



## Investor Presentation

Q4 2019

*Compelling combination of self-funded savings growth  
and capital return from maturing guaranteed back-book*

## Important information:

This document may contain forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that may be beyond the Storebrand Group's control. As a result, the Storebrand Group's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in these forward-looking statements. Important factors that may cause such a difference for the Storebrand Group include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) market related risks such as changes in equity markets, interest rates and exchange rates, and the performance of financial markets generally.

The Storebrand Group assumes no responsibility to update any of the forward looking statements contained in this document or any other forward-looking statements it may make.

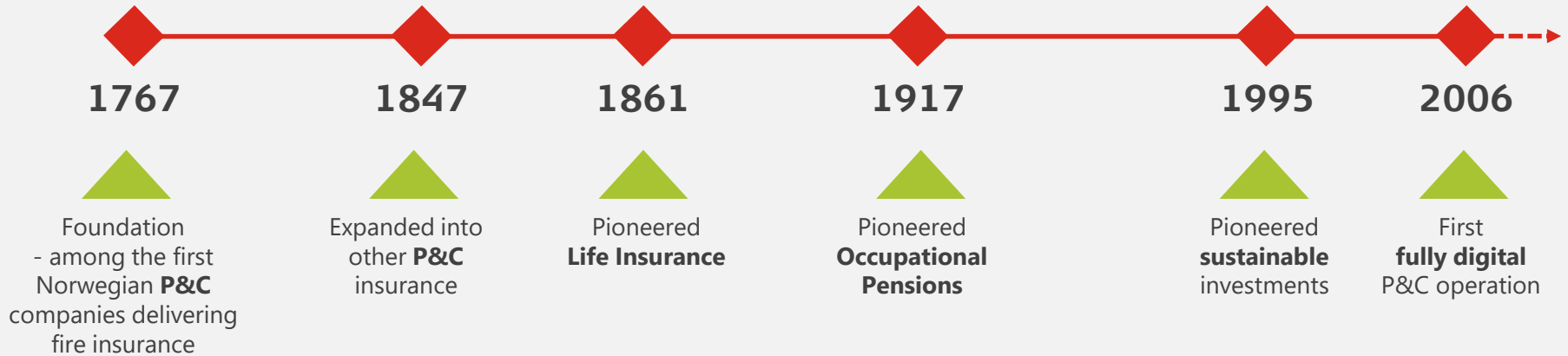


## Key Takeaways

- Transformed business from guaranteed to non-guaranteed
- Well positioned to capture capital light and profitable savings growth
- Back book capital consumption has peaked: increased capital return to shareholders
- Delivering on financial targets

# Strategy

# 250 years of pioneering in the Nordic financial industry





# Storebrand - An Integrated Financial Service Group

## Insurance

- Health, P&C and group life insurance
- NOK 4.7bn in portfolio premiums

## Asset Management

- NOK 831bn in AuM of which 40% external clients
- 100% of investments subject to sustainability screening

## Pension & Savings

- 40k corporate customers
- 2m individual customers
- NOK ~480bn of reserves of which 45% Unit Linked



## Retail Bank

- Internet Bank
- NOK 48bn of net lending

- Capital synergies
- Customer synergies
- Cost synergies
- Data synergies

# Leading position in Norway and strong contender in Sweden

## Market share occupational pensions (Defined Contribution)



### Clear value proposition



- ✓ **Best customer satisfaction**  
with all time high score for large Norwegian corporates



- ✓ **Best customer service**  
in Sweden

### World leader in corporate sustainability



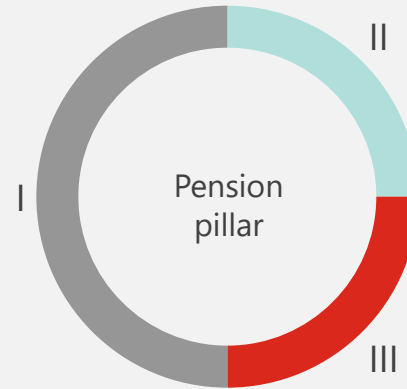
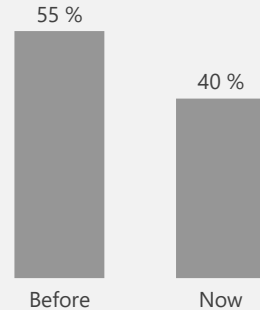
World's most sustainable insurance company 2020

# Demographic change has driven pension reforms in Norway with opportunities emerging

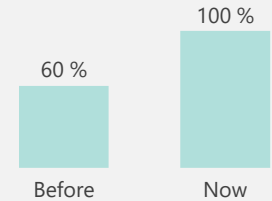
## Workers per pensioner



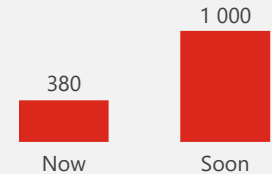
## Public pension replacement rate<sup>1</sup>



## Occupational pension coverage<sup>2</sup>



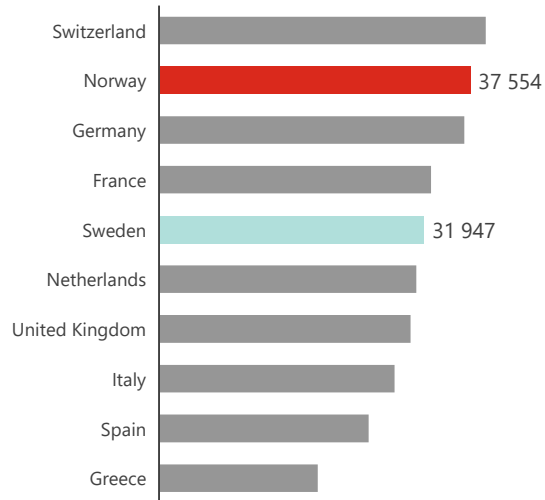
## Retail savings (AuM, bn NOK)<sup>3</sup>



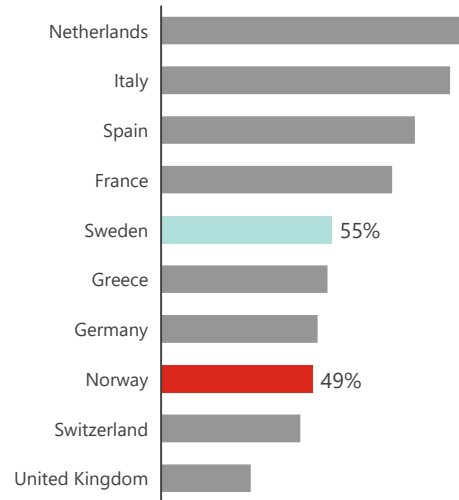


# Moderate replacement rates and a wealthy population with an overweight in bank deposits fuel growth potential in retail market for savings

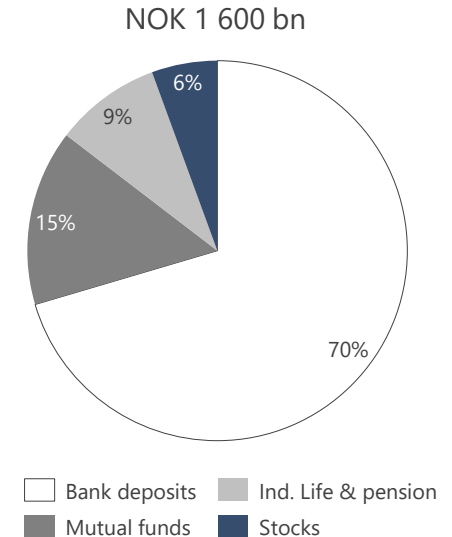
## Household disposable income<sup>1</sup>



