



Interim Report 1st quarter 2017

Storebrand Helseforsikring AS

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As at 31 March 2016

Profit before tax is NOK 8,9 million (NOK 6.9 million) in 1st quarter.

Premiums earned totalled NOK 151.1 million (NOK 148.8 million) in 1st quarter. This is an increase of 2 percent compared to the equivalent period in 2016. Measured by annual premiums, Storebrand Helseforsikring holds a market-leading position in Norway. Health-related insurance are growing. This is driven by companies' desire to reduce sick leave, increased work satisfaction and reduction in total insurance costs and increased popularity among the employees for this type of employee benefits.

Cost of claims amounted to NOK 118.1 million (NOK 121.3 million) in 1st quarter. The claims ratio for own account stood at 78 percent (82 percent) in 1st quarter. 1st quarter is traditionally a weak quarter for Storebrand Helseforsikring, but the risk development is still satisfying.

Insurance-related operating costs came to NOK 27.1 million (NOK 23.0 million) in 1st quarter. The net cost ratio for own account ended up at 18 percent (15 percent) in 1st quarter.

The net non-technical result amounted to NOK 3.0 million (NOK -2.2 million) in 1st quarter. The company has maintained a conservative investment profile, with most of the funds placed in interest and credit. Financial income in Q1 were positively impacted by reduced credit spreads in the Norwegian bond market, while currency fluctuations resulted in a total currency gains / losses including the effects of currency derivatives, was NOK -0.9 million..

Solvency margin of the new solvency regime should be above 100 percent and was 237 percent for Q1 2016.

Lysaker, 16th May 2017

The Board of Storebrand Helseforsikring AS

Storebrand Helseforsikring AS

Statement of Comprehensive income

NOK thousand	1.1.-31.3.	Full year	
	2017	2016	2016
TECHNICAL ACCOUNTS			
PREMIUMS			
Gross premiums earned	151,493	149,165	616,687
- Reinsurers' share	-414	-411	-1,664
Premium income for own account	151,079	148,754	615,023
Allocation of investment return transferred from the non-technical accounts	6	24	77
CLAIMS EXPENSES			
Gross claims incurred	-118,097	-121,290	-424,985
- Reinsurers' share	41	-10	335
Claims expenses for own account	-118,056	-121,300	-424,650
INSURANCE RELATED OPERATING COSTS			
Sales costs	-12,116	-9,967	-43,622
Insurance related administration costs	-14,956	-13,029	-56,202
Insurance related operating costs for own account	-27,073	-22,996	-99,824
Technical profit	5,956	4,483	90,625
NON-TECHNICAL ACCOUNTS			
NET INCOME FROM FINANCIAL ASSETS			
Interest and dividend etc from financial assets	2,605	2,165	8,216
Change in value on investments	-186	-3,436	103
Realised gain and loss on investments	1,810	1,727	-8,944
Management expenses linked to investment, included interest cost	-131	-73	-495
Net income from investments	4,098	383	-1,120
Other income	2,566	5,675	7,775
Other cost	-3,672	-8,291	-9
Non-technical profit	2,992	-2,233	6,646
Pre tax profit	8,948	2,249	97,271
Tax	-2,132	-1,617	-24,892
Profit before other comprehensive income	6,816	633	72,380
Other result elements:			
Translation differences	-	-	-
Change in pension experience adjustments	-	-	741
Tax on other comprehensive income	-	-	-185
Comprehensive income	6,816	633	72,935

Storebrand Helseforsikring AS

Statement of financial position

NOK thousand	31.3.17	31.12.16
ASSETS		
Intangible assets	12,475	11,824
Total intangible assets	12,475	11,824
FAIR VALUE FINANCIAL ASSETS		
Bonds and other securities - fixed yield	486,166	497,037
Financial derivatives	1,736	2,283
Other financial assets	-	-
Total financial assets	487,902	499,319
RECEIVABLES		
Receivables due from insurance customers	190,549	146,079
Receivables arising from reinsurance business	-	-
Receivables to connected parties	-	-
Other receivables	9,107	5,939
Total receivables	199,656	152,018
OTHER ASSETS		
Fixed assets	237	288
Cash and bank	13,429	21,439
Deferred tax assets	-	-
Total other assets	13,666	21,726
Prepaid costs and accrued income	1,608	420
Total prepaid costs and accrued income	1,608	420
Total assets	715,306	685,307

Storebrand Helseforsikring AS

Statement of financial position

NOK thousand	31.3.17	31.12.16
EQUITY CAPITAL AND LIABILITIES		
PAID IN CAPITAL		
Share capital	33,000	33,000
Share premium	122,000	122,000
Total paid in capital	155,000	155,000
RETAINED EARNINGS		
Allocation to guarantee reserve	12,443	12,237
Other retained earnings	81,844	75,234
Total retained earnings	94,287	87,471
GROSS INSURANCE LIABILITIES		
Reserve for unearned premiums gross	313,542	226,364
Claims reserve gross	78,293	73,344
Total insurance liabilities gross	391,835	299,707
RESERVES FOR LIABILITIES		
Pension liabilities	1,683	1,683
Period tax liabilities	11,267	19,549
Deferred tax	24,175	22,044
Total reserves for liabilities	37,125	43,276
DEBT		
Due in respect of direct insurance	10,148	11,812
Allocation to dividends	-	72,379
Other debt	13,489	5,122
Financial derivatives	-	-
Debt to connected parties	313	356
Total debt	23,951	89,669
Accrued costs and deferred income	13,108	10,184
Total accrued costs and deferred income	13,108	10,184
Total equity capital and liabilities	715,306	685,307

