

Storebrand

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Leading Nordic Life and Pension provider

- 40 000 corporate customers
- 1.9 million individuals with pensions in Storebrand
- NOK 79 bn in Unit Linked reserves
- NOK 262 bn in Guaranteed reserves
- 100% of investments assessed by sustainability criteria

Supported by:

Assets Management



NOK 450 billion
in assets under
management

Insurance



NOK 2 bn in net
Premiums

Bank

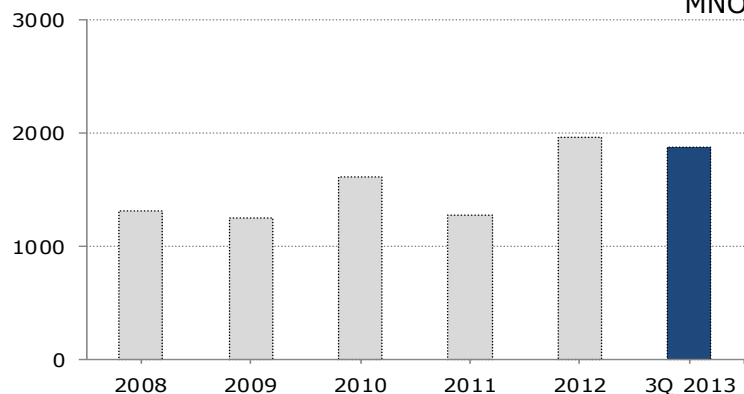


Direct retail
bank
NOK 35 bn in
net lending

Solid, profitable and growing business

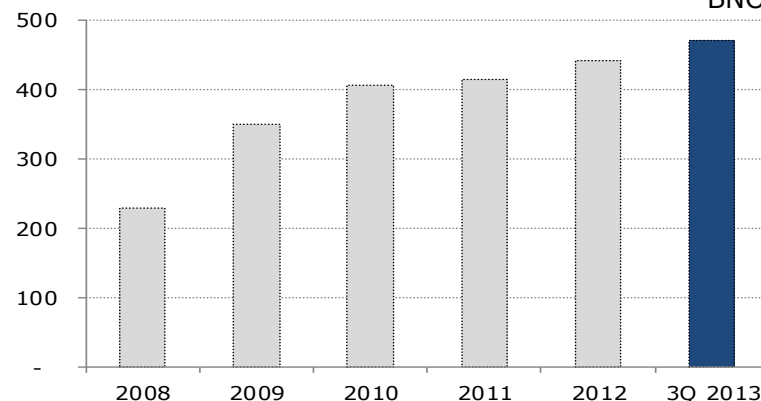
Group result

MNOK

