

Interim Report Storebrand Livsforsikring

1st quarter 2010



Interim report for Storebrand Livsforsikring Group

- Q1 2010

Storebrand Livsforsikring AS is a wholly owned subsidiary of the listed company Storebrand ASA. For information about the Storebrand Group's Q1 result please refer to the Storebrand Group's interim report for the Q1 of 2010.

The official financial statements of the Storebrand Group are prepared in accordance with the International Financial Reporting Standards (IFRS), while the official consolidated financial statements of Storebrand Livsforsikring AS are prepared in accordance with the Annual Accounts Regulations for Insurance Companies.

The tables below summarises the information in the consolidated financial statements for Storebrand Livsforsikring AS based on IFRS principles.

OUTLOOK

Storebrand has implemented a number of streamlining measures in recent years aimed at reducing the relative costs level in both the Norwegian and Swedish businesses. The work on streamlining operations and reducing costs will continue, and will benefit both customers and owners.

Major changes will take place in the general conditions that Storebrand works under in the coming years, due to both the Pensions Reform in Norway from 2011 and new solvency rules, Solvency II, expected to be introduced towards the end of 2012. Storebrand's preparations for the new general conditions are well underway and it has a strong focus on product development and system adjustments. The company is also maintaining an active dialogue with the authorities with the aim of establishing general conditions that preserve effective long-term management of customers' assets.

Storebrand is exposed to several types of risk through its business areas. Continuous monitoring and active risk management are therefore integral core areas of the group's activities and organisation. Developments in the level of interest rates and the property and equity markets are considered the most important risk factors that could affect the group's result. Storebrand has long experience of adapting to changing market conditions through dynamic risk management, which aims to tailor financial risk to the company's risk bearing capacity.

Norwegian pensions reform

On 5 May, the Banking Law Commission will present proposed amendments to the legislation regulating occupational pension schemes in the private sector. The aim is for the new regulations to come into force on 1 January 2011, the same time as the pensions reform comes into force. This is the first report from the Banking Law Commission (phase 1) and in this round the amendments are expected to lay the groundwork for the flexible drawing of pensions from occupational pension schemes from the age of 62, at the same time as pension points will continue to be earned if people keep working. The changes that will come into effect on 1 January 2011 will thus first focus on employees and their options. Storebrand is prepared for a higher inflow and greater need for advice from both companies and employees, and has developed a new online advice tool. Comprehensive information is also being provided to companies and employees with occupational pension schemes in Storebrand.

Result Life and Pension¹⁾

NOK million	1.1 - 31.3		Full year
	2010	2009	2009
Life and Pension Norway	168	-129	759
Life and Pension Sweden	113	-520	487
Result before amortisation and write-downs	281	-649	1,246
Amortisation intangible assets	-84	-85	-340
Write-downs intangible assets			
Pre-tax profit/loss	197	-734	906
Tax	3	1	30
Profit/loss after tax	199	-733	936

¹⁾ Encompasses Storebrand Life Group excluding Storebrand Eiendom AS and SPP Fonder AB.

LIFE AND PENSIONS - NORWAY

- **Returns exceeded the average interest guarantee in every portfolio**
- **Improved solvency due to positive result development and increase in customer buffers**
- **Net transfer balance of NOK 1.6 billion during the quarter**

Result

Financial performance - Life and Pensions Norway

Million NOK	Q1		Full year
	2010	2009	2009
Administration result	-20	-48	-169
Risk result	51	114	229
Financial result ¹⁾	13	-310	201
Price of interest guarantee and profit risk	138	118	478
Other	-14	-2	20
Pre-tax profit/loss	168	-129	759

¹⁾ investment result, profit sharing.

Administration result

The administration result in Q1 amounted to minus NOK 20 million (minus NOK 48 million). A number of cost reducing measures are being implemented in the company. The full effect on costs of lower staffing levels in several areas will be seen in the second half of 2010. Measures on the income side and underlying growth in customer assets also had a positive effect on the result in the quarter.

Risk result

The risk result amounted to NOK 51 million (NOK 114 million) for Q1. The development in the quarter was characterised by strengthening reserves.

The risk equalisation fund of paid-up policies amounted to NOK 45 million at the close of Q1, an increase of NOK 3 million since year-end 2009. NOK 5 million was allocated to the risk equalisation fund in group pensions, which at the close of the quarter amounted to NOK 186 million.

As discussed in the Q1 2009 interim report, there is a need to build up reserves for individual pension insurance and paid-up policies due to assumptions concerning lower mortality in the future. The remaining need to build up reserves has been calculated at around NOK 900 million, which will be completed by 2012.

Investment return group portfolio

Portfolio	Q1 2010		Q1 2009		Full year 2009	
	Market return	Booked return	Market return	Booked return	Market return	Booked return
Total	1.8%	1.0%	0.2%	0.2%	4.6%	4.6%
Total Group (DB)	1.9%	0.9%	0.3%	0.3%	4.8%	4.8%
Paid-up policies	1.7%	1.1%	0.1%	0.1%	4.5%	4.6%
Individual	1.9%	1.1%	0.1%	0.1%	4.3%	4.0%

Given the expected financial return, the build up of reserves is expected to have limited effect on the result to owner.

Financial result

The financial result in Q1 amounted to NOK 13 million (minus NOK 310 million).

The market return in the customer portfolios was good, but little of it was realised, meaning that unrealised gains have increased by NOK 1.3 billion. Overall this results in a lower booked financial result in Q1, but strengthens the ability to deliver satisfactory results in the future. In addition, a basis for building up reserves for longer life expectancy within the retail segment is created.

The booked returns in the quarter exceeded the average interest guarantee in every portfolio. The average annual interest guarantee lies between 3.4 per cent and 3.8 per cent in the various customer portfolios.

Total outperformance for Q1 compared to relevant benchmarks amounted to NOK 96 million. NOK 15 million came from internal equity-linked mandates, NOK 59 million from internal interest and credit mandates, and NOK 22 million from external mandates.

There was no change in the value of the directly owned real estate portfolio. The value of private equity increased by around NOK 300 million in Q1.

The company portfolio's result was minus NOK 21 million (NOK 36 million) in the quarter. The investment portfolio is principally invested in low risk asset classes and achieved a return of 0.6 per cent in the quarter. The money market portfolio, which accounts for slightly less than 80 per cent of the investment portfolio, developed weakly during the period due to exposure to Norwegian savings banks, which provided a weak return in the quarter. Storebrand Life Insurance's loan interest costs will amount to around a net NOK 130 million per quarter for the next 12 months. Total interest-bearing liabilities amounted to NOK 6.7 billion at the close of Q1.

The returns on the recommended investment choices for defined contribution pensions in Q1 were 2.1 per cent (minus 0.4 per cent)

for a careful profile, 3.4 per cent (minus 2.9 per cent) for a balanced profile, and 4.3 per cent (minus 5.5 per cent) for a bold profile, respectively. All the profiles achieved better returns than their benchmark return.

Profit sharing

Preliminary calculations indicate NOK 10 million in profit sharing for paid-up policies and individual endowment insurance in Q1.

A market value adjustment reserve was built up during the period due to the good return on investments in the customer portfolios.

