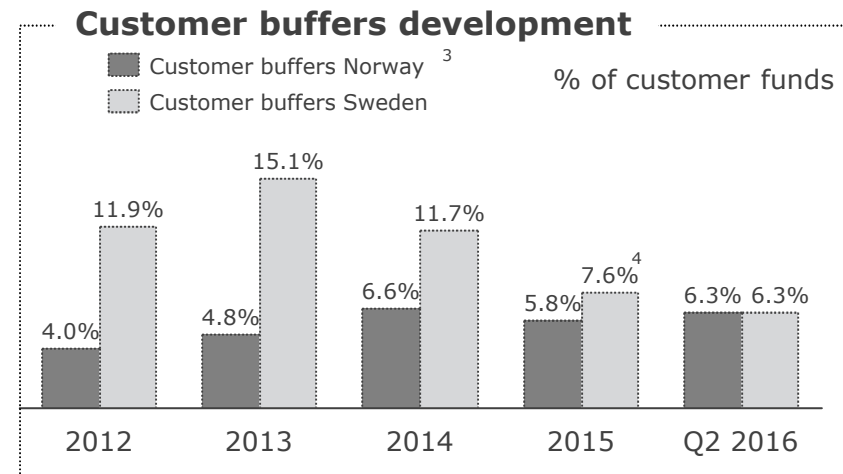
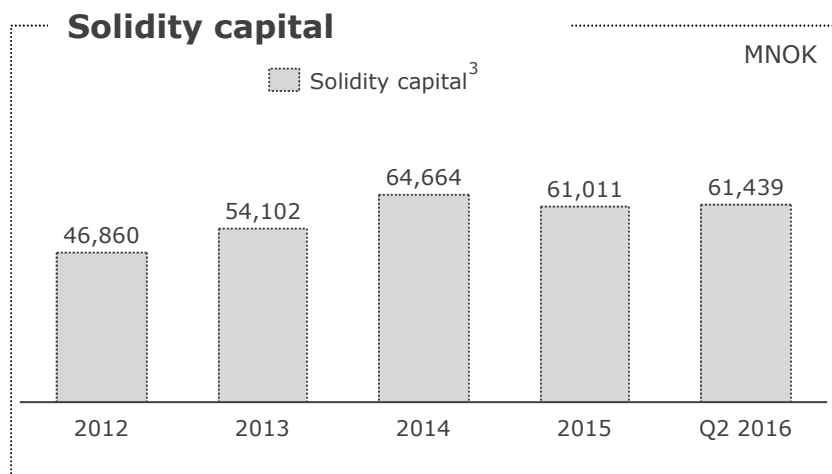
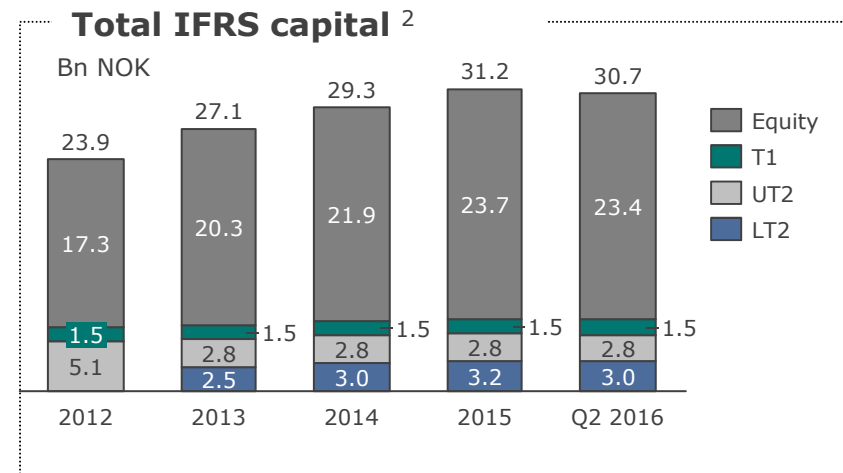
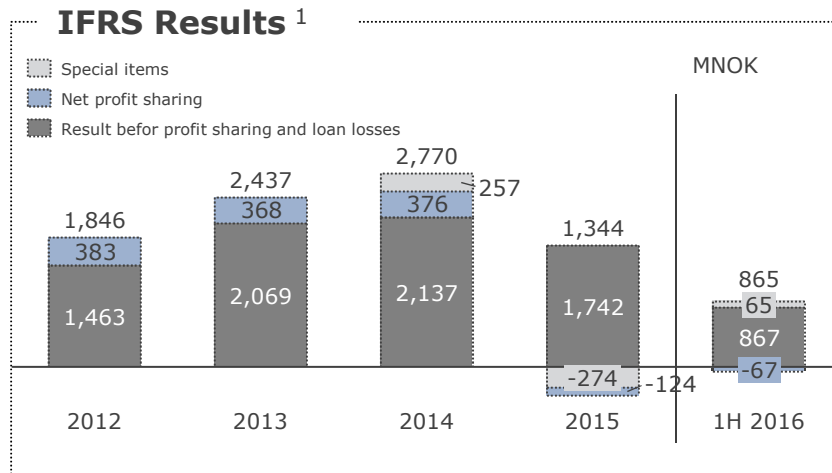
Main differences between the Storebrand Group solvency and Storebrand Livsforsikring AS solo calculation