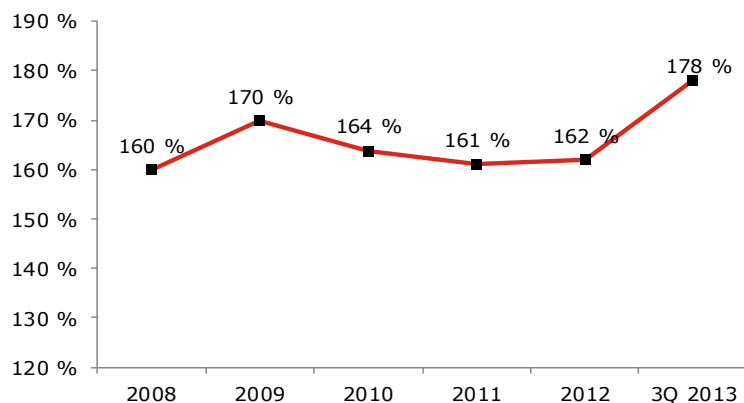


Assets under Management²

BNOK

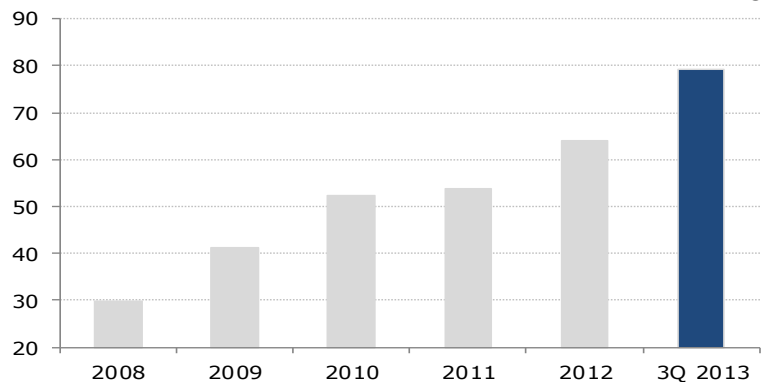


Solvency margin¹



Customer funds in unit linked³

BNOK



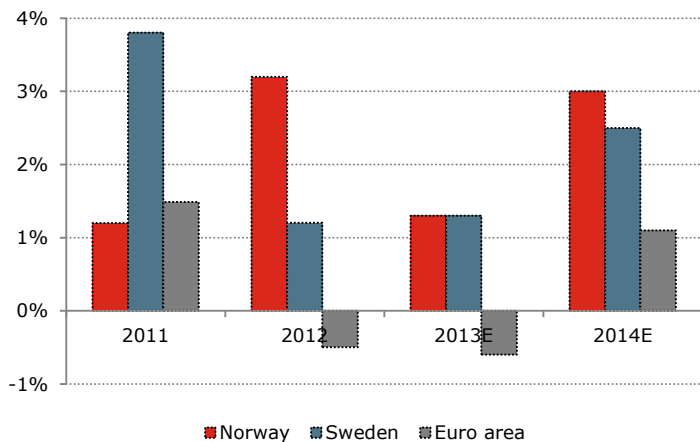
¹ Storebrand Life Group

² Total funds under Management

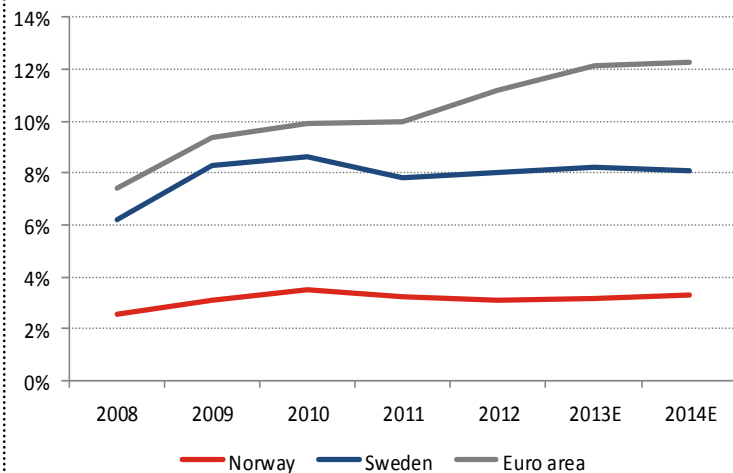
³ Includes customer funds in DC and UL for Storebrand Life Insurance and SPP

Sound Nordic macro environment enables growth in pension savings

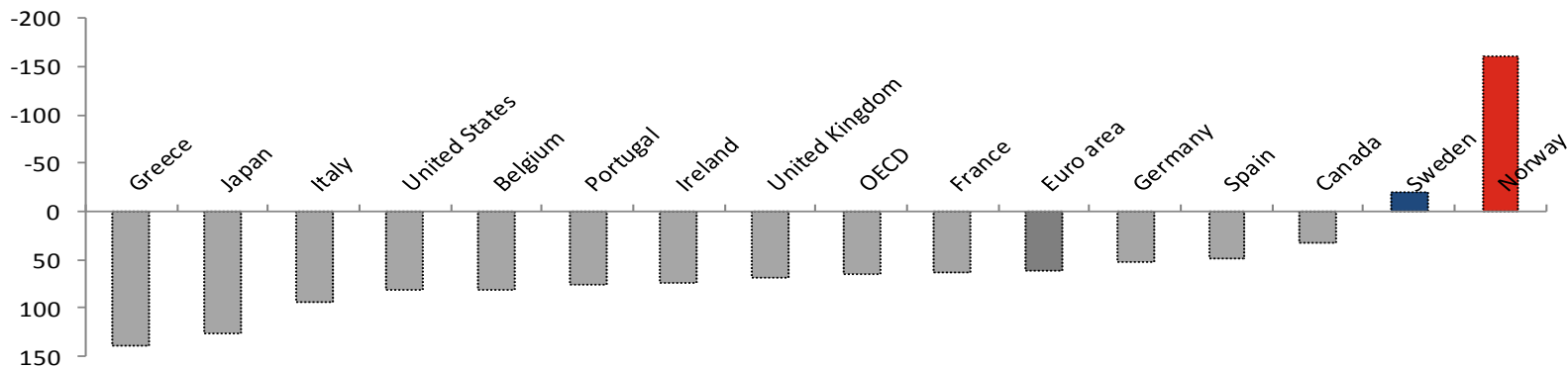
GDP growth¹



Unemployment rates¹



General government net liabilities²



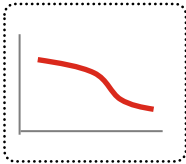
¹ OECD Economic Outlook No. 93, June 2013

