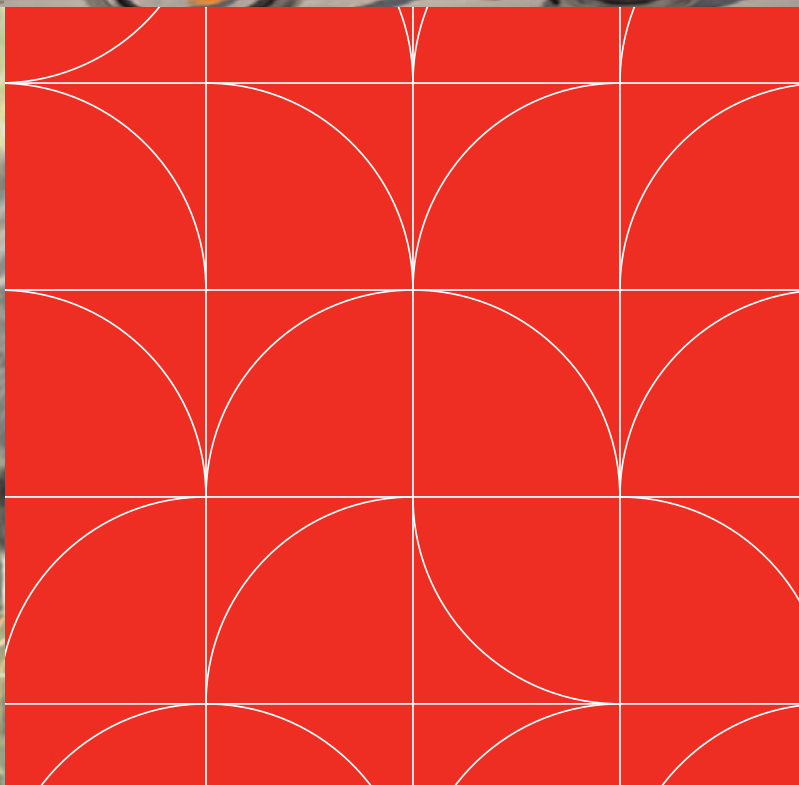


Storebrand Boligkreditt AS

3rd Quarter 2010

 storebrand



Storebrand Boligkreditt AS

- interim report for and as of 3Q 2010

(Figures for the corresponding period in 2009 shown in brackets)

- Pre-tax profit of NOK 19 million for 3Q and NOK 72 million for the year-to-date
- Lending volume NOK 14.6 billion, an increase of 13.8 per cent for the year-to-date
- Good liquidity

Financial performance

The pre-tax profit was NOK 19 million (NOK 29 million) for 3Q and NOK 72 million for the year-to-date, compared to NOK 78 million for the same period last year.

Net interest income amounts to NOK 22 million (NOK 28 million) for 3Q and NOK 93 million (NOK 88 million) for the year-to-date, which represents a reduction compared to previous quarters in 2010 and was due to fluctuations in the lending volume during the quarter. Net interest income as a percentage of average total assets was 0.84 per cent (0.89 per cent) at the close of 3Q.

Net income and gains from financial instruments at fair value amount to NOK 0 for 3Q and minus NOK 9 million (NOK 1.5 million) for the year-to-date. The company's financial derivatives are for accounting purposes earmarked for hedge accounting and value changes are thus included in net interest income.

Operating costs totalled NOK 3 million for 3Q and were NOK 11 million (NOK 11 million) for the year-to-date, on a par with previous periods. The cost income ratio was 15 per cent (12 per cent) for 3Q and 13 per cent (12 per cent) for the year-to-date, on a par with the same period last year. The company primarily purchases services from Storebrand Bank ASA and Storebrand Livsforsikring AS.

Balance sheet performance

The lending volume increased throughout 3Q from NOK 13.7 billion at the close of 2Q to NOK 14.6 billion as per 30 September 2010. At year-end 2009 the lending volume was NOK 12.9 billion. The company's collateral and lending portfolio were regarded as good at the close of the quarter and its average loan-to-collateral value ratio was 48 per cent as per 30 September 2010, a reduction from 51 per cent for 2009 and an increase from 47 per cent at the close of 2Q.