Storebrand Helseforsikring AS

Statement of change in equity

NOK thousand	Share capital	Share premi- um reserve	Total paid in capital	Guarantee scheme	Other equity	Total retained earnings	Total equity
Equity 01.01.16	33,000	122,000	155,000	11,044	75,870	86,915	241,915
Profit					72,380	72,380	72,380
Change in guarantee reserve				1,193	-1,193	0	0
Change in pension experience adjustments					741	741	741
Tax on other comprehensive income					-185	-185	-185
Share dividend					-72,379	-72,379	-72,379
Equity 31.12.16	33,000	122,000	155,000	12,237	75,234	87,471	242,471
Profit					6,816	6,816	6,816
Change in guarantee reserve				206	-206	0	0
Equity 31.03.17	33,000	122,000	155,000	12,443	81,844	94,287	249,287

Storebrand Helseforsikring AS

Cash flow statement

NOK thousand	1st quarter	
	2017	2016
Cash flows from operations		
Net receipts - insurance	192,123	186,737
Net payments/claims insurance	-113,107	-113,578
Payment of income tax	-8,282	-5,166
Payments relating to operations	-22,721	-29,620
Net cash flow from operations before financial assets	48,014	38,373
Net receipts/payments - mutual funds	18,212	-13,968
Net cash flow from financial assets	18,212	-13,968
Net cash flow from operations	66,226	24,405
Cash flows from investment activities		
Net receipts/payment - sale/purchase of fixed assets	-1,856	-970
Net cash flow from investment activities	-1,856	-970
Cash flows from financing activities		
Payment of dividends	-72,379	-23,097
Net cash flow from financing activities	-72,379	-23,097
Net cash flow for the period	-8,009	338
-of which net cash flow in the period before financial asset	46,158	37,403
Net movement in cash and cash equivalents	-8,009	338
Cash and cash equivalents at start of the period	21,439	33,352
Cash equivalents at the end of the period	13,429	33,691

Notes

Storebrand Helseforsikring AS

Note 01 | Accounting principles

The accounts have been prepared in accordance with accounting policies that were used in the annual accounts for 2016. A description of the accounting policies is shown in the annual report for 2016.

Note 02 | Financial risks

There is no change in the risk picture compared to that described in the 2016 Annual Report.

Note 03 | Capital requirements

Storebrand Helseforsikring AS is subject to the European solvency regime Solvency II. The company is funded with group 1 capital and therefore utilizes the total solvency capital in calculating the solvency capital coverage (solvency margin). With a total solvency capital of NOK 240 million, the company's solvency capital coverage is 237%, while the minimum capital requirement is covered by 622%.

SOLVENCY CAPITAL

NOK thousand	Total	31.03.17			
		Group 1 unlimited	Group 1 limited	Group 2	Group 3
Share capital	33,000	33,000		0	
Share premium	122,000	122,000		0	
Reconciliation reserve	86,418	86,418			
Total solvency capital	241,418	241,418	0	0	0
Total solvency capital available to cover minimum capital requirement	241,418	241,418	0	0	

Solvency is calculated with the standard model under Solvency II, and the distribution of the capital requirement of the different risk modules included is shown below.

SOLVENCY CAPITAL REQUIREMENT AND -MARGIN

NOK thousand	31.3.17
Market	28,453
Counterparty	2,749
Life	0
Health	105,971
P&C	0
Operational	18,549
Diversification	-19,958
Loss-absorbing capacity of deferred taxes	-33,941
Total solvency requirement	101,823
Solvencymargin	237.1 %
Minimum capital requirement	38,803
Minimum margin	622.2 %

Note 04 | Tax Charge

RECONCILIATION OF EXPECTED AND ACTUAL TAX CHARGE

NOK thousand	31.3.17
Ordinary pre-tax profit	8,948
Expected tax on income at nominal rate	-2,237
Tax effect of:	
permanent differences	105
Tax charge	-2,132
Effective tax rate	23.8 %

Financial calendar 2017



17. februar	Resultat 4. kvartal 2016
13. april	Generalforsamling
14. april	Eks. utbyttedato
27. april	Resultat 1. kvartal 2017
14. juli	Resultat 2. kvartal 2017
26. oktober	Resultat 3. kvartal 2017
Februar 2018	Resultat 4. kvartal 2017

Investor Relations contacts



Kjetil Ramberg Krøkje	Head of IR	kjetil.r.krokje@storebrand.no	+47 9341 2155
Sigbjørn Birkeland	Finance Director	sigbjorn.birkeland@storebrand.no	+47 9348 0893
Lars Løddesøl	CFO	lars.loddesol@storebrand.no	+47 2231 5624

Storebrand Helseforsikring AS
Professor Kohts vei 9
P.O. Box 464, N-1366 Lysaker
Telephone 08880

storebrand.no