Interim Report Storebrand Group

1st Quarter 2008

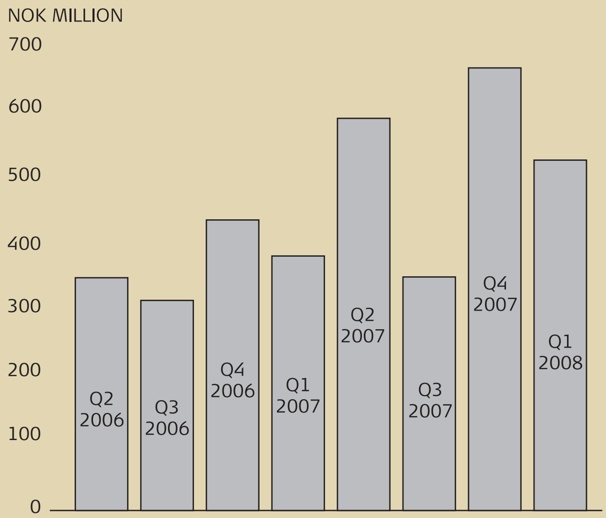
storebrand

Interim results for the Storebrand group – Q1 2008

MAIN FEATURES

- Group profit[1] of NOK 535 million during quarter
- The result was positively affected by the transition to the new insurance act
- Strong growth in premiums and transfer balance in Storebrand Life Insurance
- Solid growth in new policies and premium income in SPP
- Financial income in the life insurance activities affected by poor marked development
- Positive development in net interest income in Storebrand Bank

Group profit per quarter[1]



The group profit before the amortisation of intangible assets and tax amounted to NOK 535 million for the quarter (NOK 389 million). The figures in brackets show the development in the corresponding period in 2007. After the amortisation of intangible assets the group profit for Q1 was NOK 402 million (NOK 389 million).

Group profit[1]

NOK MILLION	Q1 2008	Q1 2007	FULL YEAR 2007
Life insurance	448	272	1 635
Asset management	48	31	138
Storebrand Bank	51	79	235
Other activities	-12	7	12
Group profit	535	389	2 020
Amortisation intangible assets	-133		
Group profit after amortisation pre tax	402	389	2 020

Storebrand Life Insurance's (excluding SPP) total premium income excluding transferred premium reserves amounted to NOK 6,400 million in Q1 2008, an increase of 18 per cent compared with the same period last year. Group insurance products with investment choice showed growth in Q1 of 29 per cent compared with the same period last year. In addition, the net transfer of customer assets to Storebrand Life Insurance in Q1 2008 was NOK 2,193 million.

Storebrand Life Insurance's profit was otherwise affected by weak financial markets, and the transition to the new life insurance act resulted in income in the IFRS accounts of around NOK 200 million, primarily from dissolution of the security fund. NOK 235 million in unrealised gains was recognised as income in the company portfolio during the quarter.

The new insurance act and regulations came into effect in Norway on 1 January 2008. The new act entails extensive changes for life insurance companies. Storebrand has done extensive work to ensure that the changes result in an improvement in the company's competitiveness. The new insurance act affects how the life insurance company generates profit for the owner, including the fact that a significant number of the insurance portfolios will switch from profit sharing to upfront pricing. Because of this the owner's profit is less affected by the development of the financial market than before. The new insurance act therefore affects the interim reporting as described in the report's discussion of life insurance activities.

The SPP Group's total premium income in the quarter developed positively with an increase of 12 per cent compared with the same period last year. SPP has intensified its sales work in all channels. This, together with the increased marketing activities, resulted in growth in new business of 50 per cent compared with the same period last year. The growth in sales was primarily driven by increased activities in its own sales channels. However, a growth in sales via the broker channel was also seen.

The SPP Group's profit was affected by weak financial markets in Q1. During the quarter, SPP implemented dynamic risk management in accordance with the same principles used in Storebrand Life Insurance. This entails reducing gradually the risk in falling equity markets in order to protect the customers' and owner's risk capital. As a consequence of this the equities proportions were reduced by 9.8 and 7.5 percentage points in the Defined Benefit (DB) and

[1] From 2008 the group profit stated will be the group profit before tax and the amortisation of intangible assets.

Defined Contribution (DC) portfolios respectively. The conditional bonus (the insurance customer's buffer capital) was NOK 10,200 million at the end of Q1.

Storebrand Investments' profit in the quarter was affected by the instability in the financial markets. The combination of reduced assets under management in funds and the relatively weak return on discretionary assets resulted in lower total income compared with the same period in 2007. Total costs were reduced in relation to last year due to lower performance-based remuneration and good costs control. Storebrand Investments managed NOK 230,000 million at the end of Q1. This is an increase of NOK 2,200 million since the start of the year.

Storebrand Bank's profit was characterised by a positive development in net interest income with growth of 36 per cent in relation to Q1 last year. Net interest income as a percentage of average assets under management was 1.19 per cent in Q1 versus 1.07 per cent for the whole of 2007. Continued customer growth, price adaptation in the lending portfolio, and an increased deposit-to-loan ratio made positive contributions to the development of the profit. The net loss allocations recognised in income amounted in Q1 to NOK 1 million compared with NOK 45 million during the same period in 2007. In April, Storebrand Kredittforetak AS completed its first bond issue with pre-emptive rights. The established lending programme has received an Aaa rating from Moody's. The lending volume in the credit undertaking at the end of the quarter amounted to NOK 6,400 million.

Storebrand Skadeforsikring achieved good sales in Q1. During the quarter, the number of customers increased by 3,315. At the end of Q1 the company had more than 19,000 customers, who had an average of 3 policies each.

ACQUISITION OF SPP

The transaction was completed on 21 December 2007. Its implementation from an accounting perspective was based on the equity in SPP Group as per 31 December 2007 and the profit from SPP in Q1 was consolidated into Storebrand's group profit and balance sheet.

The integration of SPP is proceeding as planned. The cooperation between Storebrand and SPP is characterised by mutual trust and a willingness to share knowledge, and the companies will together create a robust Nordic organisation. During the first 100 days, SPP increased sales markedly compared with the same period in 2007. The development in sales confirms the measures that were identified early on in the planning phase. A new round of meetings with insurance brokers was conducted to describe the investment and risk management model that is currently being implemented. The model and future plans were well received.
In parallel with the increased sales activities, productivity-improving measures within the areas of service and administration are being implemented as planned. All in all the work on achieving the goals associated with income synergies and customer satisfaction is developing well. Storebrand will start reporting realised synergies from and including the interim report for Q2 2008.

In connection with the implementation of the acquisition Storebrand ASA took out a bridging loan from a syndicate of banks. Storebrand ASA has in turn loaned this money to Storebrand Livsforsikring AS in the form of a subordinated loan. Storebrand Life Insurance took out a new subordinated loan in the market in February 2008 in order to refinance an existing loan. Parts of the proceeds from lending were used to reduce the loan from Storebrand ASA. Storebrand ASA correspondingly repaid part of the bridging loan. The bridging loan currently amounts to EUR 470 million and has been extended until 1 December 2008, with an option to extend it further to 2 March 2009. The plan is to replace the bridging loan with subordinated loans.

FINANCIAL PERFORMANCE – LIFE INSURANCE ACTIVITIES

Profit and loss - Life Insurance

NOK MILLION	Q1 2008	Q1 2007	FULL YEAR 2007
Storebrand Livsforsikring AS	381	269	1 622
SPP Group	63		
Other subsidiaries (incl. Storebrand Helseforsikring)	4	3	13
Profit life insurance activities	448	272	1 635
Amortisation intangible assets	-122		
Profit life insurance activities after amortisation pre-tax	325	272	1 635

The profit in Storebrand Livsforsikring AS (excl. SPP) and SPP Group respectively is discussed below.

Financial performance - Storebrand Livsforsikring AS (excl. SPP)

New regulations for the life insurance sector in Norway
The new insurance act and regulations came into force on 1 January 2008. The new act entails considerable changes for life insurance companies. Storebrand has worked intensively to improve its competitiveness by taking advantage of the opportunities that have presented themselves. The overall objective of the new legislation is to make the pricing of insurance products more predictable and transparent, and to make a clearer distinction between the pension assets of its pollicyholders and the insurance company's own capital. The general principle in the new legislation is that premiums must be fixed and paid in advance.

