



# Storebrand

Results 1<sup>st</sup> Quarter 2006  
10 May 2006

Analyst Presentation



## Analyst Presentation 1<sup>st</sup> quarter 2006

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# Storebrand

Results 1<sup>st</sup> Quarter 2006

10 May 2006

Idar Kreutzer  
Group CEO

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## Highlights Q1 2006

- Strong group profit: NOK 460 million in Q1
- Good investment return further strengthens risk capital and gives a good result for the group's customers and owners
- Significant growth in the group's business volumes through new customers, strong net transfer balance of pension business and favourable conditions in the financial markets
- Storebrand has won important contracts in the market for mandatory occupational pensions
- Positive effect on results from sale of Fair Insurance and refund from guarantee fund

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## Storebrand Group - good profit development

NOK million	Q 1		01.01-31.12
	2006	2005	2005
Life activities	299	255	1.217
Investment activities	20	8	24
Storebrand Bank	48	72	241
Other activities	94	-20	-41
Group profit	460	314	1.442

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## Storebrand Livsforsikring - improved result

NOK Million	01.01.-31.03		Full year
	2006	2005	2005
Interest result	1,046	719	4,359
Risk result	87	30	363
Administration result	-90	-29	-330
Change in security and premium reserve	10	0	-11
Operating profit	1,033	720	4,381
Transferred to policyholders	-732	-466	-3,215
Profit to owner Storebrand Livsforsikring AS	301	254	1,167
Profit to owner Storebrand Life Group	303	255	1,167
Other life insurance activities	-2	3	-4
Group profit life	301	258	1,163
Effect IFRS	-2	-3	54
Group profit life IFRS	299	255	1,217

Booked and value adjusted return of 1.6% and 2.8% respectively  
(2.2% incl. hold to maturity)

NOK 37 million from products without profit sharing

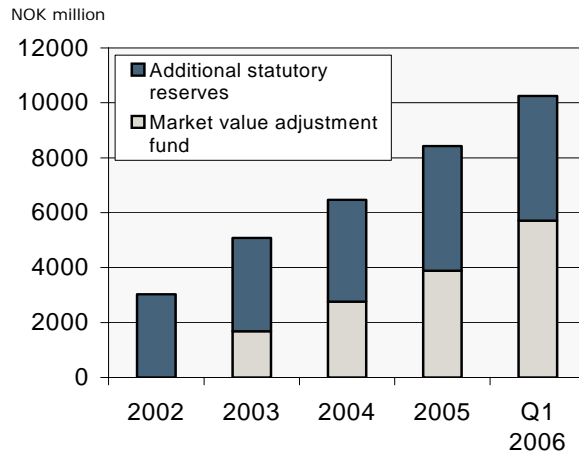
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## Storebrand Livsforsikring - systematically building buffer capital



NOTE: Excluding market value reserves in hold to maturity portfolio  
(NOK 2.8 billion at close of Q1 2006)

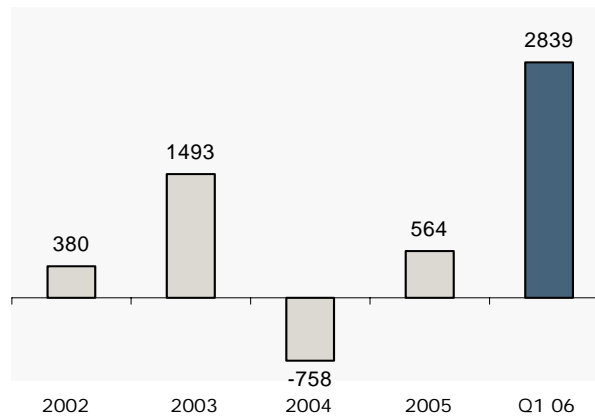
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## Storebrand Livsforsikring - strong transfer balance

Net transfers in NOK million:



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## Storebrand delivers a competitive mandatory occupational pension (OTP) product

- Leading companies have chosen Storebrand as their mandatory occupational pension supplier
  - The two largest OTP customers, Norgesgruppen and Manpower both chose Storebrand
  - Confederation of Norwegian Enterprise (NHO) chose Storebrand as its preferred supplier
  - Federation of Norwegian Commercial and Service Enterprises (HSH) is one of 20 trade associations that recommends Storebrand for its members
- Over 1,400 companies have entered into pension schemes with Storebrand under the new law
- Sales of the NHO pension product started in May



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## Storebrand meets our customers' needs

- Storebrand's goal is to have the most satisfied customers
- Companies only have a short time in which to choose a pension supplier, for a pension scheme requiring long term follow-up
- Storebrand's mandatory pension product is easy to establish and simple to manage
- Storebrand sees mandatory pensions as part of a complete pension offering



Vi stoler på at NHO har forhandlet frem den beste tjenestepensjonen for oss.

Med NHO Tjenestepensjon i Storebrand får vi den beste tjenestepensjonen som det store bedriftens.

NHO har bestemt seg for å tjenestepensjonere sine ansatte gjennom Storebrand. Dette betyr at alle ansatte i NHO nå har en tjenestepensjon gjennom Storebrand.

Det er en god ting for alle som jobber i NHO, og det er en god ting for oss som kunder på Storebrand.

Vi er stolte av å være en del av NHO og av å være en del av Storebrand.

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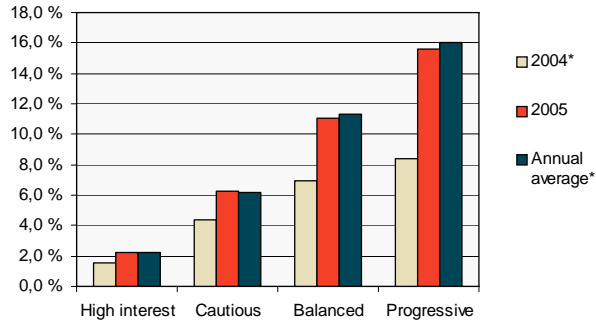
Vi er stolte av å være en del av NHO og av å være en del av Storebrand.

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## Storebrand delivers competitive return to the customers



	Money market	Cautious	Balanced	Progressive
2004*	1,6 %	4,4 %	7,0 %	8,4 %
2005	2,2 %	6,3 %	11,0 %	15,6 %
Year to date**	0,9 %	2,3 %	5,3 %	8,7 %
<b>Annual average*</b>	<b>2,2 %</b>	<b>6,2 %</b>	<b>11,3 %</b>	<b>16,0 %</b>

\* Since inception in March 2004

\*\* As of 3 May 2006

All numbers before management fees

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## New life insurance regulations

- On 3 April 2006 the Norwegian Finance Department published draft regulations relating to new law on mandatory occupational pensions and new insurance act
- Comments must be received by 15 May 2006
- Proposed implementation:

1 July 2006	1 January 2008	1 January 2009
<ul style="list-style-type: none"> <li>Act is passed into law</li> <li>Life insurance companies and unit link companies are permitted to merge</li> </ul>	<ul style="list-style-type: none"> <li>New life insurance regulations become effective</li> </ul>	<ul style="list-style-type: none"> <li>Final deadline to satisfy the new regulations, provided the company has informed the Norwegian FSA before 1 Desember 2007 that it is unable to meet the 1 January 2008 target</li> </ul>

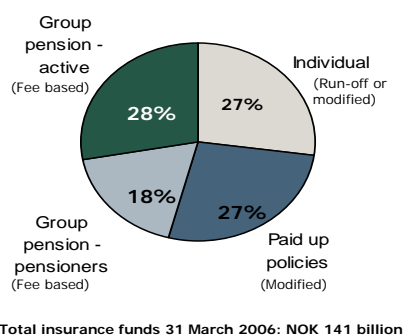
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## Effect of the draft regulations

- Substantial part of the company's insurance funds converted to a fee based model
- Availability of flexible return guarantees and performance based fees for professional corporate customers
- Free choice of model for existing retail market customers