- SPP and Benco are treated as strategic participations
 - Under SII there is a 22% capital charge on strategic participations
 - Capital requirements from the subsidiaries own solvency calculations are not included in Storebrand Livsforsikring solo calculation.
- The investments in properties are done through subsidiaries, and these are treated as unlisted shares (equity type 2) in the solo calculation, compared to property investments in the group calculation.
- Storebrand ASA and sister companies of Storebrand Livsforsikring AS are not included in the solo calculation

¹ The estimated Economic solvency position of Storebrand Livsforsikring AS is calculated using the current Storebrand implementation of the Solvency II Standard model with the company's interpretation of the transition rules from the NFSAs. Output is sensitive to changes in financial markets, development of reserves, changes in assumptions and improvements of the calculation framework in the economic capital model as well as changes in the Solvency II legislation and national interpretation of transition rules.

² Including transitional rules

Key figures Storebrand Livsforsikring Group



¹ Profit before amortization and longevity

² IFRS balance sheet

³ Solidity capital/customer buffers does not include provisions for future longevity reservations

⁴ New interest rate curve used for discounting insurance liabilities in SPP from 31.12.2015 reduce buffer level



Key Takeaways

- **On a transition from capital consuming guarantees to capital-light asset gatherer**
- **Growth and profitability from Savings and Insurance replace run-off business**
- **Back book run off and front book solvency generation enable future capital release**
- **New capital management policy with >150% SII target ensures protection of bondholders**