## Net replacement rate<sup>2</sup>

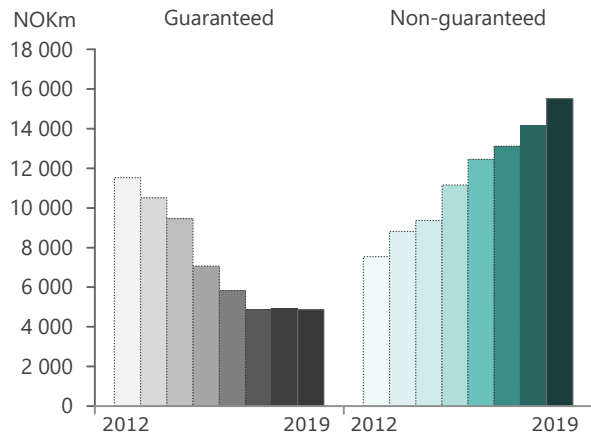


## Household financial assets Norway<sup>3</sup>

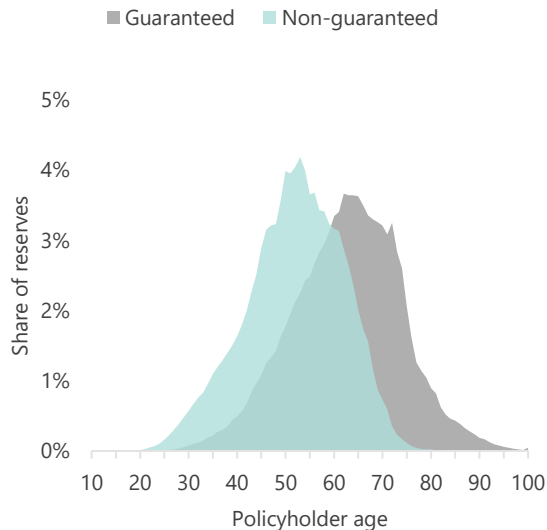


# Continued shift from Guaranteed to Non-guaranteed pension

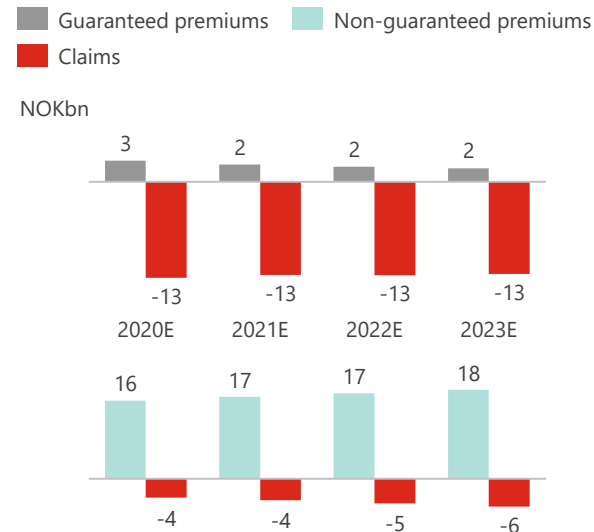
## Historic premium income<sup>1</sup>



## Current share of reserves<sup>2</sup>



## Expected flow of reserves<sup>3</sup>

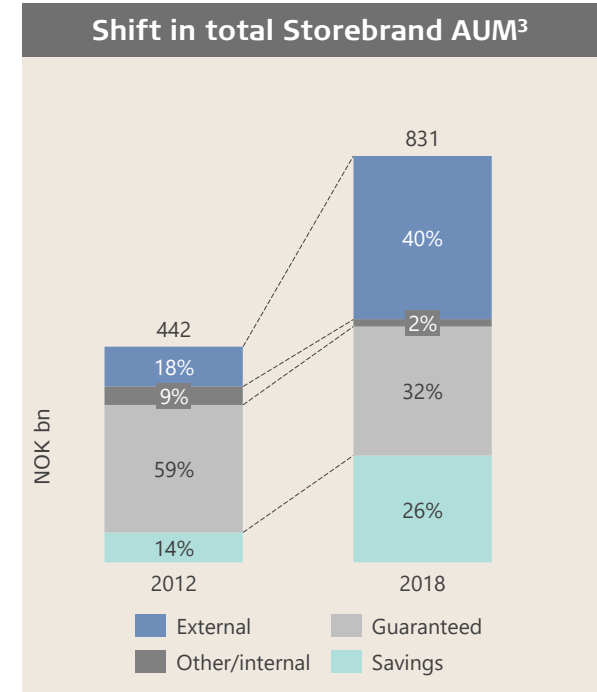
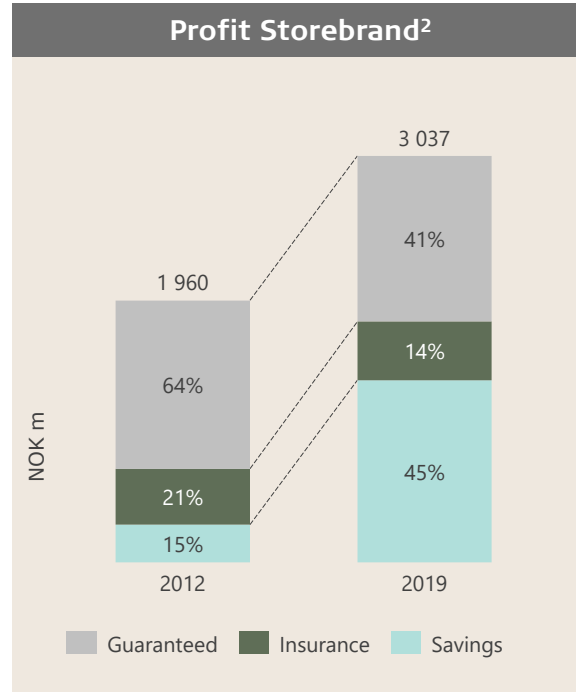
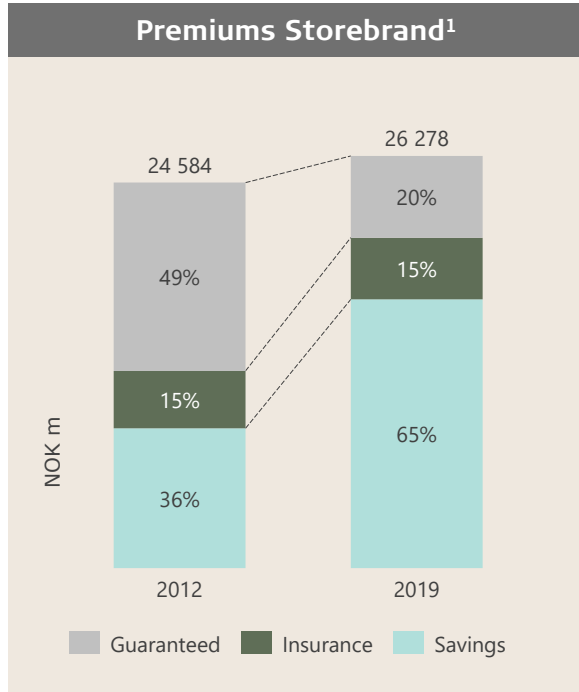


<sup>1</sup> Guaranteed: Defined Benefit Norway and Guaranteed pension Swede, excl. transfers. Non-guaranteed: Unit Linked (occupational pension) Norway and Sweden, excl. transfers.

<sup>2</sup> Guaranteed: Defined Benefit and Paid-up policies Norway and Guaranteed pension Sweden. Non-guaranteed: Unit Linked (occupational pension) Norway and Sweden. As of 2018.

<sup>3</sup> Aggregated numbers from Norwegian and Swedish pension products. Acquired premiums from Silver excluded.

# Successful transition from Guaranteed to non-guaranteed Savings



# Our strategy: A compelling combination of self-funding growth and capital return from maturing guaranteed back-book

1

Build a world class Savings business - supported by Insurance

A

Leading position Occupational Pension

B

Uniquely positioned in growing retail savings market

C

Asset manager with strong competitive position and clear growth opportunities

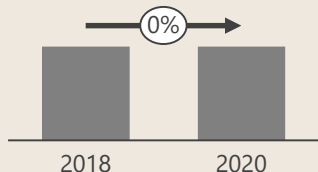
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Bolt-on M&A

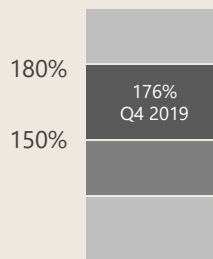
2

Manage balance sheet and capital

A. Cost discipline



B. SII capital management framework

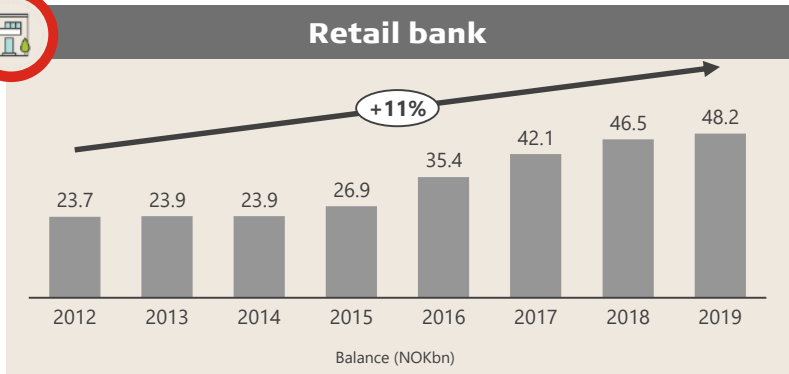
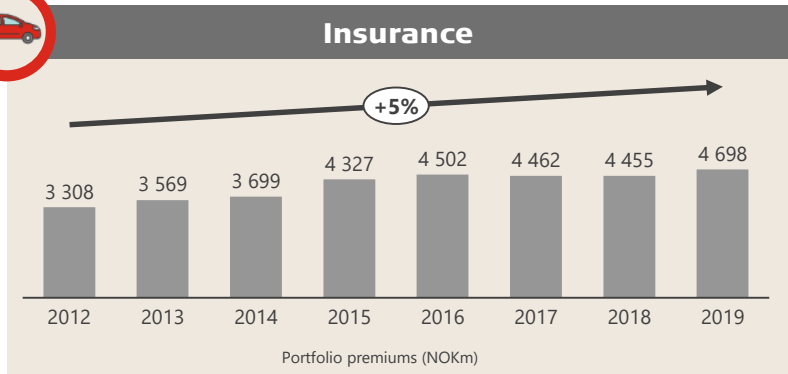
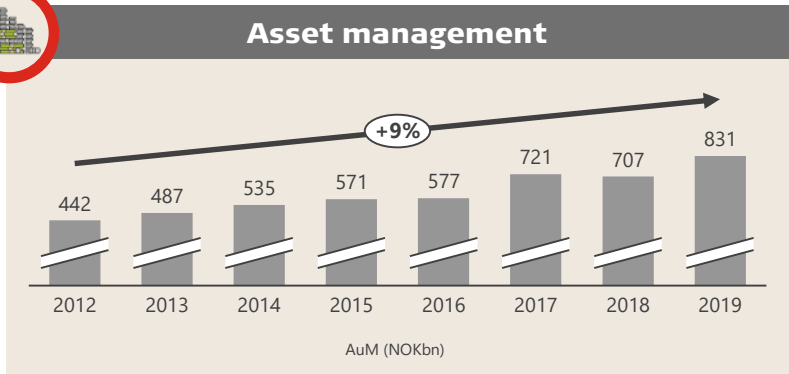
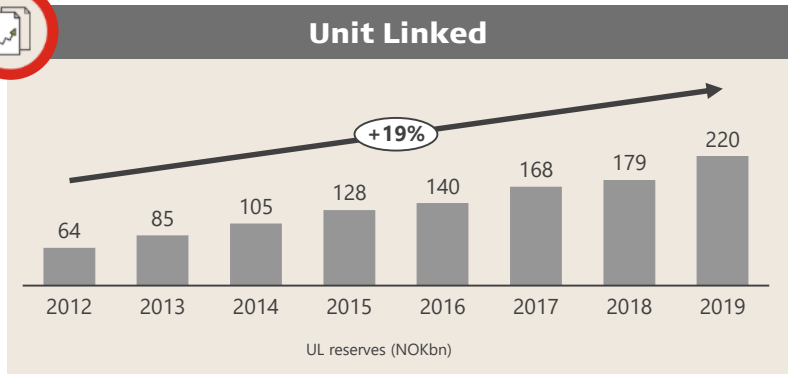


C. Increased return



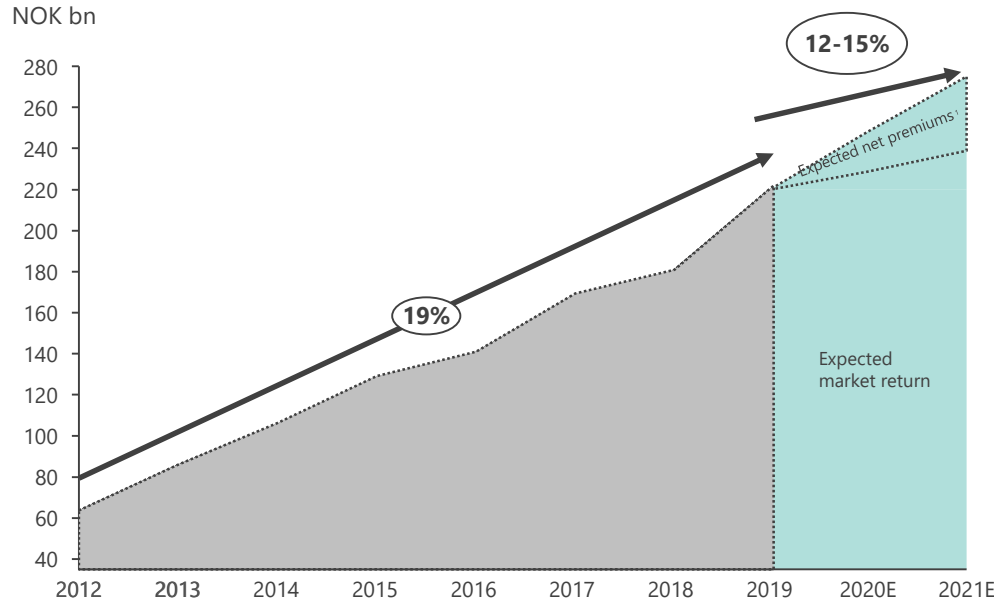
Manage for capital release and increased dividend pay-out ratio