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## Storebrand Bank

- strong growth, pressure on margins



NOK million	Q1		Full year
	2006	2005	2005
Net interest income	106	120	451
Other income	24	41	102
Total income	131	161	553
Operating expenses	-97	-88	-346
Operating profit before losses	34	72	207
Loan loss provisions	15	-0	34
Profit before tax	48	72	241

- Q1 2005 affected by IFRS and profit on sale
- Pressure in margins reflected in net interest
- Increased costs due to strong sales

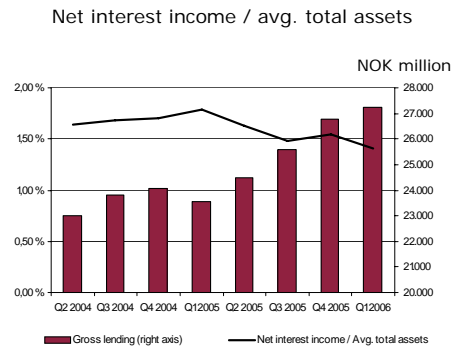
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## Storebrand Bank - development in net interest margin

- Strong competition in the Norwegian market felt by most banks
- Reduced risk in corporate
- Pressure on margins expected to continue in both retail and corporate



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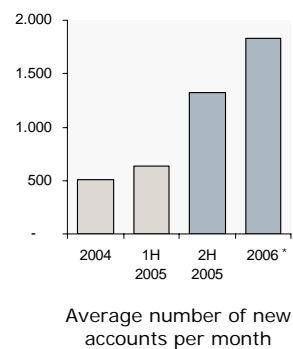
\*) Kilde: Norges Bank

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## Storebrand Bank - good customer growth

- Clear shift in trend for numbers of new accounts opened following introduction of charge-free banking spring 2005
- Gross retail lending up NOK 800 million in Q1
- Customer deposits increased by NOK 1.7 billion



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\*) First three months of 2006

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## Storebrand Investments - improved result



NOK million	Q1		01.01 - 31.12
	2006	2005	2005
Total income	74	67	242
Total costs	-58	-61	-232
Net financial income/ other	3	2	15
Profit before tax	20	8	24

- Strong return and increased assets under management
- Outperformance on 7 of 10 portfolios managed for Storebrand Life in Q1
- 77% of securities funds with better return than benchmark in Q1\*

\* Before deduction of management fees

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## Other activities

NOK million	Q1		01.01 - 31.12
	2006	2005	2005
Storebrand ASA *)	1.040	598	599
Fair Forsikring	-1	0	22
Storebrand Skadeforsikring	48	-6	19
Other companies/eliminations **)	-992	-612	-681
<b>Total profit other activities</b>	<b>94</b>	<b>-20</b>	<b>-41</b>

\*) Including group contributions and dividends from subsidiaries

\*\*\*) Including elimination of dividends/group contributions from subsidiaries

- Profit from sale of Fair Forsikring NOK 40 million
- Refund of NOK 49 million from guarantee fund

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## New members of executive management strengthens Storebrand's competency and competitiveness



**Klaus-Anders Nysteen**  
New Managing Director in Storebrand Bank

Background: CFO Posten  
Acting CEO Posten  
EVP Hydro Seafood GSP  
Finance Director Hydro Seafood  
Education: Norwegian Marine Academy and MBA (NHH)



**Gunnar Rogstad**  
New Managing Director in Storebrand Skadeforsikring

Background: Head of If Skadeforsikring's Nordic retail unit  
Claims manager Corporates If  
Head of distribution Storebrand  
Product manager Storebrand  
Education: MSc Law



**Åmund T. Lunde**  
New Head of Public Sector in Storebrand Livsforsikring

Background: Head of life insurance KLP  
Finance director KLP  
Director for strategy and group services KLP  
Chief economist KLP  
ECON  
Education: MSc Economics



**Tom Granquist**  
New Head of Administration and Business Development in Storebrand Skadeforsikring

Background: Head of Projects and business development If  
Finance Director Storebrand  
HR Director Storebrand  
Other central positions in Storebrand  
Education: MSc Business

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## Summary

- A good start to the year in terms of financial results and sales
- Market is dominated by introduction of mandatory occupational pensions (OTP), and Storebrand has won important contracts in this market
- Improvement measures continue unabated


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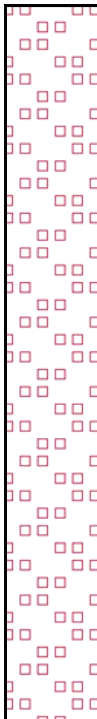
Storebrand shall be the leading and most  
respected institution in the Norwegian market  
for long-term savings and life insurance



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## Storebrand Group



## IFRS accounting

Storebrand ASA's group accounts are presented in accordance with the International Financial Reporting Standards (IFRS) approved by the European Union.



## Storebrand Group Group profit by sub-group

NOK million	Q 1		01.01-31.12
	2006	2005	2005
Life activities	299	255	1.217
Investment activities	20	8	24
Storebrand Bank	48	72	241
Other activities	94	-20	-41
Group profit	460	314	1.442

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## Storebrand Group Operating Profit

NOK million	Q 1		01.01-31.12
	2006	2005	2005
Net premiums - insurance	8.507	8.359	19.466
Interests income	107	120	451
Financial income	4.699	2.235	11.129
Other income	210	177	774
Operating income	13.522	10.891	31.819
Insurance benefits, reserve allocations	-9.688	-9.246	-23.340
Interests costs	-54	-74	-197
Loan losses - banking	15	-1	34
Operating expenses	-618	-534	-2.181
Other costs	-145	-153	-256
Costs and expenses	-10.489	-10.007	-25.940
To (from) market price adjustment reserve	-1.844	-110	-1.150
Operating profit	1.188	775	4.728

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## Storebrand Group Earnings per share

NOK million	Q 1		01.01-31.12
	2006	2005	2005
Group profit	460	314	1.442
Changes in security reserve etc. - non life	-2	-1	3
Profit before tax	459	314	1.445
Tax	-32	-17	-41
Minority interests	-1	0	-4
Profit for the year	426	297	1.400
- Change in security reserve etc.	1	0	-2
Earnings	427	297	1.398
Earnings per share	1,70	1,13	5,41
Average number of shares (million shares)	251,2	261,7	258,6

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## Storebrand Group Balance sheet

NOK million	31.03 2006	Share of totalt assets	31.12 2005	Share of total assets
Intangible assets	553	0 %	618	0 %
Shares in associated companies	139	0 %	138	0 %
Loans	28.300	13 %	26.977	13 %
Bonds held to maturity	42.595	20 %	40.672	20 %
Real estate at market value	15.318	7 %	13.504	7 %
Financial assets at market value	107.482	50 %	104.329	52 %
Bank deposits	7.651	4 %	5.769	3 %
Other assets	11.219	5 %	9.840	5 %
<b>Total assets</b>	<b>213.257</b>	<b>100 %</b>	<b>201.846</b>	<b>100 %</b>
Equity	9.495	4 %	9.278	5 %
Subordinated loan capital	3.510	2 %	3.525	2 %
Market value adjustment reserve	5.707	3 %	3.863	2 %
Technical reserves	149.739	70 %	143.431	71 %
Liabilities to financial institutions	17.076	8 %	17.118	8 %
Deposits from and liabilities to customers	12.930	6 %	11.187	6 %
Derivatives	5.902	3 %	5.303	3 %
Other allocations and liabilities	8.897	4 %	8.142	4 %
<b>Total liabilities and equity capital</b>	<b>213.257</b>	<b>100 %</b>	<b>201.846</b>	<b>100 %</b>

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## Storebrand Group Group profit by sub-group

NOK million	2006		2005			2004		
	Q 1	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2
Life activities	299	364	291	307	255	311	228	198
Investment activities	20	4	-2	14	8	8	7	15
Storebrand Bank	48	59	42	69	72	55	32	15
Other activities	94	-9	-13	1	-20	-3	-2	1.263
Group profit	460	418	318	392	314	371	265	1.492

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## Storebrand Group Capital adequacy