² OECD Economic Outlook No. 92, December 2012

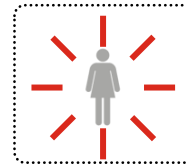
Future pension market

Drivers for long term growth

Trends



Low interest rate environment



Individualisation



Demographics



Technology



Regulations



Transparency

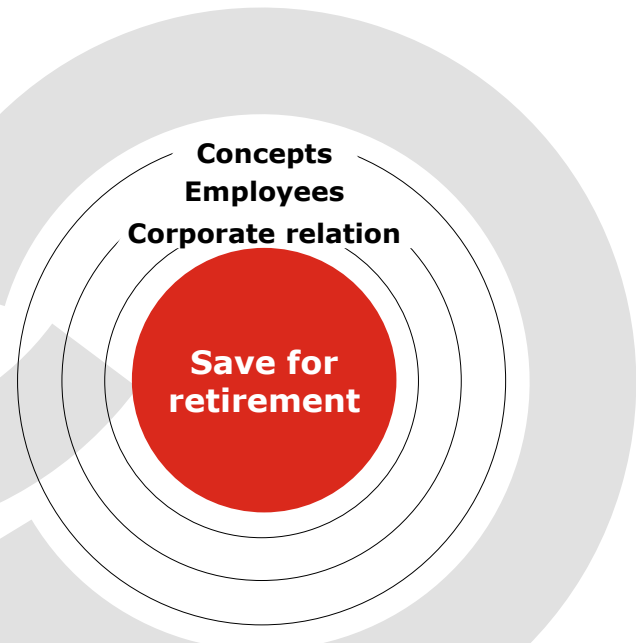
Our strategic response to changing market conditions

We work hard to reach our vision:
Recommended by our customers

Managing the balance sheet



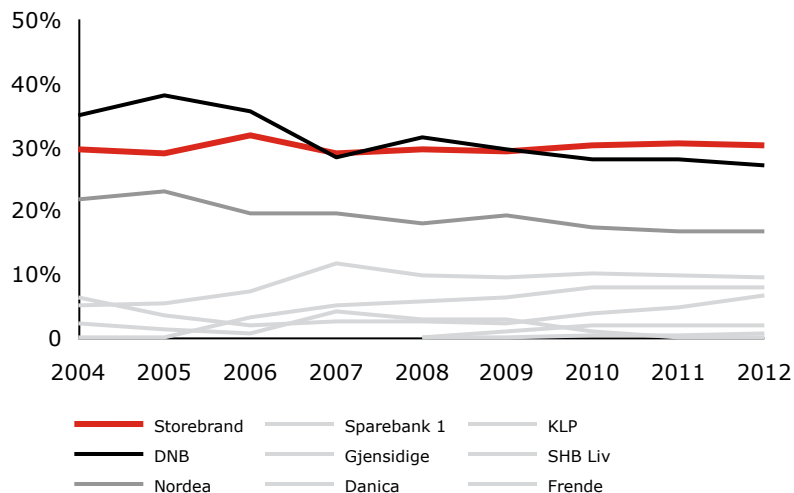
Developing the business



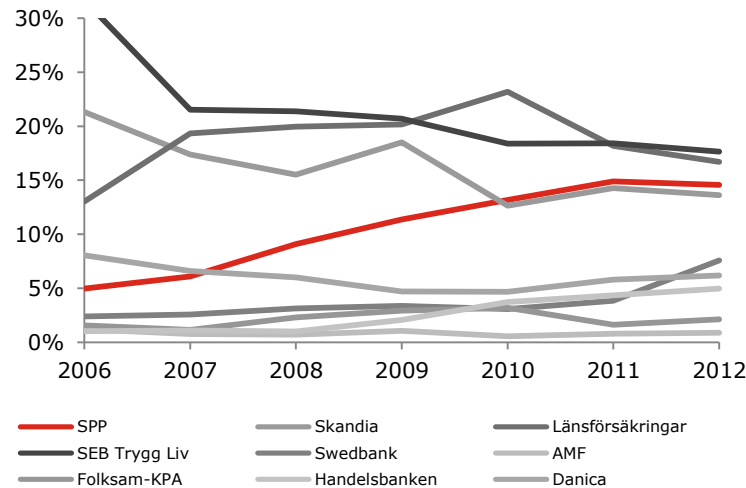
Storebrand is the market leader in the growing unit linked market