Price of interest guarantee and profit risk

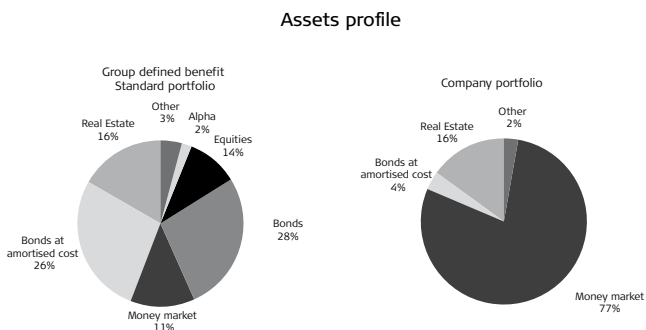
NOK 138 million was recognised as income from upfront pricing of the interest guarantee and profit from risk for group defined benefit in Q1. This is an increase of NOK 20 million compared with the same period the last year.

Other result

The other result amounted to minus NOK 14 million (minus NOK 2 million) for Q1 and primarily consists of the result from subsidiaries and changes in the administration and security reserves.

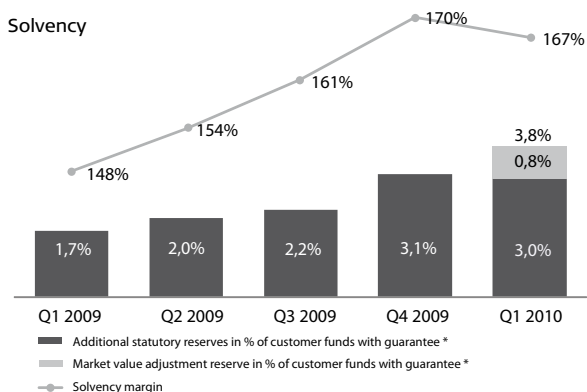
Balance sheet

The diagrams below show the risk-adjusted allocations (including derivatives). The proportion of equities in portfolios with a guarantee increased in Q1. The proportion of equities has increased to 20.6 per cent in the bold portfolio and to 14.2 per cent in the standard portfolio. The increase in equities corresponds with a reduction in bonds and the money market. Few changes were made to the company portfolio's allocations during Q1.



Total assets under management increased by around NOK 11 billion in Q1 and amounted to NOK 215 billion. The increase is due to good growth in customer assets due, among other things, to net transfers and good returns in the period.

Solvency



* Consists of customer funds for group defined benefit fee based, paid-up policies and individual insurance with profit sharing.

The NOK 38.5 billion solvency capital was increased by NOK 3.2 billion in the quarter due to the positive development of the result and strengthened customer buffers. Additional statutory reserves amounted to NOK 4.6 billion at the close of Q1. The year's allocation of additional statutory reserves will be considered in Q4 and this has therefore not been carried out in this quarter. A market value adjustment reserve was built up during the period, which amounted to NOK 1.3 billion at the close of Q1.

Storebrand Life Insurance Group's capital adequacy at the close of Q1 was 14.3 per cent, a marginal reduction due to the increased risk-weighted balance sheet due to the increased proportion of equities. Storebrand Life Insurance Group's solvency margin was 167 per cent, a reduction of 3 percentage points in the quarter. The decrease is primarily due to unrealised gains not being included in the solvency calculation.

Market

Premium income ¹⁾

Million NOK	Q1		Full year 2009
	2010	2009	
Group Defined Benefit	3,967	4,123	8,286
Paid-up policies	46	47	101
Group with investment choice	710	662	2,624
Individual endowment insurance and pensions	229	490	1,506
Individual with investment choice	508	203	2,073
Risk products without profit sharing	978	785	1,484
Total	6,438	6,310	16,073

¹⁾ Exclusive transfer of premium funds.

Total premium income increased by 2 per cent during the quarter compared to the same period last year. The development of premium income was affected by the low growth in wages in the occupational pensions market, but was positively affected by a good development in the portfolio in defined contribution schemes for companies and in the retail market.

Sales

The net booked inflow of customer assets to Storebrand was NOK 1.6 billion in Q1 compared to NOK 1.1 billion in the same period last year.

Storebrand's sales of its guarantee account product in the retail market remain very good with net sales of NOK 0.4 billion in Q1.

New subscriptions

New premiums (APE) of NOK 826 million (NOK 415 million) were signed in Q1. The increase since 2009 is primarily due to the increased APE for group occupational pensions. The company won a number of large tender competitions towards year-end 2009, and reserves for these have been transferred which resulted in increased APE for group pensions. New group pensions premiums (APE) increased by NOK 106 million (NOK 54 million) in the public sector as per Q1. New premiums for individual products with investment choice amounted to NOK 52 million (NOK 18 million).

LIFE AND PENSIONS - SWEDEN (SPP)

- Implemented restructuring and efficiency measures having an effect on the result
- Good return on investments in the customer portfolios in the quarter
- Named best unit-linked insurance company for second year in a row

Result

Financial performance - Life and Pensions Sweden *)

Million NOK	Q1		Full year
	2010	2009	2009
Administration result	8	-21	-101
Risk result	80	25	253
Financial result	15	-523	260
Other	11	-1	74
Result before amortisation	113	-520	487
Amortisation intangible assets	-84	-85	-340
Pre-tax profit/loss	29	-605	147

*Nordben was included in the result from and including June 2009

Administration result

The restructuring and efficiency measures implemented in 2009 contributed, together with increased capital fees, to an improvement in the administration result of NOK 29 million compared with the same period last year. Income increased by 13 per cent in Q1. Costs excluding commissions fell by 3 per cent despite the fact that Nordben is now included in the result.

Risk result

The risk result amounted to NOK 80 million (NOK 25 million) for Q1. The results for longevity and mortality are in line with the plans, but the sickness result was better than expected due to stricter sick leave rules in Sweden. This resulted in a higher rate of fit for work reports than assumed, a good risk result and the dissolution of sickness reserves.

Financial result

The financial result amounted to NOK 15 million (minus NOK 523 million) in the quarter. The development of the equities and interest rate markets provided good returns in customer portfolios which resulted in profit sharing of NOK 114 million in the quarter. The financial result in the period was weakened by the fall in interest rates and a reduced difference between swap and government rates. The development has resulted in an increase in insurance liabilities, which was not fully compensated for by the return on investments and hedging portfolio.

Financial return

Portfolio	Q1		Full year
	2010	2009	2009
Defined Benefit (DB)	3.3 %	-0.7 %	4.1 %
Defined Contribution (DC)	2.9 %	-1.6 %	5.0 %
P250*	3.5 %	-1.0 %	9.6 %
P300*	2.9 %	-1.9 %	4.8 %
P 520*	2.6 %	-1.5 %	2.9 %
RP (Retirement Pension)	0.0 %	-1.1 %	1.3 %

*) Maximum interest rate guarantee in the portfolios P250, P300 and P520 is 2.5%, 4% and 5.2% respectively.

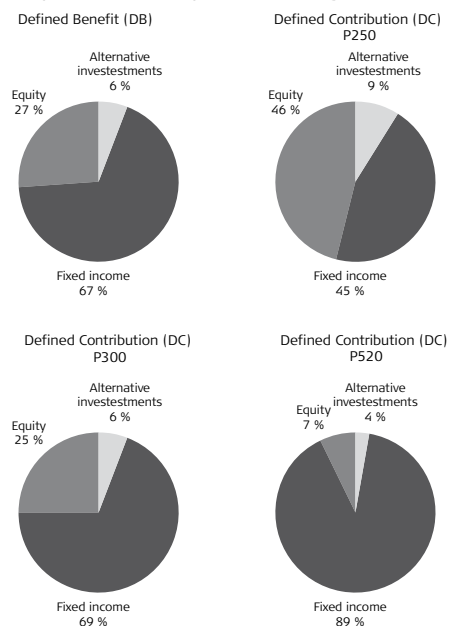
Other

The other result amounted to NOK 11 million (minus NOK 1 million). The result consists of the return in the company portfolio, which is entirely invested in interest-bearing securities.