NOK million	Risk weighted assets 31.03.06	Net primary capital 31.03.06	Capital ratio	
			31.03.06	31.12.05
Storebrand ASA	6.979	6.208	89,0 %	91,8 %
Storebrand Life insurance	72.943	7.819	10,7 %	10,9 %
Storebrand Non-life insurance	112	220	196,4 %	150,0 %
Storebrand Bank	19.142	1.971	10,3 %	10,4 %
Storebrand Unit Linked	1.078	123	11,4 %	10,0 %
Storebrand Group	100.503	10.687	10,6 %	11,2 %

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## Storebrand Group Other activities

NOK million	Q1		01.01 - 31.12
	2006	2005	2005
Storebrand ASA *)	1.040	598	599
Fair Forsikring	-1	0	22
Storebrand Skadeforsikring	48	-6	19
Other companies/eliminations **)	-992	-612	-681
<b>Total profit other activities</b>	<b>94</b>	<b>-20</b>	<b>-41</b>

\*) Including group contributions and dividends from subsidiaries

\*\*) Including elimination of dividends/group contributions from subsidiaries

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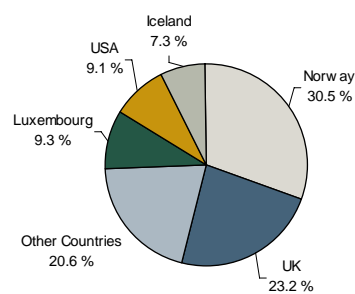
## Shareholder structure as at 5 May 2006

### 20 largest shareholders

Shareholders	Acc. Type*	Tot. %
Folketrygdfondet	ORD	9.27
Orkla ASA	ORD	5.47
Arion Custody	NOM	4.56
Fidelity Funds - Europe	ORD	4.18
JPMorgan Chase Bank	NOM	3.58
Storebrand ASA	ORD	3.37
Euroclear Bank S.A.,	NOM	2.39
State Street Bank	NOM	2.14
Banca Intesa S.P.A.	NOM	1.90
JPMorgan Chase Bank	ORD	1.89
Other 10		15.88
<b>Total</b>		<b>54.63</b>

\*NOM= Client account  
Foreign ownership 69.5%

### By region



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## Rating for Storebrand as at 10 May 2006

Storebrand ASA	
Moody's:	Baa2 (S)
S&P:	BBB+ (S)

Storebrand Livsforsikring AS	
Moody's:	A2 (S)
S&P:	A (S)

Storebrand Bank ASA	
Moody's:	Baa2 (S)
S&P:	BBB+ (S)

P=positive outlook, S=stable outlook, N=negative outlook

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## Storebrand Group Key figures

NOK milion	Q 1		01.01-31.12
	2006	2005	2005
<b>Group</b>			
Earnings per share	1,7	1,13	5,41
Capital ratio	10,6 %	14,6 %	11,2 %
<b>Life Insurance (Storebrand Livsforsikring)</b>			
Policyholders' funds	140.432	127.299	134.463
Booked investment return (annualised)	6,6 %	5,7 %	6,9 %
Value adjusted investment return (annualised, excl. HTM)	11,7 %	5,9 %	7,5 %
Risk capital above regulatory minimum (excl.HTM)	13.263	9.555	13.529
<b>Storebrand Bank</b>			
Interest margin	1,41 %	1,78 %	1,60 %
Cost/income	74 %	55 %	63 %
Net lending	26.797	22.972	26.279
Gross non-performing and loss-exposed loans	680	921	754
<b>Storebrand Investments (asset management)</b>			
Total funds under management	209.276	170.566	204.825
Funds under management for external clients	50.790	25.006	49.716
Cost/income	78 %	91 %	96 %

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## Storebrand ASA

## Storebrand ASA Profit for the year\*

NOK million	Q 1		01.01-31.12
	2006	2005	2005
Group contributions and transfers	1.028	611	611
Interest income	16	18	58
Interest expense	-17	-22	-53
Realized/unrealized gains/losses on securities	39	9	213
Other financial income/costs	-3	2	-116
Net financial items	34	7	101
Total operating expenses	-23	-21	-113
Profit before tax	1.040	598	599

\*) Result in accordance with IFRS, official accounts prepared according to NGAAP

## Storebrand ASA Profit for the year

NOK million	2006		2005			2004		
	Q 1	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2
Group contributions and transfers	1 028	0	0	0	611	0	0	0
Interest income	16	17	12	11	18	19	21	41
Interest expense	-17	-17	-10	-4	-22	-14	-17	-43
Realized/unrealized gains/losses on securities	39	76	11	116	9	19	6	1 863
Other financial income/costs	-3	-5	-2	-111	2	3	-3	-21
Net financial items	34	71	11	12	7	28	7	1 840
Total operating expenses	-23	-26	-42	-25	-21	-57	-17	-42
Profit before tax	1 040	46	-31	-14	598	-29	-10	1 798

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## Storebrand ASA Balance sheet\*

NOK million	31.03.2006	Share of total assets	31.12.2005	Share of total assets
Shares in subsidiaries	5.758	59 %	5.967	67 %
Financial assets at market value	2.305	24 %	2.515	28 %
Other assets	1.674	17 %	394	4 %
<b>Total assets</b>	<b>9.736</b>	<b>100 %</b>	<b>8.876</b>	<b>100 %</b>
Equity	7.409	76 %	6.579	74 %
Bond loan	1.997	21 %	1.997	22 %
Other liabilities	330	3 %	301	3 %
<b>Total liabilities and equity capital</b>	<b>9.736</b>	<b>100 %</b>	<b>8.876</b>	<b>100 %</b>

\*) Balance sheet in accordance with IFRS, official accounts prepared according to NGAAP

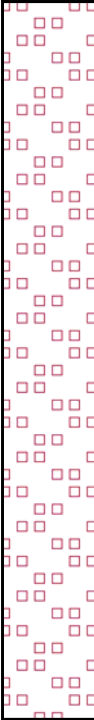
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## Storebrand Life Insurance



## Storebrand Life Group Highlights as at 31.03.2006

- Operating profit in Q1 was NOK 1,033 million, an improvement from NOK 720 million in Q1 2005
- Booked and value adjusted return on investments of 1.6 %, annualised 6.6 %, and 2.8 %, annualised 11.7 % respectively as at 31.03.06
- If changes in the market value on bonds held to maturity are included, value adjusted return on investments is 2.2 %, annualised 9.3 %

## Storebrand Life Insurance Highlights as at 31.03.2006

- Total premium income (excluding transfers to/from) decreased by 35 % compared to Q1 2005 due to reduced sales of individual savings contracts without fixed contract periods
- Positive net transfer balance for life insurance in Q1 of NOK 2,839 million
- Premiums written in Storebrand Fondsforsikring was NOK 444 million, an increase of NOK 276 million compared to Q1 2005. Unit linked increased by NOK 222 million and defined contribution pensions increased by NOK 54 million
- Assets under management in defined contribution NOK 1,127 million

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## Storebrand Life Group Results

NOK mill.	01.01.-31.03		Full year
	2006	2005	2005
Storebrand Life Group	301	252	1,221
Storebrand Fondsforsikring	-3	3	-9
Other life insurance activities	1	0	5
Group profit Life	299	255	1,217

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## Storebrand Life Group Profit and loss

NOK Million	01.01.-31.03		Full year
	2006	2005	2005
Premiums written	4,504	6,941	16,000
Net transfers of premium reserve	2,839	328	546
Net income of financial investments	4,193	1,930	10,402
Claims paid	-2,601	-1,776	-8,532
Change in technical reserves	-5,668	-6,303	-11,332
Operating expenses Storebrand Livsforsikring AS	-365	-267	-1,354
Other income/costs	-41	-72	-231
Change in market price adjustment reserve	-1,826	-61	-1,117
Operating profit	1,035	722	-4,382
Transferred to policyholders	732	466	3,215
Profit to owner Storebrand Life Group	303	255	1,167
Other life insurance activities	-2	3	-4
Group profit life	301	258	1,163
Effect IFRS	-2	-3	54
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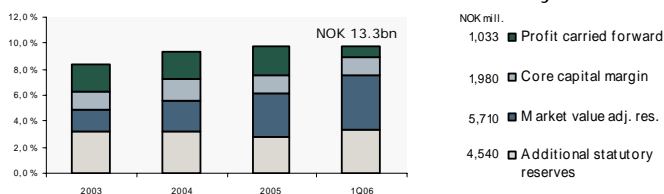
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## Storebrand Livsforsikring AS Satisfactory solidity

- Capital ratio of 10.7 %
- Risk capital of NOK 13.3 billion, equivalent to 9.8 % of insurance funds excl. additional statutory reserves
- Buffer capital\* of NOK 19.5 billion, equivalent to 14.4 % of insurance funds excl. additional statutory



Risk capital as % of policyholders funds excl. additional statutory reserves.  
NOK 2.8 billion in reserves of bonds held to maturity is not included in risk capital.

