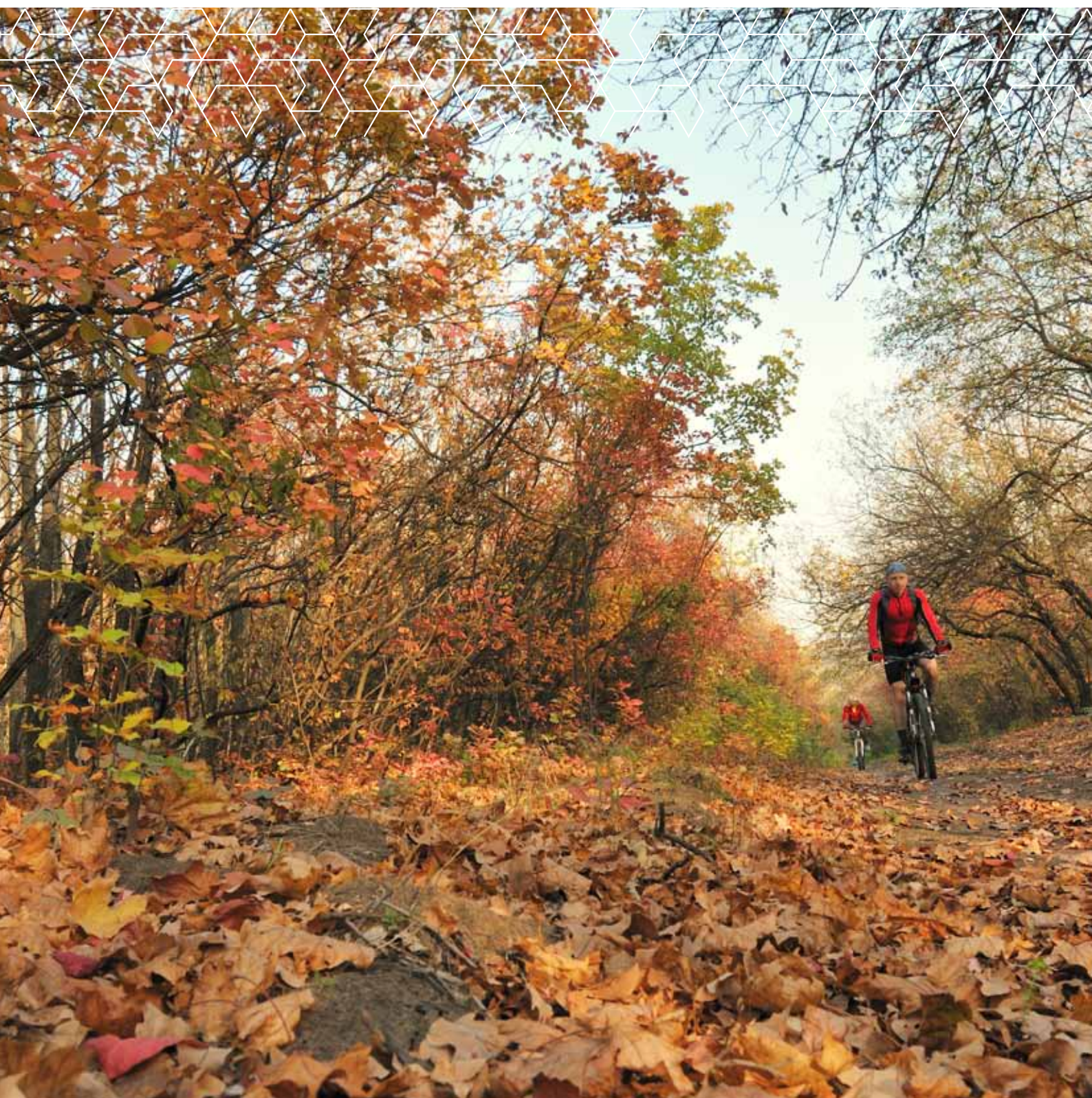


Interim Report: 2nd quarter 2011

Storebrand Helseforsikring AS

 storebrand



Interim Report Storebrand Helseforsikring AS

2nd quarter 2011

The company's results

Storebrand Helseforsikring AS made a profit of NOK 14.4 million (29.3 million) pr 2nd quarter 2011.

The premium income for own account came to NOK 155.6 million (142.5 million), an increase of 9 per cent compared to the corresponding period in 2010. There is increased competition in the market and competitors are increasing their market share.

