

Storebrand Q2 2022

14 July 2022

Odd Arild Grefstad – CEO
Lars Aa. Løddesøl – CFO

Resilient business model in a historic interest rate and inflationary environment

+1.37%

Increase in NOK 10y swap rate H1 2022

6.3%

Inflation Norway¹

+1.81%

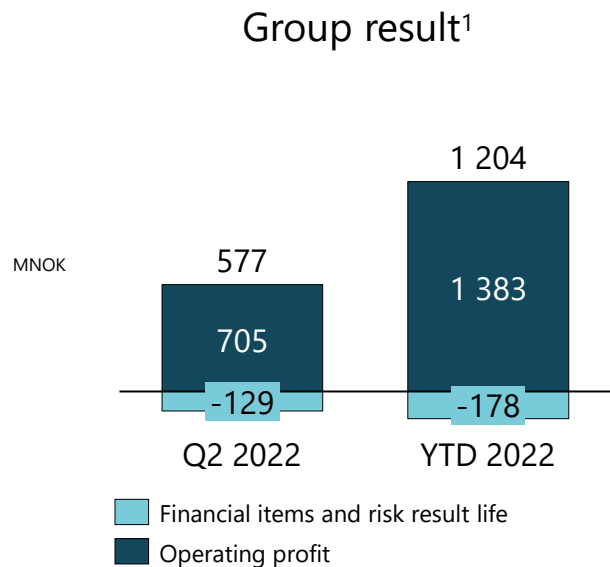
Increase in SEK 10y swap rate H1 2022

7.3%

Inflation Sweden²

Highlights Q2 2022

Strengthened solvency position and stable operating result in a year with turbulent financial markets