\*) Buffer capital is equity, subordinated debt, market value adjustment reserves, statutory additional reserves and security reserves

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## Storebrand Livsforsikring AS Allocation and policyholder's funds

Allocation and policyholders' fund	Q1-06	Q4-05	Q3-05	Q2-05	Q1-05	Q4-04	Q3-04	Q2-04
Equity Norwegian *)	7 %	9 %	6 %	6 %	6 %	9 %	8 %	8 %
Equity Foreign*)	20 %	18 %	18 %	16 %	16 %	13 %	12 %	12 %
Real Estate	10 %	10 %	9 %	9 %	9 %	10 %	10 %	8 %
Money market	5 %	6 %	8 %	11 %	11 %	13 %	9 %	11 %
Bonds held to maturity	28 %	28 %	29 %	31 %	31 %	30 %	31 %	32 %
Bonds	29 %	29 %	30 %	27 %	27 %	25 %	30 %	28 %
Loans	1 %	0 %	0 %	0 %	0 %	0 %	0 %	1 %
Other financial assets	1 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Equity exposure	25 %	23 %	22 %	19 %	19 %	21 %	20 %	19 %
Policyholders' fund (NOK billion)	140	134	133	131	127	121	116	114

\*)Incl. Investments in equity funds

- Real exposure to current bonds is approx. 19 % with the difference in money market
- In addition to the financial assets above, the company had NOK 5.6 billion in other assets as of 1Q 2006

Q1 2006

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## Storebrand Livsforsikring Return on main asset classes – Q1 2006

	Return in percent year to date*	Relative return	Risk exposure
Equity Norway	20.8 %	+1.70 %	5.7 %
Equity Foreign*	6.06 %	+0.31 %	19.7 %
Bonds Foreign	-0.77 %	-0.06 %	10.1 %
Bonds Norway	-0.26 %	+0.38 %	9.0 %
Money market	0.7 %	+0.08 %	13.1 %
Bonds held to maturity	1.38 %		28.7 %
Real estate	2.18 %		10.4 %

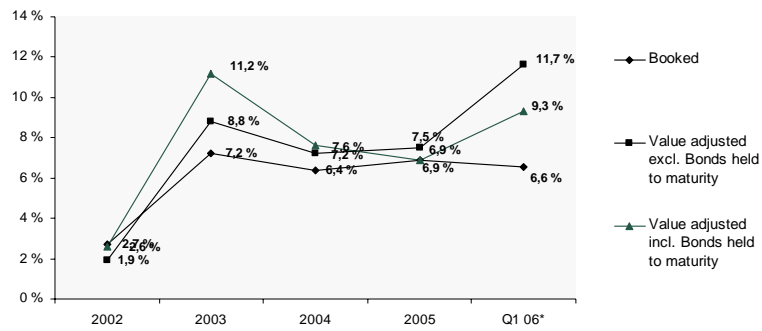
Q1 2006

\* Return measured in NOK

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## Storebrand Livsforsikring AS Development in return on capital



Q1 2006

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\*) Annualised numbers

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## Storebrand Livsforsikring AS Unrealised gains

NOK Million	01.01.-31.03		Full year 2005	Change 2006
	2006	2005		
Shares	6,075	2,371	3,639	2,417
Fixed interest investments	-368	451	224	-592
Short term investments	5,707	2,822	3,863	1,826
Bonds held to maturity	2,799	3,860	3,573	-774
<b>Total</b>	<b>8,506</b>	<b>6,682</b>	<b>7,436</b>	<b>1,052</b>

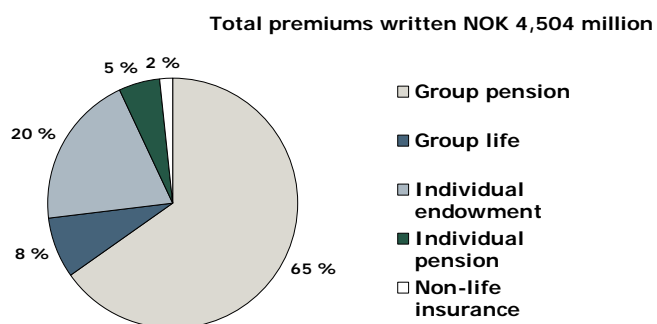
Q1 2006

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## Storebrand Life Group Premiums excl. reserves transferred to the company per 31.03.2006



Q1 2006

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## Storebrand Livsforsikring AS Premiums excl. reserves transferred to the company

NOK mill.	01.01.-31.03.		Full year
	2006	2005	2005
Group pension	2,935	2,583	6,269
Group life	358	296	467
Individual endowment	899	3,900	8,262
Individual pension	236	133	895
Non-life insurance	77	29	107
Sum	4,504	6,941	16,000

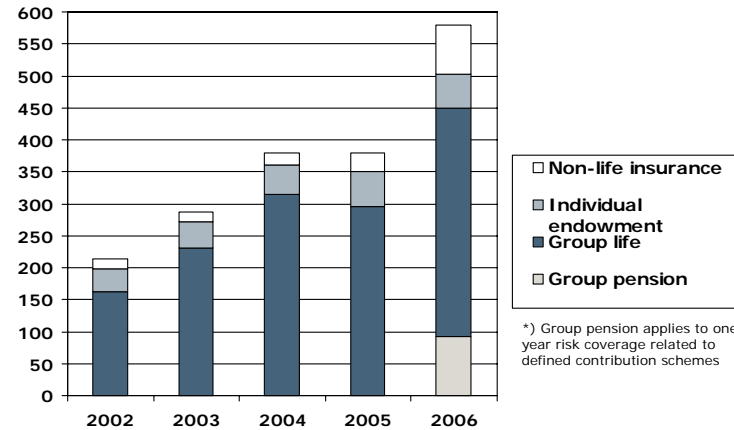
Q1 2006

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## Storebrand Livsforsikring AS -premiums written, products without profit sharing as per 31.03