# Growth in Savings and Insurance



# Net premiums and market return drive AuM growth

## AuM development Unit Linked



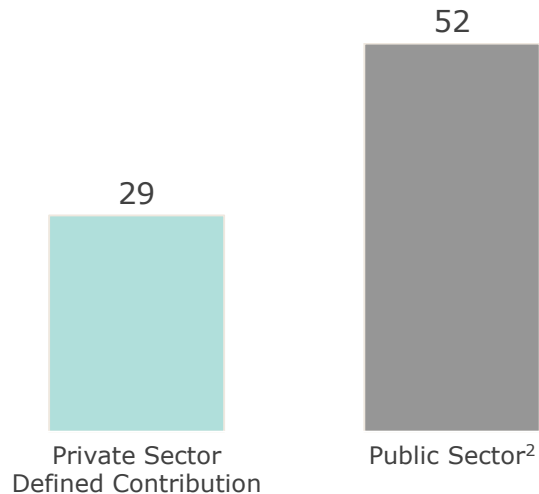
### Drivers of expected net premiums

- Majority of premiums generated by active policies
- Growth driven by:
  - Increased salaries and savings rates
  - Population growth
  - Age distribution of policyholders
  - DB conversions
  - New sales
  - New retail savings products
  - Positive transfer balance
  - Market returns

# Storebrand to enter Norwegian public sector pension market

## Large public sector market opening up for competition

Annual market premium NOK bn<sup>1</sup>



## New regulation will make it attractive for Storebrand to enter the market again

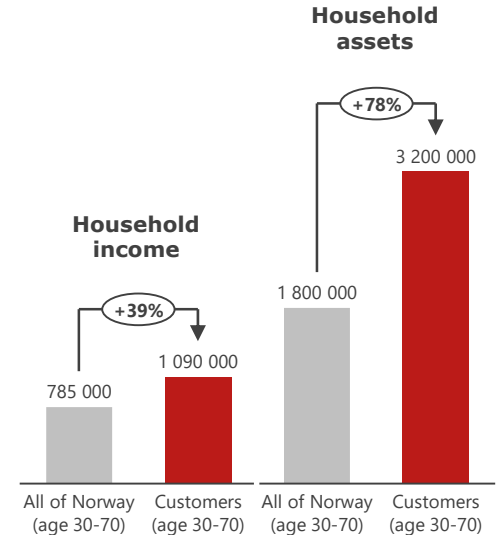
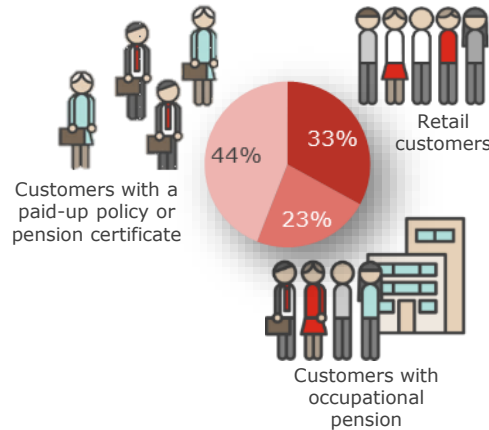
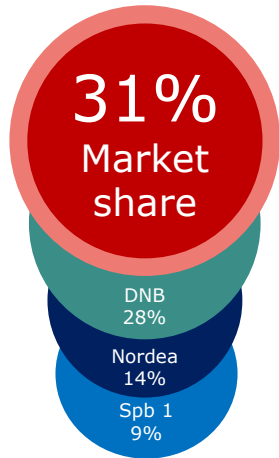
- With effect from 2020, the pension system for public employees will be adjusted to better fit the 2010 Norwegian pension reform.
- Market monopoly today.
- Capital efficient product offering.
- 5% expected annual market premium growth.
- Storebrand will build on existing systems and solutions and execute within previously communicated cost target for the group.

# Building on our relationship with employers to reach out to individuals

Our position in the Norwegian occupational pension market...

...gives us a customer base of 1.3 million individuals..

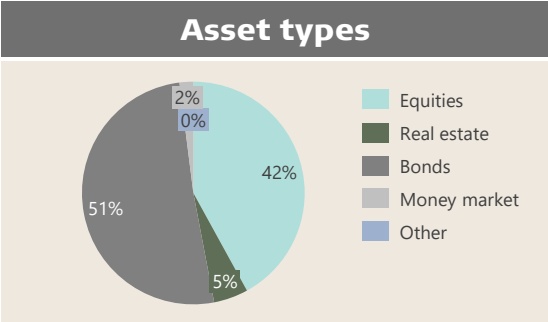
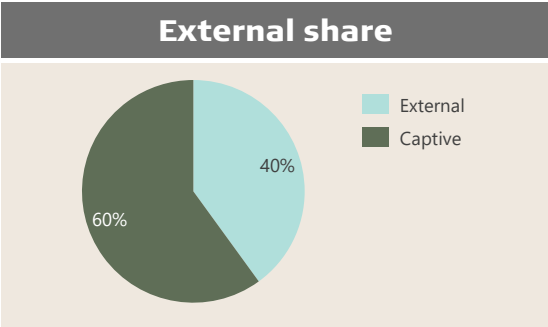
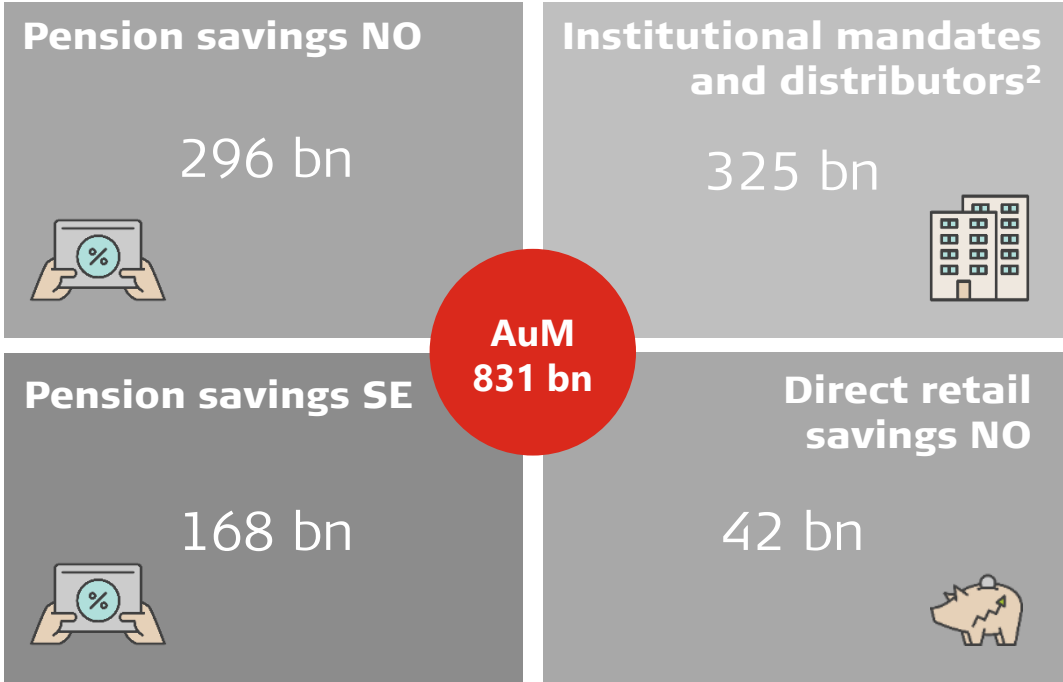
..with above average financials and savings capacity





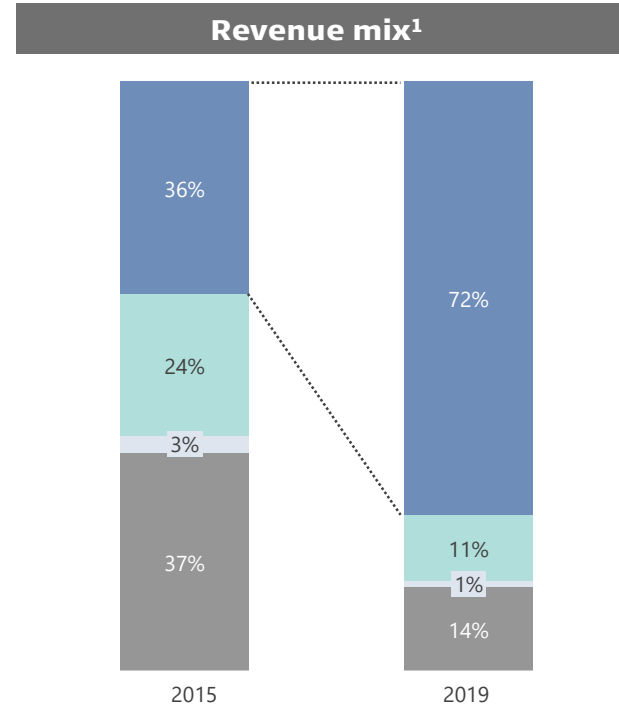
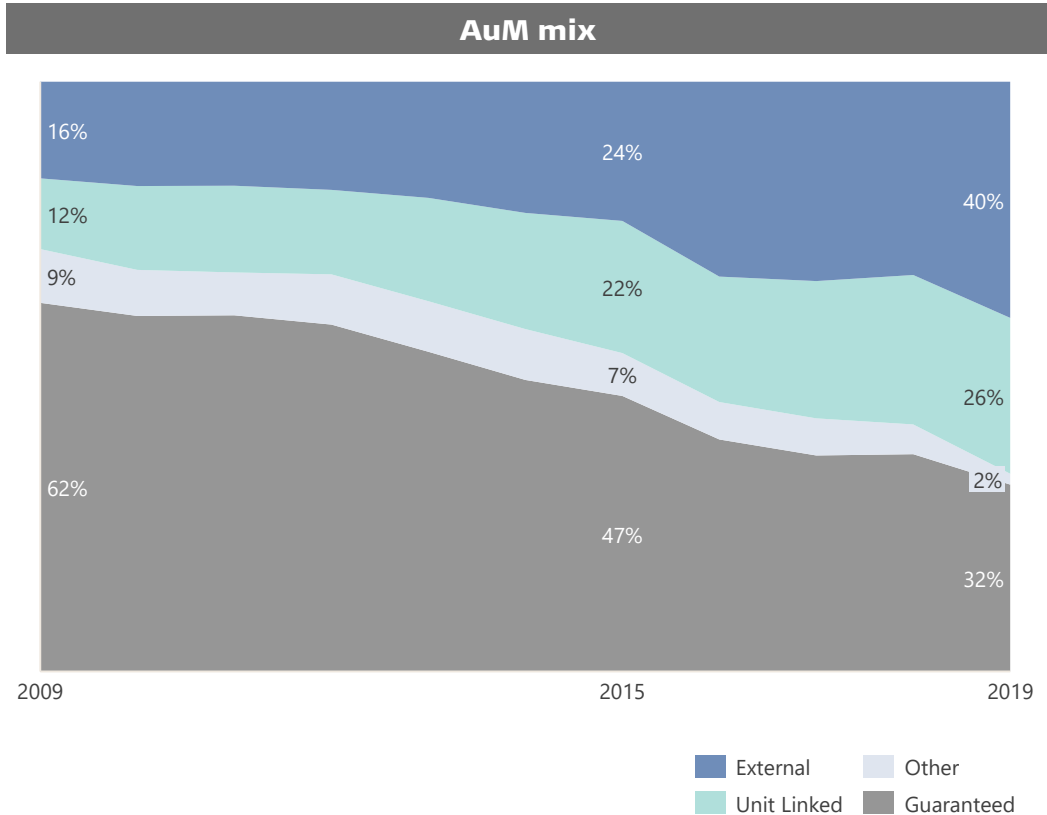
# Fast growing Nordic asset manager with a blend of captive pension assets and external clients

## Main channels for AuM (NOK bn)<sup>1</sup>



<sup>1</sup> Data as of Q4 2019.  
<sup>2</sup> Includes company capital.