Balance sheet

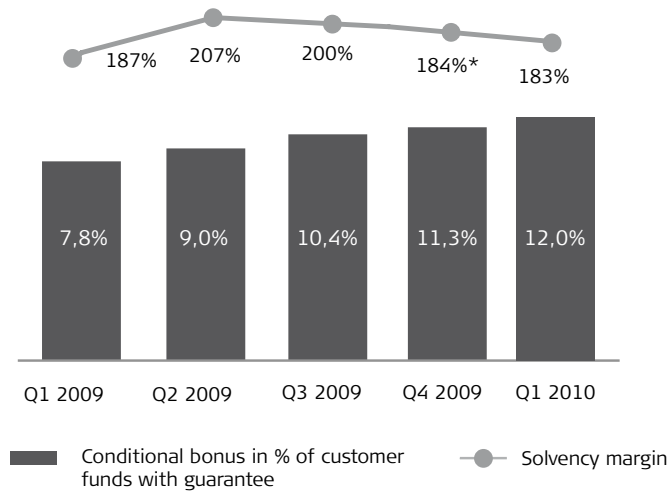
Like Storebrand Life Insurance, SPP adjusts its exposure to equities in line with the development of its risk-bearing capacity using so-called dynamic risk management. In Q1, the proportion of equities increased by 1 percentage point in the DB portfolio, 4 percentage points in P250, 2 percentage points in P300, but was unchanged in P520.

Asset profile customer portfolios with guaranteed return



The good returns, together with continued good premium development within unit linked insurance, have resulted in an increase in total assets of NOK 5 billion during Q1 and NOK 14 billion in the last 12 months. This positive development benefits both customers and owners since the return contributes to growth in customer assets at the same time as the company's income-base is greater. The conditional bonus (buffer capital) has increased by 9 per cent in the period and 69 per cent compared to Q1 2009.

Solvency



* After pro forma group contribution.

Market

Premium income

Million NOK	Q1		Full year 2009
	2010	2009	
Guaranteed products	967	970	3,529
Unit Link	734	643	3,081
BenCo	321	299	744
Total	2,022	1,913	7,354

Premium income amounted to NOK 2,022 million (NOK 1,913 million) in Q1, which corresponds to an increase of 6 per cent compared to the same period last year. The increase primarily took place within running unit linked premiums in occupational pension and group schemes with provider choice.

New sales measured by APE increased by 3 per cent in Q1 compared to the same period in 2009. New sales within unit linked insurance increased by 7 per cent. The increase in new sales took place at the same time as the number of salespeople was reduced due to efficiency measures and restructuring in the business.

In addition to increased premium income and new sales, SPP's strength within unit linked insurance was again confirmed by its naming as the best unit linked insurance company in Söderberg & Partners' annual ranking. This is the second year in a row SPP topped the ranking.

RECONCILIATION TABLES TOWARDS PROFIT AND LOSS ACCOUNT

The following table shows reconciliation between the profit and loss tables above showing the business area Life and Pension according to IFRS, and profit and loss to local Annual Accounts Regulations for Insurance Companies (NGAAP). The official financial statements for Storebrand Livsforsikring AS are prepared in accordance with IFRS.

NOK million	31.3.10	31.3.09	31.12.09
Profit and Loss Life and Pension	197	-734	905
Charge from the additional statutory reserves	-3	-834	
Change in administration reserve p&c insurance	1	1	3
Change in security reserves p&c insurance	3	-1	-18
Profit and loss Storebrand Eiendom (real estate management)	11	11	45
Profit and loss SPP Fonder (asset management)	6	6	17
Profit and loss Storebrand Livsforsikring Group before tax	215	-1,551	952

Lysaker, 5 May 2010

The Board of Directors of Storebrand Livsforsikring AS

Storebrand Livsforsikring AS

PROFIT AND LOSS ACCOUNT

NOK Million	1.1 - 31.3		Year
	2010	2009	2009
TECHNICAL ACCOUNT:			
Gross premiums written	6,476	6,342	16,136
Reinsurance premiums ceded	-38	-33	-63
Premium reserves transferred from other companies	3,143	1,711	2,683
Premiums for own account	9,581	8,021	18,757
Income from investments in subsidiaries, associated companies and joint-controlled companies	312	-96	16
of which from investment in real estate companies	325	-96	67
Interest income and dividends etc. from financial assets	1,185	1,361	4,421
Net operating income from property			
Changes in investment value	1,204	-1,096	1,012
Realised gains and losses on investments	165	110	1,378
Total net income from investments in the collective portfolio	2,867	279	6,828
Income from investments in subsidiaries, associated companies and joint-controlled companies	22	-3	1
of which from investment in real estate companies	22	-3	5
Interest income and dividends etc. from financial assets	30	42	508
Net operating income from property			
Changes in investment value	471	-280	1,968
Realised gains and losses on investments	91	-54	-101
Total net income from investments in the investment selection portfolio	614	-295	2,375
Other insurance related income	29	18	98
Gross claims paid	-2,495	-2,295	-9,161
Claims paid - reinsurance	3		6
Gross change in claims reserve	-23	5	-144
Premium reserves etc. transferred to other companies	-1,500	-617	-2,628
Claims for own account	-4,014	-2,907	-11,928
To (from) premium reserve, gross	-5,202	-5,007	-5,334
To/from additional statutory reserves in connection with claims/repurchase	7	21	-1,232
Change in value adjustment fund	-1,271		-31
Change in premium fund, deposit fund and the pension surplus fund	-25	-41	-111
To/from technical reserves for non-life insurance business	-56	-41	-56
Change in conditional bonus			
Transfer of additional statutory reserves and value adjustment fund from other insurance companies/pension funds	9	7	27
Changes in insurance obligations recognised in the Profit and Loss Account - contractual obligations	-6,537	-5,062	-6,737
Change in premium reserve	-1,632	-618	-6,927
Change in other provisions	-75		-81
Changes in insurance obligations recognised in the Profit and Loss Account - investment portfolio separately	-1,707	-618	-7,008
Profit on investment result	-193	-1	-5
The risk profit allocated to the insurance agreements	-11	-59	-79
Other allocation of profit	-31	-8	-2
Funds allocated to insurance contracts, contractual obligations	-235	-67	-87

NOK Million	1.1 - 31.3		Year
	2010	2009	2009
Management expenses	-38	-30	-122
Selling expenses	-132	-131	-336
Change in pre-paid direct selling expenses			
Insurance-related administration expenses (incl. commissions for reinsurance received)	-191	-205	-1,026
Reinsurance commissions and profit participation			
Insurance-related operating expenses	-360	-366	-1,484
Other insurance related expenses after reinsurance share	-53	-7	-178
Technical insurance result	186	-1,005	636
NON-TECHNICAL ACCOUNT			
Income from investments in subsidiaries, associated companies and joint-controlled companies	16	-29	37
of which from investment in real estate companies	17	-7	3
Interest income and dividends etc. from financial assets	159	157	686
Changes in investment value	-31	-14	73
Realised gains and losses on investments	52	157	259
Net income from investments in company portfolio	197	271	1,055
Other income			
Management expenses	-6	-4	-19
Other costs	-121	-130	-534
Total management expenses and other costs linked to the company portfolio	-127	-135	-553
Profit or loss on non-technical account	70	136	502
Profit before tax	256	-868	1,138
Tax costs			
Profit before other comprehensive income	256	-868	1,138
Actuarial gains and losses on defined benefit pensions - benefits to employees			75
Re-statement differences		-24	-14
Other comprehensive income and costs		-24	61
COMPREHENSIVE INCOME	256	-892	1,199

