

STOREBRAND ASA: Results For The First Quarter Of 2024

Strong Start To The Year And New Share Buybacks

24.04.2024

- Group profit [1] of NOK 1,082 million, strong growth in all business areas
- Continued share buyback program – in total NOK 1.5 billion for 2024
- Solid balance sheet – Solvency II ratio 191%
- Still high insurance claims, but positive effect from implemented measures

"We deliver strongly across the board – with double-digit growth in pensions, asset management, banking and insurance. I am pleased that more customers choose Storebrand. Growth is also important to reach the ambition of a group profit of NOK 5 billion in 2025," says CEO Odd Arild Grefstad.

"Despite some harsh weather in the quarter, the insurance business is on the right track. We have been able to help many customers in the quarter and in addition improved profitability with a combined ratio of 98%. We still follow P&C insurance and disability trends closely, but I am happy to see that we are on our way to the targeted combined ratio of 90-92% in 2025," says Grefstad.

"Storebrand performs well and has a solid capital position. The introduction of a flexible buffer fund for private defined benefit pensions allows us to take more risk and increase expected returns for customers. Today we also initiate a new share buyback program of NOK 1.1 billion, delivering on our ambition of increasing dividends and NOK 1.5 billion in share buy-backs also in 2024," says Grefstad.

Group Profit

Group profit was NOK 1,082 million in the 1st quarter, compared to NOK 826 million in the same period last year. This reflects good underlying growth across all business areas, satisfactory cost development and good financial results.

Fee and administration income amounted to NOK 1,818 million in the 1st quarter. This was an increase of 13 per cent compared to the same quarter last year. Income growth is driven by strong growth in defined contribution pensions, increased assets under management and growth in Storebrand Bank.

Total assets reached a new record level at the end of the 1st quarter with NOK 1,281 billion, representing growth of more than 15 per cent during the last year. With this, Storebrand consolidates its position as Norway's largest private asset manager.

Improved Insurance Results

The insurance business delivered weak results in 2023, and the start of the year was also challenging. Low temperatures and heavy snowfall in large parts of Norway led to more frequent and higher claims in P&C insurance.

Disability levels in the Norwegian society are still high, and this also affects Storebrand's business. Profitability in group life and pension related disability insurance has improved due to repricing, and the need for further price measures are being assessed on an ongoing basis.

Improved Financial Result

The financial items and risk result ended at NOK 394 million in the 1st quarter, up from NOK 255 million in the same quarter last year.

Higher interest rate levels have contributed to higher returns in the company portfolios, together with increased profit sharing from the pension area in Sweden.

ESA's Preliminary Assessment

The Norwegian market for public occupational pensions totals NOK 800 billion, but very few municipalities and hospital trusts have conducted tenders in recent years.

Storebrand has asked the EFTA Surveillance Authority (ESA) to assess whether the lack of tenders is a breach of the EEA rules on public procurement. In April, ESA sent its preliminary assessment in the procurement case to Norway. ESA argues that public occupational pensions are covered by regulations for public procurement and must be tendered. ESA estimates that 370 municipalities and hospital trusts have breached these rules when extending contracts for pension services.

Share Buybacks

Storebrand still has a strong capital position with a solvency ratio of 191%, well above the overcapitalisation threshold of 175 percent.

Finanstilsynet has now approved the next phase of the share buyback program. This means that Storebrand will buy back shares worth NOK 1.1 billion in the period up to 20 December this year. The new buyback program starts today.

Storebrand's long-term ambition is to conduct annual share buybacks of NOK 1.5 billion, totaling NOK 12 billion until 2030, in addition to increasing annual dividends.

Key Figures in the Quarter: (Q1-2023 in brackets)

- Solvency ratio: 191% (179%)
- Earnings per share, adjusted for amortisation NOK 2.09 (NOK 1.82²)
- Equity NOK 29,956m (NOK 30,266m)
- Assets under management NOK 1,281bn (NOK 1,111bn)

Activities Related to the 1st Quarter 2024



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

10:00: Live investor and analyst conference in English. A webcast will be available at www.storebrand.no/ir The presentation will be available on demand afterwards. Analysts who would like to ask questions at the end of the presentation must register for and participate in the MS Teams Webinar.

Link: <https://www.storebrand.no/en/investor-relations/quarterly-reporting/programme>

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About Storebrand

Storebrand is a Nordic financial group, delivering increased security and financial wellness for people and companies. We offer sustainable solutions and encourage our customers to take good economic decisions for the future. Our purpose is clear: we create a brighter future.

Storebrand has about 55,000 corporate customers, 2.2 million individual customers and manages NOK 1,281 billion. The Group is headquartered at Lysaker outside of Oslo, Norway. Storebrand (STB) is listed on Oslo Stock Exchange. Visit us on www.storebrand.no

This information is pursuant to the EU Market Abuse Regulation and subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act.

This information is based on the Storebrand Group's alternative income statement and contains Alternative Performance Measures as defined by the European Securities and Market Authority (ESMA). The alternative income statement is based on reported IFRS results for the individual group companies. The statement differs from the official accounts layout. An overview of APMs used in financial reporting is available on storebrand.com/ir.

[1] Cash equivalent earnings before amortisation and tax. www.storebrand.no/ir provides an overview of APMs used in financial reporting.

[2] EPS for 2023 not adjusted for changed periodisation of performance-related income from the first quarter 2024.