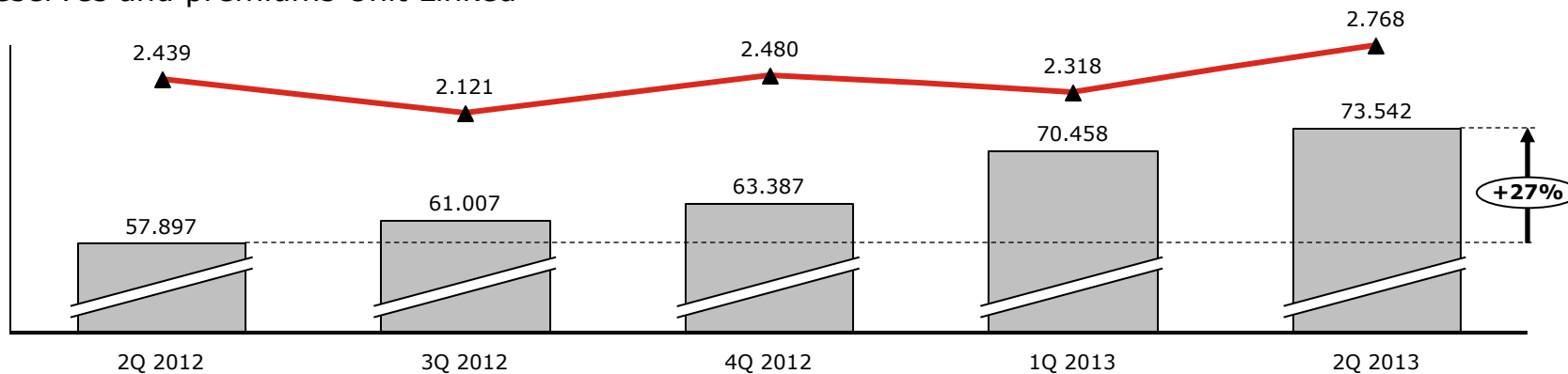
Market share unit linked*
(Norway private sector)



Market share unit linked*
(Sweden open market)