Storebrand Livsforsikring Group

PROFIT AND LOSS ACCOUNT

NOK Million	1.1 - 31.3		Year
	2010	2009	2009
TECHNICAL ACCOUNT:			
Gross premiums written	8,443	8,460	23,722
Reinsurance premiums ceded	-102	-72	-253
Premium reserves transferred from other companies	3,186	1,721	2,754
Premiums for own account	11,526	10,109	26,223
Income from investments in subsidiaries, associated companies and joint-controlled companies	2	-1	0
Interest income and dividends etc. from financial assets	1,718	2,189	7,225
Net operating income from property	275	276	1,125
Changes in investment value	2,185	-2,889	-953
Realised gains and losses on investments	1,027	-262	2,910
Total net income from investments in the collective portfolio	5,207	-687	10,308
Income from investments in subsidiaries, associated companies and joint-controlled companies			
Interest income and dividends etc. from financial assets	51	85	1,561
Net operating income from property	19	10	86
Changes in investment value	1,433	-932	5,758
Realised gains and losses on investments	93	-62	-225
Total net income from investments in the investment selection portfolio	1,596	-899	7,181
Other insurance related income	198	163	790
Gross claims paid	-3,934	-3,540	-14,917
Claims paid - reinsurance	20	13	30
Gross change in claims reserve	-23	6	-136
Premium reserves etc. transferred to other companies	-1,658	-815	-3,343
Claims for own account	-5,594	-4,337	-18,366
To (from) premium reserve, gross	-6,552	-6,392	-5,051
To/from additional statutory reserves in connection with claims/repurchase	7	21	-1,232
Change in value adjustment fund	-1,271		-31
Change in premium fund, deposit fund and the pension surplus fund	-25	-41	-111
To/from technical reserves for non-life insurance business	-56	-41	-56
Change in conditional bonus	-778		-2,161
Transfer of additional statutory reserves and value adjustment fund from other insurance companies/pension funds	9	1,866	27
Changes in insurance obligations recognised in the Profit and Loss Account - contractual obligations	-8,665	-4,588	-8,615
Change in premium reserve	-3,071	-552	-13,636
Change in other provisions	-75		-81
Changes in insurance obligations recognised in the Profit and Loss Account - investment portfolio separately	-3,146	-552	-13,718
Profit on investment result	-193	-1	-5
The risk profit allocated to the insurance agreements	-11	-59	-79
Other allocation of profit	-31	-8	-2
Funds allocated to insurance contracts, contractual obligations	-235	-67	-87

NOK Million	1.1 - 31.3		Year
	2009	2008	2009
Management expenses	-83	-65	-306
Selling expenses	-177	-180	-526
Change in pre-paid direct selling expenses	17	21	74
Insurance-related administration expenses (incl. commissions for reinsurance received)	-347	-381	-1,748
Reinsurance commissions and profit participation	58	14	87
Insurance-related operating expenses	-532	-591	-2,419
Other insurance related expenses after reinsurance share	-65	-28	-256
Technical insurance result	292	-1,476	1,043
NON-TECHNICAL ACCOUNT			
Income from investments in subsidiaries, associated companies and joint-controlled companies	1	0	-1
Interest income and dividends etc. from financial assets	79	168	426
Net operating income from property	14	15	46
Changes in investment value	-43	-167	62
Realised gains and losses on investments	80	135	278
Net income from investments in company portfolio	131	150	811
Other income	114	96	467
Management expenses	-10	-9	-39
Other costs	-311	-312	-1,330
Total management expenses and other costs linked to the company portfolio	-321	-321	-1,369
Profit or loss on non-technical account	-76	-75	-91
Profit before tax	215	-1,551	952
Tax costs	-1	1	13
Profit before other comprehensive income	215	-1,550	965
Actuarial gains and losses on defined benefit pensions - benefits to employees	7	3	104
Change in value adjustment reserve own buildings	11		-4
Re-statement differences SB Holding AB	24	-56	-19
Re-statement differences	18	35	-2
Adjustment of insurance liabilities	-11		
Other comprehensive income and costs	49	-17	79
COMPREHENSIVE INCOME	264	-1,567	1,044
PROFIT IS DUE TO:			
Minority share of profit	1	8	7
Majority share of profit	209	-1,558	959
COMPREHENSIVE INCOME IS DUE TO:			
Minority share of profit	-1	-13	-7
Majority share of profit	265	-1,554	1,052

Storebrand Livsforsikring

STATEMENT OF FINANCIAL POSITION

Storebrand Livsforsikring Group			Storebrand Livsforsikring AS	
31.12.2009	31.3.2010	NOK Million	31.3.2010	31.12.2009
ASSETS				
ASSETS IN COMPANY PORTFOLIO				
694	707	Goodwill		
5,456	5,471	Other intangible assets	45	48
6,150	6,178	Total intangible assets	45	48
1,123	1,130	Properties and real estate		
336	332	Owner used properties		
114	152	Shares and units in subsidiaries, associated companies and joint-controlled companies	7,502	7,401
		of which investment in real estate companies	1,344	1,335
		Loans to and securities issued by subsidiaries, associated companies	7,536	7,605
9	8	Loans and receivables	8	9
325	322	Bonds at amortised cost	322	325
283	330	Shares and other units at fair value	174	167
14,793	14,126	Bonds and other fixed-income securities at fair value	6,315	6,983
431	449	Derivatives at fair value	449	429
248	196	Other financial assets	126	195
17,661	17,044	Total investments	22,432	23,113
140	169	Reinsurance share of insurance obligations	169	140
1,197	3,807	Receivables in connection with direct business transactions	3,800	1,181
42	36	Receivables in connection with reinsurance transactions		
29	21	Receivables with group company	70	127
1,366	2,856	Other receivables	943	657
2,633	6,719	Total receivables	4,814	1,965
129	142	Plants and equipment	131	118
2,036	2,177	Cash, bank	600	837
552	549	Other assets designated according to type		
2,717	2,868	Total other assets	732	954
270	292	Pre-paid direct selling expenses		
82	107	Other pre-paid costs and income earned and not received	50	31
352	399	Total pre-paid costs and income earned and not received	50	31
29,653	33,378	Total assets in company portfolio	28,241	26,252
ASSETS IN CUSTOMER PORTFOLIOS				
21,655	21,832	Properties and real estate		
1,298	1,244	Owner used properties		
3	6	Shares and units in subsidiaries, associated companies and joint-controlled companies	25,975	25,763
		of which investment in real estate companies	25,592	25,368
156	238	Loans to and securities issued by subsidiaries, associated companies		
44,393	45,859	Bonds at amortised cost	45,859	44,393
3,541	3,407	Loans and receivables	3,407	3,541
41,253	47,314	Shares and other units at fair value	24,177	19,431
120,361	122,360	Bonds and other fixed-income securities at fair value	61,530	60,731
2,260	2,534	Financial derivatives at fair value	661	845
4,681	5,730	Other financial assets	2,890	2,231
239,602	250,522	Total investments in collective portfolio	164,499	156,936