The volume of non-performing and loss-exposed loans amounted to NOK 21 million as per 30 September 2010, equivalent to 0.15 per cent of gross lending in the company,

a decrease compared with year-end 2009. The management does not believe there is a need for individual write-downs in connection with these non-performing and loss-exposed loans commitments since the credit risk is regarded as low. In 1Q, group write-downs increased by NOK 1.4 million compared with year-end 2009. In 2Q and 3Q, the change in group write-downs was reduced and group write-downs amounted to NOK 2.1 million as per 30 September 2010. The development in group write-downs is due to the development of the volume of non-performing and loss-exposed loans and macro conditions, primarily the development in 1Q. The company has significant surplus collateral relative to the covered bonds it has issued. It has therefore not invested in any additional collateral.

At the close of the quarter the company's assets under management amounted to NOK 15.4 billion compared to NOK 13.7 billion at year-end 2009. The lending portfolio amounted to NOK 14.6 billion and relates entirely to lending in the retail customer segment.

No covered bonds were issued in 3Q.

At the close of the quarter the company had drawn NOK 2.7 billion from the company's drawing facility of NOK 5 billion with its parent company, Storebrand Bank ASA. The company's liquidity is deemed satisfactory and the liquidity risk is regarded as low.

The capital ratio at the close of the quarter was 11 per cent and its core (tier 1) capital ratio was 11 per cent. Net primary capital at the close of the quarter amounted to NOK 633 million. The primary capital excludes the period's result.

No events have occurred since the balance sheet date that would be material to the interim financial statements.

The development of interest rates, the housing market and the funding market are regarded as the most significant risk factors that may affect the company's accounting figures in the next 6 months.

Lysaker, 26 October 2010

The Board of Directors of Storebrand Boligkreditt AS

Storebrand Boligkreditt AS

PROFIT AND LOSS ACCOUNT

NOK MILLION	NOTE	Q3		01.01. - 30.09.		FULL YEAR
		2010	2009	2010	2009	2009
Interest income	6	126.5	102.6	366.2	396.7	503.9
Interest expense	6	-104.5	-74.8	-273.2	-308.3	-386.6
Net interest income	3	22.1	27.8	93.0	88.3	117.3
Commission income					0.1	0.1
Commission expense						
Net commission income		0.0	0.0	0.0	0.1	0.1
Net gains on financial instruments at fair value	4		4.7	-8.9	1.5	3.1
Other income						
Total other operating income		0.0	4.7	-8.9	1.5	3.1
Staff expenses				-0.1	-0.1	-0.2
General administration expenses		0.0	-0.1	-0.3	-0.2	-0.3
Other operating costs	6	-3.2	-3.8	-10.3	-10.8	-14.6
Total operating costs		-3.3	-3.9	-10.7	-11.2	-15.1
Operating profit before losses and other items		18.8	28.6	73.5	78.7	105.4
Loss provisions on loans and guarantees	9	0.2		-1.1	-0.9	-0.4
Profit before tax		19.0	28.5	72.4	77.9	105.0
Tax	5	-5.3	-8.0	-20.3	-21.8	-29.4
Profit for the year		13.7	20.5	52.2	56.1	75.6

STATEMENT OF COMPREHENSIVE INCOME

NOK MILLION	NOTE	Q3		01.01. - 30.09.		FULL YEAR
		2010	2009	2010	2009	2009
Other comprehensive income						
Profit for the period		13.7	20.5	52.2	56.1	75.6
Total comprehensive income for the period		13.7	20.5	52.2	56.1	75.6

Storebrand Boligkreditt AS

STATEMENT OF FINANCIAL POSITION

NOK MILLION	NOTE	30.09.2010	31.12.2009
Loans to and deposits with credit institutions		402.4	58.4
Financial assets designated at fair value through profit and loss:			
Bonds and other fixed-income securities	10, 16		260.4
Derivatives	16	303.7	417.2
Other current assets	6	44.2	86.0
Gross lending	8	14 640.7	12 871.2
- Write-downs of individual loans	9		
- Write-downs of groups of loans	9	-2.1	-1.1
Net lending to customers		14 638.6	12 870.2
Deferred tax assets			
Total assets		15 388.9	13 692.2
Liabilities to credit institutions	6, 11	2 688.1	1 978.4
Other financial liabilities:			
Derivatives	16		90.7
Commercial paper and bonds issued	12	11 990.7	10 918.6
Other liabilities	6	2.5	69.1
Deferred tax		22.1	1.8
Total liabilities		14 703.3	13 058.7
Paid-in equity		604.5	604.5
Other equity		81.1	28.9
Total equity		685.6	633.5
Total liabilities and equity		15 388.9	13 692.2