Investor Relations contacts

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Our Vision


Recommended by our customers

Appendix

Summary of Indicative Terms And Conditions

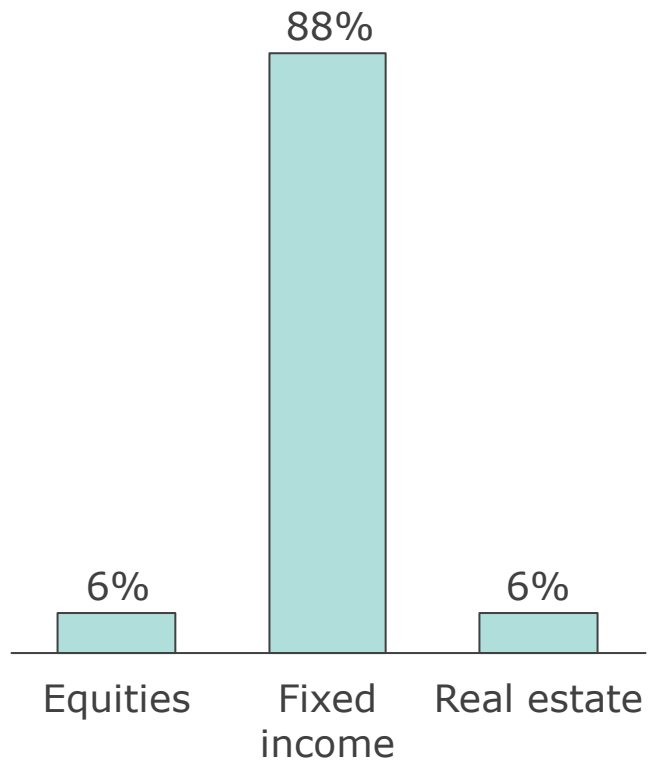
Summary Terms & Conditions	
Issuer	Storebrand Livsforsikring AS
Parent:	Storebrand ASA (direct 100% owner of the Issuer)
Bonds:	SEK [•]FRN Storebrand Livsforsikring AS Callable Subordinated Bond Issue 2016/2046
Expected Bond Rating:	[BBB-] (S&P)
Maturity Date:	[•] 2046, subject to deferral as described below
Interest:	Floating, 3 month STIBOR + [x] (initial margin) reset quarterly until the First Call Date, or (if not called) until the call date on [•] 2026, thereafter 3 month STIBOR + [y] (initial margin + 100 bps step-up) Payable quarterly in arrear, subject to Optional/Mandatory Deferral of Interest
First Call Date:	[•] 2021
Status of the Bonds:	Direct, unsecured and subordinated debt obligations, ranking pari passu with Parity Obligations, in priority to Junior Obligations, and junior to policyholders and any other unsubordinated creditors of the Issuer.
Optional Deferral of Interest:	The Issuer may defer interest, except on a Mandatory Interest Deferral Date or a Compulsory Interest Payment Date (a date on which a decision of payment of any distribution/dividend/other payment on any Junior Obligations has been made by the Issuer during the immediately preceding six months, subject to certain conditions)
Mandatory Deferral of Interest:	Following (i) a Capital Requirement Breach (a breach of capital/solvency requirements under Applicable Regulations, including the solvency capital requirement (SCR) under SII), or if interest payment would cause a Capital Requirement Breach or a Bankruptcy Event, and/or (ii) the occurrence of an event that requires interest deferral under Applicable Regulations, in each case subject to certain conditions and exceptions
Settlement of Deferred Interest:	Deferred interest is cumulative (but not compounding), may be paid at the option of the Issuer, and must be settled upon: occurrence of an event causing a Compulsory Interest Payment Date, redemption of the Bonds, a Bankruptcy Event or if the Issuer pays interest/dividend/other distribution or payment on any Junior Obligations or Parity Obligations; in each case subject to certain conditions and exceptions
Optional Redemption:	First Call Date or any Interest Payment Date thereafter at the then prevailing principal amount subject to no Capital Requirement Breach and the prior approval of the regulator
Additional Optional Redemption Dates:	Redeemable at par upon a Capital Disqualification Event, a Rating Agency Event or a Taxation Event, subject to certain conditions and exceptions
Repayment at the Maturity Date:	Subject to the Issuer receiving regulatory approval (if required) and no Capital Requirements Breach. If redemption has been deferred, repayment must be made upon the earliest of: cease of Capital Requirement Breach, regulatory approval or a Bankruptcy Event, subject to certain conditions
Reduction of Amounts of Principal:	Principal write-down pursuant to applicable provisions under Norwegian law upon a breach of minimum capital requirements or events threatening solidity; provided that a substantial part of subordinated capital has been lost and subject to certain conditions and exceptions. The Issuer undertakes that principal in respect of Tier 1 indebtedness should be written down prior to any principal in respect of undated Tier 2 subordinated indebtedness, and any undated Tier 2 subordinated indebtedness should be written down prior to any principal in respect of any dated Tier 2 subordinated indebtedness.
Law:	Norwegian law.
Denomination/Listing:	SEK 1,000,000 / Oslo Stock Exchange

¹ Please refer to the full Terms and Conditions in the Bond Agreement. Capitalised terms used in this summary and not otherwise defined in this presentation shall have the meanings ascribed to them in the Bond Agreement.

26 ² A Rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the  storebrand assigning rating agencies

