

Stock and Press Release



STOREBRAND ASA: Results for the 4th Quarter 2021

Leading the Way in Sustainable Value Creation – Record Strong Growth and Group Profit in 2021. The Board Proposes NOK 3.50 in Dividend per Share.

- Group profit¹ of NOK 1,367m in the 4th quarter, NOK 4,503m in 2021
- Total assets under management amounting to NOK 1,097bn, up 14% in 2021
- 22% growth in overall insurance portfolio premiums, 54% growth in retail insurance in 2021
- Solvency II ratio of 175%

"The Storebrand Group's profitable growth continues, with a Group profit of NOK 1,367 million in the fourth quarter and NOK 4,503 million in 2021. Total assets under management increased by 14% from last year to NOK 1,097 billion. All business units contributed to the solid Group profit", says CEO Odd Arild Grefstad.

"Storebrand aims to create a brighter future for our customers. We deliver by achieving the best return on pension portfolios² in the Norwegian Defined Contribution market last year, as well as over the last 3 and 5 years. This year more than 1 million employees will benefit, as new regulations make pension contributions mandatory for all employees regardless of income level, age or hours worked. This is an important step towards a more equal system. Low-income groups will notice the greatest improvement", Grefstad says.

Strong Result Growth Across all Business Units

The Storebrand Group delivers a Group profit of NOK 1,367m in the 4th quarter and NOK 4,503m in 2021, an increase of 12% for the quarterly result and 66% for the full year result. The corresponding figures for same period last year were NOK 1,225 million and NOK 2,711 million, respectively. Adjusted for the divestment of AS Værdalsbruket in the 2nd quarter 2021, the Group profit amounted to NOK 3,957 million for the full year.

Three out of four business units contributed with over NOK 1 billion to the Group profit, led by SPP (Occupational Pensions Sweden) which generated a result of 1,286 million in 2021. The corresponding figure for Asset Management was NOK 1,078 million and for Norwegian Occupational Pensions it was NOK 1,035 million. The retail business generated a result of NOK 824 million, corresponding to 42% growth in 2021.

Investment Returns Benefit Customers and Yield Profit Sharing

Among the main investment portfolios for Defined Contribution clients in the Norwegian market, Storebrand delivers the highest returns in the market in 2021, as well as over the past 3 and 5

years. The moderate risk portfolio, Storebrand Balansert Pensjon, achieved a return of 13,4% and the portfolio with the highest allocation to equities achieved a return of 20,6%.

In the guaranteed segment, excess returns above the guaranteed rate led to profit sharing with customers generating NOK 253 million in results in the 4th quarter and NOK 504 million in 2021. Simultaneously, the buffer capital strengthened to 11.2% (11.0%) of customer reserves in Norway and 17.8% (11.4%) in Sweden.

Continued Growth

P&C and Individual life insurance grew 54% compared to last year, partly due to strong contribution from distribution partnerships and the acquisition of customer portfolios from Insr, which has contributed with a total of NOK 740 million in portfolio premiums.

Storebrand also continued its growth within occupational pensions. Unit Linked Pension premiums grew 5% in 2021, and reserves grew 15%.

Within the growth area public occupational pensions, new mandates were won which will add NOK 5.5 billion in assets under management in 2022.

In the Norwegian retail market, lending volume in the bank amounted to NOK 57 billion – an increase of 15% compared to last year.

Solvency Ratio Development

Storebrand's solvency ratio was reduced with 3 percentage points from last quarter to 175%. The decrease is due to slightly lower long-term interest rates, as well as a lower regulatory volatility adjustment and a higher equity stress in the solvency calculation. Group profit in the quarter, before dividend, contributed positively with 4 percentage points. The transformation towards a more capital light Group progresses according to plan. Defined contribution pensions now amounts to 51,5% of the balance sheet and the run-off of guaranteed business is releasing capital.

Proposed Dividend

The Board proposes an ordinary dividend of NOK 3.50 per share for 2021 to the Annual General Meeting. This represents a NOK 0.25 nominal increase in ordinary dividends compared to the previously paid dividend, corresponding to an increase of 8% and a pay-out ratio of 52% of Group profit after tax. The Board intends to apply for share buy backs if solvency ratio is sustainably above 180%.

Key Figures in the Quarter:

(Q4-2020 in brackets)

- Solvency Ratio 175% (178%)
- Earnings per share, adjusted for amortisation
Q4: NOK 2.25 (NOK 2.13)
2021: NOK 7.81 (NOK 6.07)
- Equity NOK 37,709m (NOK 35,923m)
- Assets under management NOK 1,097bn (NOK 962bn)

Activities related to the 4th Quarter 2021

07:30 CET: Release of stock exchange notification. Press release, quarterly report and analyst presentation will be available on storebrand.no/ir.

10:00 CET: Live analyst conference in English. A webcast will be available for everyone to view on storebrand.no/ir. The presentation will be available on demand afterwards. [Link to webcast](#)

Analysts who would like to ask questions at the end of the presentation must register for and participate in the MS Teams Webinar. [Link to registration](#)

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About Storebrand

Storebrand's ambition is to provide our customers with financial freedom and security by being the best provider of long-term savings and insurance. Storebrand will deliver sustainable solutions adapted to the customer's individual situation. Storebrand has about 40.000 corporate customers and 2 million individual customers, and has its headquarter at Lysaker outside of Oslo, Norway. Storebrand manages NOK 1 097 bn and is one of the largest asset managers in the Nordics. Storebrand (STB) is listed on Oslo Stock Exchange.

www.storebrand.no

¹ Earnings before amortisation and tax. www.storebrand.no/ir provides an overview of APMs used in financial reporting.

² Applies to the moderate risk portfolio, Storebrand Balansert Pensjon, according to Norsk Pensjon.