Lysaker, 26 October 2010

The Board of Directors of Storebrand Boligkreditt AS

Storebrand Boligkreditt AS

KEY FIGURES

NOK MILLION	2010	Q3 2009	01.01. -30.09. 2010	FULL YEAR 2009
Profit and Loss account: (as % of avg. total assets) ¹⁾				
Net interest income ^{2) 3)}	0.69 %	0.91 %	0.84 %	0.90 %
Main balance sheet figures:				
Total assets			15,388.9	13,692.2
Average total assets	14 316.9	12 750.7	14 654.7	13 057.9
Total lending to customers			14 640.7	12 871.2
Equity			685.6	633.5
Other key figures:				
Total non-interest income as % of total income	0.10 %	14.55 %	-10.48 %	2.63 %
Loan losses and provisions as % of average total lending	-0.01 %	0.00 %	0.01 %	0.01 %
Individual impairment loss as % of gross defaulted loans ⁵⁾			9.92 %	3.22 %
Costs as % of operating income	14.90 %	12.10 %	12.71 %	12.53 %
Return on equity after tax ⁴⁾			10.38 %	12.74 %
Core capital ratio			11.0 %	12.5 %

Definitions:

¹⁾ Average total assets is calculated on the basis of monthly total assets for the year.

²⁾ Annualised net interest income adjusted for hedging ineffectiveness.

³⁾ The method for calculating the "net interest income as a percentage of average assets under management" key figure has been changed from and including Q1 2010 and is now calculated on the basis of actual/365. The change has no consequences for net interest income as a management onpercentage of average assets under an annual basis and provides a more correct picture of the development over the year.

⁴⁾ Annualised profit after tax adjusted for hedging ineffectiveness as % of average equity.

⁵⁾ Gross defaulted loans with identified loss of value .

Storebrand Boligkreditt AS

CHANGES IN EQUITY

NOK MILLION	PAID-IN CAPITAL				OTHER EQUITY			TOTAL EQUITY
	SHARE CAPITAL	SHARE PREMIUM RESERVE	OTHER PAID-IN CAPITAL	TOTAL PAID-IN CAPITAL	REVENUE & COSTS APPLIED TO EQUITY	OTHER EQUITY	TOTAL OTHER CAPITAL	
Equity at 31.12.2008	350.0	200.1	7.8	557.9				557.9
Profit for the period						75.6	75.6	75.6
Pension experience adjustments								
Total other comprehensive income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total comprehensive income for the period	0.0	0.0	0.0	0.0	0.0	75.6	75.6	75.6
Equity transactions with the owner:								
Group contribution received			46.6	46.6			0.0	46.6
Provision for group contribution						-46.6	-46.6	-46.6
Equity at 31.12.2009	350.0	200.1	54.4	604.5	0.0	28.9	28.9	633.5
Profit for the period						52.2	52.2	52.2
Pension experience adjustments								
Total other comprehensive income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total comprehensive income for the period	0.0	0.0	0.0	0.0	0.0	52.2	52.2	52.2
Equity at 30.09.2010	350.0	200.1	54.4	604.5	0.0	81.1	81.1	685.6

Storebrand Boligkreditt AS is 100 percent owned by Storebrand Bank ASA. Number of shares are 35.000.000 of nominal value NOK 10 per share.

The equity changes with the result for the individual period, equity transactions with the owners and items that are entered directly on the balance sheet. Share capital, the share premium fund and other equity is evaluated and managed together. The share premium fund may be used to cover a loss, and other equity may be used in accordance with the provisions of the Company Act.

Storebrand Boligkreditt pays particular attention to the active management of equity in the company. This management is tailored to the business-related financial risk and capital requirements in which the composition of its business areas and their growth will be an important driver for the company's capital requirements. The goal of the capital management is to ensure an effective capital structure and reserve an appropriate balance between internal goals in relation to regulatory and the rating companies' requirements. If there is a need for new equity, this must be procured by the parent bank Storebrand Bank ASA.