14% growth in insurance²



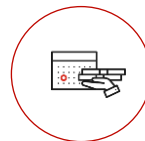
Danica acquisition completed



'A' rating upgrade by S&P

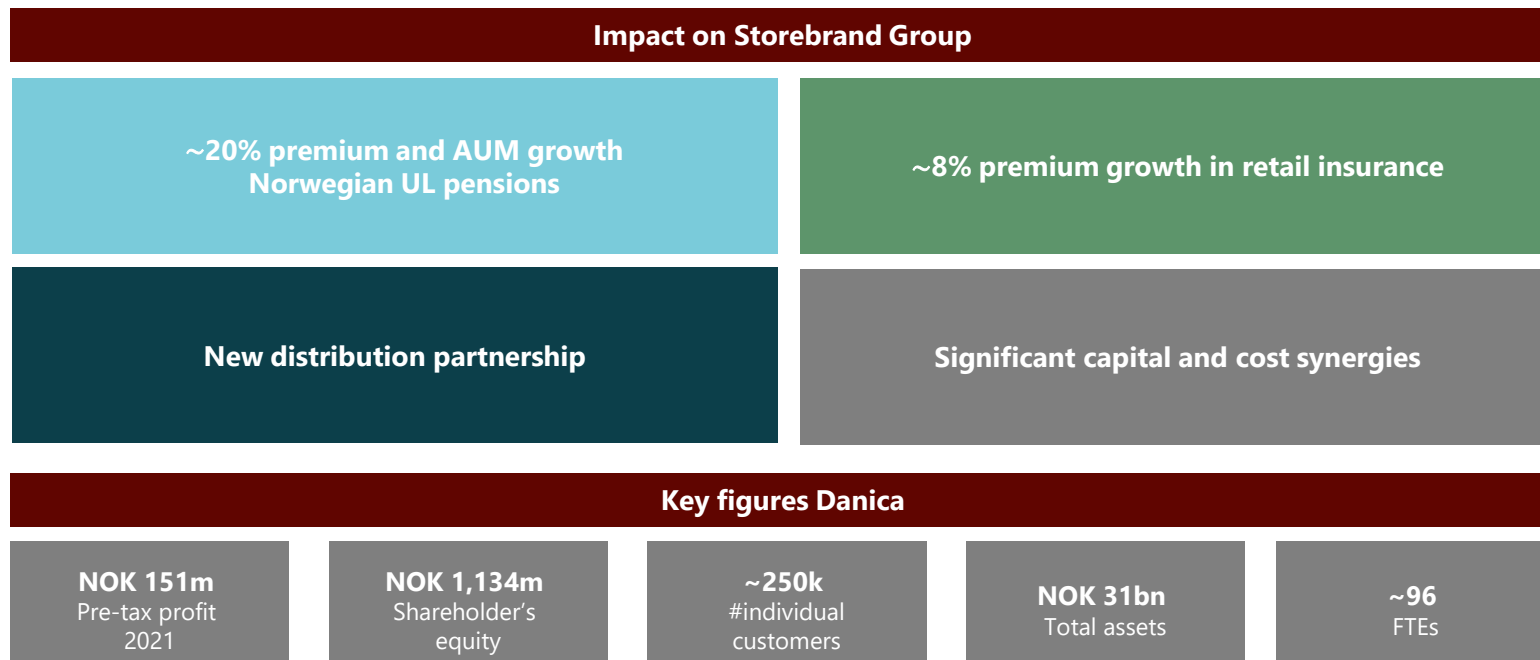


195% Solvency ratio

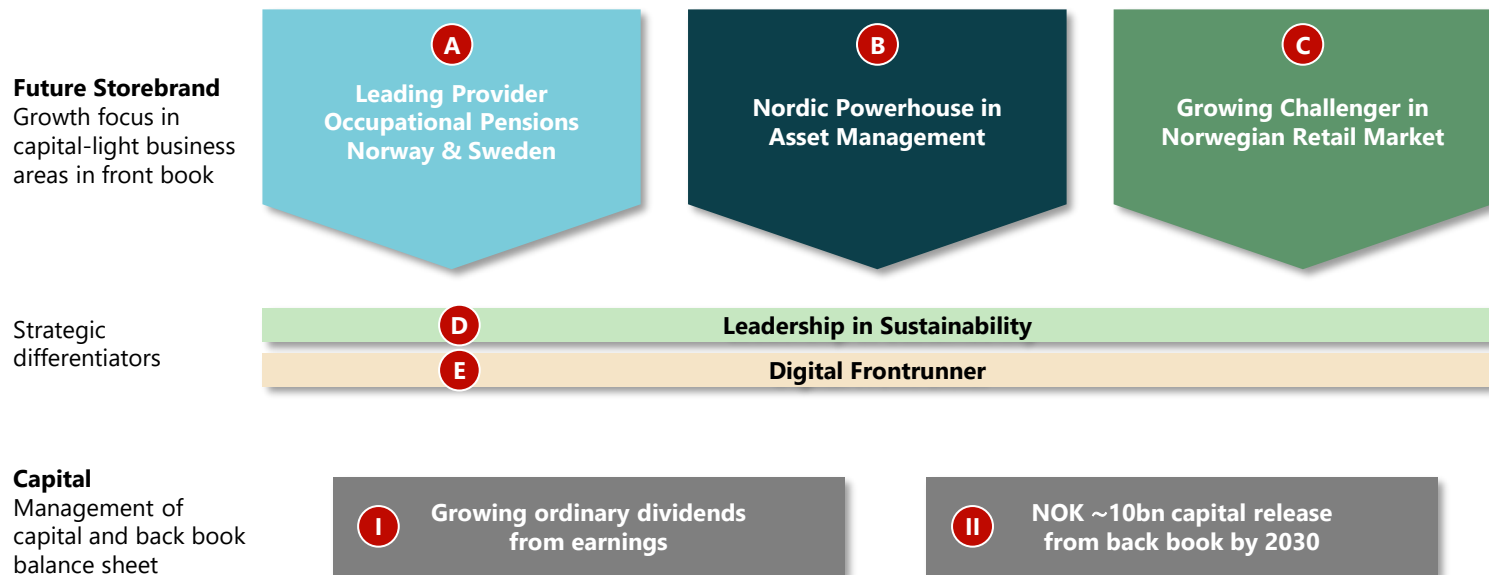


NOK 500m share buyback program starting

The acquisitions of **Danica** strengthens our position in Norwegian occupational pensions and retail insurance



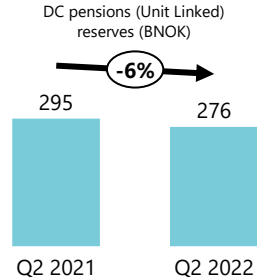
Pursuing our Group Strategy: Leading The Way In Sustainable Value Creation to be a leading Sustainable Nordic Savings and Insurance Group



Volume growth in Q2 2022 paused by weak financial markets

A

Leading Provider Occupational Pensions Norway & Sweden



Unit Linked

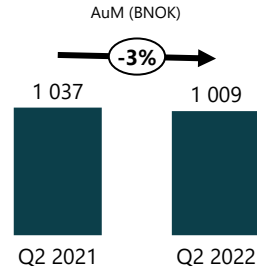
- Premiums stable at NOK 5.3bn in the quarter.
- Net inflow in the quarter 1.6bn.
- AUM reduced by 6% in the quarter from asset returns and FX.
- Stable fee margins.