In the case of group defined benefit pension schemes and newly established individual products with a guaranteed return, the new insurance act means the profit will be allocated to the customer. The various elements of pension products must in future be priced separately and may contain a profit element for the insurance company. As a consequence of this the owner's profit is less affected by the development of the financial market than before.

In the case of old and new paid up policies a modified profit sharing regime has been introduced which means that the company can retain up to 20 per cent of the profit, which amounts to the sum of the interest and risk results from the paid up policies. The modified profit sharing model means that any negative risk result will be deducted from the customers' interest profit. The company also receives all the return on capital in the balance sheet that does not belong to policyholders.

Individual products established in the company before the coming into force of the act will be continued using the profit rules that applied prior to 2008. In other words the company can take a maximum of 35 per cent of the total profit.

Financial performance during the period
The profit and loss statement below shows the total of the interest, administration and risk results from operations, i.e. both the profit for the customer and that for the owner. The profit allocated to the owner amounted to NOK 385 million in Q1 (NOK 269 million) and was generated via various product areas and the return on the company portfolio, as described in the "Profit allocated to the owner" section below.

Financial performance during the period

NOK MILLION	Q1 2008	Q1 2007*	FULL YEAR 2007*
Interest result	-288	870	7 887
Administration result	-101	-135	-669
Risik result	221	80	244
Other	173	-14	-3 042
Result before allocation from additional statutory reserves	6	801	4 420
Allocation from additional statutory reserves	376		
Result after allocation from additional statutory reserves	382	801	4 420
Result to customers		-532	-2 797
Profit to owner Storebrand Livsforsikring AS	**382**	**269**	**1 622**
Profit other subsidiaries	3		
Profit pre tax	**385**	**269**	**1 622**

* Figures for 2007 includes return on company capital, result for subsidiaries is included in figures for Storebrand Livsforsikring AS in 2007 due to equity consolidation method.

Interest result
The interest loss totalled NOK 288 million (NOK 870 million) for the quarter. The interest loss was driven by unstable financial markets in the quarter. The net realised gains from securities amounted to NOK 265 million (NOK 254 million) for the quarter.

Administration result
The administration loss totalled NOK 101 million (loss of NOK 135 million) for Q1. The administration result was affected by lower management fees and bonus costs, as well as increased administration premiums.

Risk result
The total risk result for Q1 was NOK 221 million compared with NOK 80 million in the same period in 2007. The result was affected by the fact that NOK 164 million from the security fund was entered as income for sectors without a risk equalisation fund.

Profit allocated to the owner
In total the profit allocated to the owner before tax amounted to NOK 385 million in Q1. The profit allocated to the owner is generated via four primary product areas with different earnings structures, as well as the return on the company portfolio.

In the case of group defined benefit pensions NOK 100 million was recognised as upfront fee income in Q1. In addition the profit was affected by, among other things, income recognition of NOK 99 million due to the release of the security fund and included in the result item risk result.

In the product areas group pension with investment choice (primarily defined contribution plans and mandatory occupational pensions) and unit-linked, the profit was affected by limited insurance assets under management. This means that the administration income is still relatively low.

In the case of risk products the total profit of NOK 62 million was satisfactory and was characterised by good, stable margins. The dissolution of the security fund amounting to NOK 51 million is included in the risk result.

In the case of individual and paid-up policies with profit sharing, the profit was affected by the poor financial markets and there is thus no profit to share between customer and the owner. The owner covered a net administration deficit of NOK 16 million in Q1. The profit item 'Other' includes income recognition of the transfer from the security fund to the risk equalisation fund.

Profit allocated to the owner per product area in Q1

NOK MILLION	GROUP PENSION DEFINED BENEFIT	GROUP PENSION INVESTMENT CHOICE AND UNIT LINK	RISK PRODUCTS	INDIVIDUAL AND PAID-UP POLICIES (PROFIT SHARING)	COMPANY PORTFOLIO	TOTAL
Administration result	7	-32	-38			-62
Interest result		1	16		103	119
Risk result	99		84			183
Premium for guarantee interest and risk profit	100					100
Profit sharing				-16		-16
Result subsidiaries					3	3
Other				28	28	58
Profit pre tax	**206**	**-31**	**62**	**134**	**134**	**385**

Note: The above table is mandated by the new insurance act and thus contains no comparable figures for 2007.

The company portfolio achieved a net financial return (interest result) of NOK 103 million in Q1. The return on the share capital was positive due to the recognition as income of the owner's share of the market value adjustment reserve as per 1 January 2008 amounting to NOK 235 million.

The security fund in Storebrand Life Insurance that existed as per 31 December 2007, which was previously recognised as an oblligation, has now been dissolved and recognised as income in connection with the new life insurance act. This was the main element of the income of about NOK 200 million.

The market value adjustment reserve is considered a liability item in Storebrand's IFRS accounts. The introduction of the new life insurance act has resulted in a share of the unrealised gains being allocated to the owner. This share amounting to NOK 235 million was recognised as income during the quarter. The market value adjustment reserve is still regarded as a liability item pursuant to IFRS.

Profit allocated to the customers

The profit allocated to customers depends on developments in the financial markets and the profile customers have chosen for their investments. Instability in the financial market in Q1 resulted in the customers' calculated profit being equal to the guaranteed return. NOK 376 million was drawn from additional statutory reserves in the quarter to cover the returns lower than the guarantees in some of the customer portfolios.

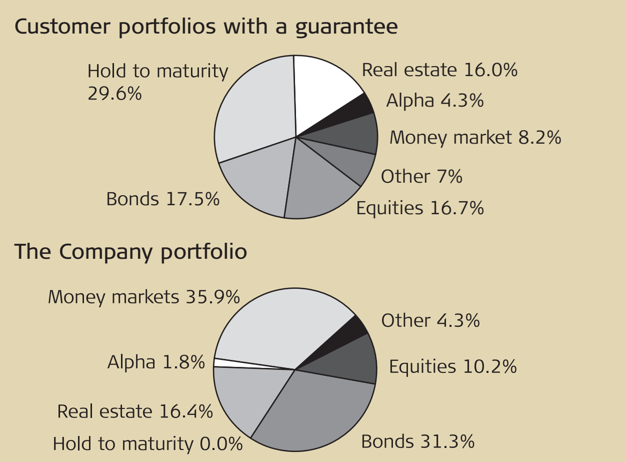
Return on investments, asset allocation and risk capital

The development in asset allocation in Q1 has been characterised by market turbulence since the start of the year. Weighted equity exposure for customer portfolios with a guaranteed return was reduced by 9 per cent (taking into account derivative positions) to 17 per cent during Q1.

A weighted book return on investment of 0.7 per cent was achieved during the quarter for the customer portfolios with a guaranteed return. The weighted market return was minus 1.6 per cent for the quarter compared with a value adjusted return of 2.1 per cent in Q1 2007.

Net investments in bonds held to maturity were reduced by NOK 200 million in Q1. The current portfolio of bonds and certificates increased by NOK 2,700 million during the quarter, while other classes of assets experienced less change in Q1 2007.

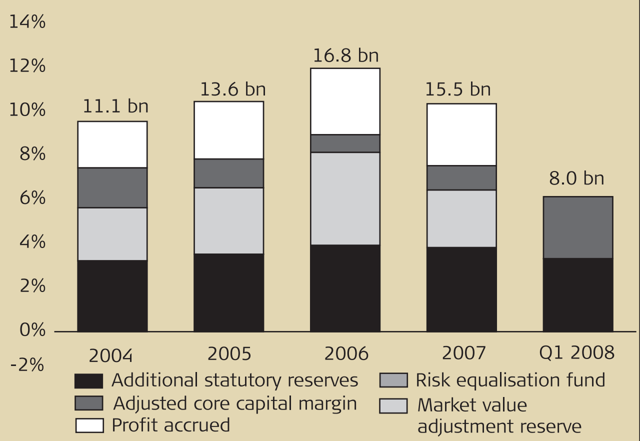
Asset profile of customer portfolios with guaranteed return and company portfolio



76 per cent of the assets under management from customers with investment choice (defined contribution pensions and unit-linked) were placed in equity funds and combination funds, compared with 79 per cent at the end of 2007. The return on the recommended investment choices for defined contribution pensions in Q1 were minus 1.3 per cent for a careful profile, minus 5.5 per cent for a balanced profile, and minus 9.4 per cent for an aggressive profile respectively. The return in the last 12 months from these profiles was 2.4, minus 1.8 and minus 5.3 per cent respectively.