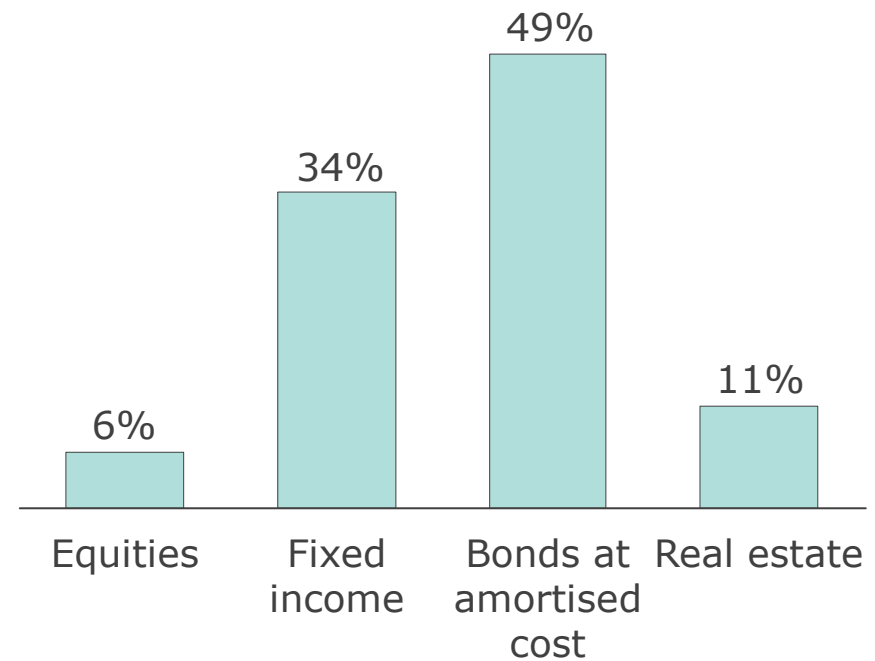
Guaranteed asset allocation Q2 2016

Sweden NOK 91 bn



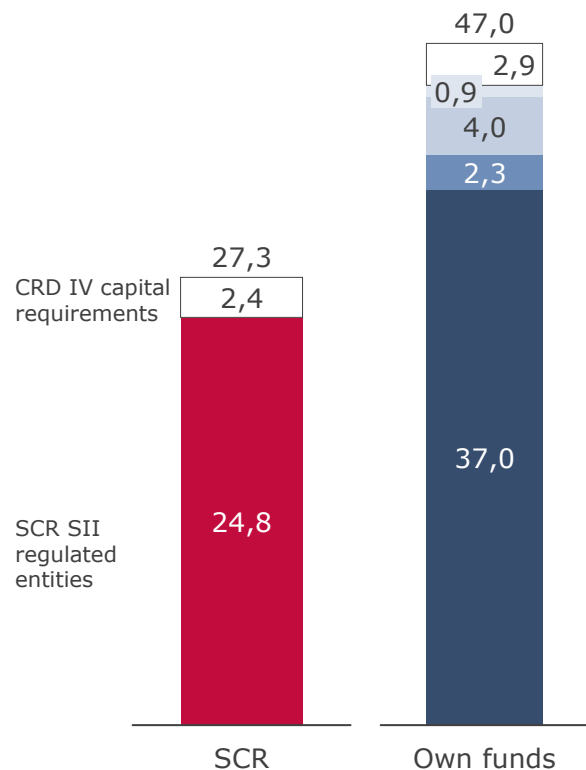
Norway NOK 176 bn

Comment on oil exposure: 1% of total asset allocation with direct oil exposure, whereof 0,3% Norwegian exposure



Storebrand Group capital structure Q2 2016

SCR and own funds 1H 2016 (NOK bn)



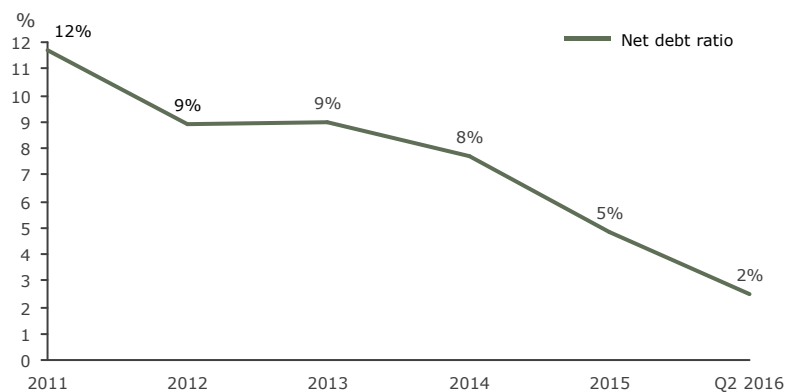
Own funds in % of SCR (excluding CRD IV subsidiaries)

	Regulatory limit	OF % of SCR	OF % of total
Tier 3	$\leq 15\%$ SCR	3%	2%
Tier 2	$\leq 50\%$ SCR Σ T2+T3	16%	9%
Tier 1 Restricted	$\leq 20\%$ T1	9%	5%
Tier 1 Unrestricted	$\geq 50\%$ SCR Σ All T1	149%	84%