New legislation increases mandatory saving in Norway

- Savings expected to increase with ~NOK 800m annually.

B

Nordic Powerhouse in Asset Management

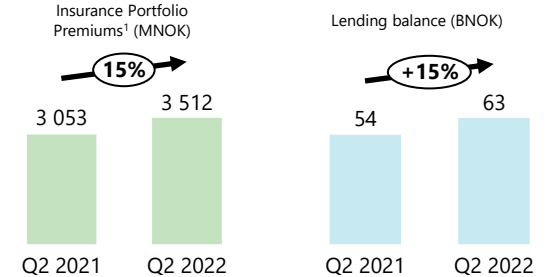


Asset management

- Net flows of NOK 9bn YTD, negative NOK 2bn in the quarter due to dividend and acquisition payments from company portfolios.
- Positive flow in higher margin products.
- SPP Fonder rebranded to Storebrand Fonder – Swedish market leader in net inflows YTD² with SEK 5.1bn.
- AUM reduced by 3% in the quarter from asset returns and FX.

C

Growing Challenger in Norwegian Retail Market



Insurance (retail)

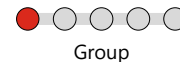
- 15% growth in P&C & Individual Life with 85% combined ratio.

Bank

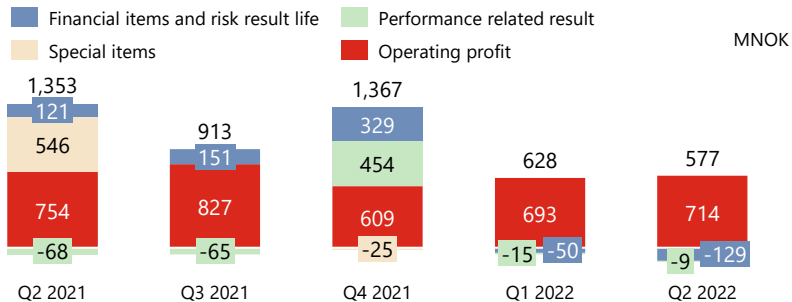
- 15% growth in lending volume.
- 17% growth in fee income.

Key Figures

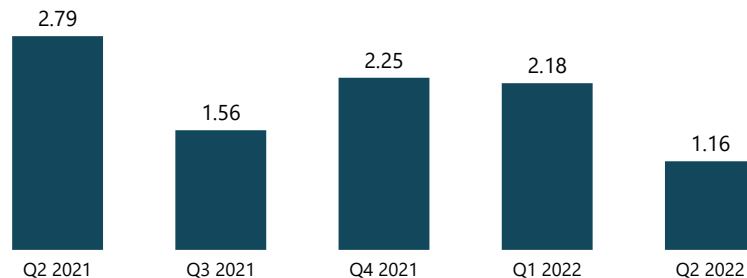
Strengthened solvency position, stable operating result and strong buffer capital levels