The total assets under management increased by NOK 4,800 million during the quarter and amounted to NOK 201,400 million at the end of Q1 2008. The increase in the quarter was driven by the net transferred premium reserve, among other things.

Risk capital as % of customer funds excl. additional statutory reserves



During Q1 the company's risk capital was reduced by NOK 7,500 million to NOK 8,000 million due to changes in the allocation of the full year's profit, and changes in the market value adjustment reserve and additional statutory reserves. The additional statutory reserves were reduced by NOK 376 million in order, among other things, to cover accrued guaranteed interest and amounted to NOK 5,379 million at the end of Q1 2008. The additional statutory reserves still covers around one year's guaranteed interest.

Unrealised gains on current assets in the group portfolio were reduced by around NOK 4,000 million in Q1 2008 and amounted to minus NOK 456 million at the end of the quarter. The fall was due to the poor equity market. The market value adjustment reserve cannot be negative and this deficit was booked in the accounts. The fair value of bonds held to maturity increased by NOK 171 million in the quarter and the unrealised gain on bonds held to maturity amounted to NOK 211 million at the end of Q1. These unrealised gains are not included in the accounts.

The company experienced positive margins in relation to all capital requirements. Storebrand Life Insurance Group's capital adequacy for Q1 was 10.0 per cent. The solvency margin was 131 per cent at the end of Q1 compared with 136 per cent at the end of 2007.

The Board of Storebrand ASA has decided to supply the life insurance company with NOK 450 million through a targeted share issue in order to ensure an otimum capital and tier 1 capital ratio in Storebrand Life Insurance. Following the acquisition of SPP the regulatory key figures have been affected by consolidation effects, and the solvency margin and tier 1 capital ratio are somewhat lower than the company's targets.

The injec tion of capital will strengthen Storebrand Life Insurance's solvency margin and tier 1 capital ratio. Based on the key figures at the end of Q1, Storebrand Life Insurance's solvency margin and tier 1 capital ratio will be 135 per cent and 6.0 per cent respectively after the share issue. This will have no effect on the group's consolidated financial position.

Premium income and transfers balance
Total premium income, excluding assets transferred to Storebrand Life Insurance, amounted to NOK 6,400 million in Q1 2008, an increase of 18 per cent compared with the same period last year. Group insurance products with investment choice showed growth in Q1 of 29 per cent compared with the same period last year. The increase was due to growth in the number of customers within mandatory occupational pensions (OTP). Defined benefit group pension insurance experienced an increase of 24 per cent due to both high single premiums and annual premiums. Traditional individual endowment insurance experienced an increase of 26 per cent because of good sales of guaranteed return accounts, and group life insurance an increase of 7 per cent.

The net booked inflow of customer assets to Storebrand in Q1 2008 was NOK 2,193 million (NOK 384 million). Group pensions sold well during the quarter, but the sale of individual pension policies was weaker overall than in the same period last year. The outflow figure for savings agreements without a fixed saving period was halved in relation to the same period last year.

Total new premiums (APE) as per the end of Q1 2008 amounted to NOK 765 million, an increase of 36 per cent compared with the same period last year. Good sales of guaranteed return accounts and an increase in the transferred reserves within group pensions are reflected in total new premiums.

Financial performance - SPP Group

Profit and loss - SPP Group[1]

NOK MILLION	Q1 2008	Q1 2007	FULL YEAR 2007
Administration result	17	26	101
Risk result	71	15	186
Finance resultat	-70	-10	-372
Other	45	86	278
Profit SPP Group	63	117	193
Amortisation intangible assets	-122	-8	-30
Profit after amortisation pre tax	-59	110	162

1 Including Euroben and Sstorebrand Holding AB

SPP's administration result experienced a reduction of NOK 9 million compared with the same period last year. Reduced assets under management because of the negative trends in the financial markets combined with increased premium payments during the period have helped to keep income stable. The costs increased by NOK 9 million from Q1 2007 due to the increased marketing costs, separation and integration costs, and value added tax being added to services purchased from Handelsbanken. Cost of integration amonted to NOK 15 millon in Q1. The administration result is paid to the owner in full.

The good risk result in Q1 was primarily due to a number of illness reserves being dissolved in the period. In addition the models for allocating illness reserves were reviewed, which resulted in NOK 20 million in reserve dissolutions. The risk result is paid to the owner in full according to the profit sharing model in SPP.

The financial result was a loss of NOK 70 million in Q1. The result can be explained by the following three factors:

(i) The total return in SPP's investment portfolios was for the DB portfolio minus 3.99 per cent (1.14 per cent) and for the DC portfolio minus 3.75 per cent (1.19 per cent). Profit sharing in SPP takes place when the return is higher than the guaranteed interest. The guaranteed interest rate is between 2.5 and 5.2 per cent. The owner is then entitled to up to 10 per cent of the investment result and no upper limit exists for allocations to the owner. The poor return in Q1 allowed no profit to be allocated to the owner.

(ii) There were sufficient buffers to cover the negative return in the period for the majority of contracts. In those portfolios with latent capital gains (LCG) as buffers, the hedging activities helped to compensate for falls in value. The net effect of LCG and hedging was a loss of NOK 81 million in Q1.

(iii) The financial result also consists of the return from the company's own risk portfolio. The risk portfolio which consists of allocations made in connection with risk products. The portfolio is worth NOK 1,800 million had achieved booked gains during Q1 of NOK 12 million.

'Other' profit amounted to NOK 45 million for Q1. This result includes the return on equity and costs of subordinated loans. The fall in the result compared with last year was primarily due to a smaller share of the equity portfolio being invested in the equities fund, which experienced a fall in value in Q1. Otherwise the equity portfolios are primarily placed in interest bearing securities.

Return on investments, asset allocation and risk capital

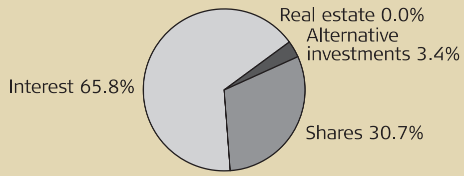
Financial return

NOK MILLION	Q1 2008	Q1 2007	FULL YEAR 2007
Defined Benefit (DB)%	-3,99%	1,14%	0,46%
Defined Contribution (DC)%	-3,75%	1,19%	0,40%

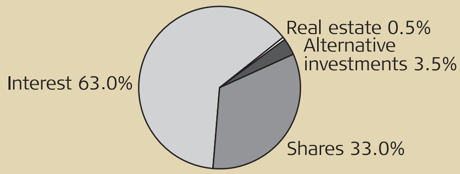
The negative return was primarily due to the poor development of the equity markets in Q1. At the start of Q1 the customer portfolio in both DB and DC consisted of 40.5 per cent of shares.

Asset profile customers portfolios with guaranteed return

Defined Benefit



Defined Contribution

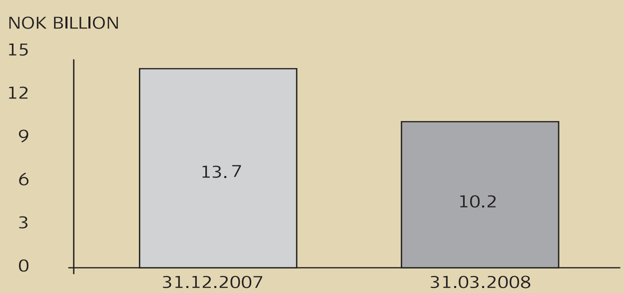


In Q1, SPP implemented dynamic risk management in accordance with the same principles used in Storebrand. This means that with falling equity markets shares are sold gradually to protect the risk capital of customers and owners. As a consequence of the risk management shares were sold down during the quarter, such that the equity proportion was reduced by 9.8 and 7.5 per cent for the DB and DC portfolios respectively. There were fewer changes for other classes of assets during the period, with the exception of the increase in interest due to the lower weighting of shares.