NOK million



Q1 2006

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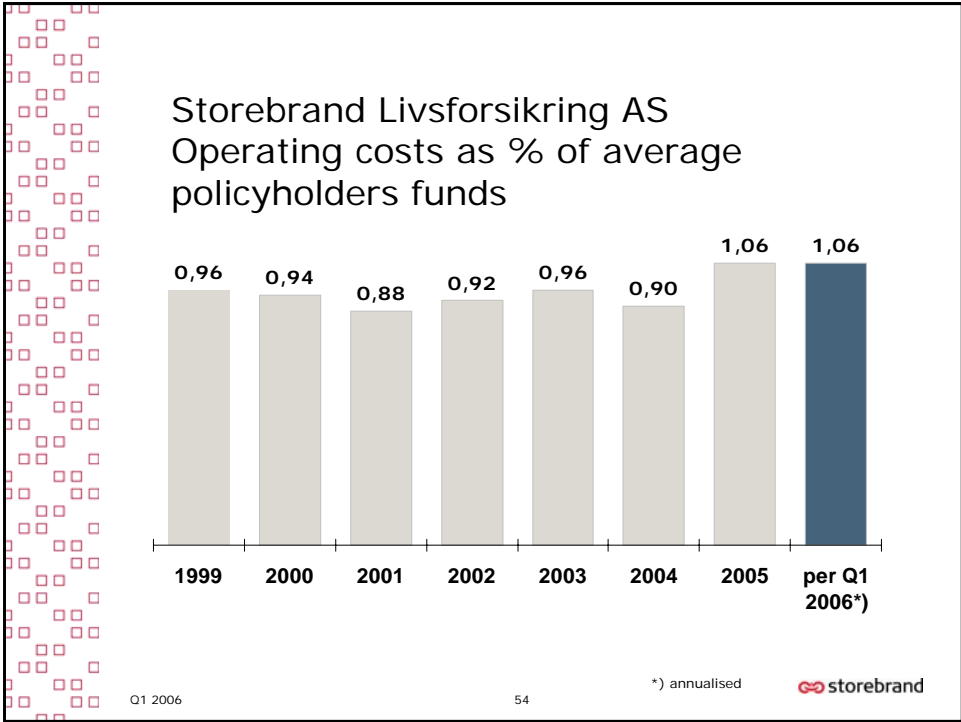
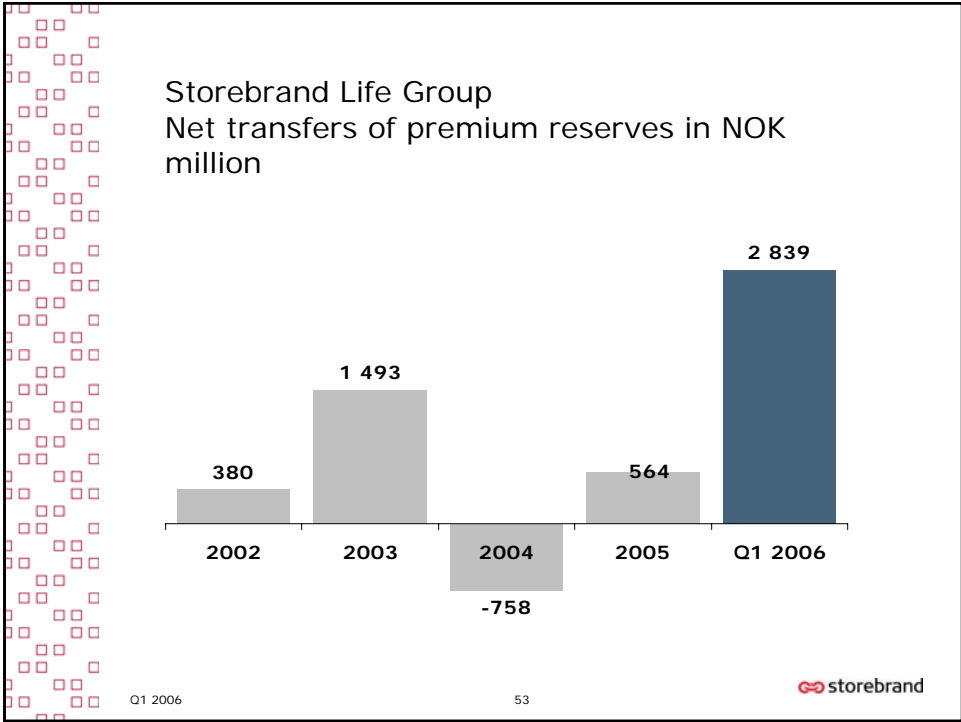
## Storebrand Life Group Net transfers of premium reserves

NOK Million	01.01.-31.03.		Full year 2005
	2006	2005	
Premium reserves recieved			
Group pensions	3,418	1,096	2,167
Individual life insurance	77	61	161
<b>Total</b>	<b>3,495</b>	<b>1,157</b>	<b>2,377</b>
Premium reserves transferred			
Group pensions	-631	-798	1,729
Individual life insurance	-26	-31	-102
<b>Total</b>	<b>-657</b>	<b>-829</b>	<b>1,831</b>
<b>Net transfers Storebrand Livsforsikring AS</b>	<b>2,839</b>	<b>328</b>	<b>546</b>
Premium reserves recieved	47	35	186
Premium reserves transferred	-46	-46	-168
<b>Net transfers Storebrand Fondsforsikring AS</b>	<b>1</b>	<b>-11</b>	<b>18</b>
<b>Net transfers life insurance</b>	<b>2,839</b>	<b>318</b>	<b>564</b>

Q1 2006

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## Storebrand Livsforsikring AS Profit analysis

NOK Million	01.01.-31.03		Full year
	2006	2005	2005
Interest result	1,046	719	4,359
Risk result	87	30	363
Administration result	-90	-29	-330
Change in security and premium reserve	-10	0	-11
Operating profit	1,033	720	4,381
Transferred to policyholders	-732	-466	-3,215
Profit to owner Storebrand Livsforsikring AS	301	254	1,167
Profit to owner Storebrand Life Group	303	255	1,167
Other life insurance activities	-2	3	-4
Group profit life	301	258	1,163
Effect IFRS	-2	-3	54
Group profit life IFRS	299	255	1,217

Q1 2006

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## Storebrand Livsforsikring AS Profit to owner

NOK Million	01.01.-31.03		01.01.-31.03
PROFIT SHARING MODEL	2006	REGULATORY MAXIMUM	2006
Net return on company capital	133		
Management fee charged from policyholders' fund	140	35% of profit from products with profit sharing adjusted for	
Risk margin	12	additional statutory allocations	362
Products inside profit sharing	152	Profit from products outside of profit sharing	37
Profit from products outside of profit sharing	37		
Other P&L and balance-sheet items	-20		
Total allocated to the owner	301	Total	398

Q1 2006

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## Storebrand Livsforsikring AS Profit analysis -products without profit sharing

NOK Million	01.01.-31.03		Full year
	2006	2005	2005
Interest result	17	11	68
Risk result	48	40	197
Administration result	-22	-16	-94
Change in security and premium reserve	-6	0	-4
Operating profit	37	35	168

Q1 2006

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## Storebrand Life Group Balance sheet IFRS

NOK Million	31.03.2006	Share of total assets		
		31.03.2006	31.12.2005	
Immaterial assets	21	0 %	25	0 %
Real estate	15,318	9 %	13,503	9 %
Long term shares and interests from group companies	99	0 %	100	0 %
Bonds held to maturity	42,595	25 %	40,672	29 %
Mortgage and other loans	1,510	1 %	656	0 %
Shares	40,685	24 %	39,432	20 %
Bonds	48,468	29 %	44,420	23 %
Short term debt instruments	4,301	3 %	7,951	10 %
Other financial assets	7,121	4 %	6,011	5 %
Real estate for own use	664	0 %	658	0 %
Other assets	7,206	4 %	6,050	3 %
<b>Total assets</b>	<b>167,986</b>	<b>100 %</b>	<b>159,477</b>	<b>100 %</b>

Q1 2006

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## Storebrand Life Group Balance sheet (continued)

NOK Million	Share of total assets		Share of total assets	
	31.03.2006	31.03.2006	31.12.2005	31.12.2005
Equity	5,247	3 %	5,724	3 %
Minority interests' share in equity	13	0 %	19	0 %
Subordinated loan capital	2,860	2 %	2,875	2 %
Market price adjustment reserve	5,707	3 %	3,863	2 %
Premium reserve for own account	129,686	77 %	124,113	83 %
Additional statutory allocations	4,540	3 %	4,538	3 %
Premium/pension adjustment fund	5,026	3 %	5,443	4 %
Claims reserve for own account	350	0 %	334	0 %
Other insurance reserves	160	0 %	97	0 %
Unallocated surplus to policyholders f.o.a.	732	0 %	2,088	0 %
<i>Insurance fund reserves for own account</i>	140,494	84 %	134,524	90 %
Security reserves	169	0 %	159	0 %
<b>Insurance related reserves for own account</b>	<b>140,662</b>	<b>84 %</b>	<b>134,683</b>	<b>90 %</b>
Other debts	13,498	8 %	12,314	2 %
<b>Total equity and liabilities</b>	<b>167,986</b>	<b>100 %</b>	<b>159,477</b>	<b>100 %</b>