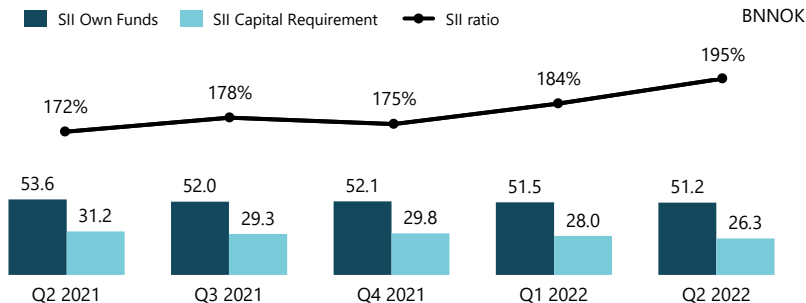
Result development¹



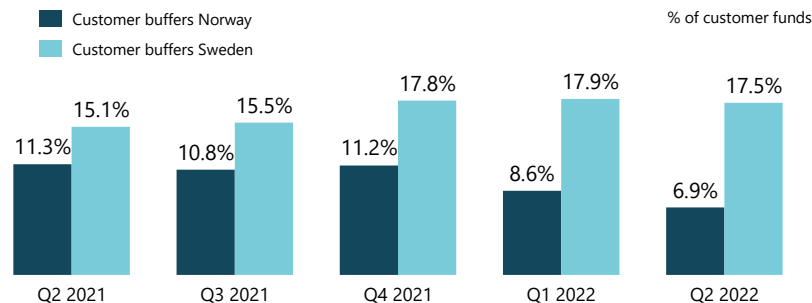
Earnings per share²



SII Own funds⁴ and SCR



Customer buffers development³



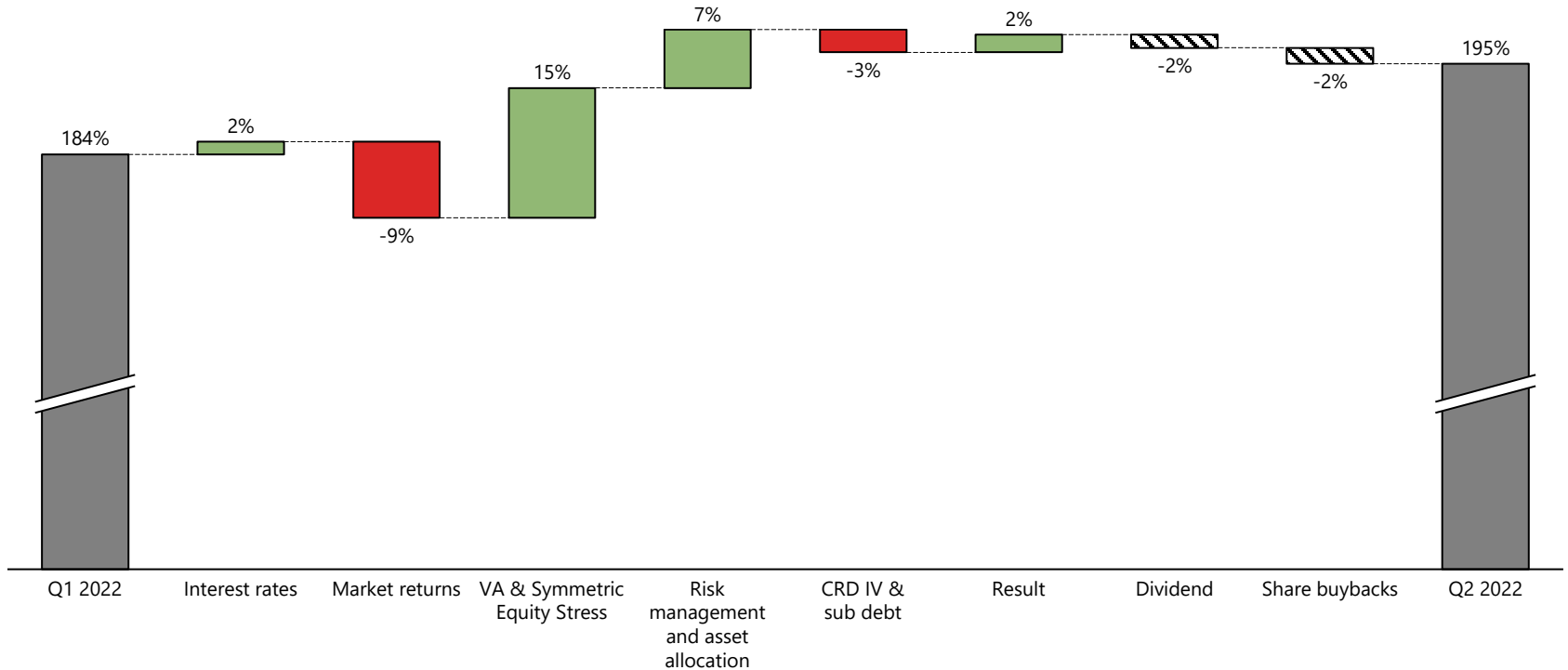
¹ Result before amortisation and tax.

² Earnings per share after tax adjusted for amortisation of intangible assets.

³ Excluding excess values of HTM bonds.