Reserves and premiums Unit Linked

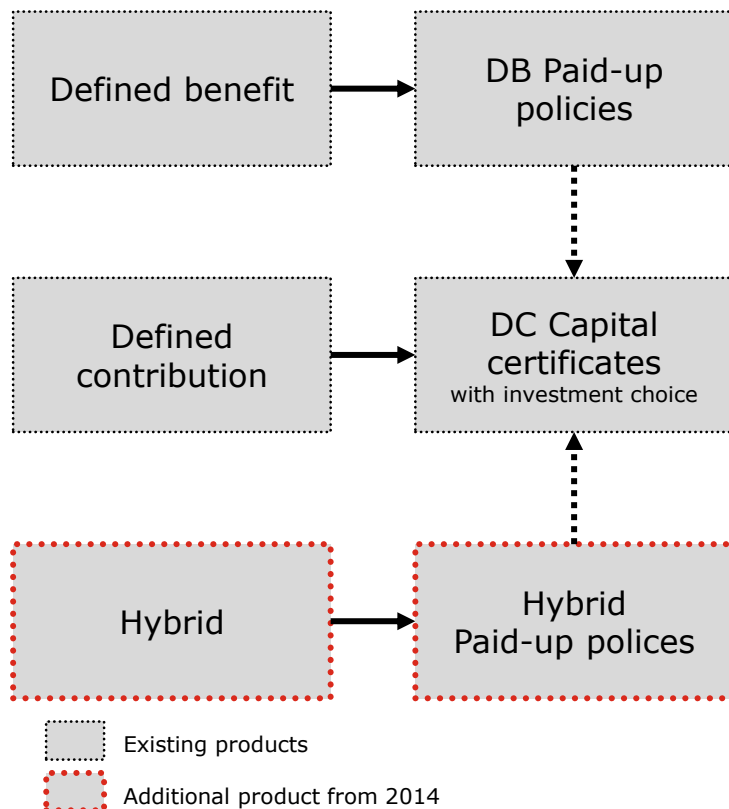


Market impacted by extensive product reform

– new hybrid occupational pension product from 1 January 2014



New legal framework for Norwegian occupational pension



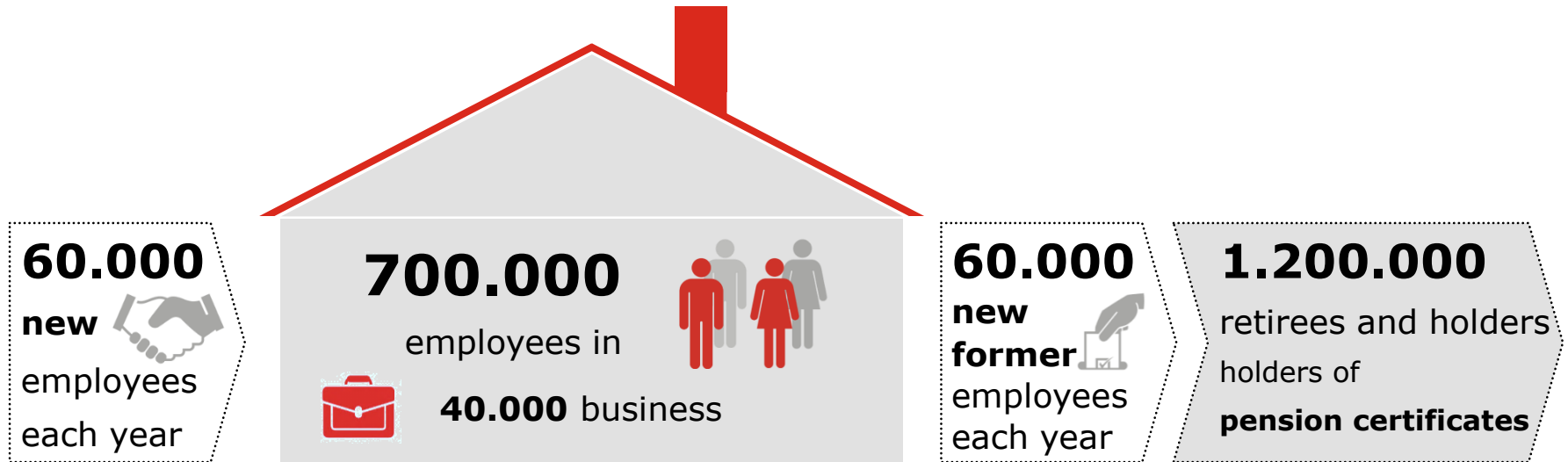
Important changes

- > Increased maximum saving rates in DC schemes, from 1 January 2014
- > New hybrid occupational pension product from 1 January 2014

Important next steps

- > Clarify transition rules for Paid-up policies to Paid-up policies with investment choice
- > Transition rules for guaranteed reserves into Solvency II

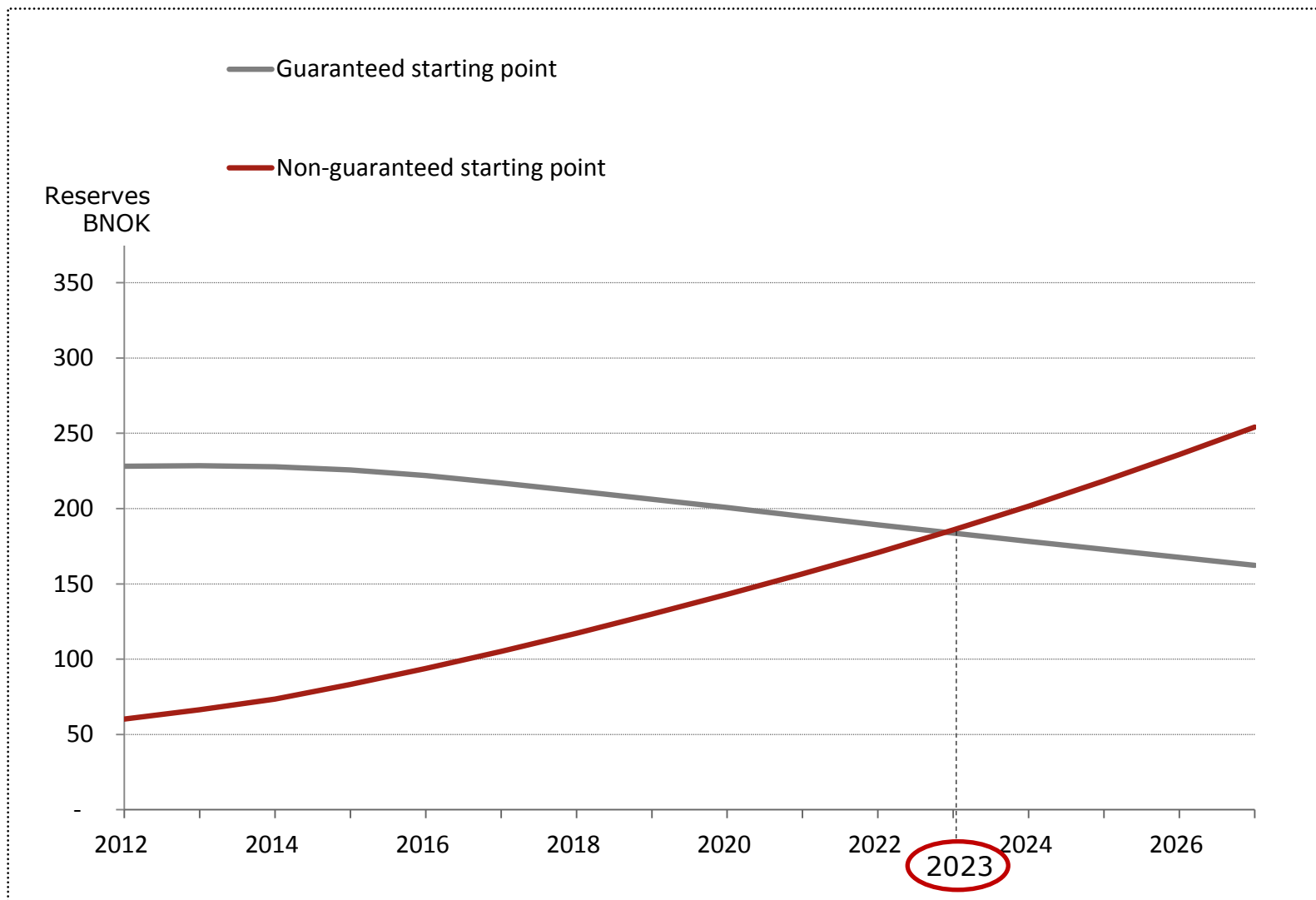
Leveraging the corporate market place – B2B2C