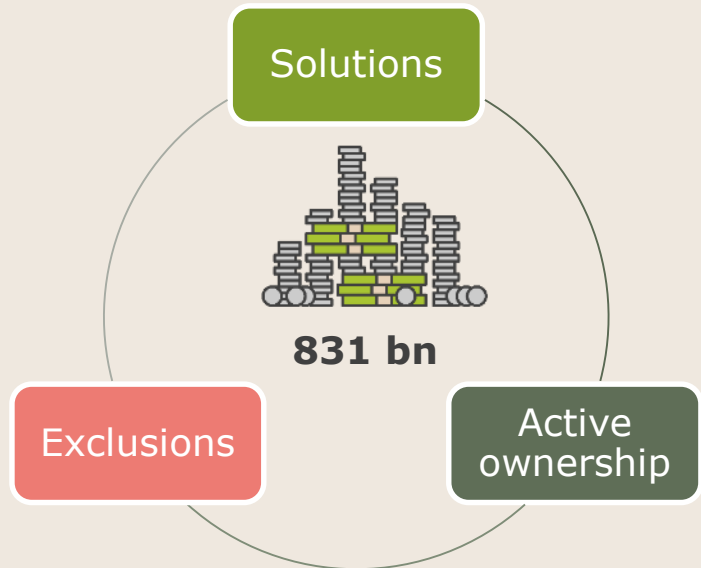
# Increased external share in Asset Management



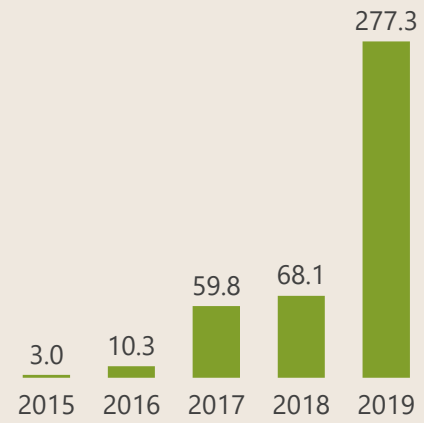
<sup>1</sup> Revenue & AuM include Skagen from 01.01.2017 proforma

# Sustainability at the core of our business

NOK 831 bn AuM aligned to contribute to the UN Sustainability Goals

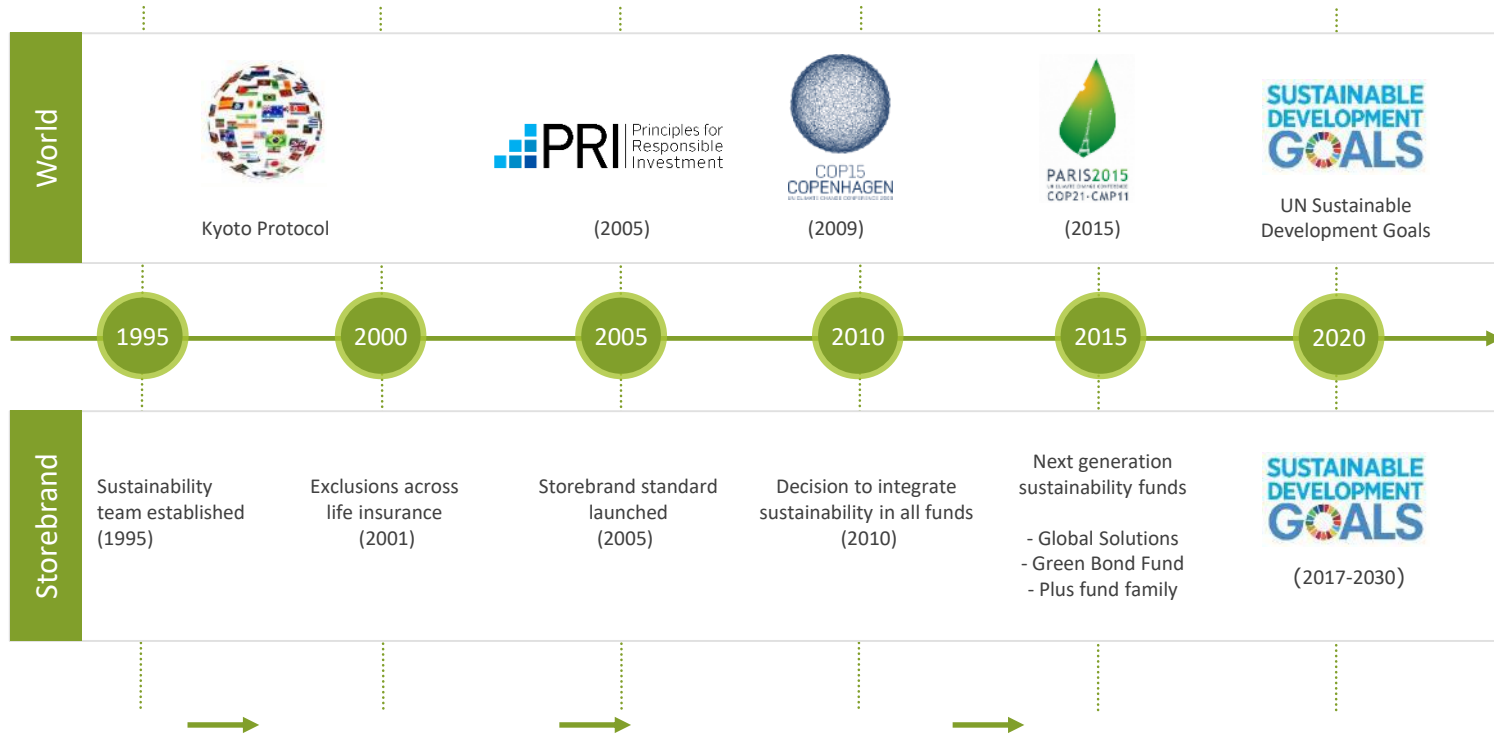


AUM Sustainability Enhanced, NOK bn

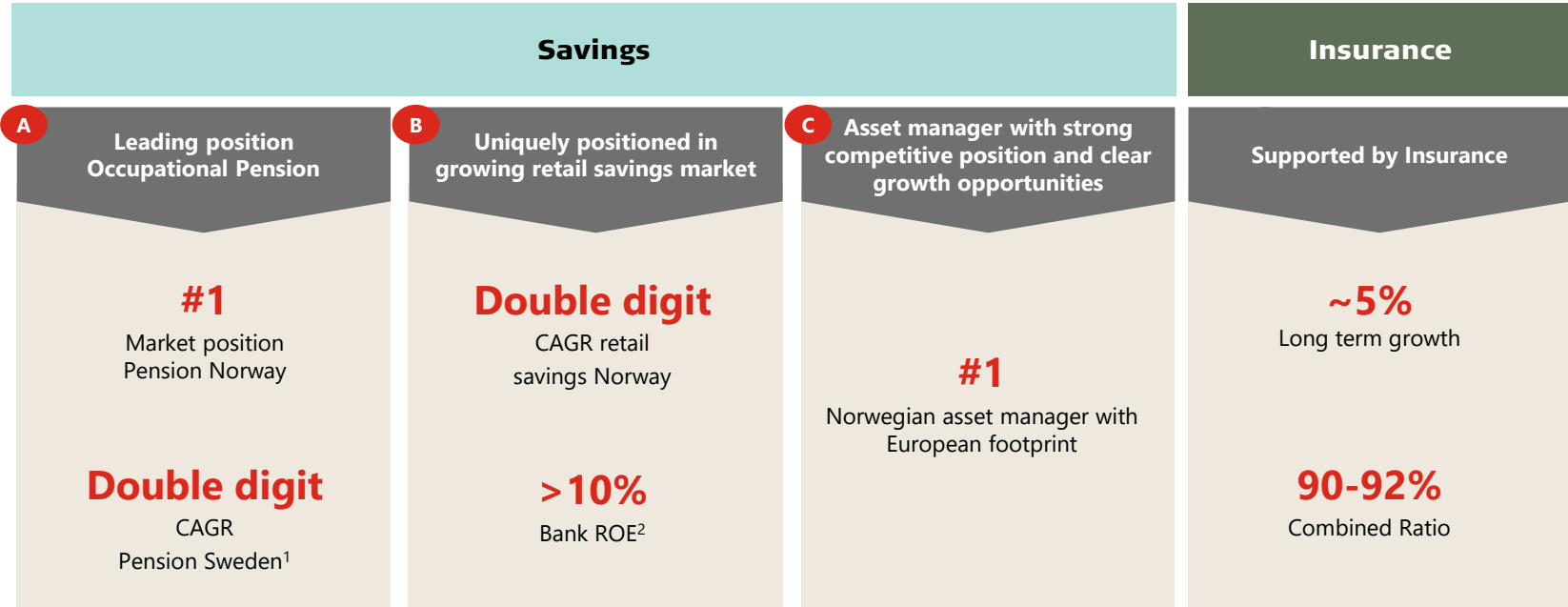


*All assets under management are subject to sustainability screening*

# Storebrand's History of Sustainable Investments



# Ambition: Build a world class Savings business supported by Insurance



# Significant difference in capital consumption and return profile between old and new business

ILLUSTRATIVE  
FROM CMD 2018

	Savings	Insurance	Guaranteed <sup>3</sup>	Group
IFRS earnings <sup>1</sup> (NOKm)	1 552	638	982	3 172
Allocated Equity <sup>2</sup> (NOKbn)	5.5	2.0	23.6	31.1
Pro forma RoE adj(%) <sup>4</sup>	31%	36%	5%	11%

The equity in the Group sits within different legal units. This allocation of equity is done on a pro-forma basis to reflect an approximation to the IFRS equity consumed in the different reporting segments after group diversification. The estimated allocation is based on the capital consumption under SII and CRD IV adjusted for positive capital contribution to own funds. The Insurance segment has been allocated an increased capital level which is more in line with long-term expected diversification effects.

<sup>1</sup> Result before amortisation and after tax, Q1 2017 – Q1 2018

<sup>2</sup> Based on solvency II position pr. Q1 2018 incl. transitional rules on 165%. IFRS equity allocated on a pro forma basis.