Solvency movement from Q1 to Q2 2022

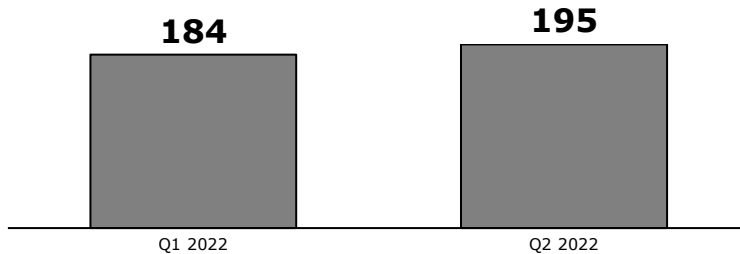
Storebrand Group



Estimated solvency sensitivities

Storebrand Group

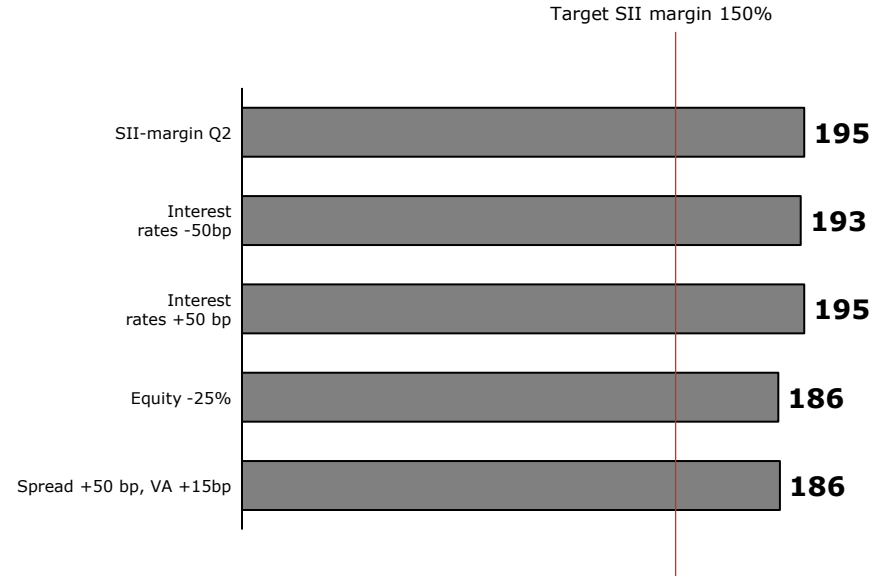
Solvency position(%)¹



Key takeaways

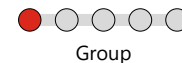
- Increased volatility adjustment and reduced symmetrical adjustment lifts the solvency position
- Closing of Danica transaction expected to reduce solvency ratio ~5pp in Q3 2022

Estimated sensitivities



Storebrand Group

Strong and resilient operating profit, financial result affected by markets

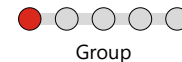


Profit¹

NOK million	Q2		YTD	
	2022	2021	2022	2021
Fee and administration income	1 456	1 473	2 914	2 954
Insurance result	430	332	795	552
Operational cost	-1 181	-1 119	-2 326	-2 176
Operating profit	705	686	1 383	1 331
Financial items and risk result life	-129	667	-178	893
Profit before amortisation	577	1 353	1 204	2 223
Amortisation and write-downs of intangible assets	-138	-129	-276	-254
Profit before tax	439	1 225	928	1 970
Tax	-26	-52	372	-354
Profit after tax	413	1 173	1 300	1 615

Storebrand Group

Profit by line of business



Profit¹

NOK million	Q2		YTD	
	2022	2021	2022	2021
Fee and administration income	1 456	1 473	2 914	2 954
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Profit per line of business

NOK million	Q2		YTD	
	2022	2021	2022	2021
Savings - non-guaranteed	392	435	796	963
Insurance	169	145	278	201
Guaranteed pension	254	310	485	631
Other profit	-238	464	-354	428
Profit before amortisation	577	1 353	1 204	2 223

Savings (non-guaranteed)

AuM affected by financial markets, underlying growth and margins according to plan



Profit

NOK million	Q2		YTD	
	2022	2021	2022	2021
Fee and administration income	1 130	1 129	2 266	2 285
Operational cost	-718	-703	-1 420	-1 373
Operating profit	412	427	846	911
Financial items and risk result life	-20	8	-50	51
Profit before amortisation	392	435	796	963