Storebrand Boligkreditt is a credit institution subject to statutory requirements regarding primary capital under the capital adequacy regulations. Primary capital encompasses both equity and subordinated loan capital. For Storebrand Boligkreditt, these legal requirements carry the greatest significance in its capital management.

The company's goal is to achieve a core (tier 1) capital ratio of 10% over time. In general, the equity of the company can be managed without material restrictions if the capital requirements are met and the respective legal entities have adequate solidity

For further information on the company's fulfilment of the capital requirements, see note 14.

Storebrand Boligkreditt AS

CASH FLOW STATEMENT

NOK MILLION	30.09.2010	31.12.2009
Cash flow from operations		
Net receipts/payments of interest, commissions and fees from customers	451.9	519.6
Net disbursement/payments on customer loans	-1,781.5	-1,263.5
Net receipts/payments - securities at fair value	260.5	56.8
Payments of operating costs	-12.5	-14.6
Net cash flow from operating activities	-1,081.6	-701.7
Cash flow from investment activities		
Net payments on purchase/sale of fixed assets etc.		
Net cash flow from investment activities	0.0	0.0
Cash flow from financing activities		
Payments - repayments of loans and issuing of bond debt	-2,118.2	-1,397.5
Receipts - new loans and issuing of bond debt	3,854.1	2,500.0
Payments - interest on loans	-328.4	-337.7
Receipts - group contribution	64.8	12.3
Payments - group contribution	-46.6	-17.1
Net cash flow from financing activities	1,425.6	760.0
Net cash flow in period	344.1	58.3
Cash and bank deposits at the start of the period	58.4	
Cash and bank deposits at the end of the period	402.4	58.4

The company has a credit arrangement (drawing facility) with Storebrand Bank ASA that is included in the item "Liabilities to credit institutions" as at 30.09.2010. See also Note 11.

The cash flow analysis shows the company's cash flows for operational, investment and financial activities pursuant to the direct method. The cash flows show the overall change in means of payment over the year.

Operational activities

A substantial part of the activities in a credit institution will be classified as operational.

Investment activities

Includes cash flows from tangible fixed assets.

Financing activities

Financing activities include cash flows for equity, subordinated loans and other borrowing that helps fund the company's activities. Payments of interest on borrowing and payments of group contribution are financial activities.

Cash/cash equivalents

Cash/cash equivalents are defined as lending to and claims on financial institutions.

Notes to the accounts

NOTE 1 ACCOUNTING PRINCIPLES

The interim accounts for the third quarter of 2010 are prepared in accordance with the Norwegian regulations for the annual accounts of banks and finance companies etc., and with IAS 34 Interim Financial Reporting. The interim accounts do not include all the information required for full annual accounts prepared in accordance with all the current IFRS standards. The company has elected to apply Section 1-5 of the regulations for the annual accounts of banks and finance companies etc. that provides for "Simplified application of international accounting standards", (hereinafter termed simplified IFRS). A description of the accounting principles applied by the company in preparing the accounts is found in the Annual report for 2009 with exception of the changes described below. See www.storebrand.no.

Changes in standards

Changes have been made to the following standards and these came into force on 1 January 2010:

- IFRS 3 Business Combinations
- IAS 27 Consolidated and Separate Financial Statements

Changes to accounting standards have not had an effect on the company's financial reporting during the quarter.

NOTE 2 ESTIMATES

The preparation of the interim accounts involves the use of estimates and assumptions that have an effect on assets, liabilities, revenue, costs, the notes to the accounts and information on potential liabilities. In the future, actual experience may deviate from the estimates used. In the opinion of the Board of Directors, the interim accounts are based on best estimates at the time the accounts were prepared.

The company changed its definition of non-performing and loss-exposed loans in Q4 2009, which resulted in more loans being defined as non-performing and loss exposed.