SPP also uses derivatives to ensure the owner's financial result is not negative due to a negative return on portfolios without buffers. Unlike Storebrand Life Insurance in which the hedging is part of the customer portfolio, this hedging is in the company portfolio in SPP:

The income from the hedging transaction is taxable pursuant to Swedish tax regulations, while corresponding increases in the insurance liabilities are not tax deductible. This resulted in a high tax cost for the SPP Group in Q1 amounting to NOK 233 million, which also represents for the Storebrand Group's entire tax cost for the quarter. The hedging income for the quarter was unusually high due to the turbulent markets. This means that the tax cost, taking into account Stsorebrand's tax synergies, is expected to be significantly reduced for the year as a whole.

Development of Conditional Bonuses



Conditional bonuses (the insurance customers' buffer capital) at the end of Q1 amounted to NOK 10,200 million. This represents a reduction of NOK 3,500 million and was due to the poor market development and a negative total return. The total insurance reserves amounted to NOK 101,600 million compared with NOK 103,100 million at the start of the year. As per Q1 NOK 23,300 million of the reserves were placed in unit-linked fund insurance compared with NOK 23,900 million at the start of the year.

The solvency margin at the end of Q1 was 164 per cent. The reduction from 178 per cent since the start of the year was primarily due to a negative result after tax as well as the introduction of the IAS 19 accounting standard concerning pensions in which allocations against equity were made during the period.

Premium income

Premium income SPP Group

NOK MILLION	Q1 2008	Q1 2007	FULL YEAR 2007
Single premiums	465	392	2 141
Annual premiums	1 404	1 265	5 195
Total	1 869	1 657	7 336

During the quarter premium income developed positively experiencing an increase of 12 per cent. Single premiums increased the most, by 19 per cent, which was primarily due to a major pension customer placing its retirement pension in Euroben. The increase in premium income from traditional products including Euroben was 17 per cent during the quarter, while mutual fund insurance/unit-linked experienced an increase in premium income of 6 per cent.

SPP has intensified its sales effort in all channels and together with increased marketing activities it experienced growth in new business of 50 per cent compared with the same period last year. The growth in sales is primarily being driven by sales through its own sales channels, but sales through broker channels are also increasing. Traditional guaranteed business, Euroben, and Unit Linked all saw increases in sales. The latter saw an increase in new premiums (APE) of 55 per cent from Q1 2007.

Financial performance – other life insurance activities

Storebrand Helseforsikring AS achieved a profit amounting to NOK 1 million (NOK 5 million) for the quarter. The premium income for the health insurance products rose by 22 per cent in relation to the same period last year and amounted to NOK 58 million as per Q1 2008. Of the growth in premium income for own account, the increase was distributed evenly between Norway and Sweden. Storebrand owns 50 per cent of the company and offers treatment insurance in the retail and corporate markets.

FINANCIAL PERFORMANCE - ASSET MANAGEMENT

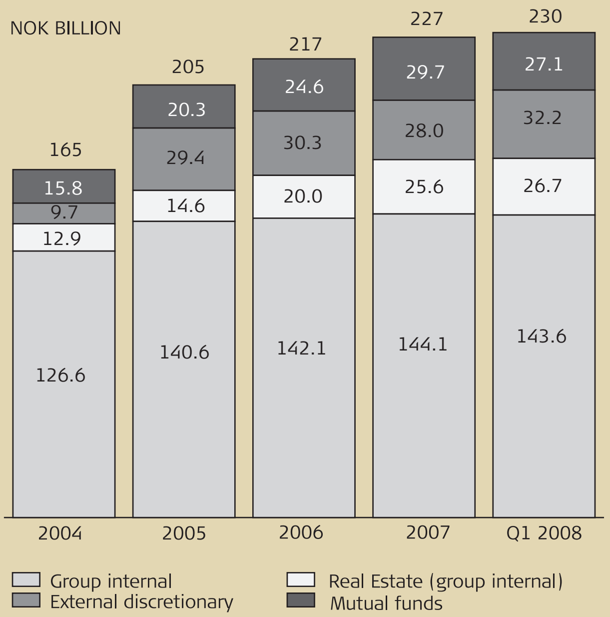
Profit and loss - asset management activities

NOK MILLION	Q1 2008	Q1 2007	FULL YEAR 2007
Total revenue	85	90	331
Total costs	-59	-65	-258
Net financial income/other	21	6	66
Profit asset management	48,3	30,9	138,3
Amortisation intangible assets	-0,6		
Profit after amortisation pre-tax	48	31	138

The profit for Q1 was affected by instability in the financial markets. The combination of reduced assets under management in funds, which results in lower management fees, and poor relative returns on discretionary assets resulted in lower total income compared with the same period in 2007. Total costs were reduced in relation to last year due to lower performance-based pay and good costs control. From and including Q1 2008, the profit in the property management company Storebrand Eiendom will be reported as part of the asset management business. The profit and loss item 'Net finance/other' was positively affected by profit from Storebrand Eiendom.

Storebrand Investments had NOK 230,000 million under management at the end of Q1. This represents an increase of NOK 2,200 million since the start of the year. During Q1 discretionary assets in particular experienced an increase in assets under management. Total assets under management were made up of NOK 170,000 million of internal funds (including real estate) and NOK 59,000 million of assets/funds managed for external clients.

Total assets under management



Net new sales in the assets management activities (external discretionary assets and mutual funds) amounted to NOK 48 million in Q1. Market developments are helping to move the institution market towards fixed income funds. Moreover the retail market is characterised by realisation both in equity and money market and bond funds.

FINANCIAL PERFORMANCE - BANKING ACTIVITIES

Profit and loss – Storebrand Bank Group

	Q1		FULL YEAR
NOK MILLION	2008	2007	2007
Net interest income	126	93	413
Net fee and commission income	18	11	58
Other operating income	17	12	46
Total income	160	115	517
Operating expenses	-111	-81	-360
Operating profit before losses	50	35	157
Loans losses rovisions	1	45	78
Profit banking	51	79	235
Amortisation intangible assets	-7		
Profit before tax	44	79	235

Net interest income increased during Q1 compared with the year before. The net interest margin as a per cent of the average total assets was 1.19 per cent (1.08 per cent) in Q1 compared with 1.07 per cent for the whole of 2007. The growth in deposits and lending and a re-pricing of the lending portfolio to cover increased funding costs had positive effects in Q1 2008.

Net fee and commission income increased in Q1 compared with the same period last year. The growth was driven by increased customer inflow and management commission from the savings products Storebrand Optimér ASA and Storebrand Eiendomsfond. No new issues were conducted in Q1 2008.

The acquisition of the real estate companies Hadrian Eiendom AS, Trajan AS and 13 companies in Ring Eiendomsmegling AS during 2007 and 2008 entailed an increase in other income compared with the same period in 2007. Other income in the quarter was also affected by changes in the market values of financial instruments, which had an effect on the result of just under minus NOK 5 million. The establishment of a team for real estate-related corporate advice in Storebrand Markets has been deemed a success and contributed NOK 2 million to other income.

The cost ratio (C/I) was 73.6 per cent (70.1 per cent) for Q1. The increase in the cost ratio was affected by the companies acquired at the end of 2007 and 2008. The identified intangible assets were amortised in connection with the acquisitions. The effect of this amounted to NOK 3 million in Q1. The cost ratio in the parent bank was 70.5 per cent for Q1.

Total gross non-performing and loss-exposed loans increased by NOK 64 million to NOK 512 million in Q1 2008. The increase was due to non-performing and loss-exposed loans without identified impairment. The level of non-performing and loss-exposed loans is normal. In total, the net change in provisions and realised losses in the quarter was a write-back of NOK 1 million (NOK 45 million).

Storebrand Bank enjoyed good growth in its retail banking business in 2007, which continues in 2008. The increase in lending in the retail market for the banking group during the quarter amounted to NOK 500 million, while the number of customers increased by 1.6 per cent during the quarter. This growth was driven by a continued good inflow of customers.

The banking group's total assets at the end of Q1 amounted to NOK 42,500 million. Gross lending has increased by 2 per cent or almost NOK 38,000 million so far in 2008. Lending by Storebrand Life Insurance managed by Storebrand Bank ASA increased by NOK 400 million in the quarter to NOK 3,000 million as per 31 March 2008.