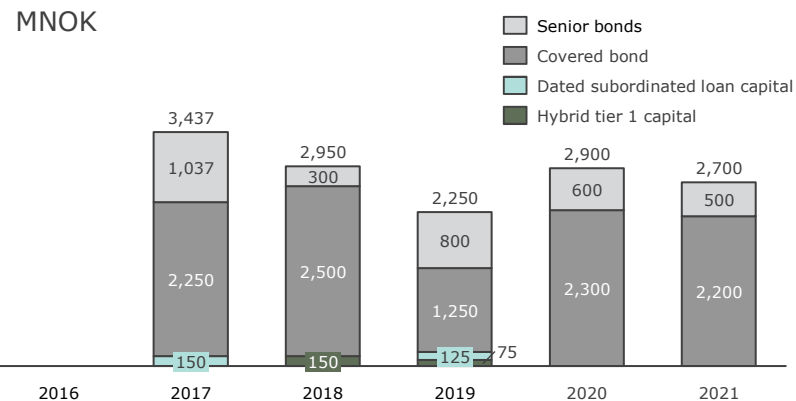
CRD IV capital
 Tier 3
 Tier 2
 Tier 1 restricted
 Tier 1 unrestricted

Storebrand Group term structure debt

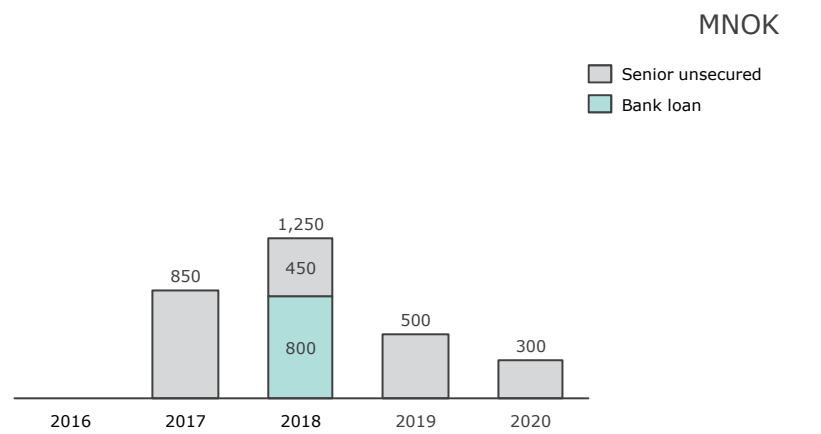
Net debt ratio Storebrand ASA (Holding company)



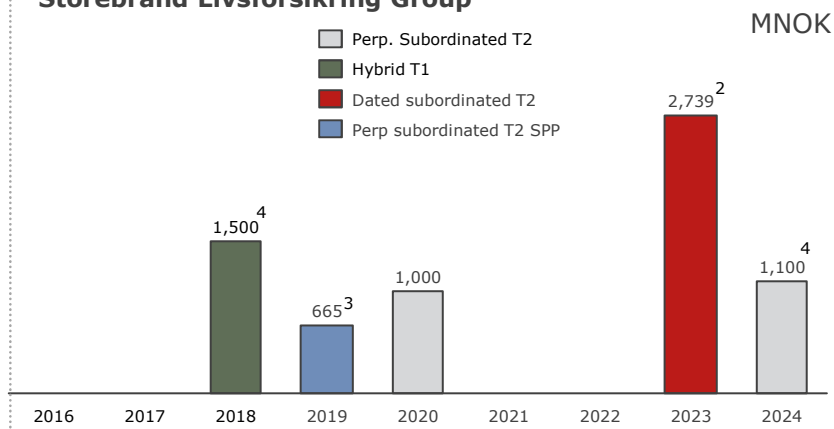
Outstanding bonds by maturity/call dates Storebrand Bank Group



Term structure bond debt Storebrand ASA¹



Outstanding bonds by call dates Storebrand Livsforsikring Group



¹ In addition credit facility of EUR 240 mn expiring December 2019

² EUR 300 mn (EURNOK 9,13)

³ SEK 700 mn (SEKNOK 0,95) – not included in SII capital

⁴ Grandfathered as Tier 1 under SII