Profit per product line

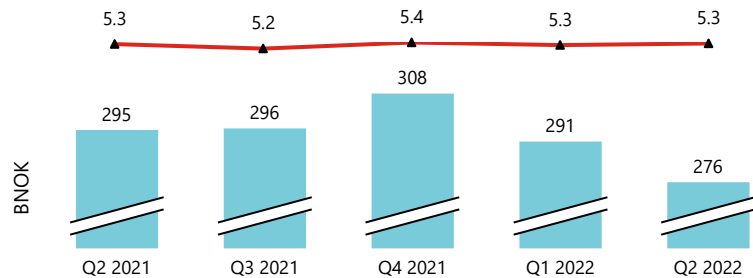
NOK million	Q2		YTD	
	2022	2021	2022	2021
Unit linked Norway	83	129	200	274
Unit linked Sweden	79	121	173	281
Asset management	166	132	314	282
Retail banking	64	53	109	126
Profit before amortisation	392	435	796	963

Savings (non-guaranteed)

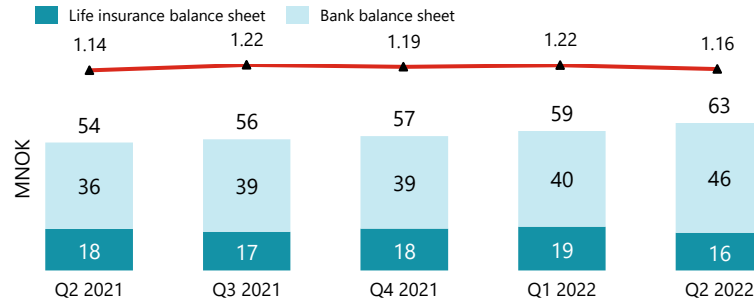
Key figures



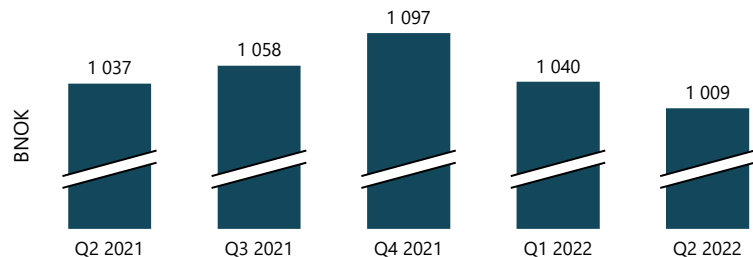
Reserves and premiums Unit Linked



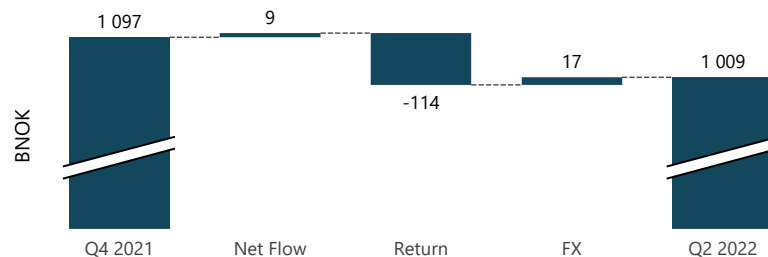
Retail bank balance and net interest margin (%)



Assets under management



Movement in asset under management YTD¹



Insurance

Strong growth, profitability according to plan



Profit

NOK million	Q2		YTD	
	2022	2021	2022	2021
Insurance premiums f.o.a.	1 449	1 279	2 846	2 473
Claims f.o.a.	-1 019	-946	-2 051	-1 920
Operational cost	-260	-214	-510	-416
Operating profit	170	119	284	137
Financial result	-1	27	-7	64
Profit before amortisation	169	145	278	201

Profit per product line

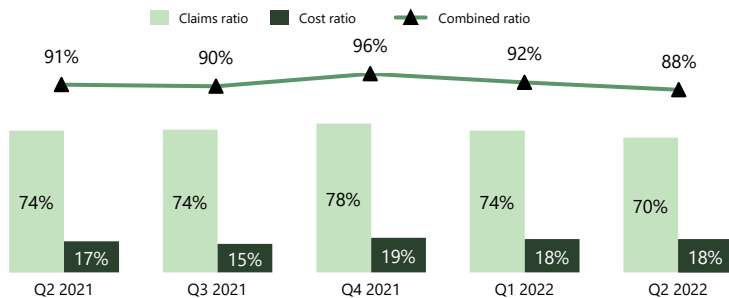
NOK million	Q2		YTD	
	2022	2021	2022	2021
P&C & Individual life	121	110	192	172
Health & Group life	14	-7	8	4
Pension related disability insurance Nordic	34	42	78	26
Profit before amortisation	169	145	278	201