In January 2008, the subsidiary Storebrand Kredittforetak AS was granted a licence by Kredittilsynet to establish a credit undertaking and issue bonds with pre-emptive rights. In February 2008, the company started purchasing loans from Storebrand Bank ASA. At the end of Q1, gross lending in the subsidiary amounted to NOK 6,400 million of the total lending volume in the retail market of NOK 25,500 million. In April Storebrand Kredittforetak AS issued the first bonds with pre-emptive rights. The bonds were issued in the Norwegian market. The established lending programme received an Aaa rating from Moody's.

The bank's deposit-to-loan ratio was 50.2 per cent at the end of Q1, compared with 44.6 per cent the year before. The increase in the deposit-to-loan ratio was due to the market campaigns that were run, increased market shares and competitive terms.

The continuing turbulent conditions in the credit markets resulted in an increase in the bank's funding costs in Q1. Access to liquidity in the short duration market has functioned satisfactorily with a moderate risk mark-up in the interest rate in the quarter. However, funding in the bond market became significantly more expensive during the quarter as a result of the international re-pricing of credit margins. The bank's refinancing in Q1 was limited in anticipation of the establishment of the lending programme in Storebrand Kredittforetak AS. The issuing of bonds with pre-emptive rights is expected to make a positive contribution in relation to the bank's funding structure and costs in 2008. The bank's liquidity satisfactory.

The bank's capital ratio at the end of Q4 was 11.4 per cent and its core capital ratio was 8.4 per cent. The capital adequacy is calculated in accordance with the new capital adequacy regulations (Basel II). The increase compared with 31 December 2007 was driven by the changed rules for calculating credit risk for loans secured by people's homes.

Storebrand Bank acquired 76 per cent of Trajan in Q1, a company that provides advice and project development within commercial real estate. During the quarter, the subsidiary Ring Eiendomsmegling AS acquired 12 franchise branches helping improve the bank's distribution capacity. The effects on the result of acquired companies are included in the profit and loss account from the moment of acquisition. These developments strengthened the bank's market position, and results in a broader offer to the bank's existing customers and created a basis for further growth going forward.

FINANCIAL PERFORMANCE - OTHER ACTIVITIES

Other activities principally comprise Storebrand ASA (the holding company), and Storebrand Skadeforsikring.

Other activities

NOK MILLION	Q1 2008	Q1 2007	FULL YEAR 2007
Storebrand ASA[1]	661	1 052	1 057
Storebrand Skadeforsikring	-6	-14	-18
Other companies/eliminations[2]	-668	-1 031	-1 027
Profit other activities	-12	7	12
Amortization intangible asseets	-2		
Profit after amortization pre-tax	-15	7	12

1 Including dividends/group contributions from subsidiaries
2 Including elimination of dividends/group contributions from subsidiaries

Storebrand Skadeforsikring

Storebrand Skadeforsikring, including Oslo Reinsurance Company ASA, reported a loss of NOK 6 million for Q1 (loss of NOK 14 million).

Premium income for own account was NOK 33 million in Q1 (NOK 6 million). Claims costs were NOK 27 million in Q1 (NOK 4 million). This represents a claims ratio for own account for Q1 of 81 per cent. The claims ratio was affected by an increase in large claims. Q1 operating costs for Storebrand Skadeforsikring AS totalled NOK 25 million (NOK 17 million).

The new business again generated good sales of insurance policies in Q1. During the quarter, the company increased its insurance portfolio by 9,946 contracts. The company attracted a net increase of 3,315 customers in Q1. At the end of Q1, the company had 19,253 customers. Storebrand Skadeforsikring's total insurance portfolio at the end of March represented annual premium income of NOK 158 million.

The Internet is the most important sales channel for Storebrand Skadeforsikring. No less than 54 per cent of sales to all customers have come via the company's online sales solution.

Storebrand ASA (holding company)

Profit and loss - Storebrand ASA

NOK MILLION	Q1 2008	Q1 2007	FULL YEAR 2007
Group contributions and dividends	672	1 033	1 033
Interest income	106	19	117
Interest expenses	-91	-23	-114
Gain/losses on securities	-7	44	85
Other financial items	1	-1	2
Net financial items	**10**	**39**	**90**
Operating costs	-21	-20	-66
Pre-tax profit	661	1 052	1 057

The above table shows the profit and loss account for Storebrand ASA in accordance with IFRS. The official accounts of Storebrand ASA are prepared in accordance with Norwegian accounting legislation, which does not allow the company to elect to use IFRS. Information on the official accounts is provided in the Storebrand ASA Annual Report. Net financial income amounted to NOK 10 million (NOK 39 million). This includes gains of NOK 5.8 million in connection with the sale of Storebrand Felix kurs og konferanse AS. Operating costs for the quarter were NOK 21 million (NOK 20 million).

Storebrand ASA held liquid assets of NOK 2,200 million at the close of Q1; of which in excess of NOK 2,000 million was invested in short term interest-bearing securities with good credit ratings. Total interest bearing liabilities in Storebrand ASA amounted to NOK 5,400 million, of which EUR 470 million is a bridging loan linked to the acquisition of SPP. The bridging loan has been extended until 1 December 2008, with an option for a further extension to 2 March 2009. Storebrand is following a plan in which the bridging loan will be replaced by other loans with longer terms to maturity and of higher quality.

Storebrand ASA held 1.1 per cent of the company's own shares at the end of Q1 (4,815,380 shares). During Q1 the company sold 448,320 shares in connection with the share purchase scheme for employees. Following a decision at the annual general meeting of Storebrand ASA on 23 April 2008 the Board holds a mandate to buy back up to 10 per cent of the company's share capital in the period to the next annual general meeting.

Oslo, 29 April 2008
The Board of Directors of Storebrand ASA

Storebrand Group

PROFIT AND LOSS ACCOUNT *)

NOK MILLION	Q1 2008
Net premium income	12 299.1
Net interest income - banking	125.7
Net income from financial assets and property for the company:	
- shares and other equity participations at fair value	59.2
- bonds and other fixed-income securities at fair value	12.2
- financial derivatives at fair value	-66.7
- net income from investment properties	28.6
- result from investments in associated companies	-23.4
Net income from financial assets and property for the customers:	
- shares and other equity participations at fair value	-12 197.0
- bonds and other fixed-income securities at fair value	743.2
- financial derivatives at fair value	356.1
- to (from) market value adjustment reserve	3 618.6
- net income from bonds at amortised cost	1 093.5
- net income from investment properties	432.0
Other income	946.2
Total income	**7 427.3**
Insurance claims for own account	-5 844.7
Change in insurance liabilities excl. guaranteed return	1 760.3
To/from additional statutory reserves - life insurance	401.7
Guaranteed return and allocation to insurance customers	-1 981.4
Losses from lending/reversal of previous losses	1.5
Operating costs:	-946.5
Other costs	-43.7
Interest expenses	-239.5
Total costs before amortisation	**-6 892.3**
Group profit before amortisation	**535.0**
Amortisation of intangible assets	-132.8
Group profit before tax	**402.2**
Tax cost	-233.2
Profit for the period	**169.0**
Profit is due to:	
Minority interests' share of profit	6.2
Majority interest's share of profit	162.8
Total	169.0
Earnings per ordinary share	0.37
Average number of shares as basis for calculation (million)	444.9

*) See Note 3

Storebrand Group

PROFIT AND LOSS ACCOUNT *)

NOK MILLION	Q1 2007	ENTIRE 2007
Net premium income	6 335.1	19 743.6
Net interest income - banking	92.6	413.2
Net income and gains from financial assets at fair value:		
- shares and other equity participations	950.1	658.0
- bonds and other fixed-income securities	119.5	123.9
- financial derivatives	768.3	4 649.0
- income from financial assets with investment choice	96.8	353.4
Net income from bonds at amortised cost	565.5	2 235.2
Income from investment properties	883.3	4 387.5
Profit from investment in associated companies	2.0	-19.6
Other income	165.5	853.1
Total income	**9 978.7**	**33 397.3**
Insurance claims for own account	-5 606.8	-17 669.3
Change in insurance reserves	-1 870.2	-9 951.1
Interest expenses	-66.0	-318.2
Loan losses/write-backs of earlier losses	44.9	78.2
Operating costs	-647.0	-2 581.6
Other costs	-20.6	-188.0
Total costs	**-8 165.7**	**-30 630.0**
To/from market value adjustment reserve	-896.1	2 036.0
Operating profit/loss	**916.9**	**4 803.3**
To/from additional statutory reserves - life insurance		-400.0
Funds allocated to policyholders - life insurance	-528.3	-2 383.5
Group profit/loss	**388.6**	**2 019.8**
Changes in security reserves, etc - P&C insurance	-0.8	9.1
Profit/loss before extraordinary items	**387.8**	**2 028.9**
Tax payable	-24.0	-20.1
Profit/loss for the period	**363.8**	**2 008.8**
Profit is due to:		
Minority interests' share of profit	0.6	3.1
Majority interest's share of profit	363.2	2 005.7
Total	363.8	2 008.8
Earnings per ordinary share	1.48	7.95
Average number of shares as basis for calculation (million)	245.4	251.5

Storebrand has not issued any options or other financial instruments that could cause dilution of its shares.