The claims costs equalled NOK 87.6 million (69.9 million) in 2nd quarter. The claims ratio developed as expected during 2nd quarter and ended at 56 per cent (49 per cent). The 2010-claims ratio includes a NOK 10.6 million positive result effect of changed reserving method.

Insurance-related operating expenses came to NOK 59.4 million (57.4 million), whit a cost percentage at 38 per cent (40 per cent) and increased efficiency in operations.

Storebrand Helseforsikring achieved a financial return of NOK 4.7 million (7.0 million) on its investment portfolio.

Storebrand Helseforsikring had a balance sheet total of NOK 419.5 million at the end of June 2011. The company increased its equity during the year to NOK 159.8 million as at 30 June 2011, a rise of NOK 14.4 million compared to the year-end 2010.

The company's capital adequacy ratio was 77 per cent as at 30 June 2011. The statutory minimum requirement is 8 per cent.

Storebrand Helseforsikring is financially sound and had a solvency margin of 229 per cent as at 30 June 2011.

25 August 2011

The Board of Storebrand Helseforsikring AS

Storebrand Helseforsikring AS

Profit and Loss Account 1 January - 30 June

NOK thousand	30.06-31.12		
	2011	2010	Året 2010
TECHNICAL ACCOUNTS			
PREMIUMS			
Gross premiums written	190 984	169 473	300 267
- Reinsurers' share	-869	-861	-1 715
Gross change in reserve for unearned premiums	-34 523	-26 105	-3 918
Premium income for own account	155 592	142 507	294 634
Allocation of investment return transferred from the non-technical accounts	6 028	5 383	5 002
CLAIMS EXPENSES			
Gross claims paid	-90 263	-79 875	-154 344
- Reinsurers' share	-	263	293
Gross change in claims reserve	2 667	12 009	10 770
- Reinsurers' share	-	-2 293	-2 334
Claims expenses for own account	-87 596	-69 895	-145 615
INSURANCE RELATED OPERATING COSTS			
Sales costs	-17 810	-17 234	-33 133
Insurance related administration costs	-41 260	-40 463	-78 200
Insurance related operating costs for own account	-59 070	-57 697	-111 333
Other insurance related operating cost	-166	-	-
Balance on the technical account before allocations to security reserve	14 788	20 297	42 688
Change in fluctuation reserve	-569	10 003	8 523
Technical profit	14 219	30 300	51 211
NON-TECHNICAL ACCOUNTS			
Interest and dividend etc from financial assets	4 842	3 677	8 322
Change in value on investments	-1 035	4 600	-42
Realised gain and loss on investments	941	-1 294	3 772
Net income from investments	4 748	6 982	12 052
Allocation of investment return transferred to the technical accounts	-6 028	-5 383	-5 002
Non-technical profit	-1 280	1 600	7 050
Profit from ordinary activities	12 939	31 900	58 261
Profit/loss for the year	12 939	31 900	58 261
Other result elements:			
Translation differences	1 417	-2 574	-3 747
Total comprehensive for the period	14 356	29 326	54 514

Storebrand Helseforsikring AS

Balance Sheet at 30 June

NOK thousand	30.06.2011	30.06.2010	31.12.2010
ASSETS			
Intangible assets	10 445	15 519	12 842
FAIR VALUE FINANCIAL ASSETS			
Bonds and other securities - fixed yield	285 983	208 193	245 746
Financial derivatives		3 194	
Total financial assets	285 983	211 387	245 746
RECEIVABLES			
Receivables due from insurance customers	89 795	83 424	73 548
Other receivables	487	1 276	159
Total receivables	90 281	84 700	73 707
OTHER ASSETS			
Fixed assets	2 085	4 465	3 385
Cash and bank	30 650	52 779	38 522
Total other assets	32 735	57 244	41 907
Prepaid costs and accrued income	92	120	360
Total prepaid costs and accrued income	92	120	360
Total assets	419 537	368 969	374 562