Q1 2006

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## Storebrand Livsforsikring AS Key figures

	01.01.-31.03		Full year
	2006	2005	2005
Booked return - year-to-date	1,60 %	1,41 %	
Booked return - annualised	6,55 %	5,74 %	6.86%
Value adjusted return - year-to-date	2,79 %	1,43 %	
Value adjusted return - annualised	11,65 %	5,85 %	7.52%
-including bonds held to maturity - year to date	2,24 %	1,15 %	
-including bonds held to maturity - annualised			6.85%
Solvency margin	171,2 %	168,0 %	175,2 %
Capital ratio (Storebrand Livsforsikring Group)	10,72 %	14,14 %	10,94 %
Operating expenses as % of policyholders funds	1,06 %	0,86 %	1,06 %

Q1 2006

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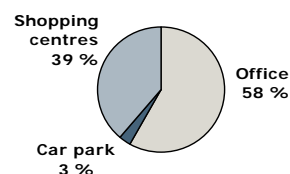
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## Storebrand Livsforsikring AS Real estate fund

Key figures	Q1		Full year
	2006	2005	2005
The real estate fund:			
Growth in value	2.3%	1.8%	7.8%
Booked yield *)	2.2%	1.7%	7.5%
Direct yield	1.8%	1.7%	7.3%
Revaluations	0.4%	0.0%	0.2%
Total m2	1,100,000	820,800	870,200
Occupancy level	97.4%	95.6%	96.2%

\*) Not including revaluations of foreign real estate funds.

### Portfolio allocation (Market value)



Q1 2006

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## Storebrand Livsforsikring AS Profit analysis

NOK Million	2006	2005				2004		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Interest result	1,046	1,505	977	1,158	719	1,445	573	566
Risk result	87	166	99	69	30	46	80	37
Administration result	-91	-230	31	-102	-29	-73	7	-30
Change in security and premium reserve	-10	-5	-2	-4	0	-125	-55	2
Operating profit	1,033	1,436	1,104	1,121	720	1,292	606	574
Transferred to policyholders	-732	-1,127	-815	-807	-466	-972	-374	-364
Profit to owner Storebrand Livsforsikring AS	301	310	289	314	254	321	232	210
Profit to owner Storebrand Life Group	303	307	289	315	255	322	233	210
Other life insurance activities	-2	-6	-6	5	3	-5	-1	-9
Group profit life	301	301	283	320	258	316	232	201
Effect IFRS	-2	63	-3	-3	-3	-5	-3	-4
Group profit life IFRS	299	364	280	317	255	311	229	198

Q1 2006

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## Storebrand Fondsforsikring AS Summary profit and loss account

NOK Million	Q1		Full year
	2006	2005	2 005
Premiums written	490	203	992
Income of financial investments	13	13	43
Income - Unit Linked assets	306	111	721
Claims paid	-132	-106	-416
Change in technical reserves	-643	-194	-1 245
Operating expenses - insurance	-37	-23	-103
Other income/costs	0	0	-1
Profit before tax	-3	3	-9

Q1 2006

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## Storebrand Fondsforsikring AS Balance sheet


NOK Million	31.03.06	Share		Share
		31.03.06	31.12.05	
Bonds and other fixed income securities	167	3 %	97	2 %
Assets - Unit Link	6,392	97 %	5	97 %
Cash and bank	37	1 %	5,719	1 %
Intra group receivables	3	0 %	3	0 %
Other receivables	21	0 %	17	0 %
Prepaid expenses	0	0 %	0	0 %
<b>Total assets</b>	<b>6,620</b>	<b>100 %</b>	<b>5,867</b>	<b>100 %</b>
Share capital	58	1 %	54	1 %
Other equity	65	1 %	37	1 %
<b>Total equity capital</b>	<b>123</b>	<b>2 %</b>	<b>91</b>	<b>2 %</b>
Insurance fund reserves for own account	26	0 %	35	1 %
Insurance fund reserves - Unit Link	6,392	97 %	5,719	97 %
Pension liability	1	0 %	1	0 %
Intra group liabilities	12	0 %	10	0 %
Other liabilities	64	1 %	7	0 %
Accrued cost	3	0 %	4	0 %
<b>Total equity and liabilities</b>	<b>6,620</b>	<b>100 %</b>	<b>5,867</b>	<b>100 %</b>

Q1 2006

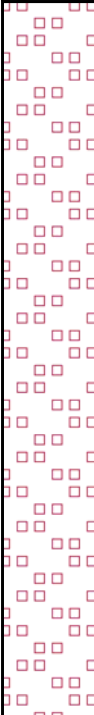
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## Storebrand Investment



## Storebrand Investments Highlights Q1

- Profit before tax NOK 20 million compared to NOK 8 million in Q1 2005
- NOK 209 billion in assets under management as of Q1
- 7 out of 10 portfolios for Storebrand Life Insurance outperformed their benchmark indices year to date. 77% of Storebrand's mutual funds (and 71% of equity funds) have outperformed index (measured before management fees)
- Storebrand's mutual funds maintain good rankings from Standard & Poor's

## Profit before tax for Q1 2006

NOK million	Q1		01.01-31.12 2005
	2006	2005	
Total income	74	67	242
Total costs	-58	-61	-232
Net financial income/ other	3	2	15
Profit before tax	20	8	24

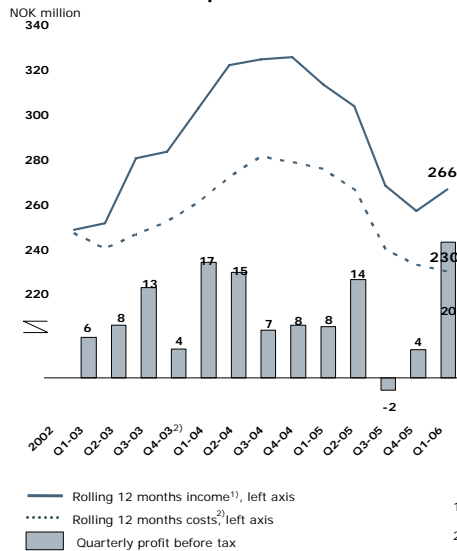
- Increase in income is due to increased assets under management and good performance, which increases management fees
- Development in costs as expected

Q1 2006

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## Profit development



- Cost/income ratio 86%<sup>1</sup> as of Q1 (91%<sup>1</sup> in 2005)

- Decline in operating costs
  - Total costs as % of average assets under management was 0.12% per Q1 (0.13% in 2005)

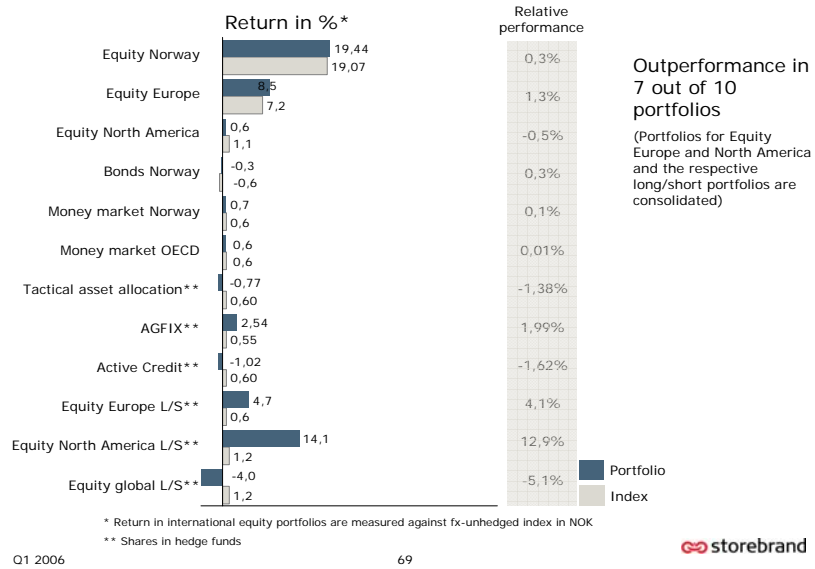
1) Includes net financial income and profit before tax from Storebrand Alternative Investments (SAI)  
 2) Total costs / profit adjusted for non-recurring costs of NOK 8.8 million in 2003