continue next page

Storebrand Livsforsikring Group			Storebrand Livsforsikring AS	
31.12.2009	31.3.2010	NOK Million	31.3.2010	31.12.09
1,383	1,493	Properties and real estate		
84	84	Owner used properties		
		Shares and units in subsidiaries, associated companies and joint-controlled companies	1,787	1,657
		of which investment in real estate companies	1,774	1,643
		Bonds at amortised cost		
117	119	Loans and receivables	119	117
31,551	34,184	Shares and other units at fair value	9,360	8,572
14,440	15,351	Bonds and other fixed-income securities at fair value	9,899	9,077
89	86	Financial derivatives at fair value	85	86
1,059	1,118	Other financial assets	968	1,037
48,722	52,436	Total investments in investment selection portfolio	22,219	20,546
288,324	302,958	Total assets in customer portfolio	186,718	177,482
317,977	336,336	TOTAL ASSETS	214,959	203,734
		EQUITY AND LIABILITIES		
3,430	3,430	Share capital	3,430	3,430
9,271	9,271	Share premium reserve	9,271	9,271
12,701	12,701	Total paid in equity	12,701	12,701
225	233	Fund for risk-smoothing	233	225
2,046	2,087	Other earned equity	2,901	2,910
209	209	Minority's share of equity		
2,480	2,744	Total earned equity	3,390	3,134
5,432	5,485	Perpetual subordinated loan capital	5,485	5,432
1,486	1,491	Perpetual capital	1,491	1,486
6,918	6,976	Total subordinate loan capital etc.	6,976	6,918
220,423	228,034	Premium reserves	151,762	146,442
4,407	4,413	Additional statutory reserves	4,413	4,407
31	1,302	Market value adjustment reserve	1,302	31
683	706	Claims allocation	656	634
3,583	3,534	Premium fund, deposit fund and the pension surplus fund	3,534	3,583
8,689	9,494	Conditional bonus		
478	563	Other technical reserve	563	478
238,294	248,045	Total insurance obligations in life insurance - contractual obligations	162,230	155,574
48,193	51,622	Premium reserve	21,331	19,698
5	6	Claims allocation	6	5
239	240	Additional statutory reserves	240	239
524	622	Premium fund, deposit fund and the pension surplus fund	622	524
48,962	52,489	Total insurance obligations in life insurance - investment portfolio separately	22,198	20,466

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Storebrand Livsforsikring Group			Storebrand Livsforsikring AS	
31.12.2009	31.3.2010	NOK Million	31.3.2010	31.12.2009
749	738	Pension liabilities etc.	531	531
636	647	Period tax liabilities	3	3
81	98	Other provisions for liabilities	64	60
1,466	1,483	Total provisions for liabilities	598	594
1,690	4,416	Liabilities in connection with direct insurance	3,456	1,188
104	72	Liabilities in connection with reinsurance	98	57
1,344	1,240	Financial derivatives	1,011	1,040
610	62	Liabilities to group companies	63	620
2,888	5,406	Other liabilities	1,962	1,152
6,636	11,196	Total liabilities	6,590	4,056
115	113	Received, unearned leasing income		
406	589	Other accrued expenses and received, unearned income	277	289
520	702	Total accrued expenses and received, unearned income	277	289
317,977	336,336	TOTAL EQUITY AND LIABILITIES	214,959	203,734
		ITEMS NOT ON BALANCE SHEET		
4,483	4,702	Contingent liabilities	2,973	3,053

Storebrand Livsforsikring

RECONCILIATION OF CHANGE IN EQUITY STOREBRAND LIVSFORSIKRING AS

NOK Million	Majority's share of equity					
	Share capital ¹⁾	Share premium reserves	Total paid-in equity	Fund for risk-smoothing	Other equity	Total equity
Equity at 31.12.2009	3,430	9,271	12,701	225	2,910	15,835
Profit				9	247	256
Comprehensive income:						
Re-statement differences						
Pension experience adjustments						
Total revenue and costs for the period				9	247	256
Equity transactions with owner:						
Group contributions						
Share issue						
Equity at 31.3.2010	3,430	9,271	12,701	233	3,157	16,091

¹⁾ 34.304.200 shares of NOK 100 par value.

RECONCILIATION OF CHANGE IN EQUITY STOREBRAND LIVSFORSIKRING GROUP

NOK Million	Majority's share of equity							
	Share capital ¹⁾	Share premium reserves	Total paid-in equity	Fund for risk-smoothing	Re-statement differences SB Holding AB	Other equity	Minority interests	Total equity
Equity at 31.12.2009	3,430	9,271	12,701	225	-60	2,106	209	15,181
Profit				9		205	1	215
Comprehensive income:								
Re-statement differences						18	-1	18
Re-statement differences SB Holding AB					24	24		24
Change in value adjustment reserve own buildings								
Pension experience adjustments						7		7
Total revenue and costs for the period				9	24	255	0	264
Equity transactions with owner:								
Share issue								
Issue costs								
Group contributions								
Purchase/sale minority interests								
Equity at 31.3.2010	3,430	9,271	12,701	233	-35	2,361	209	15,445

Storebrand Livsforsikring

CASH FLOW ANALYSIS STOREBRAND LIVSFORSIKRING

Storebrand Livsforsikring Group			Storebrand Livsforsikring AS	
31.3.2009	31.3.2010	NOK Million	31.3.2010	31.3.2009
		Cash flow from operational activities		
-2,181	5,897	Net premiums received - direct insurance	2,485	4,885
-2,935	-1,336	Net claims/benefits paid - direct insurance	-288	-2,011
906	1,528	Net receipts/payments - policy transfers	1,644	1,095
-591	-532	Net receipts/payments - other operational activities	-360	-366
-1,809	1,179	Net receipts/payments operations	224	-127
-6,609	6,737	Net cash flow from operational activities before financial assets	3,704	3,476
30	132	Net receipts/payments - lendings to customers	132	27
1,349	-5,098	Net receipts/payments - financial assets	-2,871	-4,387
493	72	Net receipts/payments - real estate activities		301
3,976	-1,109	Net change bank customers	-591	529
5,848	-6,003	Net cash flow from operational activities from financial assets	-3,330	-3,531
-761	735	Net cash flow from operational activities	374	-55
		Cash flow from investmet activities		
	34	Net payments - purchase/capitalisation of subsidiaries	-1	
-245	-22	Net receipts/payments - sale/purchase of fixed assets	-22	-1
-245	12	Net cash flow from investment activities	-23	-1
		Cash flow from financing activities		
-92	-47	Payments - interest on subordinated loan capital	-47	-92
	-610	Payments - group contribution dividends	-610	
-92	-657	Net cash flow from financing activities	-657	-92
-1,098	89	Net cash flow for the period	-305	-147
-6,946	6,092	of which net cash flow for the period before financial assets	3,025	3,383
-1,098	89	Net movement in cash and cash equivalent assets	-305	-147
4,879	2,284	Cash and cash equivalent assets at start of the period	1,032	1,939
3,781	2,373	Cash and cash equivalent assets at the end of the periode	726	1,792

Notes to the interim accounts

NOTE 1: ACCOUNTING POLICIES

The accounts were prepared in accordance with the accounting policies applied in the 2009 annual accounts. A description of the accounting policies is provided in the 2009 annual report.