*) See Note 4

Storebrand Group

BALANCE SHEET *)

NOK MILLION	Q1 2008
Assets company portfolio	
Deferred tax assets	219.9
Intangible assets	10 336.6
Pension assets	204.2
Tangible fixed assets	218.3
Investments in associated companies	154.4
Lending to financial institutions	657.0
Lending to customers	37 533.3
Reinsurers' share of technical reserves	1 504.9
Property assessed at fair value	1 335.6
Other assets	208.6
Due from customers and other current receivables	14 412.0
Financial assets at fair value:	
- Shares and other equity participations	1 767.2
- Bonds and other fixed-income securities	18 936.8
- Derivatives	2 486.5
Other current assets	461.0
Bank deposits	5 174.7
Total assets company portfolio	**95 611.0**
Assets customer portfolio	
Bonds at amortised cost	40 153.9
Lending to customers	3 048.1
Real estate at fair value	21 538.5
Financial assets at fair value:	
- Shares and other equity participations	62 211.3
- Bonds and other fixed-income securities	109 200.1
- Derivatives	4 028.2
Other current assets	17 880.9
Bank deposits	34 859.2
Total assets customer portfolio	**292 920.2**
Total assets	**388 531.2**
Equity and liabilities	
Paid in capital	11 713.9
Retained earnings	7 537.3
Value adjustment fund	46.0
Minority interests	136.5
Total equity	**19 433.7**
Subordinated loan capital	6 182.3
Market value adjustment reserve	
Insurance reserves - life insurance	277 031.6
Insurance reserves - P&C insurance	2 041.4
Pension liabilities	1 390.3
Deferred tax	864.6
Financial liabilities:	
- Liabilities to financial institutions	2 609.9
- Deposits from banking customers	18 974.4
- Securities issued	22 053.1
- Derivatives company	1 380.2
- Derivatives customers	1 784.3
Other current liabilities	34 785.4
Total liabilities	**369 097.5**
Total equity and liabilities	**388 531.2**

*) See Note 3

Storebrand Group

BALANCE SHEET *)

NOK MILLION	Q1 2007	2007
Assets		
Deferred tax assets	182.6	234.9
Intangible assets	554.6	10 189.7
Pension assets	58.6	205.0
Tangible fixed assets	902.8	1 103.2
Investments in associated companies	238.6	174.6
Bonds at amortised cost	41 283.6	40 380.1
Lending to financial institutions	592.4	374.1
Lending to customers	34 945.5	39 493.5
Reinsurers' share of technical reserves	1 666.0	1 501.3
Real estate at fair value	17 693.9	21 358.6
Other assets	71.8	221.6
Due from customers and other current receivables	5 862.7	6 512.6
Financial assets at fair value:		
- Shares and other equity participations	50 195.7	73 661.1
- Bonds and other fixed-income securities	51 545.1	112 025.6
- Derivatives	2 097.7	4 774.1
- Life insurance assets with investment choice	7 777.2	39 083.4
- Other financial assets		4 853.4
Other current assets	126.3	33.0
Bank deposits	16 024.3	25 569.0
Total assets	**231 819.4**	**381 748.8**
Equity and liabilities		
Paid in capital	3 046.4	11 711.7
Retained earnings	6 195.8	7 362.1
Value adjustment fund	29.3	44.6
Minority interests	5.0	122.2
Total equity	**9 276.5**	**19 240.6**
Subordinated loan capital	3 681.8	5 213.8
Market value adjustment reserve	6 785.8	3 853.7
Insurance reserves - life insurance	147 647.9	241 744.7
Reserve for life insurance with investment choice	7 777.2	39 208.2
Premium and claims reserves - P&C insurance	2 187.4	1 998.8
Security reserves etc. - P&C insurance	41.6	31.8
Pension liabilities	871.3	1 121.0
Deferred tax	116.5	630.8
Financial liabilities:		
- Liabilities to financial institutions	2 751.6	3 064.5
- Deposits from banking customers	14 554.8	17 469.6
- Securities issued	18 064.4	23 327.9
- Derivatives	1 727.9	3 644.6
Other current liabilities	16 334.7	21 198.8
Total equity and liabilities	**231 819.4**	**381 748.8**

*) See Note 4

Storebrand Group

STOREBRAND GROUP - RECONCILIATION OF CHANGES IN EQUITY

	Majority's share of equity						
			Other equity				
NOK million	Paid-in capital	Value adjustment fund	Revenue and costs applied to equity*	Other equity[1]	Total other equity	Minority interests	Total equity
Equity at 31.12.06	**3 045.2**	**24.0**	**-459.8**	**6 276.9**	**5 817.1**	**13.5**	**8 899.8**
Profit and loss items applied directly to equity							
Change in pension experience adjustments			143.8		143.8		143.8
Revaluation of properties for own use		20.6	8.0		8.0		28.6
Re-statement differences			-30.1		-30.1		-30.1
Hedging applied directly to equity			-25.6		-25.6		-25.6
Profit for the period			215.0	1 790.7	2 005.7	3.1	2 008.8
Total revenue and costs for the period		**20.6**	**311.1**	**1 790.7**	**2 101.8**	**3.1**	**2 125.5**
Equity transactions with owners:							
Own shares	-3.8			-72.2	-72.2		-76.0
Share issue	9 004.0						9 004.0
Issue costs	-333.7						-333.7
Dividend paid				-442.0	-442.0	-9.0	-451.0
Purchase of minority interests				-56.4	-56.4	114.3	57.9
Other				13.8	13.8	0.3	14.1
Equity at 31.12.07	**11 711.7**	**44.6**	**-148.7**	**7 510.8**	**7 362.1**	**122.2**	**19 240.6**
Profit and loss items applied directly to equity:							
Revaluation of properties for own use		1.4					1.4
Re-statement differences			-42.7		-42.7	0.6	-42.1
Hedging applied directly to equity			34.5		34.5		34.5
Profit for the period				162.8	162.8	6.2	169.0
Total revenue and costs for the period		**1.4**	**-8.2**	**162.8**	**154.6**	**6.8**	**162.8**
Equity transactions with owners:							
Own shares	2.2			28.6	28.6		30.8
Dividend paid						-0.6	-0.6
Purchase of minority interests						4.5	4.5
Other				-8.0	-8.0	3.6	-4.4
Equity at 31.12.08	**11 713.9**	**46.0**	**-156.9**	**7 694.2**	**7 537.3**	**136.5**	**19 433.7**

[1] Includes risk equalisation fund which is undistributable funds

Storebrand Group

CASH FLOW ANALYSIS STOREBRAND GROUP

NOK million	1.1 - 31.3 2008	1.1 - 31.3 2007
Cash flow from operational activities		
Net receipts/payments - insurance	2 694	-197
Net receipts/payments - interest, commission and fees	189	38
Net receipts/payments - lending	-1 370	-2 289
Net receipts/payments - deposits from others (banking)	1 049	987
Net receipts/payments - securities in the trading portfolio	21 497	-2 376
Net receipts/payments - other operational activities	-8 867	2 079
Net cash flow from operational activities	**15 191**	**-1 758**
Cash flow from investment activities		
Net receipts/payments - bonds held to maturity	226	2 391
Net receipts/payments - sales of subsidiaries	9	
Net receipts/payments - purchase/capitalisation of subsidiaries	895	
Net receipts/payments - sale/purchase of property and fixed assets, etc	-655	539
Net cash flow from investment activities	**476**	**2 929**
Cash flow from financing activities		
Net payments/receipts - lending	-1 192	1 642
Net receipts/payments - share capital	0	5
Dividend/group contribution payments		-9
Net cash flow from financing activities	**-1 192**	**1 637**
Net cash flow for the period	**14 474**	**2 808**
Net movement in cash and cash equivalent assets	**14 474**	**2 808**
Cash and cash equivalent assets at start of the period	25 560	13 216
Cash and cash equivalent assets at the end of the period 1)	**40 034**	**16 024**

[1] Includes holdings for both company and customers

Notes to the interim accounts

NOTE 1: ACCOUNTING PRINCIPLES

The consolidated interim accounts include Storebrand ASA together with subsidiaries and associated companies. The interim accounts for Q1 have been prepared in accordance with the Norwegian Securities Trading Act and IAS 34 Interim Financial Reporting. The interim accounts do not include all the information required for full annual accounts.