Storebrand Helseforsikring AS

Balance Sheet at 30 June

NOK thousand	30.06.2011	30.06.2010	31.12.2010
EQUITY CAPITAL AND LIABILITIES			
PAID IN CAPITAL			
Share capital	33 000	33 000	33 000
Share premium reserve	122 000	122 000	122 000
Total paid in capital	155 000	155 000	155 000
RETAINED EARNINGS			
Administration reserve	11 207	10 626	9 788
Allocation to guarantee reserve	13 214	10 780	12 475
Other retained earnings	-19 585	-55 417	-31 783
Total retained earnings	4 836	-34 012	-9 519
GROSS INSURANCE LIABILITIES			
Reserve for unearned premiums gross	154 098	141 062	121 600
Claims reserve gross	30 177	31 070	33 228
Fluctuation reserve	42 968	40 382	42 934
Total insurance liabilities gross	227 243	212 514	197 763
RESERVES FOR LIABILITIES			
Pension liabilities	15 453	13 894	15 453
Total reserves for liabilities	15 453	13 894	15 453
DEBT			
Due in respect of direct insurance	2 415	2 410	981
Other debt	323	2 668	2 815
Financial derivatives	1 535		393
Debt to connected parties	1 056	5 078	212
Total debt	5 329		4 401
Accrued costs and deferred income	11 675	16 495	11 464
Total accrued costs and deferred income	11 675	16 495	11 464
Total equity capital and liabilities	419 537	368 969	374 562

Cash Flow Statement - Storebrand Helseforsikring

NOK thousand	30.06-31.12	
	2011	2010
Cash flows from operations		
Paid-in premiums gross insurance	175 211	163 135
Paid-out claims gross insurance	-90 263	-79 875
Paid-in reinsurance settlements for claims	-	263
Payments to other suppliers for goods and services	-39 110	-41 684
Payments to employees, pensions, employers' Nat. Ins. contributions, etc	-19 408	-22 929
Interest received	226	335
Net payments received relating to securities	-34 573	-1 261
Net cash flow from operations	-7 917	17 982
Cash flows from investment activities		
Net payments received/made for the sale/purchase of operating equipment	45	-1 618
Net cash flow from investment activities	45	-1 618
Net cash flow during the period	-7 871	16 364
Net change in cash equivalents	-7 871	16 364
Cash equivalents at the start of the period	38 522	36 415
Cash equivalents at the end of the period	30 651	52 779

EQUITY - Storebrand Helseforsikring AS

NOK thousand	Aksje- kapital	Overkurs- fond	Valuta omregnings- reserve	Adm- og garantiordning	Annen egenkapital	Total egenkapital
Equity 31 decemer 2009	33 000	122 000	2 717	20 709	-87 460	90 966
Profit/loss for the year					58 261	58 261
Gain/loss on exchange when converting branch office			-3 747			-3 747
Change in administration- and quarantee reserve				1 554	-1 554	-
Equity 31 decemer 2010	33 000	122 000	-1 030	22 263	-30 753	145 480
Profit/loss for the year					12 939	12 939
Gain/loss on exchange when converting branch office			1 417			1 417
Change in administration- and quarantee reserve				2 159	-2 159	-
Equity 31 june 2011	33 000	122 000	387	24 422	-19 973	159 836

Notes to the accounts for Storebrand Helseforsikring AS

NOTE 1: ACCOUNTING PRINCIPLES

The second quarter accounts are prepared in accordance to IAS 34 Interim reporting and NGAAP. The interim account do not contain all information required in complete annual accounts. The account is prepares in accordance to account principles used in the 2010 annual accounts. A more detailed description of the accounting principles appears in the 2010 annual accounts.

NOTE 2: FINANCIAL RISK

There are no substantial changes in the risks that are described in the 2010 annual report.

NOTE 3: CAPITAL ADEQUACY AND SOLVENCY MARGIN CAPITAL

Insurance companies follow the same capital adequacy rules as those applicable to life insurance companies, banks and other financial institutions. The requirement is 8 pct equity and subordinated capital related to a risk adjusted balance sheet.

SPECIFICATION CAPITAL ADEQUACY:

NOK thousand	30.06.2011	31.12.2010
Risk adjusted calculation basis	142 779	118 706
Gross equity and subordinated capital	121 059	123 217
Intangible assets	-10 446	-12 842
Net equity and subordinated capital	110 613	110 375
Capital adequacy ratio, pct	77,5%	93,0%

SOLVENCY MARGIN:

NOK thousand	30.06.2011	31.12.2010
Solvency margin capital	132 098	129 695
Minimum required solvency margin	57 797	53 318
Funds in excess of requirement	74 301	76 377

Storebrand Helseforsikring AS

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