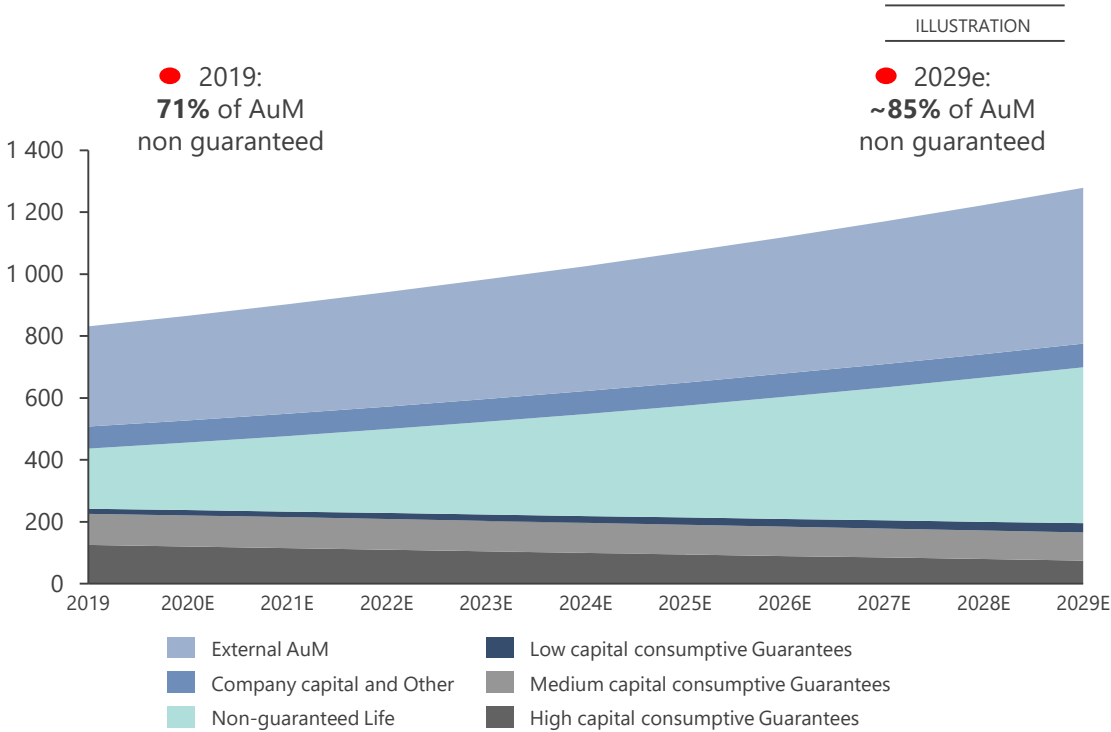
<sup>3</sup> Includes reporting segment "Other".

<sup>4</sup> Allocated equity 1Q 2018, ROE calculated on 1Q 2017.

# Majority of AUM in Storebrand is already capital efficient and growing while capital consumptive guaranteed AUM is trailing off

## Forecast assets under management (NOKbn)

## Implications



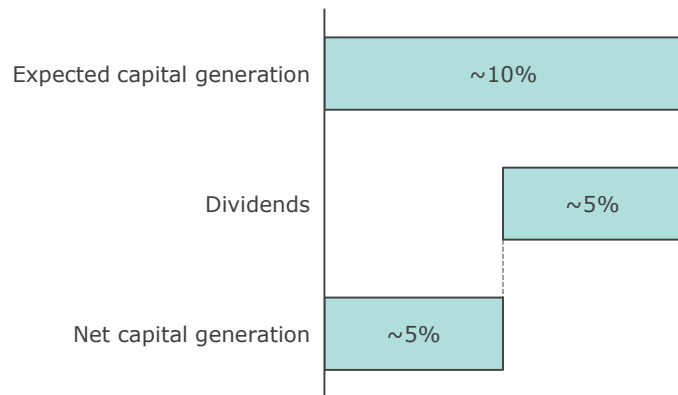
- Guaranteed portfolio has reached Solvency II peak capital consumption
- New growth in Savings and Insurance need little new capital
- Increased free cash flow and dividend capacity
- Increased fee and adm. income and reduced sensitivity to financial markets

Company capital and Other: Company portfolios, buffer capital and BenCo. External AuM: Non-life AuM in Storebrand Asset Management. Non-guaranteed Life: Unit Linked Norway and Sweden. Low capital consumption Guarantees: Capital-light guarantees Sweden. Medium capital consumption Guarantees: Defined Benefit and medium guaranteed Sweden and paid ups with high buffers/low guarantees. High capital consumption Guarantees: Paid-up policies, Individual Norway and capital consumptive guarantees Sweden. Categories change in time due to buffer building.

# Capital generation from increasing fee based earnings in front book and capital release from the back book

From CMD

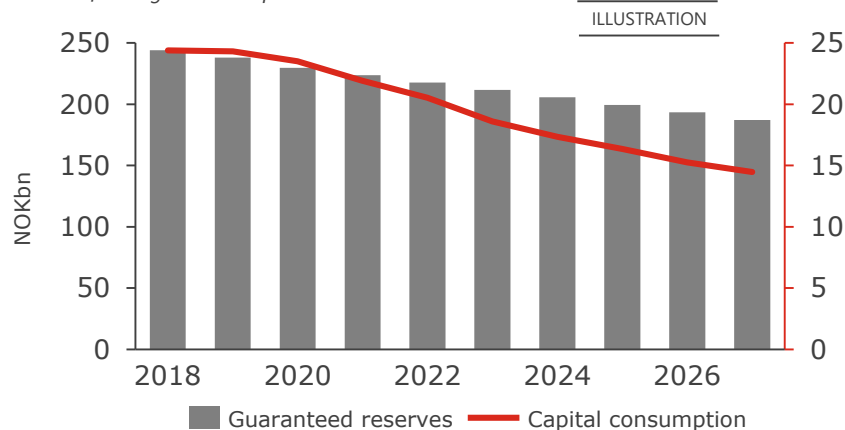
## Estimated solvency generation (annual) short term<sup>1</sup>



- Expected annual capital generation of ~10pp of improved solvency ratio after new business strain
- Further management actions have the potential to further improve solvency

## Estimated reduced capital consumption back book

Capital consumption includes sum of solvency capital requirement and sum of VIF for all guaranteed products



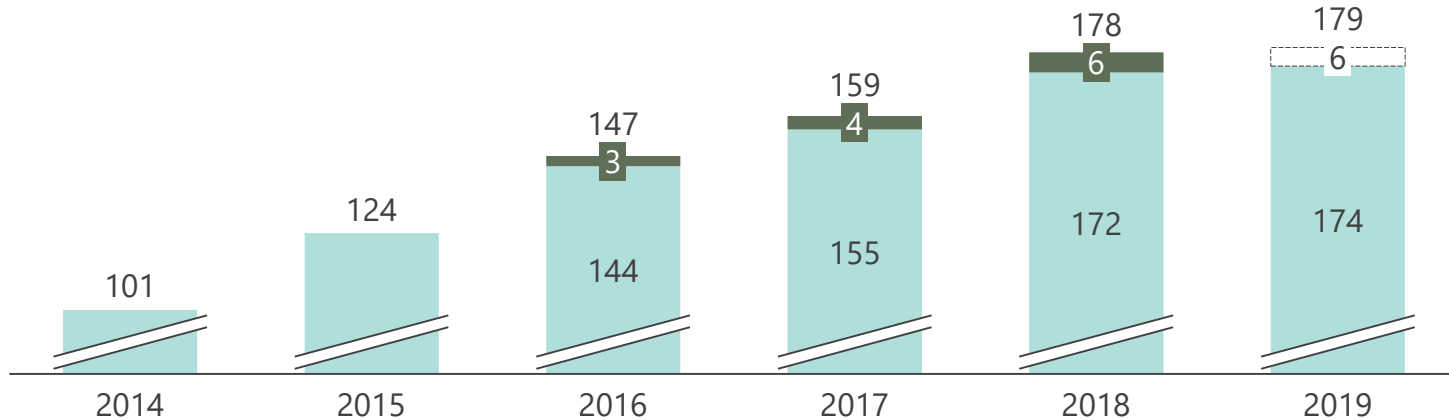
- Lower capital consumption because guaranteed portfolio in run-off, interest rate guarantee reduced and new policies have lower guarantees, hence more capital light

<sup>1</sup> Solvency generation (%) on Solvency II ratio without transitional rules.



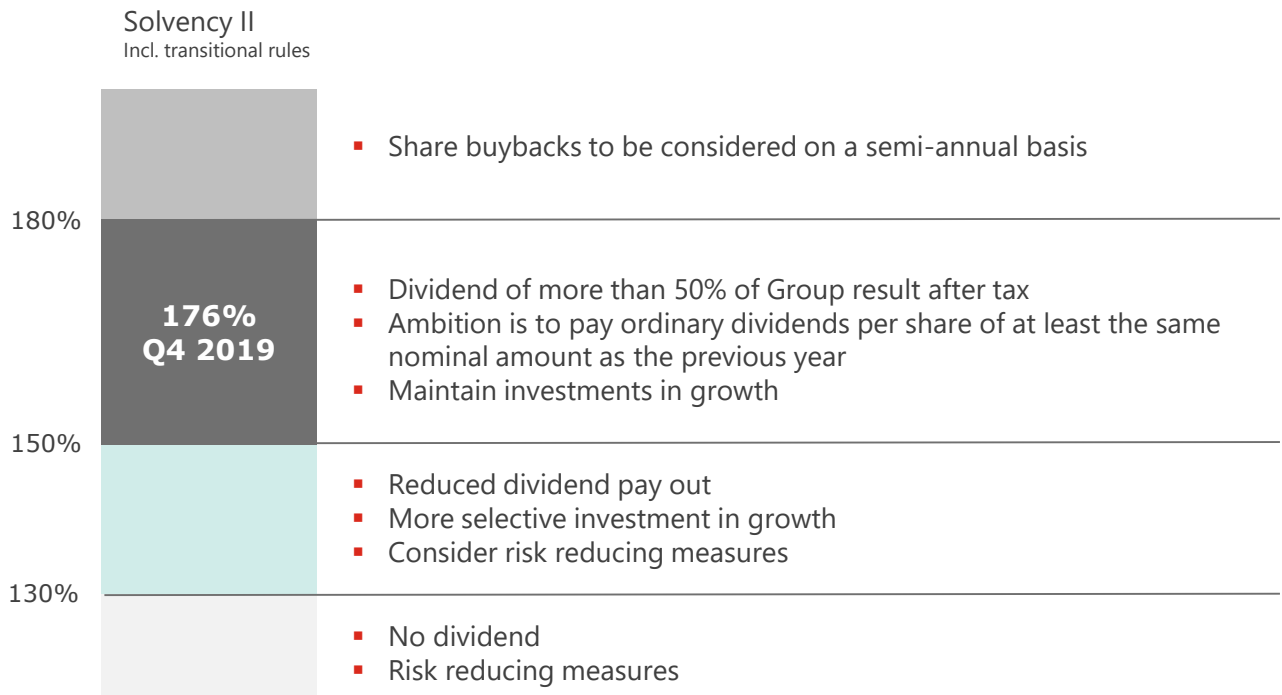
# Strong historical growth in solvency ratio

Solvency ratio without transitional rules development 2014-2019 (%)



Set aside for Dividend    Dividend paid    Solvency ratio without transitionals

# Group capital management policy sets thresholds for distribution of cash dividends



# Ambitions Capital – back book has reached peak capital and is expected to contribute with cash together with growing front book

FROM CMD 2018

## Low case:

Release capital from the business

- Regulatory change
- Lower interest rates
- Margin pressure

## Base case:

Release capital from the business

**2021**

Expected start of capital release as dividends when S2 ratio >180%

**~NOK 10 BN**

Back book capital release until 2027

## High case:

Release capital from the business

- Regulatory change
- Higher interest rates
- Better profitability

# Delivered on Financial Targets

	Target	Actual 2019	
 Return on equity <sup>1</sup>	> 10%	8.0%	
 Dividend pay-out ratio <sup>1</sup>	> 50%	73%	✓
 Solvency II margin Storebrand Group <sup>2</sup>	> 150%	176%	✓

<sup>1</sup> Before amortisation after tax.