Q1 2006

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## Contribution to Storebrand Life portfolio year to date



## Storebrand's mutual funds Performance / Rating

- 77% (40 out of 52<sup>1</sup>) of Storebrand's mutual funds have outperformed index (measured before management fees)
- According to Standard & Poors rating<sup>2</sup> 39% of Storebrand's funds are among the top 30% and 72% among the top 50%

Stars	S&P	Standard & Poor's rating - all mutual funds									
		Storebrand		DnB NOR		Nordea		Odin		Skagen	
		# Fund	Percent	# Fund	Percent	# Fund	Percent	# Fund	Percent	# Fund	Percent
5	★★★★★	2	6 %	5	7 %	2	8 %	3	23 %	4	31 %
4	★★★★	12	33 %	15	21 %	3	12 %	3	23 %	0	0 %
3	★★★	12	33 %	10	14 %	6	24 %	0	0 %	1	8 %
2	★★	6	17 %	23	33 %	10	40 %	2	15 %	0	0 %
1	★	4	11 %	17	24 %	4	16 %	5	38 %	0	0 %
# of funds		36		70		25		13		5	
Average score		2,76		3,1		2,5		2,6		2,8	

<sup>1</sup> Excluding feeder funds and index funds. Storebrand Investments manages 62 mutual funds.  
<sup>2</sup> Norwegian registered mutual funds as of 31. March 2006

## Market share Norwegian registered mutual funds

All mutual funds (market share in %)



### Market share Storebrand:

As of Q4 (change since last quarter)  
 Total: 10.8 % (0.0 percentage points)  
 Equity funds: 11.7 % (-0.7 percentage points)  
 Life cycle funds: 7.6 % (+1.1 percentage points)  
 Bond funds: 10.3 % (+0.7 percentage points)  
 Money market: 9.9 % (+0.7 percentage points)

Equity/life cycle funds (market share in %)



Q1 2006

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## Sales development

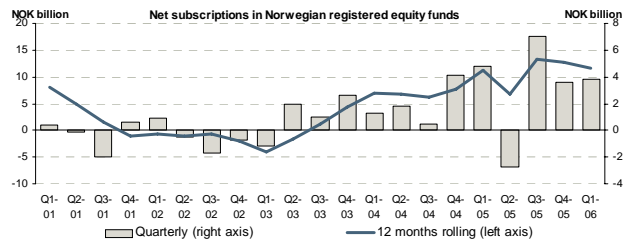
Net sales NOK 0.3 billion in Q1 compared to NOK 0.5 billion in Q1 2005

### Mutual funds market

- Norwegian mutual fund managers have more than NOK 167 billion in assets under management. Of this is NOK 81 billion from Norwegian retail customers, while NOK 64 billion is from institutional customers.
- Institutional customers had approximately half as much as retail customers invested in equity funds by the end of 2003. By the end of March 2006 the asset managed for institutional customers had increased to 80% of the amount invested for retail customers.

### Storebrand (funds and discretionary)

- Storebrand's market share of subscriptions in the fund market was 8% in Q1. Market share of redemptions was 7%
- Good sales in the institutional market
- Negative net subscription in money market funds in the retail market. This must be seen in relation with customers' reversal of high net subscription in money market funds in December last year



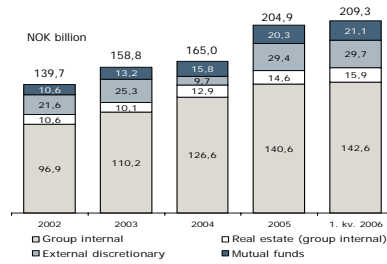
Q1 2006

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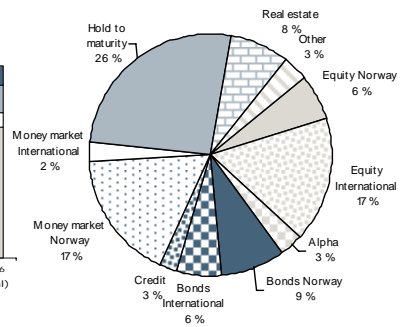


## Storebrand Investments Assets under management

Total assets under management



Allocation assets under management



Q1 2006

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## Profit development

NOK mill.	2006		2005		
	1. kvartal	4. kvartal	3. kvartal	2. kvartal	1. kvartal
Totale inntekter	74	65	42	68	67
Totale kostnader	-58	-63	-49	-60	-61
Netto finans/ annet	3	2	5	6	2
Resultat før skatt	20	4	-2	14	8

Q1 2006

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# Storebrand Bank



## Storebrand Bank Highlights Q1 2006

- Storebrand Bank reports a profit of NOK 48 million in Q1 (NOK 72 million in Q1 2005)
- Growth in gross lending of NOK 500 million and growth in customer deposits of NOK 1.7 billion in Q1
- Net income from loan loss provisions of NOK 15 million in Q1
- More than 5 000 new retail deposit accounts in Q1

Key Figures	Q1 2006	2005
Gross lending (NOK million)	27 257	26 758
Customer deposits (NOK million)	12 930	11 187
Net int. income / avg. total assets	1.41 %	1.60 %
Cost / Income	74.2 %	62.6 %

Note: Storebrand Bank Group

Q1 2006

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## Profit and loss

NOK million	Q1		Full year
	2006	2005	2005
Net interest income	106	120	451
Other income	24	41	102
Total income	131	161	553
Operating expenses	-97	-88	-346
Operating profit before losses	34	72	207
Loan loss provisions	15	-1	34
Profit before tax	48	72	241

Note: Storebrand Bank Group

Q1 2006

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## Quarterly development in profit and loss

NOK million	2006	2005				2004		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Net interest income	106	113	106	112	120	114	110	107
Other income	24	27	19	16	41	15	74	71
Total income	131	140	124	128	161	130	184	178
Operating expenses	-97	-97	-80	-82	-88	-108	-151	-150
Operating profit before losses	34	43	45	46	72	22	33	28
Loan loss provisions	15	15	-3	23	-1	32	-1	-13
Profit before tax	48	59	42	69	72	54	32	15

Note: Storebrand Bank Group

Q1 2006

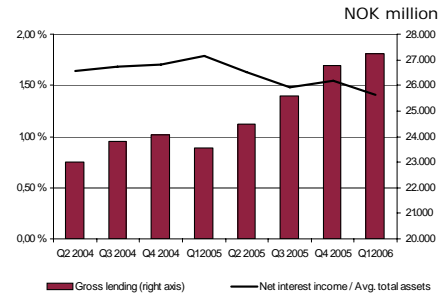
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## Development in net interest income

- Reduced risk in corporate
- Pressure on margins expected to continue in both retail and corporate

Net interest income / avg. total assets



Note: Storebrand Bank Group

Q1 2006

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## Balance sheet

NOK million	31.03.06	Share	31.12.05	Share
Loans to central banks / credit institutions	809	3 %	466	2 %
Net lending to customers	26.797	86 %	26.279	89 %
Assets repossessed	0	0 %	0	0 %
Securities and bonds	2.423	8 %	1.712	6 %
Shareholdings in associated / group companies	291	1 %	299	1 %
Fixed / intangible assets	745	2 %	700	2 %
<b>Total assets</b>	<b>31.064</b>	<b>100 %</b>	<b>29.456</b>	<b>100 %</b>
Loans from credit institutions	1.390	4 %	1.465	5 %
Deposits from and debt to customers	12.930	42 %	11.187	38 %
Securities issued	13.690	44 %	13.657	46 %
Other liabilities	870	3 %	776	3 %
Subordinated loan capital	659	2 %	659	2 %
Equity capital	1.526	5 %	1.712	6 %
<b>Total liabilities and equity</b>	<b>31.064</b>	<b>100 %</b>	<b>29.456</b>	<b>100 %</b>