Insurance

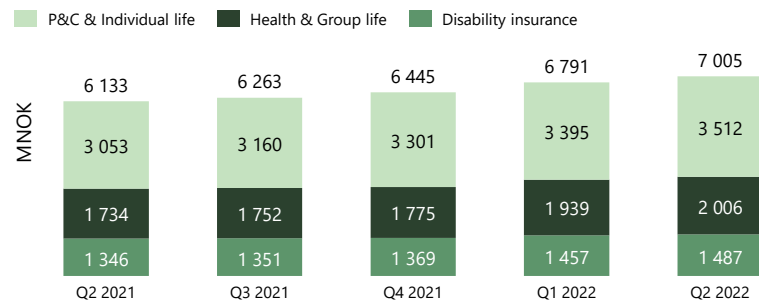
Key figures



Combined ratio



Portfolio premiums



Key Takeaways Combined Ratio and Results

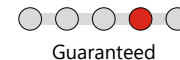
- 88% overall combined ratio (target 90-92%)
- Improved claims ratio

Key Takeaways Premiums and Growth¹

- 14% overall portfolio premium growth
- 15% growth in P&C & Individual Life
- Growth due to both price increases and new sales

Guaranteed pension

Strong buffers and proven risk management shield shareholders in turbulent markets



Profit

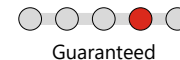
NOK million	Q2		YTD	
	2022	2021	2022	2021
Fee and administration income	395	407	786	790
Operational cost	-206	-227	-409	-424
Operating profit	189	180	377	366
Risk result life & pensions	54	21	135	54
Net profit sharing	11	108	-28	212
Profit before amortisation	254	310	485	631

Profit per product line

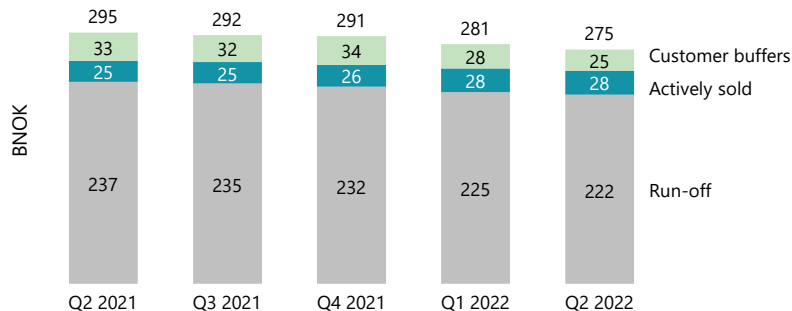
NOK million	Q2		YTD	
	2022	2021	2022	2021
Defined benefit (private & public sector), Norway	84	36	152	34
Paid-up policies, Norway	94	122	216	215
Individual life and pension, Norway	5	11	8	20
Guaranteed products, Sweden	70	142	108	362
Profit before amortisation	254	310	485	631

Guaranteed pension

Key figures



Reserves guaranteed products



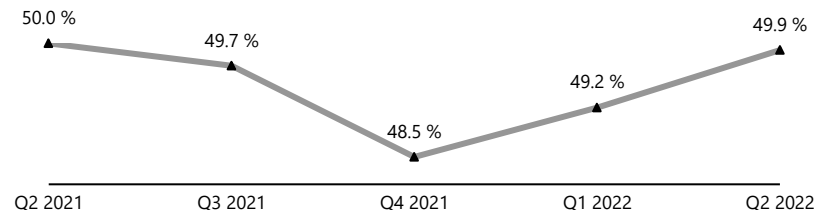
Key Takeaways

- Continued run-off of guaranteed reserves.
- Temporary increase in guaranteed reserves as % of total due to fall in Unit Linked reserves under turbulent financial markets.
- Higher interest rates give attractive reinvestment levels.
- Customers buffers reduced due to rising interest rates and market turbulence.

Buffer capital*

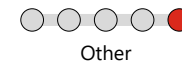
NOK million	Q2 2022	Q1 2022	Change
Market value adjustment reserve**	2 027	3 938	- 1 911
Excess value of bonds at amortised cost	-9 613	-4 781	- 4 832
Additional statutory reserve	10 470	11 745	- 1 275
Conditional bonuses SPP	12 006	12 804	- 798
Total	14 891	23 706	- 8 816

Guaranteed reserves in % of total reserves



Other¹

Financial result affected by markets



Profit

NOK million	Q2		YTD	
	2022	2021	2022	2021
Fee and administration income	4	4	9	7
Operational cost	-70	-43	-134	-90
Operating profit	-66	-39	-125	-83
Financial items and risk result life	-172	503	-230	511
Profit before amortisation	-238	464	-354	428

Q&A

Please join the MS Teams Webinar to participate in the Q&A session.