The 2007 annual report and accounts for Storebrand ASA can be obtained by contacting the company's head office, Filipstad Brygge 1, Oslo or from: www.storebrand.no. The accounting principles used for the interim accounts are described in the accounting principles section of the notes to the accounts in the 2007 annual report.

NOTE 2: ESTIMATES

In preparing the interim accounts, Storebrand has used assumptions and estimates that affect reported amounts of assets, liabilities, revenues, costs and information in the notes to the accounts, as well as the information provided on contingent liabilities. Actual results may differ from these estimates. No final accounts acquisition analysis of the SPP transaction has been conducted as per Q1.

NOTE 3: NEW LAYOUTS FOR THE PROFIT AND LOSS ACCOUNT AND BALANCE SHEET

The layouts for the group's profit and loss account and balance sheet have changed in 2008 in connection with the new insurance act for life insurance coming into force. The act has led to changes with respect to how Storebrand's consolidated accounts are presented because it is believed that it is appropriate to change the old layouts in order to provide a better presentation of the business results pursuant to the new insurance act. This will comply with IAS 1 no. 27, and the change involves the life insurance company differentiating between customer portfolios and the company portfolio. The number of lines in both the profit and loss account and balance sheet has increased since there are separate lines for the customer portfolio. Also see note 4 for a more detailed description of the new insurance act.

Brief descriptions of the most important changes are provided below:

Net premium income includes as before the savings part and the risk part of the premium as well as the premium for the guaranteed interest. The inflow and outflow volumes of premiums are also included in this line.

Income associated with financial instruments, as well as real estate and associated companies, is split between the customer portfolio and company portfolio. The customer portfolio consists of both the group portfolio and investment choice portfolio. The to/from market value adjustment reserve line, which is linked to unrealised gains in the customer portfolio, has now been moved to financial income.

Previously the operating profit was showed as an undistributed profit between customers and owners, but from which the guaranteed return was deducted. The operating profit has now been taken out of the profit and loss layout. A new line has been included for the amortisation of intangible assets since after the acquisition of SPP there is a larger cost for the amortisation of purchased intangible assets (value of business in force – "VIF"). This provides a better insight into the profit when it is shown on a separate line. The profit before and after the amortisation of intangible assets is shown.

The change insecurity allocations, etc, in non-life insurance is included in the line for insurance claims on own account.

The balance sheet is divided into the company's assets and the customers' assets. The customers' assets in a group portfolio and an investment choice portfolio have not been split.

NOTE 4: CONSEQUENCES OF NEW INSURANCE ACT FOR LIFE INSURANCE

The transition to the new insurance act has resulted in significant changes in how the profit in the life insurance business has to be distributed between the owner and policyholders. The new life insurance act means that the insurance company's assets (Storebrand Life Insurance) must be allocated to customer portfolios and a company portfolio. The rules that applied in 2007 entailed no such distribution.

Profit elements pursuant to the new insurance act
A brief description of how the profit has to be distributed pursuant to the new life insurance act is provided below.

The return (value adjusted) in the company portfolio will hereafter be transferred to equity. Furthermore, the owner's profit will also be affected by the following products:

Products without profit sharing:
The entire profit (booked) is allocated to the owner.

Notes to the interim accounts

Products with investment choice without a guaranteed interest rate (Unit Linked):
The risk result and the administration result are allocated in their entirety to the owner; the financial result (value adjusted) is in its entirety allocated to the customer.

Products with investment choice with a guaranteed interest rate (fee-based):
The administration result and any negative risk result not covered by the risk equalisation fund are allocated in their entirety to the owner. A negative financial result (value adjusted) that is not covered by the additional statutory reserves or other buffer capital is allocated to the owner. The owner receives the premiums for the guaranteed interest rate, as well as any profit margin for risk, administration, management and the guaranteed interest rate. A positive financial result is allocated to the customer; a positive risk result is allocated to the customer/risk equalisation fund.

Fee-based products (group defined benefit pensions):
The administration result, as well as any negative risk result not covered by the risk equalisation fund and negative financial result (booked) not covered by additional statutory reserves, are allocated in their entirety to the owner. The owner receives the premiums for the guaranteed interest rate, as well as any profit margin for risk, administration, management and the guaranteed interest rate. A positive financial result is allocated to the customer; a positive risk result is allocated to the customer or possibly the risk equalisation fund.

Modified profit sharing (paid-up policies, etc.):
A positive financial result (booked), less any negative risk result that is not covered by the risk equalisation fund, is shared between customers and the owner, though a maximum of 20 per cent of the profit can be allocated to the owner. A negative financial result that is not covered by the additional statutory reserves is allocated to the owner. The administration result is allocated in its entirety to the owner. A positive risk result is allocated to the customer or the risk equalisation fund.

"Old" profit sharing/regime (individual policies):
A positive total result (booked) is shared between the customers and the owner, though a maximum of 35 per cent of the total result can be allocated to the owner. A negative result that is not covered by the additional statutory reserves is allocated to the owner.

Opening balance 1 January 2008
The allocation of financial assets between customers and the owner is based on section 9-7 of the insurance act, which, among other things, refers to good business practice.

Market value adjustment reserve, Security fund and risk equalisation fund:
In the accounts of Storebrand ASA Group the market value adjustment reserve, security fund and risk equalisation fund are treated as liabilities. After the transition to the new insurance act a proportion of the original unrealised gains have been allocated to the owner. With reference to IAS 8 nos. 5 and 16 and IFRS 4 nos. 26 and 36, this change is not regarded as a change of principle pursuant to IFRS, and this change has been booked. The same apply for the security fund. The new risk adjustment fund is viewed as equity.

Comparable figures from earlier periods
According to IFRS, comparison figures must basically be adapted unless the company considers and documents that this is not practically possible. This follows from both IAS 8 no. 5 and IAS 1 no. 40. The owner's result from risk, administration, the interest guarantee and return have been totally changed in 2008 compared with previously, cf. the description above. Based on the IFRS rules no adaptation of the comparable figures has been made. Previous official accounts have been used in the interim report as comparison figures. These are shown on their own pages in the report.

NOTE 5: CAPITAL ADEQUACY REGULATIONS/BASEL II

SeOn 1 January 2008, the companies within banking, securities undertaking and holding companies in Storebrand's financial group adopted the new capital adequacy regulations. The new regulatory framework is contained in the capital regulations/Basel II. The new capital requirements are a EU directive that covers Norway and which could be used from 1 January 2007. Storebrand chose to take advantage of a transitional scheme in 2007 that allowed it to postpone its transition to the new capital adequacy regulations until 2008.

NOTE 6: TAX

The accounts for the Storebrand Group in the Norwegian business contain no tax cost for Q1. This is related to the fact that the group has received significant tax-free income from investments in equities outside the EEA area, and these revenues can largely be ascribed to Storebrand Life Insurance. The group has a significant deficit that can be carried forward that is not booked in the balance sheet.

The tax cost in the Swedish business is higher, and amounted to NOK 233 million in Q1. This is significantly higher than the normal tax rate pf 28 per cent of the pre-tax profit. The high tax cost is linked to taxable income from a hedging transaction for the insurance liabilities, but in which the increase in the insurance liabilities is not tax deductible.
.