Note: Storebrand Bank Group

Q1 2006

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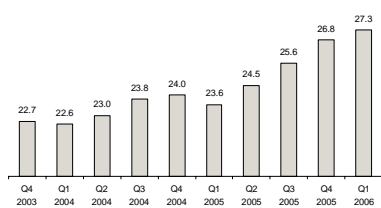




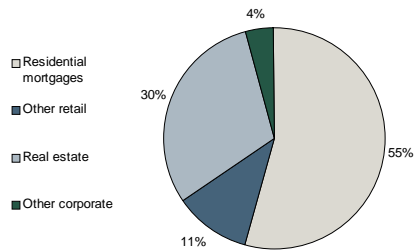
## Development in loan portfolio

Development in gross lending

NOK billion



Gross lending by sector



Corporate loans administered by Storebrand Bank on behalf of Storebrand Life has increased by NOK 856 million in Q1

Note: Storebrand Bank Group  
Q1 2006

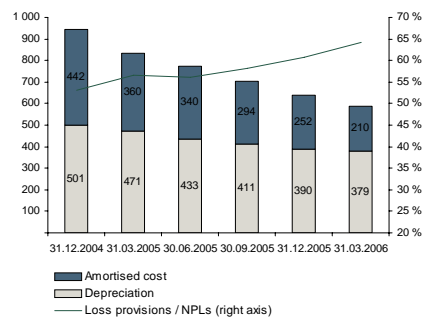
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## Development in defaulted loans and loss provisions

- Further reduction in defaulted loans (NOK 52 million)
- Individual impairment loss provisions of NOK 379 million gives 64% loss provisions to defaulted loans (\*)
- Collective impairment loss provisions of NOK 82 million

NOK million

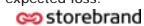


Note: Storebrand Bank Group

\*) Loss provisions to defaulted loans is calculated as individual impairment loss provisions / defaulted loans  
Amortised cost is the present value of the cash flow of the portfolio of NPLs. Depreciation is the expected loss.

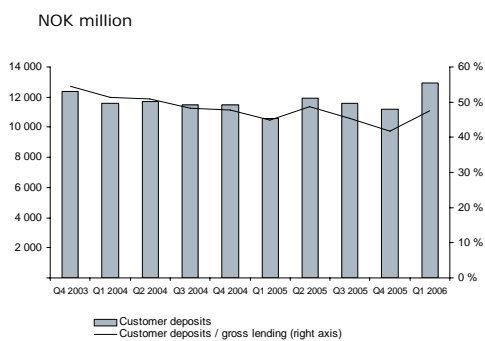
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## Development in customer deposits

- Customer deposits has increased by NOK 1.7 billion in Q1
- The reduction in customer deposits in Q4 2005 has more than recovered



Note: Storebrand Bank Group  
Q1 2006

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## Capital adequacy

NOK million and %	31.03.2006	31.12.2005	Change since 31.12.05
Core capital	1.543	1.528	15
Subordinated loan capital	428	430	-3
Total capital	1.971	1.958	12
Risk-weighted basis for calculation	19.142	18.742	400
<b>Capital ratio</b>	<b>10,3 %</b>	<b>10,4 %</b>	<b>-0,2 %</b>
Surplus capital (*)	439	459	-20
<b>Core capital ratio</b>	<b>8,1 %</b>	<b>8,2 %</b>	<b>-0,1 %</b>

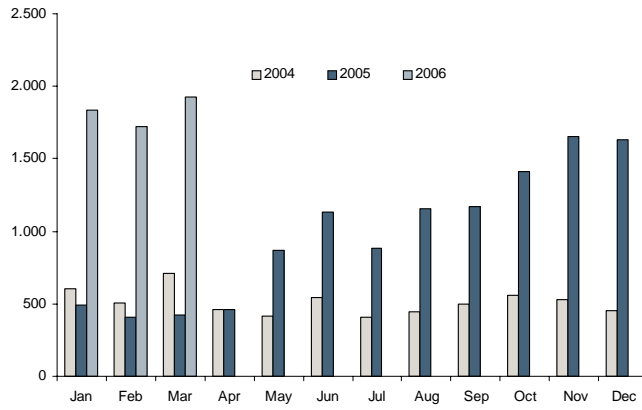
\*) Capital above the minimum regulatory requirement of 8% of risk-weighted assets  
Planned capital reduction of NOK 399 million implemented in Q2  
Note: Storebrand Bank Group

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## New accounts - 2004 to March 2006



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## Storebrand Non-Life

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### Non-Life Highlights Q1 2006

- Operating income in Q1 was NOK 48 million (minus NOK 5 million)
- Result from Fair in Q1 loss of NOK 1 million (NOK 0 million). Sale of the company to Gjensidige was completed with accounting effect from Q1 2006
- Operating result in Oslo Re in Q1 was NOK 1 million (minus NOK 5 million). NOK 2 million is due to repayment from guarantee fund
- Operating result in SB Skade AS was NOK 47 million (minus NOK 1 million). NOK 47 million is due to repayment from guarantee fund
- Repayment from the insurance companies guarantee fund relates to payments made in 1995 and 1996 regarding the bankruptcy of Star Forsikring AS

Numbers in brackets as of 31.12.05

Q1 2006

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## Non-Life Group Profit and loss

NOK million	Q1		Full Year
	2006	2005	2005
50% share of result from Fair	-1	0	22
<b>Operating result non-life insurance</b>	<b>-1</b>	<b>0</b>	<b>22</b>
Oslo Reinsurance Company ASA	1	-5	12
Storebrand Skadeforsikring AS	47	-1	52
Eliminations	0	0	-46
<b>Operating result run-off non life insurance</b>	<b>48</b>	<b>-6</b>	<b>19</b>
<b>Total operating result non life business</b>	<b>47</b>	<b>-5</b>	<b>41</b>
Change in insurance funds	0	0	7
<b>Pre tax result non life business</b>	<b>47</b>	<b>-5</b>	<b>48</b>

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## Non-life Group Balance sheet

NOK million	31.03.2006	Share	
		31.03.2006	31.12.2005
Deferred tax	9	0 %	22
Shares	20	1 %	20
Bonds and other interest bearing financial assets	539	18 %	564
Other assets	2434	81 %	2548
<b>Total assets</b>	<b>3003</b>	<b>100 %</b>	<b>3.155</b>
Equity	322	11 %	290
Premium and claims reserve	2556	85 %	2730
Security reserve	28	1 %	38
Other liabilities	96	3 %	97
<b>Total equity and liabilities</b>	<b>3003</b>	<b>100 %</b>	<b>3.155</b>

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## Oslo Reinsurance Company Profit and loss

NOK million	Q1		Full year
	2006	2005	2005
Premiums for own account	1	3	5
Claims for own account	1	-1	0
Insurance related operating costs	-7	-9	-22
Financial income	1	-1	14
Other income/costs	5	3	15
Operating result	1	-5	12
Changes in security reserve etc.	-	-	7
<b>Profit before taxes</b>	<b>1</b>	<b>-5</b>	<b>19</b>

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## Oslo Reinsurance Company Balance sheet

NOK million	31.03.2006	Share		Share	
		31.03.2006	31.12.2005	31.12.2005	31.12.2005
Deferred tax asset	9	1 %	14	2 %	
Financial assets	448	59 %	489	70 %	
Receivables	47	6 %	73	10 %	
Other assets	259	34 %	126	18 %	
<b>Total assets</b>	<b>763</b>	<b>100 %</b>	<b>701</b>	<b>100 %</b>	
Equity	136	18 %	147	21 %	
Premium and claims reserve	509	67 %	370	53 %	
Security reserve	36	5 %	44	6 %	
Other liabilities	83	11 %	140	20 %	
<b>Total equity and liabilities</b>	<b>763</b>	<b>100 %</b>	<b>701</b>	<b>100 %</b>	

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