- 1 How to get businesses to buy occupational pensions and services from us?
- 2 How to get employees and former employees to buy individual products from us?

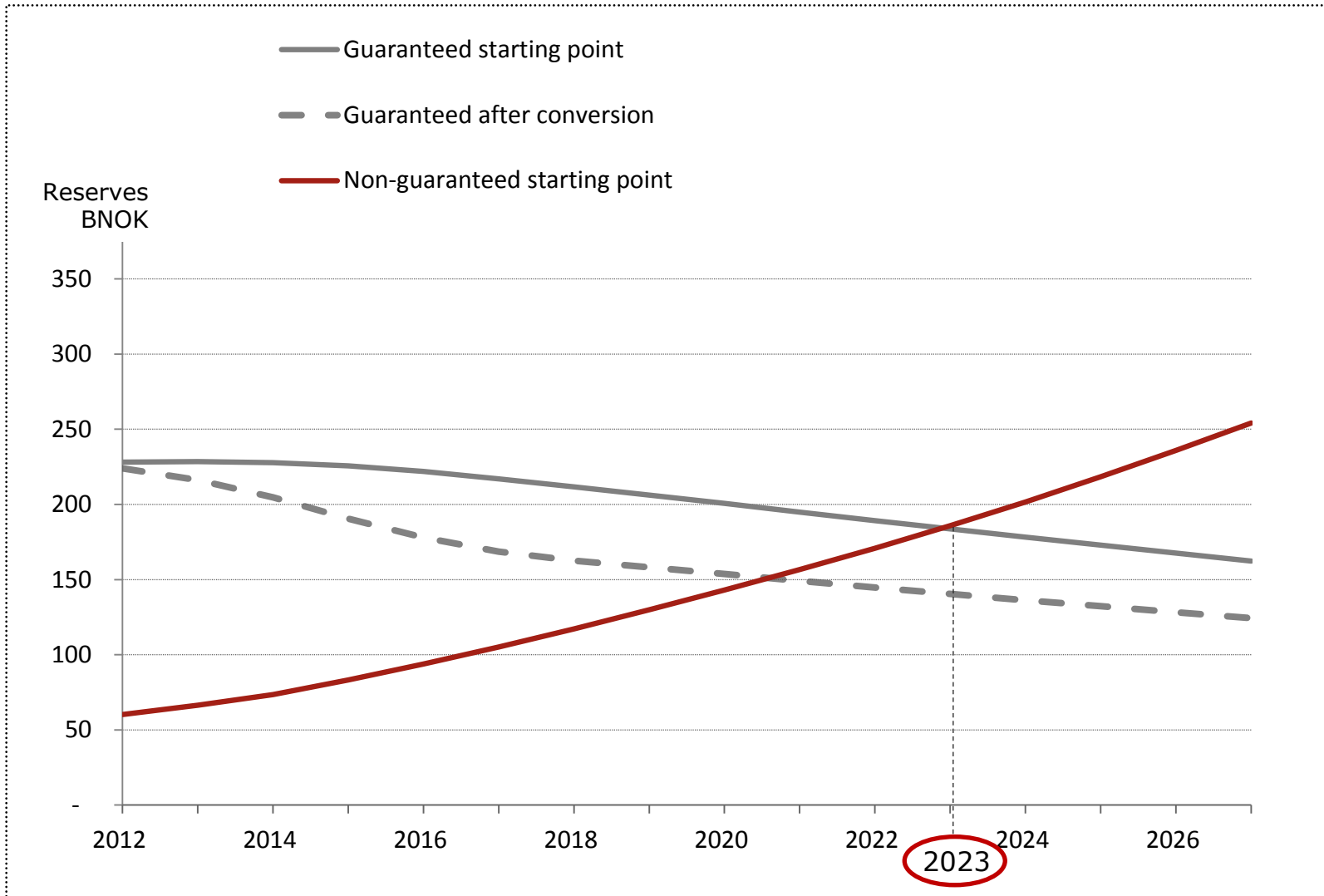
Main focus: shifting the balance sheet - for customer and shareholders values

