

Minor adjustments in financial reporting from 2Q 2015

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Introduction

- reporting adjustments from 2Q 2015

- To improve reporting transparency and align segment reporting with the official financial figures, Storebrand has made certain adjustments in its business segment reporting
- The following adjustments have been made:
 1. Alignment of internal cost/income eliminations in the business segments with official reporting
 2. Reporting of three subsidiaries moved from net result on 'Financial result' line in segment 'Other' to gross reporting on 'Fee and adm.income' and 'Operational cost' lines in segment 'Savings.' In addition, the net result of one subsidiary in segment 'Other' is moved from 'Financial result' line to 'Operational cost' line.
 3. Reporting of performance related fees and costs in segment 'Savings' moved from net result on 'Net profit sharing and loan losses' line to gross reporting on 'Fee and adm.income' and 'Operational cost' lines
- Historical figures are adjusted from 1Q 2012 and provided in a separate Excel sheet online
- Adjusted financial segment reporting to take effect from 2Q 2015
- Overview of how the different segments are affected by the reporting adjustments:

Segment	Affected reporting lines
Group	<ul style="list-style-type: none"> • No effect on Results • Effects on Fee and administration income, Operational cost, Financial result and Net profit sharing and loan losses lines
Savings – non-guaranteed	<ul style="list-style-type: none"> • Minor effects on Results • Effects on Fee and administration income, Operational cost and Net profit sharing and loan losses lines
Insurance	<ul style="list-style-type: none"> • No changes
Guaranteed pension	<ul style="list-style-type: none"> • No changes
Other	<ul style="list-style-type: none"> • Minor effects on Results • Effects on Fee and administration income, Operational cost and Financial result lines

Overview of reporting adjustments

#	Adjustment	Historical practice	New practice from 2Q 2015	Affected segments
1	Alignment of cost/income eliminations with official reporting	Certain revenues and accompanying operational costs between group internal entities are included in <i>segment</i> and <i>group</i> figures.	<ul style="list-style-type: none"> Revenues and accompanying operational costs between group internal entities are eliminated from <i>group</i> figures Eliminations are specified in segment Other 	Group, 'Other'
2	Changes in reporting of the following subsidiaries: <ul style="list-style-type: none"> Storebrand Pensjonstjenester AS (subsidiary of Storebrand Livsforsikring AS) Aktuarsystemer AS (subsidiary of Storebrand Livsforsikring AS) ISK Spar (subsidiary of SPP Pension & Försäkring AB) Storebrand Baltic (subsidiary of Storebrand ASA) 	Subsidiaries reported as net result on 'Financial result' line in segment 'Other'	<ul style="list-style-type: none"> Gross reporting of cost and income figures of Storebrand Pensjonstjenester AS, Aktuarsystemer AS and ISK Spar on 'Fee and adm.income' and 'Operational cost' lines in segment 'Savings' Net result of Storebrand Baltic reported on Operational cost line in segment 'Other' 	Group, 'Savings', 'Other'
3	Changes in reporting of Performance related fees and costs asset management	Performance related fees and costs of asset management reported as net result in 'Net profit sharing and loan losses'	Gross reporting of performance related fees and costs of asset management on 'Fee and adm.income' and 'Operatiional cost' lines.	Group, 'Savings'

Adjusted figures

Storebrand Group

Result

NOK million	2012	2012	2013	2013	2014	2014
	Full year	Full year	Full year	Full year	Full year	Full year
Fee and administration income	3 807	3 670	4 253	4 195	4 272	4 160
Risk result life & pensions	184	184	17	17	480	480
Insurance premiums f.o.a.	2 707	2 707	3 034	3 034	3 115	3 115
Claims f.o.a.	-1 786	-1 786	-1 940	-1 940	-2 226	-2 226
Operational cost ¹	-3 603	-3 423	-2 938	-2 843	-2 617	-2 446
Financial result	192	201	97	104	363	349
Result before profit sharing and loan losses	1 501	1 553	2 522	2 566	3 387	3 431
Net profit sharing and loan losses	451	398	416	372	36	-8
Provision longevity	-	-	-	-	-391	-391
Result before amortisation	1 952	1 952	2 938	2 938	3 032	3 032

¹ Reported operational cost in 2014 was reduced by 571 MNOK due to non-recurring changes in own occupational pension scheme in Norway. In adjusted figures, the effect on operational cost is 611 MNOK. The difference of 40 MNOK arises because two SBL subsidiaries, Storebrand Pensjonstjenester AS and Aktuarsystemer AS, are moved from net result reporting in financial result to gross reporting on cost and income lines.

Savings – non-guaranteed

Result

NOK million	Full year	Full year	Full year	Full year	Full year	Full year
	2012	2012	2013	2013	2014	2014
Fee and administration income	1 638	1 816	1 888	2 091	2 148	2 326
Risk result life & pensions	3	3	7	7	-11	-11
Insurance premiums f.o.a.	-	-	-	-	-	-
Claims f.o.a.	-	-	-	-	-	-
Operational cost ¹	-1 417	-1 558	-1 279	-1 459	-1 151	-1 277
Financial result	-	0	-	0	-	0
Result before profit sharing and loan losses	224	262	616	640	987	1 039
Net profit sharing and loan losses	63	11	54	9	60	16
Provision longevity	-	-	-	-	-	-
Result before amortisation	288	273	670	649	1 047	1 054

¹ Reported operational cost in 2014 was reduced by 187 MNOK due to non-recurring changes in own occupational pension scheme in Norway. In adjusted figures, the effect on operational cost in segment Savings – non-guaranteed is 227 MNOK. The difference of NOK 40 MNOK arises because two SBL subsidiaries, Storebrand Pensjonstjenester AS and Aktuarsystemer AS, are moved from net result reporting in financial result in segment Other to gross reporting on cost and income lines in segment Savings – non-guaranteed.

Other

Result

	Full year	Full year	Full year	Full year	Full year	Full year
NOK million	2012	2012	2013	2013	2014	2014
Fee and administration income	408	92	353	91	282	-8
- <i>whereof eliminations</i>		-315		-261		-289
Risk result life & pensions	14	14	3	3	8	8
Insurance premiums f.o.a.	-	-	-	-	-	-
Claims f.o.a.	-	-	-	-	-	-
Operational cost	-385	-64	-180	95	-158	139
- <i>whereof eliminations</i>		315		261		289
Financial result	27	36	-46	-39	190	175
Result before profit sharing and loan losses	63	78	129	150	322	315
Net profit sharing and loan losses	-1	-1	-11	-11	-85	-85
Provision longevity	-	-	-	-	-	-
Result before amortisation	62	77	119	139	236	229

¹ In 2014, non-recurring changes in own occupational pension scheme in Norway reduced reported operational cost in segment Other by 54 MNOK and financial result by 40 MNOK (the latter due to the effect in SBL subsidiaries) – a total of 94 MNOK. In adjusted figures, the effect on operational cost in segment Other is 54 MNOK. The difference of 40 MNOK arises because two SBL subsidiaries, Storebrand Pensjonstjenester AS and Aktuarsystemer AS, are moved from net result reporting in financial result in segment Other to gross reporting on cost and income lines in segment Savings – non-guaranteed.