NOTE 3 NET INTEREST INCOME

NOK MILLION	Q3		01.01. - 30.09.		FULL YEAR
	2010	2009	2010	2009	2009
Interest and other income on loans to and deposits with credit institutions	0.2	0.4	0.5	0.6	0.8
Interest and other income on loans to and due from customers	126.4	98.6	362.8	382.9	484.5
Interest on short-term debt instruments, bonds and other interest-bearing securities		3.7	2.9	13.2	18.6
Other interest income					
Total interest income	126.5	102.6	366.2	396.7	503.9
Interest and other expenses on debt to credit institutions	-12.1	-7.9	-47.9	-36.2	-45.0
Interest and other expenses on deposits from and due to customers					
Interest and other expenses on securities issued	-92.4	-66.9	-225.3	-272.2	-341.6
Interest and other expenses on subordinated loan capital					
Other interest expenses					
Total interest expenses	-104.5	-74.8	-273.2	-308.3	-386.6
Net interest income	22.1	27.8	93.0	88.3	117.3

Notes to the accounts

NOTE 4 NET INCOME AND GAINS FROM FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

NOK MILLION	Q3		01.01. - 30.09.		FULL YEAR
	2010	2009	2010	2009	2009
<i>Commercial paper and bonds:</i>					
Realised gain/loss on commercial paper and bonds			-0.1		0.1
Unrealised gain/loss on commercial paper and bonds		0.4	0.2	0.5	0.6
Total gain/loss on commercial paper and bonds	0.0	0.4	0.1	0.5	0.7
<i>Financial derivatives and foreign exchange:</i>					
Gain/loss on foreign exchange related to bonds issued		8.8	32.5	2.0	16.2
Realised gain/loss on financial derivatives, held for trading		4.8	-41.4	-0.9	1.1
Unrealised gain/loss on financial derivatives, held for trading		-9.3			-14.9
Total financial derivatives and foreign exchange	0.0	4.2	-9.0	1.1	2.4
Net income and gains from financial assets and liabilities at fair value	0.0	4.7	-8.9	1.5	3.1

NOTE 5 TAX

Tax cost is based on an expected average tax rate of 28% of profit before tax adjusted for permanent differences.

NOTE 6 CLOSE ASSOCIATES

Transactions with group companies as at 30 September 2010:

NOK MILLION	STOREBRAND BANK ASA	OTHER GROUP COMPANIES
Interest income	3.2	
Interest expense	178.5	
Services sold		
Services purchased	7.2	0.8
Due from	288.4	
Liabilities to	2 690.1	

Covered bonds are not included in the overview. Storebrand Bank ASA has invested a total of NOK 7.2 billion in covered bonds issued by Storebrand Boligkreditt AS as of 30 September 2010.

Storebrand Boligkreditt AS sold its entire liquidity portfolio to Storebrand Bank ASA in Q1 2010 and has instead invested the surplus liquidity as bank deposits in Storebrand Bank ASA

Storebrand Boligkreditt AS has no employees, and purchases personnel resources from Storebrand Bank ASA and services including accounting functions from Storebrand Livsforsikring AS. All loans made by the company are purchased from Storebrand Bank ASA pursuant to an agreement entered into with Storebrand Bank ASA to purchase loans, as well as a management agreement with Storebrand Bank ASA for management of the loan portfolio. In outline terms, the management agreement involves the company paying fees to Storebrand Bank ASA for management of the company's loan portfolio. In addition, the company has entered into an agreement with Storebrand Bank ASA for a credit facility to finance loans purchased (see Note 11). Agreements entered into with other companies in the group are based on the principle of business at arm's length.

Notes to the accounts

NOTE 7 SEGMENT INFORMATION

Business segments are the company's primary reporting segments. The company has only one segment, Retail Lending. This segment comprises lending to private individuals, and all loans are purchased from Storebrand Bank ASA. The company's accounts for Q3 2010 therefore relate entirely to the Retail Lending segment.

NOTE 8 LOAN TO VALUE RATIOS AND COLLATERAL

NOK MILLION	30.09.2010	31.12.2009
Gross lending ¹⁾	14 640.7	12 871.2
Average loan balance	1.2	1.3
No. of loans	11 909	10 252
Weighted average seasoning (months)	38	33
Weighted average remaining term (months)	198	189
Average loan to value ratio ¹⁾	48 %	51 %
Overcollateralisation ³⁾	124 %	118 %
Composition of collateral:		
Residential mortgages	14 525.0	12 708.1
Supplementary security ²⁾		
Total	14 525.0	12 708.1

¹⁾ In accordance with the Regulation for credit institutions that issue covered bonds, lending cannot exceed 75% of the value of collateral (i.e. value of properties pledged as collateral). As per 30 September the company had NOK 74.7 million that exceeds the base value limit and has therefore not been included in the calculation of the collateralisation. As per 30 September 2010, the company has 15 non-performing loans, equivalent to NOK 21.4 million. Non-performing loans are not included in the collateralisation.