ILLUSTRATION



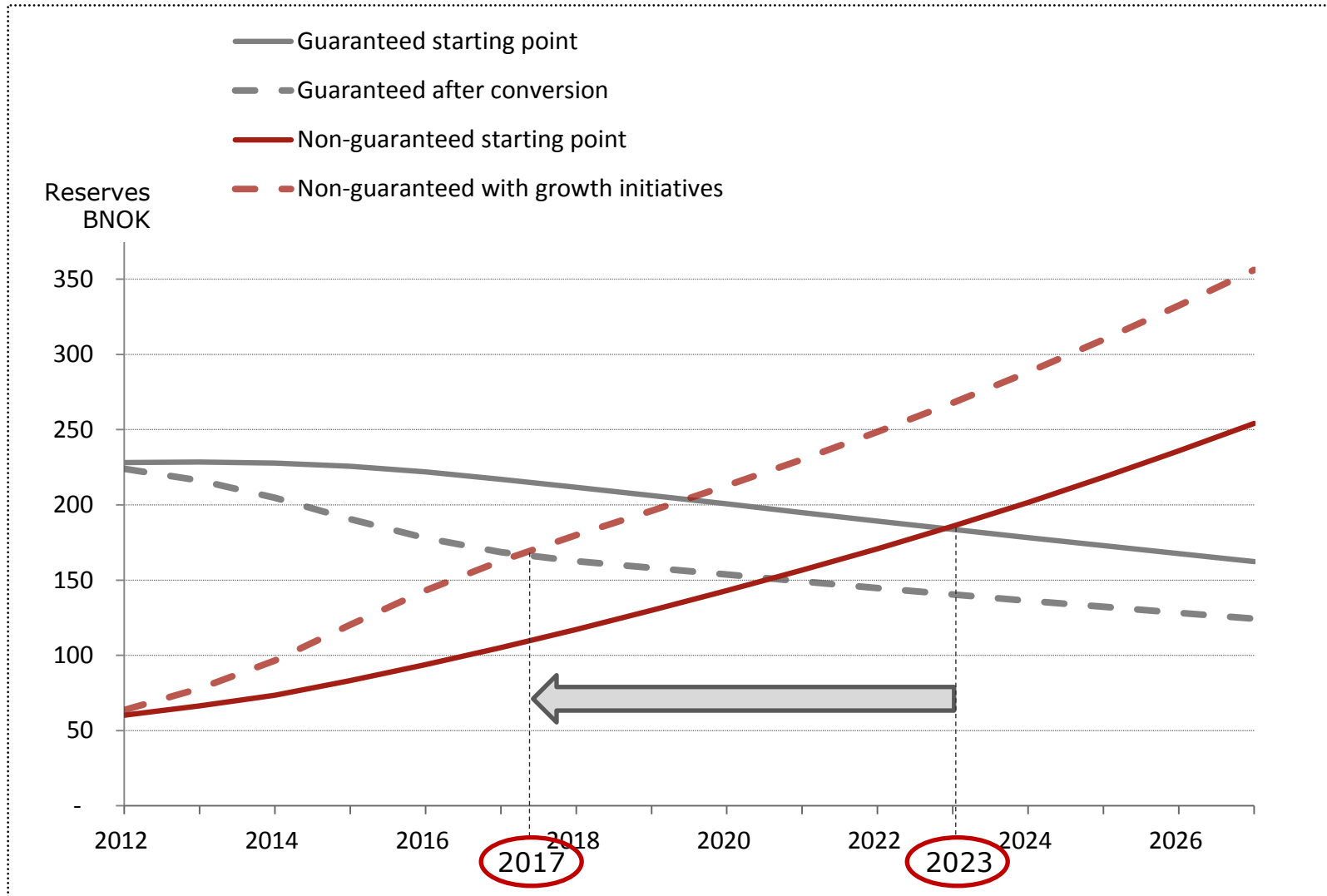
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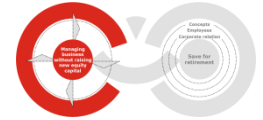