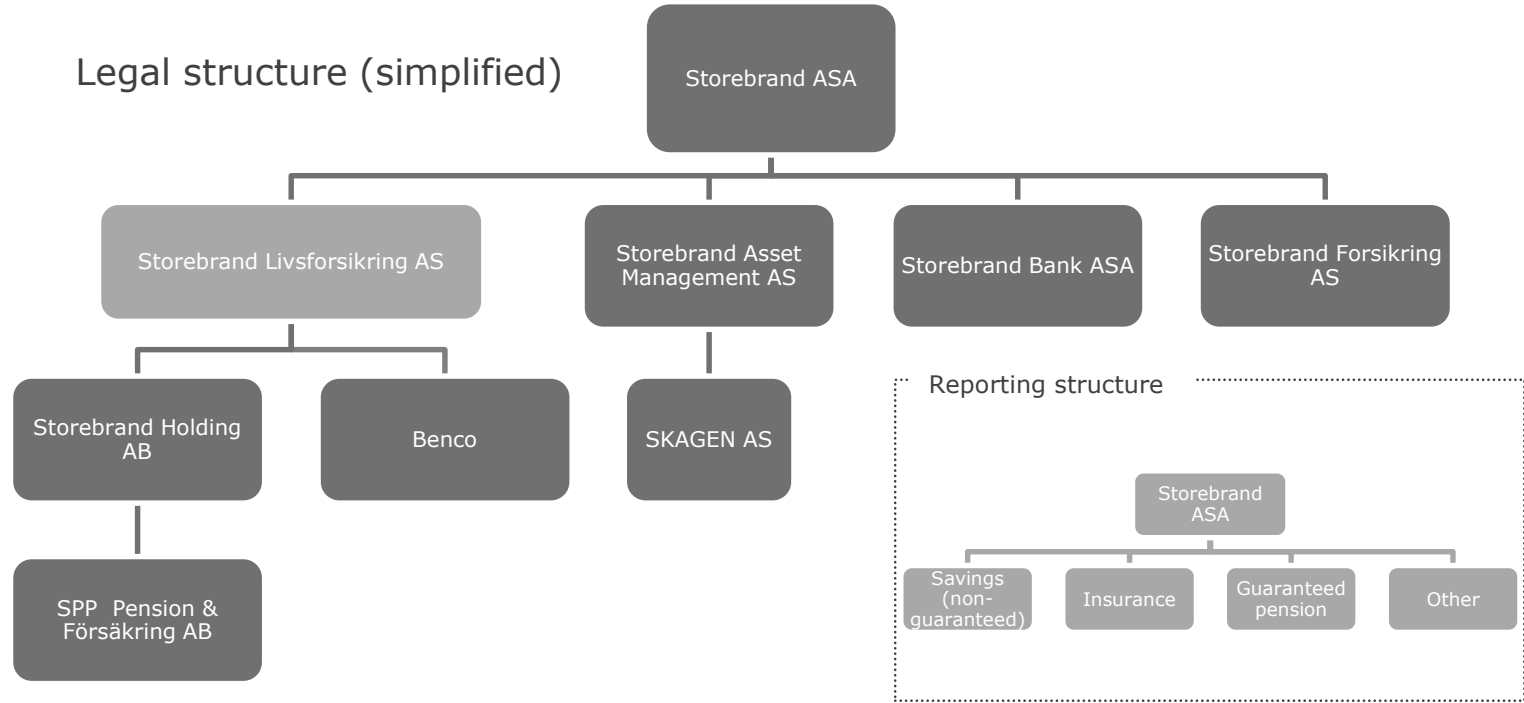
<sup>2</sup> After tax

<sup>3</sup> Including transitional rules.

# Capital Management

# Storebrand Group Structure

Diversified cash flow to holding company Storebrand ASA

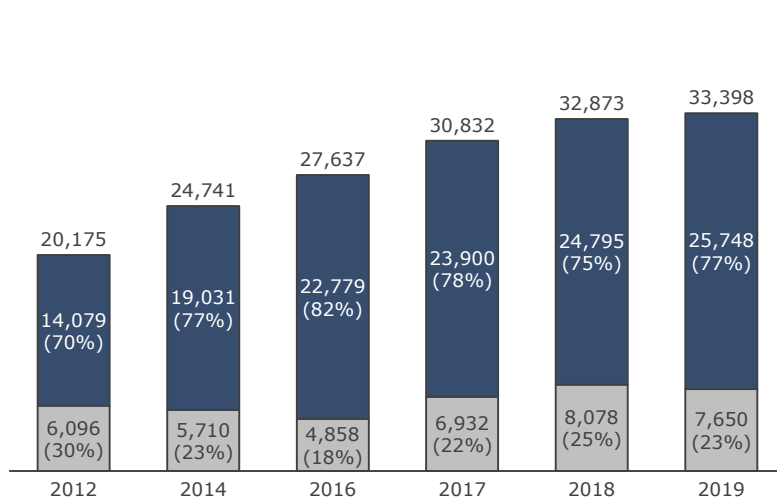


# IFRS earnings close to cash allow for a high remittance ratio in the Group

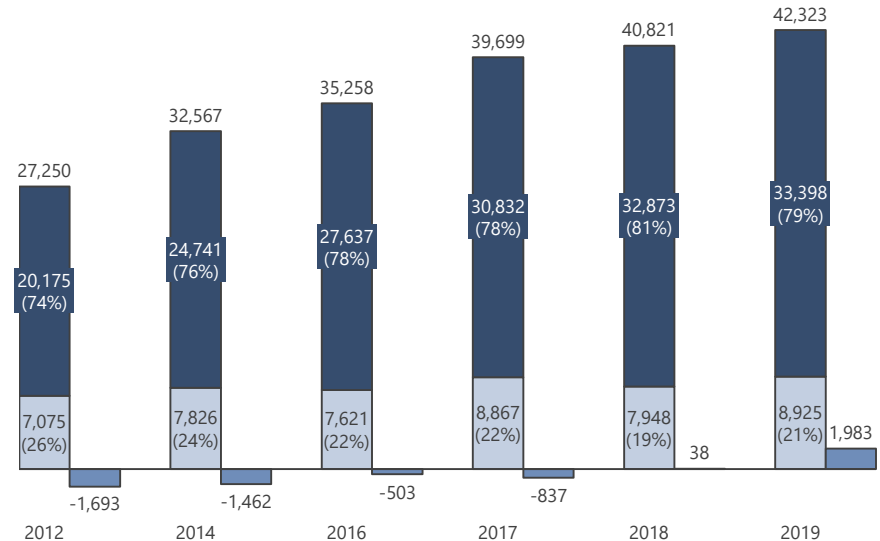
	Storebrand Life Group	Storebrand Forsikring	Storebrand Helseforsikring	Storebrand Bank	Storebrand Asset Management	Σ Group <sup>3</sup>
Earnings after tax <sup>1</sup> (NOK m)	1846	101	24	213	414	2952
Remittance <sup>2</sup> (NOK m)	1520	80	65	1	465	2129
Remittance ratio	82%	79%	271%	0%	112%	72%

# Strong Group IFRS equity and capital structure – reduced financial leverage

Group equity (NOK bn)



Group capital structure<sup>2</sup>



■ Tangible equity ■ Intangible equity<sup>1</sup>

■ Equity ■ Subordinated liabilities ■ Net Liquidity STB ASA (Holding)<sup>3</sup>

<sup>1</sup> Intangible equity: Brand names, IT systems, customer lists and Value of business-in-force (VIF), and goodwill. VIF and goodwill mainly from acquisition of SPP.

<sup>2</sup> Specification of subordinated liabilities:

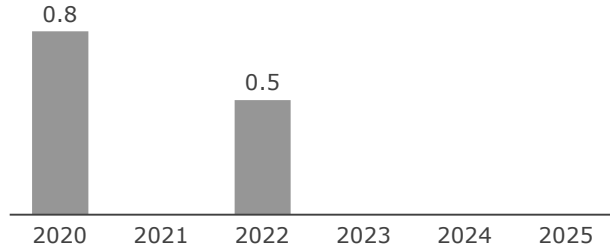
- Hybrid tier 1 capital, Storebrand Bank ASA and Storebrand Livsforsikring AS
- Perpetual subordinated loan capital, Storebrand Livsforsikring AS
- Dated subordinated loan capital, Storebrand Bank ASA and Storebrand Livsforsikring AS

<sup>3</sup> (Senior debt – liquidity portfolio) in holding company shown in separate column as it is not part of group capital.

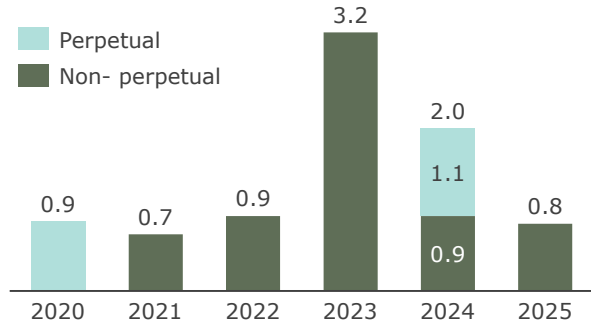


# Term structure debt

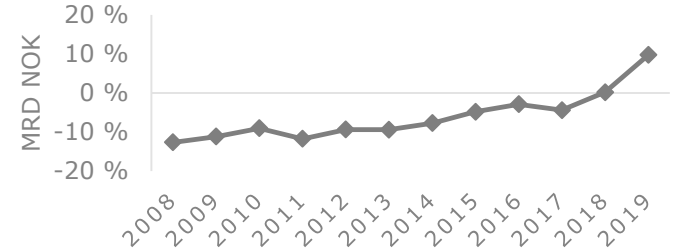
Term structure senior debt Storebrand ASA (bn NOK)



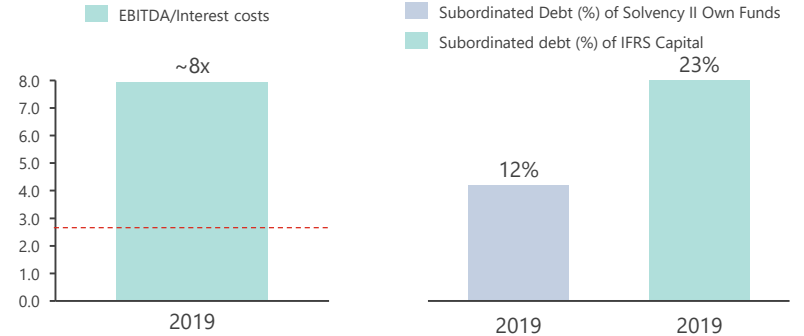
Term structure sub-debt Storebrand Livsforsikring<sup>1</sup> (bn NOK)