Notes to the interim accounts

NOTE 7: SHARES FOR EMPLOYEES

In February, Storebrand's employees were offered an opportunity to purchase shares in Storebrand ASA at a discounted price. The purchase price was based on the weighted stock exchange price during the period 27 February to 3 March. The employees received a 20 per cent discount. 448,320 shares from a separate holding of shares were sold.

Share purchase arrangements for a company's own employees shall be booked at their fair value, and this resulted in a reduction in equity in Storebrand ASA of NOK 12.3 million.

NOTE 8: CHANGES IN THE GROUP'S COMPOSITION

In Q1, Storebrand Bank ASA acquired 13 companies within real estate brokering for remuneration totalling NOK 57 million. The stakes in the companies range between 60 per cent and 97 per cent.

NOTE 9: NET INTEREST INCOME - BANKING ACTIVITIES

NOK MILLION	Q1 2008	Q1 2007	Year 2007
Total interest income	659	387	1 992
Total interest expense	-533	-294	-1 579
Net interest income	**126**	**93**	**413**

NOTE 10: SEGMENT INFORMATION - ANALYSIS OF PROFIT AND LOSS BY BUSINESS AREA

NOK MILLION	Q1 2008	Q1 2007	Year 2007
Life insurance	448	272	1 635
Asset management	48	31	138
Storebrand Bank	51	79	235
Other activities	-12	7	12
Group profit	**535**	**389**	**2 020**
Amortisation of intangible assets	-133		
Group pre-tax profit	**402**		

NOTE 11: OPERATING COSTS

NOK MILLION	Q1 2008	Q1 2007	Year 2007
Personnel costs	-426	-317	-1 299
Depreciation	-2	-19	-118
Other operating costs	-519	-311	-1 165
Total operating costs	**-947**	**-647**	**-2 582**

NOTE 12: PROFIT AND LOSS BY QUARTER

NOK MILLION	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006
Total operating income[1]	8 235	8 196	5 841	9 383	9 979	9 904	8 367	2 313
Total costs before amortisation[1]	-7 700	-9 781	-6 241	-6 442	-8 166	-5 825	-6 156	-4 064
Group profit [1]	402	676	357	599	389	443	321	355
Profit for the period	169	723	338	584	364	437	299	338
Profit by business area								
Life insurance	448	594	307	463	272	362	250	282
Asset management	48	38	6	64	31	67	38	32
Storebrand Bank	51	47	54	55	79	36	47	59
Other activities	-12	-3	-9	17	7	-21	-13	-18
Group profit	**535**	**676**	**357**	**599**	**389**	**443**	**321**	**355**
Amortisation of intangible assets	-133							
Group pre-tax profit	**402**							

[1] The figures for 2008 are not comparable with previous periods due to the changed layout plan, see note 3.

Notes to the interim accounts

NOTE 13: KEY FIGURES BY BUSINESS AREA - CUMULATIVE FIGURES

NOK MILLION	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006
Group								
Earnings per ordinary share (NOK)	0.37	7.95	5.20	3.82	1.48	6.03	4.26	3.05
Equity	19 434	19 241	9 658	9 341	9 277	8 900	8 691	8 478
Capital adequacy	10.0 %	9.2 %	11.0 %	10.5 %	10.6 %	10.6 %	10.4 %	10.6 %
Life Insurance								
Storebrand Life Insurance								
Premiums for own account	9 683	19 717	15 042	10 735	6 340	19 619	15 816	11 384
Policyholders' fund inc. accrued profit	169 723	165 120	161 155	159 058	155 406	153 519	150 746	146 872
- of which funds with guaranted return	*153 479*	150 433	143 006	141 657	141 160	140 325	136 731	133 749
Investment yield customer fund with guarantee	0.7%							
Investment yield company portfolio	0.0 %							
Risk capital in excess of min. requirement	7 969	15 512	16 768	16 882	14 633	16 772	13 572	11 429
Capital adequacy (SBL Group)	10.0 %	10.0%	10.0%	9.4%	9.7%	9.7%	10.3%	10.4%
Solvency margin (SBL Group)	130.9 %	136.1%	172.3%	170.4%	177.3%	174.6%	169.8%	171.7%
SPP Group								
Premiums for own account	2 575							
Accrued profit (excl. conditional bonus) [1]	91 189	95 824						
- of which funds with guaranteed return	67 891	65 511						
Return on Defined Benefit	-4.0 %							
Return on Defined Contribution	-3.8 %							
Conditional bonus	10 152	13 699						
Storebrand Bank								
Interest margin %	1.19 %	1.07 %	1.07 %	1.06 %	1.08 %	1.32 %	1.36 %	1.36 %
Cost/income %	74 %	70 %	66 %	66 %	70 %	71 %	70 %	68 %
Non-interest income/total income %	22 %	20 %	19 %	22 %	20 %	16 %	15 %	14 %
Net lending	37 520	36 791	35 242	34 512	32 274	30 748	28 118	27 490
Capital adequacy	11.4 %	10.5 %	10.4 %	10.5 %	10.5 %	11.0 %	9.7 %	9.8 %
Storebrand Investments								
Total funds under management	229 568	227 356	225 790	225 826	219 525	216 902	215 056	206 355
Funds under management for external clients	59 230	57 661	59 436	60 116	56 353	54 825	55 962	50 707

[1] Excluding customer funds in Norben and mutual funds.

NOTE 14: LOANS

Securities issued

The following types of funding were issued and repaid during Q1 2008:

NOK MILLION	BALANCE SHEET VALUE 31.12.07	NEW ISSUES	PAYMENTS	EXCHANGE RATE CHANGES	AMORTI-SATION	BALANCE SHEET VALUE 31.03.08
Short-term debt instruments	4 474.6	2 511.5	-2 294.5		-7.2	4 684.4
Bond issue	17 578.5		-1 574.6	105.3	15.9	16 125.1
Equity-linked bonds	1 274.8		-40.1		8.9	1 243.6
Total securities issued	**23 327.9**	**2 511.5**	**-3 909.2**	**105.3**	**17.6**	**22 053.1**

Subordinated loans

The following types of subordinated loans were issued and repaid during Q1 2008:

NOK MILLION	BALANCE SHEET VALUE 31.12.07	NEW ISSUES	PAYMENTS	EXCHANGE RATE CHANGES	AMORTI-SATION	BALANCE SHEET VALUE 31.03.08
Ordinary subordinated loan capital	728.9		-54.4			674.5
Perpetual subordinated loan capital	4 235.1	2 486.5	-1 568.1	78.9		5 232.4
Perpetual subordinated loans	275.6				-0.2	275.4
Total subordinated loans	**5 239.6**	**2 486.5**	**-1 622.5**	**78.9**	**-0.2**	**6 182.3**

Notes to the interim accounts

NOTE 15: FINANCIAL STRENGTH/CAPITAL ADEQUACY

PRIMARY CAPITAL

NOK MILLION	Q1 2008
Share capital	2 250
Other equity	17 184
Equity	**19 434**
Perpetual subordinated loans	275
Conditional bonus	1 671
Over funding pension liabilities	-250
Goodwill and other intangible assets	-10 361
Deferred tax assets	-183
Risk equalisation fund	-33
Minority's share of equity	-157
Market value adjustment reserve	-46
Deductions for investments in other financial institutions	-41
	-39
Proportion of unamortized estimate deviations pensions	-51
Allocated dividend	-534
Other	-24
Core (Tier 1) capital	**9 660**
Perpetual subordinated capital	3 617
Ordinary subordinated capital	2 084
Deductions for investments in other financial institutions	-41
Supplementary capital	**5 660**
Net primary capital	**15 320**

MINIMUM REQUIREMENTS PRIMARY CAPITAL

NOK MILLION	Q1 2008
Credit risk	
Of which by business area:	
Capital requirements insurance	10 316
Capital requirements banking	1 796
Capital requirements securities undertakings	8
Capital requirements other	26
Total minimum requirements credit risk	**12 145**
Minimum requirement market risk	0
Operational risk	146
Deductions	-7
Minimum requirements primary capital	**12 285**
Capital adequacy	
Capital adequacy ratio	**10,0%**
Core (Tier 1) capital ratio	**6,3 %**

SOLVENCY MARGIN GROUP

NOK MILLION	Q1 2008
Solvency margin requirements	10 402
Solvency margin capital	15 950
Solvency margin	**153 %**