²⁾ The company has no supplementary security.

³⁾ Surplus collateral amounting to NOK 11.7 billion has been calculated based on the total net issued bonds.

Notes to the accounts

NOTE 9 LOSSES AND PROVISIONS FOR NON-PERFORMING AND LOSS-EXPOSED LOANS, GUARANTEES ETC.

NOK MILLION	30.09.2010	31.12.2009
Non-performing and loss-exposed loans		
Non-performing loans without evidence of impairment	21.4	33.3
Non-performing and loss-exposed loans with evidence of impairment		
Gross defaulted and loss-exposed loans	21.4	33.3
Provisions for individual impairment losses		
Net defaulted and loss-exposed loans	21.4	33.3

The definition of non-performing and loss-exposed was changed in Q4 2009. Commitments are regarded as non-performing and loss-exposed:

- when a credit facility has been overdrawn for more than 90 days
- when a repayment loan has arrears older than 90 days
- when a credit card has arrears older than 90 days and the credit limit has been overdrawn. If a repayment plan has been agreed with the customer and is being adhered to, the overdraft is not regarded a non-performance.

When one of the three situations described above occurs, the commitment and the rest of the customer's commitments are regarded as non-performing and loss-exposed. The number of days is counted from when the arrears exceed NOK 2,000.

The account is given a clean bill of health when there are no longer any arrears. The amount in arrears at the time of reporting can be less than NOK 2,000.

Key figures

	30.9.2010	31.12.2009
Defaulted and loss-exposed loans as % of gross total lending	0.15 %	0.26 %

NOK MILLION	Q3		01.01. -30.09.		FULL YEAR
	2010	2009	2010	2009	2009
Losses on loans and guarantees etc. during period					
Change in individual impairment loss provisions					
Change in grouped impairment loss provisions	0.2		-1.1	-0.9	-0.4
Other write-down effects					
Realised losses specifically provided for previously					
Realised losses not specifically provided for previously					
Recoveries on previous realised losses					
Loss provisions on loans and guarantees	0.2	0.0	-1.1	-0.9	-0.4

The loan portfolio is purchased from Storebrand Bank ASA. In the opinion of the Board of Directors, the quality of the loan portfolio is such that there is no need for individual write-downs or write-downs for groups of loans in addition to the write-downs recorded as at 30 September 2010.

NOTE 10 LIQUIDITY PORTFOLIO

The company sold all the paper in the liquidity portfolio in Q1 2010 and has no liquidity portfolio as per 30.09.2010.

NOTE 11 LOANS TO AND DEPOSITS WITH CREDIT INSTITUTIONS

The company has entered into an agreement with Storebrand Bank ASA for a drawing facility of NOK 5 billion, which will be principally used to make payment for loans purchased and for payments in respect of covered bonds issued.

The agreement was entered into on the principle of business at arm's length.

Notes to the accounts

NOTE 12 COMMERCIAL PAPER AND BONDS ISSUED

Covered bonds:

NOK MILLION						BOOK VALUE
ISIN Code	NOMINAL VALUE	CURRENCY	INTEREST	ISSUED	MATURITY	30.09.2010
NO0010428584	1 000.0	NOK	Fixed	06.05.2008	06.05.2015	1 105.8
NO0010466071	1 250.0	NOK	Fixed	24.10.2008	24.04.2014	1 360.0
NO0010548373	1 000.0	NOK	Fixed	28.10.2009	28.10.2019	1 106.7
NO0010428592	1 648.0	NOK	Floating	02.05.2008	02.05.2011	1 655.1
NO0010479967	2 500.0	NOK	Floating	12.12.2008	12.06.2012	2 508.3
NO0010507809	2 040.0	NOK	Floating	27.04.2009	27.04.2015	2 049.4
NO0010575913	2 200.0	NOK	Floating	03.06.2010	03.06.2016	2 205.3
Total commercial paper and bonds issued						11 990.7

NOTE 13 OFF BALANCE SHEET LIABILITIES AND CONTINGENT LIABILITIES

NOK MILLION	30.09.2010	31.12.2009
Undrawn credit limits	1 443.6	1 292.1
Total contingent liabilities	1 443.6	1 292.1

Undrawn credit limits relate to the unused portion of credit limits on residential mortgage loans. The company has not any collateral pledged or received.