NOTE 2: ESTIMATES

In preparing the interim accounts, Storebrand has used assumptions and estimates that affect reported amounts of assets, liabilities, revenues, costs and information in the notes to the accounts, as well as the information provided on contingent liabilities. The final values realised may differ from these estimates. Storebrand's pension obligations to their employees, are not affected by changes in the pension scheme as Storebrand pension scheme has not included AFP.

Storebrand continuously builds up reserves in connection with increased life expectancy in life insurance, including increased requirements associated with individual pension insurance in which the building up of reserves in a time-limited period can be charged to the running return. Any deficient future return in connection with this may reduce the profit allocated to the owner.

Please also refer to the discussions in notes 2 and 3 of the 2009 annual report.

NOTE 3: VALUATION OF FINANCIAL INSTRUMENTS AT FAIR VALUE

The group categorises financial instruments valued at fair value on three different levels, which are described in more detail below. The levels express the differing degree of liquidity and different measuring methods.

Level 1: Financial instruments valued on the basis of quoted priced for identical assets in active markets

This category encompasses listed equities that over the previous six months have experienced a daily average turnover equivalent to approx. MNOK 20 or more. Based on this, the equities are regarded as sufficiently liquid to be encompassed by this level. Bonds, certificates or equivalent instruments issued by national governments are generally classified as level 1. In the case of derivatives, standardised equity-linked and interest rate futures will be encompassed by this level.

Level 2: Financial instruments valued on the basis of observable market information not covered by level 1

This category encompasses financial instruments that are valued on the basis of market information that can be directly observable or indirectly observable. Market information that is indirectly observable means that prices can be derived from observable, related markets. Level 2 encompasses equities or equivalent equity instruments for which market prices are available, but where the turnover volume is too limited to meet the criteria in level 1. Equities on this level will normally have been traded during the last month. Bonds and equivalent instruments are generally classified as level 2. Interest rate and currency swaps, non-standardised interest rate and currency derivatives, and credit default swaps are also classified as level 2. Funds are generally classified as level 2, and encompass equity, interest rate, and hedge funds.

Level 3: Financial instruments valued on the basis of information that is not observable pursuant to by level 2

Equities classified as level 3 encompass investments in primarily unlisted/private companies. These include investments in forestry, real estate and infrastructure. Private equity is generally classified as level 3 through direct investments or investments in funds. Asset backed securities (ABS), residential mortgage backed securities (RMBS) and commercial mortgage backed securities (CMBS) are classified as level 3 due to their generally limited liquidity and transparency in the market.

The types of mutual funds classified as level 3 are discussed in more detail below with a reference to the type of mutual fund and the valuation method. Storebrand is of the opinion that the valuation method used represents a best estimate of the mutual fund's market value.

Unlisted equities/forestry

Extensive external valuations are carried out of the largest forestry investments and these provide the basis for the valuation of the company's investment. The external valuations were based on models that included non-observable assumptions. Besides external valuations, equity investments are valued on the basis of value-adjusted equity reported by external sources.

Private Equity

The majority of Storebrand's private equity investments are investments in private equity funds. It also has a number of direct investments.

The investments in private equity funds are valued on the basis of the values reported by the funds. The private equity funds Storebrand has invested in value their own investments in accordance with pricing guidelines stipulated by, among others, EVCA (European Private Equity Venture Capital Association) in the "International Private Equity and Venture Capital Valuation Guidelines" (September edition) or pursuant to FASB 157. Most of the private equity funds report on a quarterly basis, while a few report less often. In those cases where Storebrand has not received an updated valuation with respect to an investment from a fund by the time the interim financial statements are closed, the last valuation received is used and adjusted for cash flows and any significant market effects during the period from the last valuation up to the reporting date. These market effects are estimated on the basis of the type of valuations made of the companies in the underlying funds; the financial performance of relevant indexes, adjusted for estimated correlation between the relevant company and the relevant index.

In the case of direct private equity investments, the valuation is based on either recently conducted transactions or a model in which a company that is in continuous operation is assessed by comparing the key figures with equivalent listed companies or groups of equivalent listed companies. In some cases the value is reduced by a liquidity discount, which can vary from investment to investment. Companies that are in a start up phase, have undergone previous expansions, or which are undergoing structural changes for some other reasons that make them harder to price in relation to a reference group will be valued at the lowest of costs and estimated value, where the estimated value is apparent from a variance analysis vis-à-vis its plans.

In the case of investments in which Storebrand participates as a co-investor together with a leading investor that conducts a valuation, and no recent transactions exist, this value will be used by Storebrand after being quality assured. In the case of investments for which Storebrand has not received an up-to-date valuation from a leading investor by the time the interim financial statements are closed, the previous valuation is used and adjusted for any market effects during the period from the last valuation up to the reporting date. In those cases where no valuation is available from a leading investor in the syndicate, a separate valuation will be made, as described above.

Asset backed securities

This category primarily encompasses asset backed securities (ABS), residential mortgage backed securities (RMBS) and commercial mortgage backed securities (CMBS). These are primarily valued on the basis of quoted prices from brokers or valuations obtained from international banks. The number of brokers who quote prices is very limited and the volume of transactions in the market relatively low.

Indirect real estate investments

Indirect real estate investments are primarily investments in funds with underlying real estate investments. No units in funds that confirm the market price of the units have been traded recently. Real estate funds are valued on the basis of information received from the individual fund manager.

Most managers report on a quarterly basis and the commonest method used by the individual fund managers is an external quarterly valuation of the fund's assets. This involves the manager calculating a net asset value (NAV). Funds often report NAV with a quarter's delay in relation to the preparation of Storebrand's financial statements. In order to take account of the changes in value in the last quarter, internal estimates are made of the changes in value based on the development of the market and by conferring with the respective managers.

STOREBRAND LIVSFORSIKRING AS

Shares and units

NOK million	Quoted prices	Observable assumptions	Non-observable assumptions	31.3.2010	Year 2009
Shares	9,452	536	1,703	11,691	7,644
Fund units excluding hedge funds		13,782	1,394	15,176	13,779
Private Equity fund investments		1,860	3,317	5,178	5,116
Hedge funds		1,667		1,667	1,631
Total	9,452	17,845	6,414	33,711	28,170

Bonds and other fixed-income securities

NOK million	Quoted prices	Observable assumptions	Non-observable assumptions	31.3.2010	Year 2009
Asset backed securities			1,309	1,309	1,373
Corporate bonds		4,489	681	5,171	5,167
Finance, bank and insurance		27,729	16	27,745	25,371
Real estate		5		5	5
State and state guaranteed	23,926	3,528		27,454	30,039
Local authority, county		2,856		2,856	2,282
Covered bonds		5,969		5,969	5,945
Bond funds		7,237		7,237	6,609
Total	23,926	51,813	2,006	77,745	76,791

Derivatives

NOK million	Quoted prices	Observable assumptions	Non-observable assumptions	31.3.2010	Year 2009
Future interest rate agreements		-13		-13	
Interest rate swaps		329		329	-13
Interest rate options					327
Forward exchange contracts		-138		-138	-8
Credit derivatives		6		6	15
Total		183		183	321
Derivatives with a positive market value		1,195		1,195	1,361
Derivatives with a negative market value		-1,011		-1,011	-1,040
Total		183		183	321

Movements between quoted prices and observable assumptions

NOK million	From quoted prices to observable assumptions	From observable assumptions to quoted prices
Shares and units	8	11
Bonds and other fixed-income securities		