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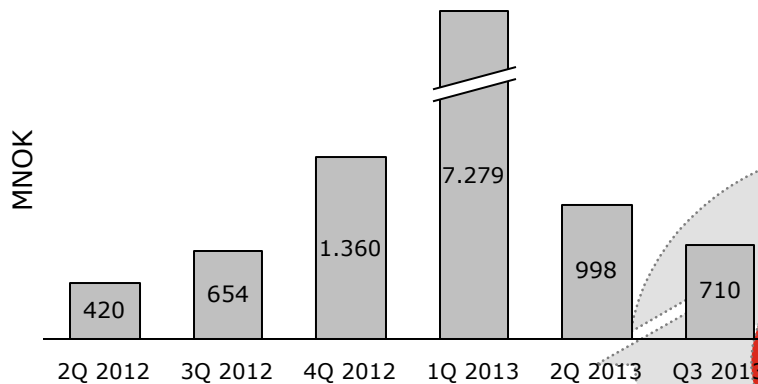


Managing the balance sheet



Capital optimization

Transfer out of Guaranteed products



Risk reduction

- Reduced real-estate portfolio – sold 7 shopping centers in Q2 and 4 office buildings in Q3 (17% of real estate portfolio)

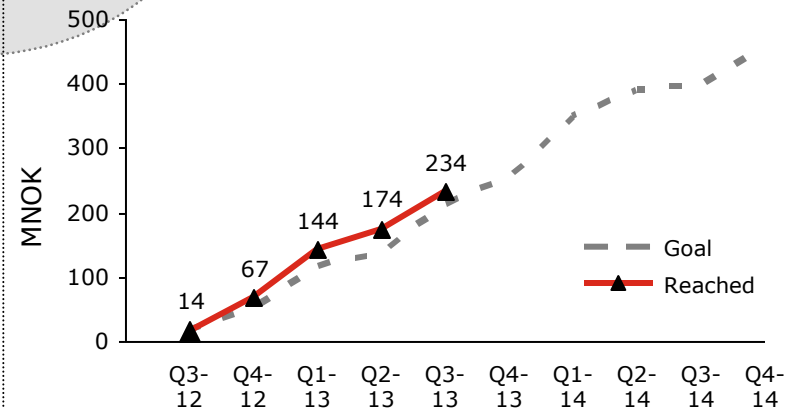
Managing business without raising new equity capital

Product optimisation

- Price increases guaranteed products
- SPP Pension Services sold to KPA
- Introduced new non-guaranteed savings products

Cost reduction

Accumulated run-rate, annual effects



Storebrand Group

- top line growth and cost control



Result

NOK million	Q3		01.01 - 30.09		Full year
	2013	2012	2013	2012	2012
Fee and administration income	1 093	970	3 214	2 932	3 907
Underwriting result	357	289	840	850	1 072
Operational cost	-809	-1016	-2 480	-2 708	-3 647
Financial result	83	84	69	124	176
Result before profit sharing and loan losses	724	328	1 644	1 199	1 508
Net profit sharing and loan losses	86	131	236	272	451
Result before amortisation and write-downs	810	458	1 880	1 471	1 960

Result per line of business

NOK million	Q3		01.01 - 30.09		Full year
	2013	2012	2013	2012	2012
Savings (non-guaranteed)	146	2	373	142	288
Insurance	136	106	342	329	417
Guaranteed pension	474	276	1 183	906	1 193
Other	53	74	-19	94	61
Result before amortisation and write-downs	810	458	1 880	1 471	1 960

Summary

- Market leader in growth market
- Dual strategy:
 - managing traditional guarantees
 - build business leadership for the future
- Regulatory uncertainty, but clear action taken:
 - cost reductions
 - capital efficiency
 - customer centric
 - commercialization