NOTE 14 CAPITAL ADEQUACY

Capital base

NOK MILLION	30.09.2010	31.12.2009
Share capital	350.0	350.0
Other equity	335.6	283.5
Equity	685.6	633.5
Deductions		
Profit not included in the calculation of net primary capital	-52.2	
Core capital	633.5	633.5
Deductions		
Net supplementary capital	0.0	0.0
Net capital base	633.5	633.5

Continues next page

Notes to the accounts

NOTE 14 CAPITAL ADEQUACY (continued)

Minimum requirement for capital base

NOK MILLION	30.09.2010	31.12.2009
Credit risk	449.4	395.4
Of which:		
Institutions	12.1	9.3
Loans secured against real estate	428.2	377.4
Loans past-due	1.8	2.8
Other	7.2	5.9
Total minimum requirement for credit risk	449.4	395.4
Sum minimum requirement for market risk	0.0	0.0
Operational risk	10.8	10.8
Deductions	-0.2	-0.9
Minimum requirement for capital base	460.0	404.3

Capital adequacy

NOK MILLION	30.09.2010	31.12.2009
Capital ratio ¹⁾	11.0 %	12.5 %
Core capital ratio	11.0 %	12.5 %

¹⁾ The minimum requirement for capital adequacy is 8.00%.

Capital adequacy is calculated in accordance with the Basel II regulations. The company uses the standard method for credit risk and market risk, and the basic method for operational risk.

Basel II is divided into three pillars (areas). Pillar 1 deals with the minimum requirement for capital adequacy and represents a continuation of the former regulations pursuant to Basel I. Pillar 2 deals with supervisory evaluation of capital requirement and supervisory monitoring, while Pillar 3 deals with the requirements for publication of financial information. The introduction of the new regulatory framework has caused changes to the calculation base for capital adequacy. Calculation of operational risk is a new element of the Basel II regulations. Management of market risk is affected by the transition to the Basel II regulations to a minor extent.

NOTE 15 RISK MANAGEMENT

The market value of Storebrand Boligkredit's financial assets and liabilities varies due to financial market risks. Note 25 of the 2009 annual report explains the company's financial risks which also describes the financial risks as per 30 September 2010.

NOTE 16 VALUATION

The company categorizes financial instruments valued at fair value on three levels, which are described in more detail in note 2 and note 24 of the 2009 annual report. There have not been any substantial changes in the categorization in 2010.

Translation from the original Norwegian version

To the board of Storebrand Boligkreditt AS

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

We have reviewed the condensed financial statement of Storebrand Boligkreditt AS as of September 30, 2010, showing a profit for the period of MNOK 52.2. The condensed financial Statement comprises the statement of income, the statement of financial position, the statement of cash flow, the statement of comprehensive income, the statement of changes in equity and selected explanatory notes by September 30, 2010. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Section 1-5 of the regulations for the annual accounts for banks and finance companies etc. that provides for simplified application of International Accounting Standard, including No 34 adopted by EU. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information does not give a true and fair view of the financial position of the entity as at September 30, 2010, and of its financial performance and its cash flows for the nine-month period then ended in accordance with Section 1-5 of the regulations for the annual accounts for banks and finance companies etc. that provides for simplified application of International Accounting Standard, including No 34 adopted by EU.

Oslo, October 26, 2010
Deloitte AS

Ingebret G. Hisdal (signed)
State Authorized Public Accountant (Norway)

Company information

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Company registration number: 990 645 515

Senior Management:

Åse Jonassen Managing Director

Board of Directors:

Truls Nergaard	Chairman
Lars Syse Christiansen	Board Member
Thor Bendik Weider	Board Member
Inger Roll-Matthiesen	Board Member

Contact persons:

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Other sources of information:

The Annual Report and interim reports of Storebrand Boligkreditt AS are published on www.storebrand.no.