Development net liquidity Storebrand ASA



Interest charge coverage Storebrand group<sup>2</sup>



# The Solvency Calculation – moving to a market consistent balance sheet and risk sensitive capital requirements

IFRS balance sheet



Moving to economic balance sheet



Solvency II balance sheet



1 in 200 years shock



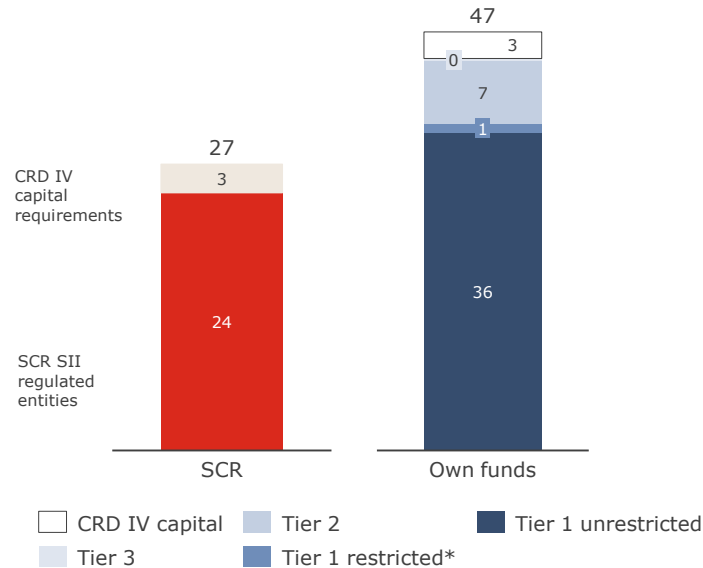
Solvency II Balance Sheet under 1/200 years shock



$$\text{Group solvency II ratio} = \frac{\text{Own Funds}}{\text{SCR}} = \frac{\text{NOK 47bn}}{\text{NOK 27bn}} = \mathbf{176\%}^1 \text{ (Q4 2019)}$$

# High quality capital base under Solvency II

SCR and own funds Q4 2019 (NOK bn)



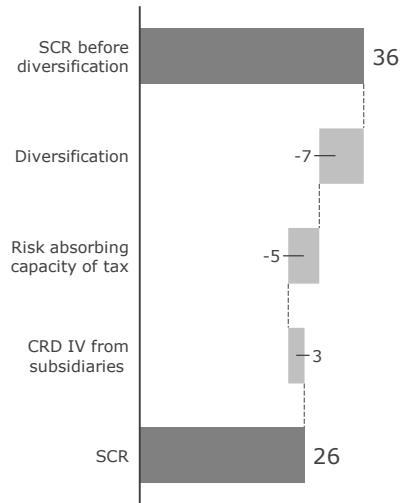
Own funds in % of SCR (excluding CRD IV subsidiaries)

	Regulatory limit	OF % of SCR	OF % of total
Tier 3	≤ 15% SCR	1%	1%
Tier 2	≤ 50% SCR Σ T2+T3	29%	16%
Tier 1 Restricted	≤ 20% T1	5%	3%
Tier 1 Unrestricted	≥ 50% SCR Σ All T1	148%	81%

# Solvency Capital Requirements (SCR)

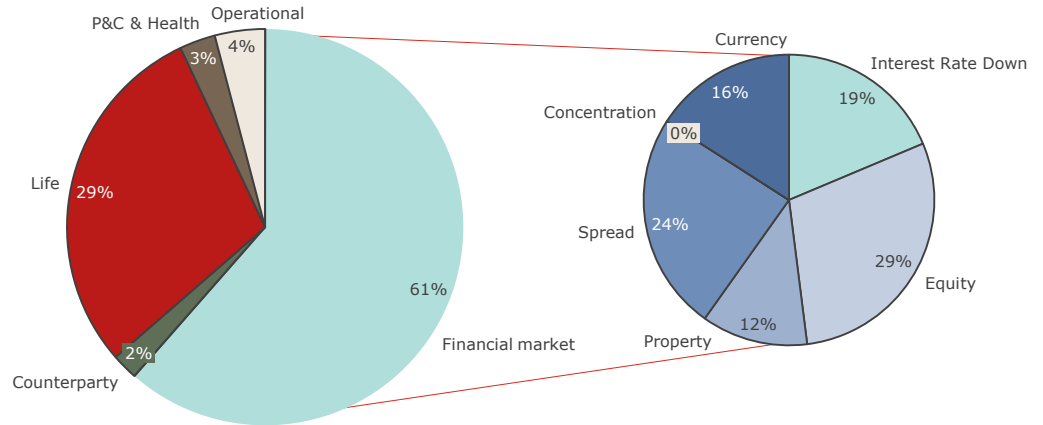
## SCR calculation Q4 2019

NOKbn

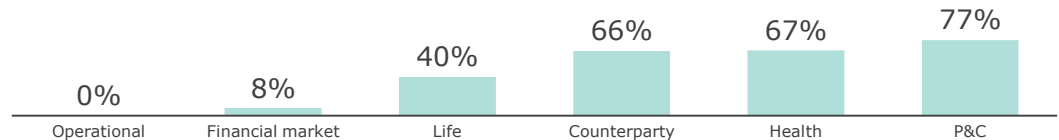


SCR excludes effect of transitionals on equity of NOK -297m.

## SCR dominated by financial market risk...



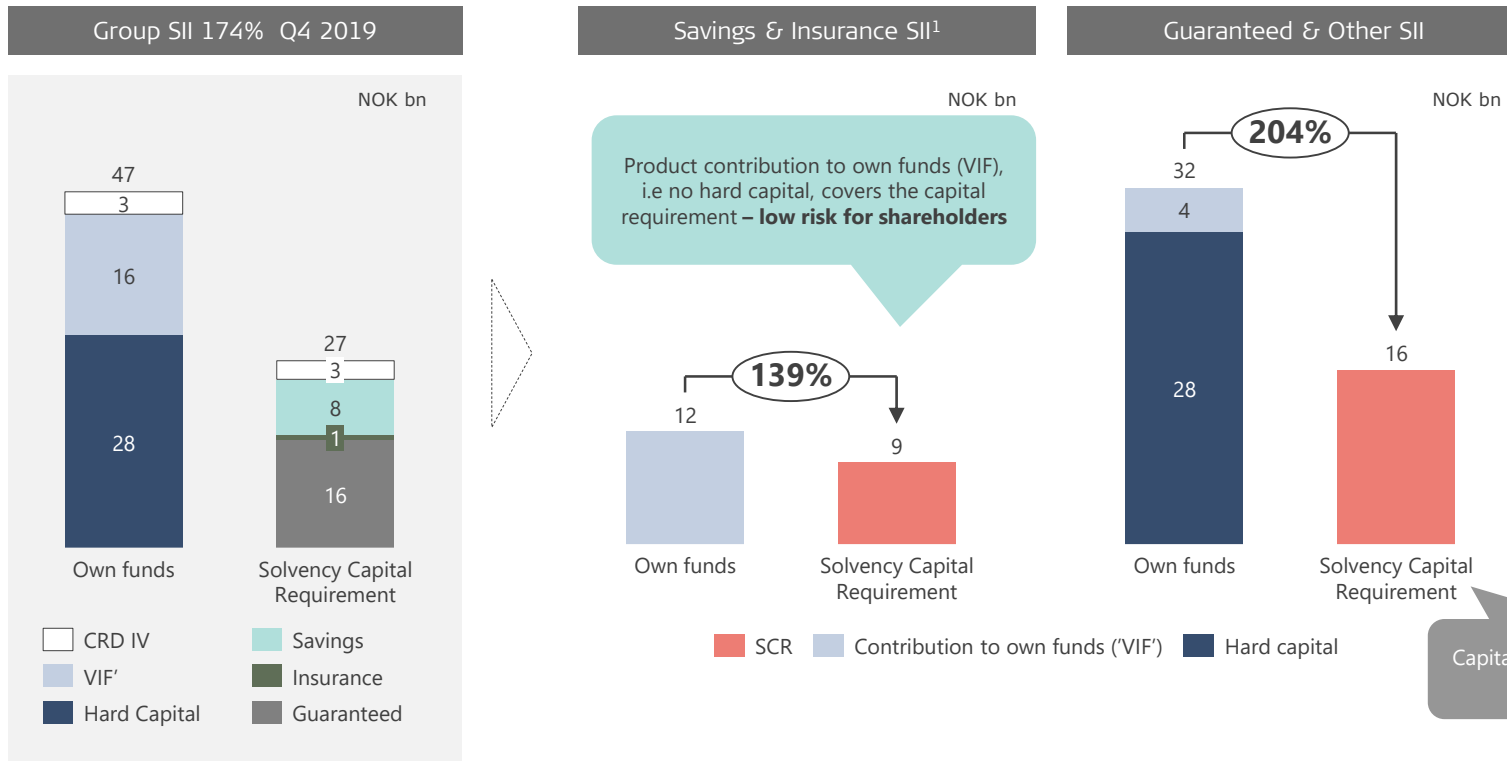
## ...Strong diversification benefits from adding more insurance risk<sup>1</sup>



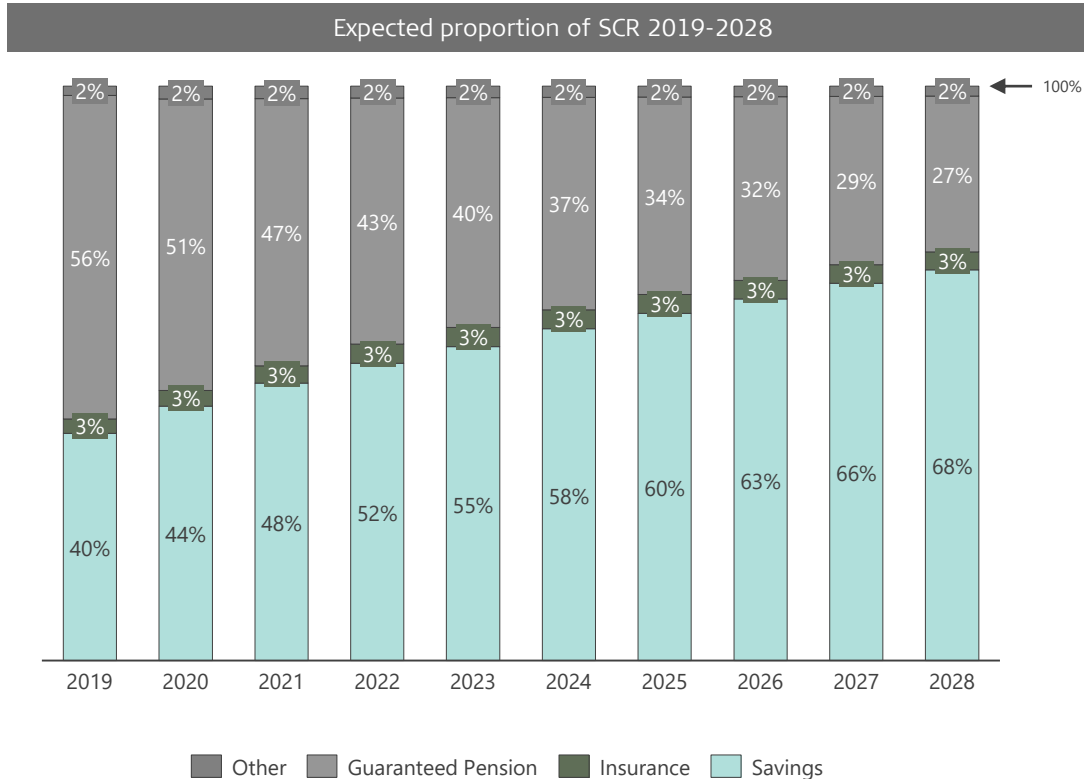
# Savings and Insurance are close to self-financing going forward

