

Storebrand ASA: Q2 interim result 2019 – Group result of NOK 578 million and NOK 1 311 million year to date

- **Group result of NOK 578 million for the second quarter and NOK 1,311 million year to date**
 - **Solvency II 167%**
 - **Strong customer returns generated NOK 166 million in earned, but not booked performance related profit as of half year**
- Storebrand presents a satisfying underlying result adjusted for restructuring costs and performance related costs. Sales are good, and we have won many new customers both in Norway and Sweden. We are looking forward to welcoming them later this year, Odd Arild Grefstad, CEO of Storebrand Group said.

The underlying operating profit is satisfying, but is influenced by restructuring costs and accrual of performance based costs.

The operating profit for the second quarter was NOK 474 million, down from NOK 645 million in the second quarter 2018. The good performance of the Skagen funds increased the performance related costs with NOK 44 million in the quarter, while the related profit can only be booked by the end of the full year. Restructuring costs, which will lead to reduced costs moving forward, influence the operating profit with NOK 45 million. An ordinary insurance result in the quarter generates a lower operating profit when compared to the extraordinary strong insurance results for the second quarter of 2018.

Storebrand enters the market for public occupational pension

The pension system for public employees is about to be adjusted to better fit the pension reform that was introduced in 2010. The change will take effect from 2020. In the second quarter of 2019, Storebrand officially decided to return to this market to offer occupational pension solutions to municipalities. This market is currently only covered by own pension funds and Kommunal Landspensjonskasse (KLP), a mutual company.

Good sales in the quarter

Storebrand will welcome Posten and its employees to Storebrand. Posten is the largest occupational pensions client to transfer to the Group to date with more than NOK 3 billion in assets and NOK 300 million in annual premiums. In Sweden, new sales continue at a high pace and are up 38 per cent compared to the same period last year.

Assets under management increases to NOK 752 billion

The financial markets continued the positive development in the second quarter, which contributed to an increase of assets under management from NOK 707 billion to NOK 752 billion, compared to second quarter 2018.

Assets under management in the Unit Linked business increased by NOK 20 billion, equivalent to 11 per cent growth. Good performance, good sales and structural market growth drive the growth. Managed unit linked assets is now over NOK/SEK 100 billion in Norway and Sweden.

The insurance segment shows signs of growth, after a period of flat development. The annual portfolio premium grew 2 per cent compared to the same quarter last year. Within P&C Insurance, the portfolio premium increased by 6 per cent during the same period.

Strong cost control and robust solvency

The underlying Group cost control is strong, and Storebrand maintains the ambition of reducing costs between 2015 and 2020. Aligned with this ambition, the Group has implemented substantial restructuring activities during the second quarter, leading to a one-off cost of NOK 45 million.

The Group solvency is robust. The solvency margin was estimated to 167 per cent at the end of Q2. The solvency is reduced by 6 percentage points this quarter, mainly due to a lower and more flat yield curve.

KEY FIGURES IN THE QUARTER:

(Q2-18 in brackets)

- Solvency II 167% (167%)
- Earnings per share adjusted for amortisation 1,21 (1,46)
- Equity 32 242 (30 227)

Activity related to the second quarter, 2019

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

10:00 CET: Combined press and analyst conference (in Norwegian) at Storebrand's head office, Lysaker Park. Main entrance: Professor Kohts vei 9, Lysaker. Web-TV: The presentation (in Norwegian) will be available on web-TV (live and on demand).

14:00 CET: Analyst conference call in English. To attend the conference call we kindly ask you to dial in 10 minutes before start by calling +44 (0) 20 3003 2666 for international participants or 21 56 33 18 from Norway. Passcode is Storebrand.

For further inquiries, please contact:

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Storebrand's ambition is to be the best provider of saving for pensions. Storebrand will deliver sustainable solutions adapted to the customer's individual situation, so that each person receives a better pension in a more sustainable world. Storebrand has about 40.000 corporate customers and 2 million individual customers, and has its headquarter at Lysaker outside of Oslo, Norway. Storebrand manages more than NOK 752 bn and is Norway's largest private asset manager. We work hard to fulfil our vision: Recommended by our customers. Storebrand (STB) is listed on Oslo Stock Exchange. Visit us at www.storebrand.no and follow us on Twitter: @Storebrand_no This announcement is subject to information pursuant to the Securities Trading Act § 5-12