Specification of papers pursuant to valuation techniques (non-observable assumptions)

Shares and units

NOK million	Book value 31.12.09	Book value 31.3.10	Change	Of which reclassification with respect to pricing method to / from non-observable assumptions
Shares	1,702	1,703	1	
Fund units excluding hedge funds	1,052	1,394	342	
Private Equity fund investments	3,360	3,317	-43	
Total	6,114	6,414	300	

Bonds and other fixed-income securities

NOK million	Book value 31.12.09	Book value 31.3.10	Change	Of which reclassification with respect to pricing method to / from non-observable assumptions
Asset backed securities	1,373	1,309	-64	
Corporate bonds	658	681	23	
Finance, bank and insurance	10	16	6	
Total	2,041	2,006	-35	

STOREBRAND LIVSFORSIKRING GROUP

Shares and units

NOK million	Quoted prices	Observable assumptions	Non-observable assumptions	31.3.2010	Year 2009
Shares	26,127	2,158	3,068	31,353	24,228
Fund units excluding hedge funds		38,633	1,972	40,605	39,473
Private Equity fund investments		1,860	3,526	5,386	5,311
Indirect real estate fund		800	2,016	2,816	2,050
Hedge funds		1,667		1,667	2,025
Total	26,127	45,119	10,582	81,828	73,087

Bonds and other fixed-income securities

NOK million	Quoted prices	Observable assumptions	Non-observable assumptions	31.3.2010	Year 2009
Asset backed securities			1,309	1,309	2,785
Corporate bonds		7,618	997	8,616	8,959
Finance, bank and insurance		33,253	25	33,279	30,219
Real estate		439		439	431
State and state guaranteed	46,378	19,831		66,209	68,672
Supranational organisations		1,645		1,645	1,610
Local authority, county		6,482		6,482	6,088
Covered bonds		21,653		21,653	19,968
Bond funds		12,207		12,207	10,862
Total	46,378	103,128	2,331	151,837	149,594

Derivatives

NOK million	Quoted prices	Observable assumptions	Non-observable assumptions	31.3.2010	Year 2009
Future interest rate agreements		-13		-13	-13
Interest rate swaps		1,495		1,495	1,150
Swaptions					359
Interest rate options		403		403	
Forward exchange contracts		-129		-129	-90
Basis swaps		67		67	14
Credit derivatives		6		6	15
Total		1,829		1,829	1,436
Derivatives with a positive market value		3,069		3,069	2,780
Derivatives with a negative market value		-1,240		-1,240	-1,344
Total		1,829		1,829	1,436

Movements between quoted prices and observable assumptions

NOK million	From quoted prices to observable assumptions	From observable assumptions to quoted prices
Shares and units	14	30
Bonds and other fixed-income securities		

Specification of papers pursuant to valuation techniques (non-observable assumptions)

Shares and units

NOK million	Book value 31.12.09	Book value 31.3.10	Change	Of which reclassification with respect to pricing method to / from non-observable assumptions
Shares	3,124	3,068	-56	-1
Fund units excluding hedge funds	1,612	1,972	360	
Private Equity fund investments	3,555	3,526	-29	
Indirect real estate fund	2,050	2,016	-34	
Total	10,342	10,582	240	-1

Bonds and other fixed-income securities

NOK million	Book value 31.12.09	Book value 31.3.10	Change	Of which reclassification with respect to pricing method to / from non-observable assumptions
Asset backed securities	1,373	1,309	-64	
Corporate bonds	658	997	340	
Finance, bank and insurance	10	25	15	
Local authority, county	106		-106	
Total	2,147	2,331	185	

NOTE 4: SEGMENT INFORMATION - ANALYSIS OF PROFIT AND LOSS BY BUSINESS AREA

NOK million	Life and Pensions Norway		Life and Pensions Sweden		Asset management		Storebrand Livsforsikring Group	
	31.3.2010	31.3.2009	31.3.2010	31.3.2009	31.3.2010	31.3.2009	31.3.2010	31.3.2009
Revenue	11,930	8,278	5,467	661	44	32	17,441	8,970
Profit before tax	169	-963	29	-605	18	17	215	-1,551
Assets	201,991	196,507	134,198	121,369	148	101	336,336	317,977
Liabilities	191,597	184,292	129,195	118,481	100	23	320,892	302,796

Revenue

Revenue includes the total premium income including savings premiums and transferred premium fund from other companies, net financial return and other income.

Life and Pensions Norway

Storebrand Life Insurance offers a wide range of products within occupational pensions, private pension savings and life insurance to companies, public sector entities and private individuals. Storebrand Life Insurance's branch in Sweden provides occupational pensions products based on Norwegian law in the Swedish market. Includes companies in Storebrand Life Group excluding Storebrand Eiendom.

Life and Pensions Sweden

SPP offers a wide range of pension solutions to companies, organisations and private individuals in Sweden. SPP holds a particularly strong position in traditional products - policies with guaranteed interest rates - in the Swedish corporate market. Includes companies in SPP Group (Storebrand Holding Group excluding SPP Fonder).

Asset management

Storebrand's asset management activities include the companies Storebrand Eiendom and SPP Fonder AB.

Notes to the interim accounts

NOTE 5: PROPERTIES

The following amounts are booked in the income statement:

NOK million	1.1-31.3		Year
	2010	2009	2009
Rent income from properties ¹⁾	382	367	1,556
Operating costs (including maintenance and repairs) relating to properties that have provided rent income during the period ²⁾	-74	-66	-299
Total	308	301	1,258
¹⁾ Hence properties for own use	17	25	94
²⁾ Hence properties for own use	-3	-4	-18

Write-downs/changes in value real estate investments

NOK million	1.1-31.3		Year
	2010	2009	2009
Wholly owned property investments - investment properties	7		-254
Wholly owned property investments- properties for own use			55
Property equities and units in Norway ¹⁾	23	-41	-76
Property units abroad ¹⁾	19	-127	-974
Total write-downs/value changes	49	-168	-1,250
Realised gains / losses on properties sold	-2		

¹⁾ Are in the statement of financial position classified as equities and units

Book value of investment properties in the statement of financial position

NOK million	31.3.2010	Year 2009
Carrying amount as per 1 Jan	24,160	23,000
Supply due to purchases	266	677
Supply due to additions	15	305
To owner used properties		-87
From owner used properties		1,128
Disposals		-635
Net write-ups/write-downs	7	-199
Exchange rate changes	6	-28
Carrying amount	24,454	24,160

Property type

NOK million	31.3.2010	Year 2009	31.3.2010		
			Duration of lease (years)	m2	Leased amount in % ¹⁾
Office buildings (including parking and storage)	12,259	11,977	5	770,625	92
Shopping centres (including parking and storage)	11,179	11,180	6	330,068	97
Multi-storey car parks	692	692	7	44,085	100
Cultural/conference centres and commercial in Sweden	324	311			
Total investment properties	24,454	24,160	10	1,144,778	
Properties for own use other	1,660	1,718		50,000	91
Total properties	26,114	25,878		1,194,778	

¹⁾ The leased amount is calculated in relation to floor space.

Notes to the interim accounts

Geographical location:

NOK million	31.3.2010	Year 2009
Oslo- Vika/Fillipstad Brygge	5,650	5,377
Rest of Greater Oslo	7,459	7,453
Rest of Norway	11,022	11,019
Sweden	324	311
Total properties	24,454	24,160

A further NOK 400 million was agreed for property purchases in Q1 2010, but the assumption of the risk and final conclusion of contracts will occur later in 2010 and NOK 461 million in Storebrand and SEK 390 million in SPP has been committed but not drawn on in international real estate funds.