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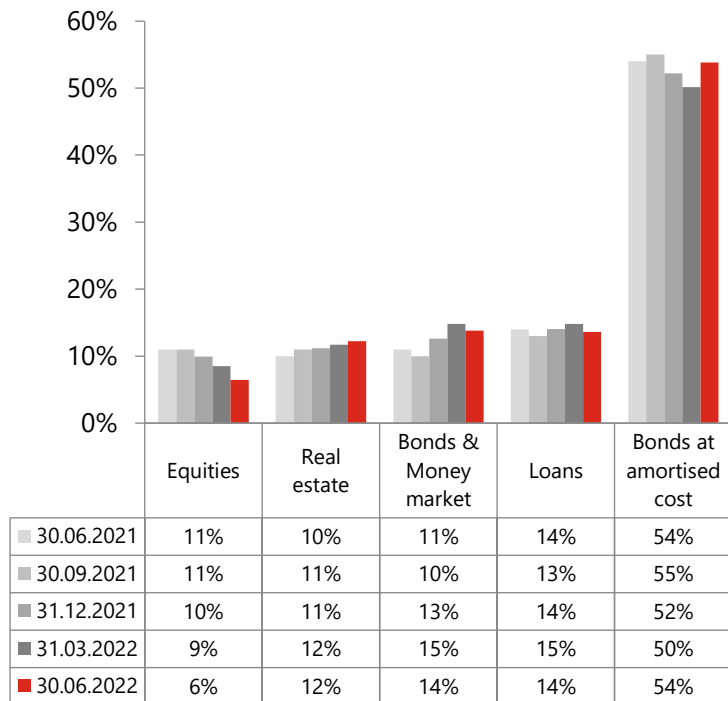
Head of
Investor Relations & Rating

Daniel Sundahl

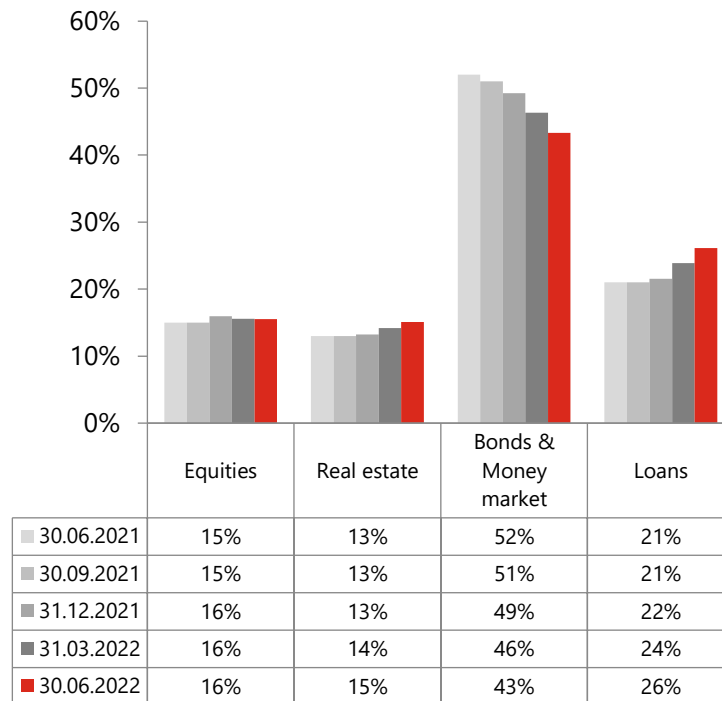
Appendix

Asset allocation – Guaranteed products

Storebrand Livsforsikring AS (Norway)



SPP (Sweden)



Danica Financials

NOK million	Q1 2022	FY 2021
Fee and administration income	84	339
Insurance result	20	88
Operational cost	-76	-294
Operating profit	28	133
Financial items and risk result life	-4	9
Non-recurring items	5	9
Profit before amortisation	30	151
Amortisation and write-downs of intangible assets	-	-
Profit before tax	30	151
Tax	-7	-38
Profit after tax	22	114



*Leading the way in
sustainable value creation*

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IR & Rating

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