Calculation of fair value for properties Investment properties are valued at fair value. Fair value is the amount an asset could be sold for in a transaction at arm's length between well informed, voluntary parties. Observed market prices are taken into account when setting market rent and the required rate of return.

If applicable prices in an active market are unavailable, one looks at the following, among other things:

- applicable prices in an active market for property of another kind, with other conditions or in another location (or subject to other leases or other contracts), adjusted to take account of these differences,
- prices recently achieved for equivalent properties in less active markets, with adjustments that reflect any changes in economic conditions after the time the transactions took place at the aforementioned prices, and
- discounted cash flow prognoses based on reliable estimates of future cash flows, and supported by the terms and conditions in any existing leases and other contracts, as well as (where possible) external knowledge about applicable market rents for equivalent properties in the same location and under the same conditions, and the use of discount rates that reflect applicable market assessments of uncertainty in the cash flows amounts and timetable.

The individual required rate of return for the individual investment is used to discount future net cash flows.

The required rate of return is set on the basis of expected future risk free interest and an individually set risk premium. The following, among other things, is taken into account when setting the required rate of return:

- Transactions in the market
- Perceptions in the market
- Lease status (vacancy, tenant's solvency)
- Location
- Standard
- Rent level in relation to market rent
- Value per m²
- All other information about property values, the market and the individual property

The property's market values is assessed on the basis of a long-term income perspective. Office buildings and shopping centres account for a significant proportion of the properties. In the case of office buildings, a future income and costs picture is estimated for the first 10 years, and a final value calculated at the end of that 10 year period, based on market rent and normal operating costs for the property. The net income stream takes into account existing and future reductions in income resulting from vacancy, necessary investments and an assessment of the future development in market rents. In the case of shopping centres, the property's value is calculated based on a market yield. In cases where it is known significant changes will occur to the expected cash flow in later years, this is taken account of in the valuation. A representative selection of properties is subject to an external valuation.

Notes to the interim accounts

The properties are valued on the basis of the following effective required rate of return (incl. 2.5% inflation):

Segment	Required rate of return %	
	2009	2008
Office portfolio Oslo City Centre	7,75-9,25	7,95-9,0
Shopping centre portfolio	8,25-9,25	8,45-9,50
Other properties	8,75-10,00	8,45-10,75

Sensitivities

Valuations are particularly sensitive to changes in the required rate of return and assumed future cash flows. A change of 0.25% in the required rate of return, where everything else remains the same, would result in a change in value in the real estate portfolio of approx. NOK 858 million, which corresponds to 3.36%.

NOTE 6: FINANCIAL RISKS

The market value of Storebrand's financial assets and liabilities varies due to financial market risks. Note 19 of the 2009 annual report explains the group's financial risks and also covers the financial risks as per 31 March 2010.

NOTE 7: FINANCIAL LIABILITIES AND SPECIFICATION OF BORROWING

Specification of subordinated loan capital

NOK million	Nominal value	Currency	Interest rate (fixed/ variable)	Call date	Balance sheet 31.3.2010
Issuer					
Hybrid tier 1 capital					
Storebrand Livsforsikring AS	1,500	NOK	Variable	2018	1,491
Perpetual subordinated loan capital					
Storebrand Livsforsikring AS	300	EUR	Fixed	2013	2,706
Storebrand Livsforsikring AS	1,700	NOK	Variable	2014	1,692
Storebrand Livsforsikring AS	1,000	NOK	Fixed	2015	1,088
Total subordinated loan capital and hybrid tier 1 capital 31.3.2010					6,976
Total subordinated loan capital and hybrid tier 1 capital 31.12.2009					6,918

NOTE 8: CONTINGENT LIABILITIES

NOK million	Storebrand Livsforsikring AS		Storebrand Livsforsikring Group	
	31.3.2010	31.12.2009	31.3.2010	31.12.2009
Undrawn amounts of committed lending facilities	487	355	487	355
Uncalled residual liabilities concerning Limited Partnership	2,973	3,053	4,702	4,483
Total contingent liabilities	3,460	3,408	5,189	4,838

Notes to the interim accounts

NOTE 9: CAPITAL ADEQUACY

NOK million	Storebrand Livsforsikring AS		Storebrand Livsforsikring Group	
	31.3.2010	31.12.2009	31.3.2010	31.12.2009
Share capital	3,430	3,430	3,430	3,430
Other equity	12,660	12,405	12,014	11,750
Equity	16,091	15,835	15,445	15,181
Hybrid tier 1 capital	1,491	1,486	1,491	1,486
Conditional bonus			2,973	2,755
Goodwill and other intangible assets	-45	-48	-6,179	-6,150
Capital adequacy reserve	-233	-225	-233	-225
Portion of reset unamortised experience adjustments			-194	-254
Deduction for investments in other financial institutions	-41		-32	
Other	-145	-41	-180	-150
Core (tier 1) capital	17,118	17,008	13,090	12,643
Hybrid tier 1 capital				
Perpetual subordinated loan capital	5,147	5,047	5,147	5,047
Capital adequacy reserve			-194	-254
Deductions for investments in other financial institutions	-41		-32	
Tier 2 capital	5,106	5,047	4,921	4,793
Net primary capital	22,224	22,055	18,011	17,435
Risk weighted calculation base	102,432	97,029	125,923	117,336
Capital adequacy ratio	21.70%	22.73%	14.30%	14.86%
Core (tier 1) capital ratio	16.71%	17.53%	10.39%	10.77%

Notes to the interim accounts

NOTE 10: SOLVENCY MARGIN

NOK million	Storebrand Livsforsikring AS		Storebrand Livsforsikring Group	
	31.3.2010	31.12.2009	31.3.2010	31.12.2009
Solvency margin requirements	6,971	6,737	10,489	10,102
Solvency margin capital	23,057	22,855	17,532	17,159
Solvency margin	330.7 %	339.3 %	167.1 %	169.9 %

Specification of solvency margin capital

NOK million	Storebrand Livsforsikring AS		Storebrand Livsforsikring Group	
	31.3.2010	31.12.2009	31.3.2010	31.12.2009
Net primary capital	22,224	22,055	18,011	17,435
50% of additional statutory reserves	2,326	2,323	2,326	2,323
50% of risk equalisation fund	117	112	117	112
Counting security reserve	51	43	51	43
Conditional bonus			-2,973	-2,755
Reduction in Tier 2 capital eligible for inclusion in solvency capital	-1,661	-1,678		
Solvency capital	23,057	22,855	17,532	17,159

Translation from the original Norwegian version

To the board of Storebrand Livsforsikring AS

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

We have reviewed the condensed consolidated financial statement of Storebrand Livsforsikring AS as of March 31, 2010, showing a comprehensive income of MNOK 264. The condensed consolidated financial Statement comprises the statement of financial position, the statements of income, cash flow, the statement of changes in equity and selected explanatory notes by March 31, 2010. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the rules of the Norwegian Accounting Act and generally accepted accounting practice in Norway. 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 March 31, 2010, and of its financial performance and its cash flows for the three month period then ended in accordance with the rules of the Norwegian Accounting Act and generally accepted accounting practice in Norway.

Oslo, May 4, 2010
Deloitte AS

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