- SII-ratio of 204% excluding Savings and Insurance

ILLUSTRATIVE PRO FORMA ALLOCATION BASED ON 174% SOLVENCY RATIO PR Q4 2019<sup>1</sup>



# Reduced Solvency Capital Requirement from Guaranteed business



- **Guaranteed** products have more financial market risk
- High buffer need to SCR because of high volatility

- **Insurance** products have strong diversification effects
- Medium buffer need to SCR because of low volatility

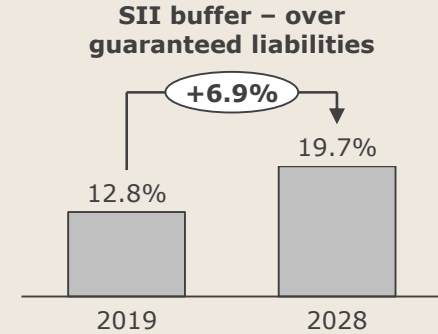
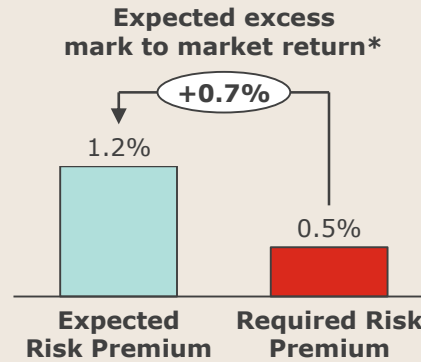
- **Savings** products generates own funds, low need to hold hard capital in the form of equity/sub debt
- Low buffer need to SCR because of low volatility

# Investment management

# Liability Driven Investments are expected to generate SII Capital and Stabilise IFRS Results

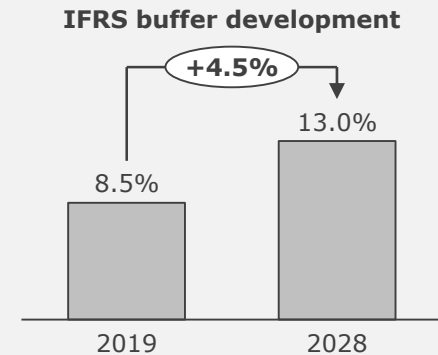
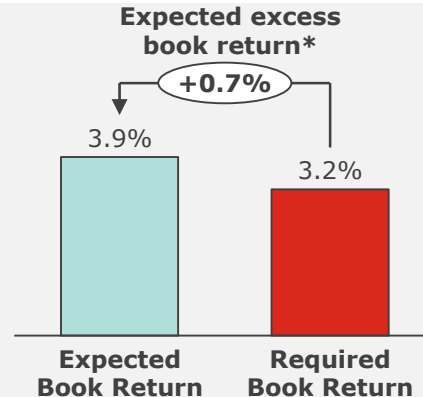
## SII

Long term perspective  
Risk management of **own funds** and **SCR**



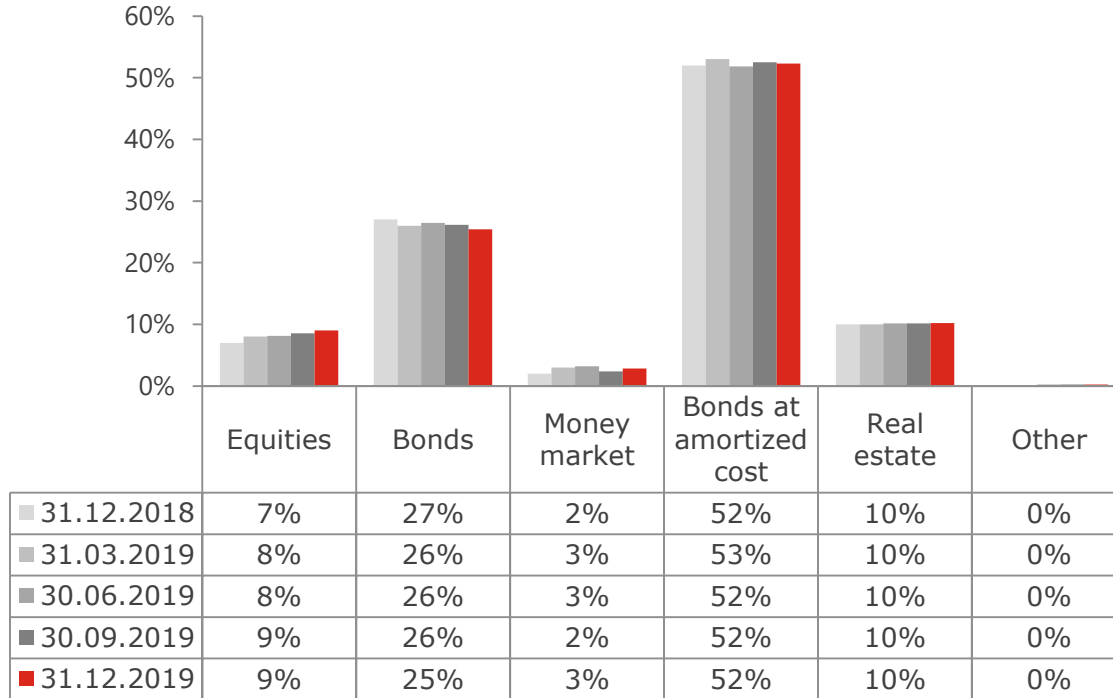
## IFRS

Annual perspective  
Risk management of **financial result** and **buffers**



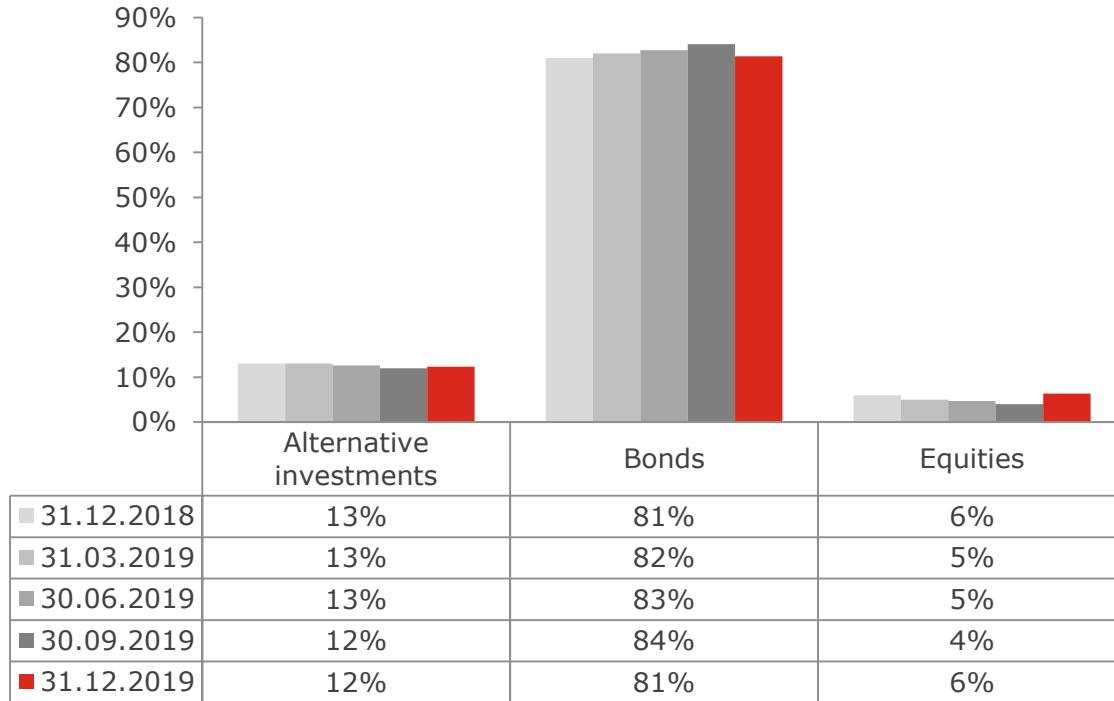


# Storebrand Life Insurance asset allocation



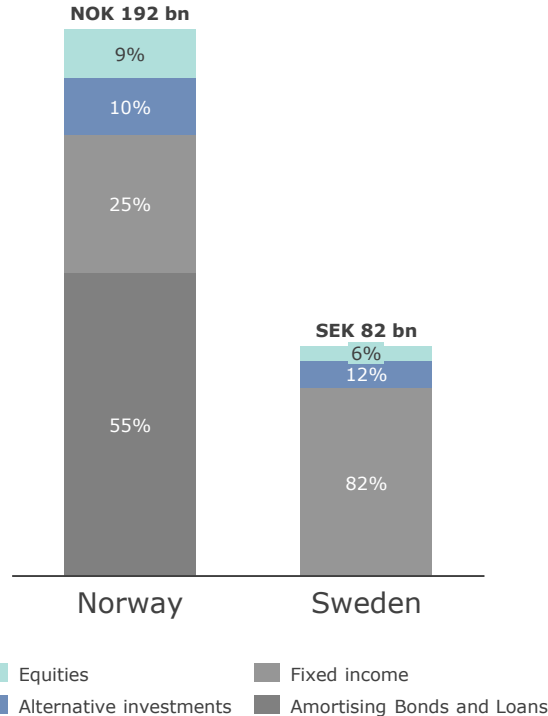
Note: The graph shows the asset allocation for all products with an interest rate guarantee in Storebrand Life Insurance Norwegian operations. Category bonds includes loans on life insurance balance sheet.

# SPP asset allocation



Note: The graph shows the asset allocation for all products with an interest rate guarantee in SPP.

# High quality assets with fixed income as the backbone



Equities

80%  
MSCI World

20%  
Local Index (OMX & OBX)

Amortising  
bonds and loans

Average rating  
AA-

Real estate

Prime  
Location & Quality

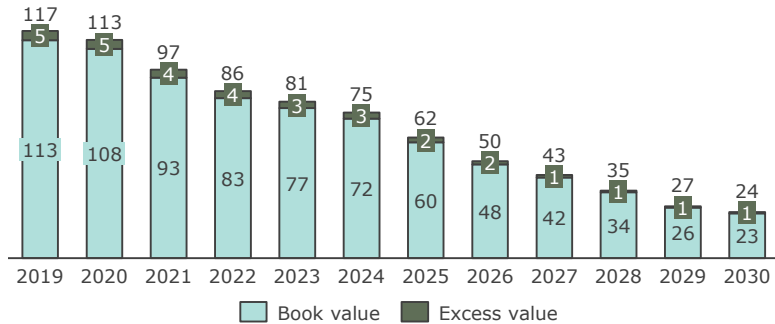
Fixed income

Average rating  
A

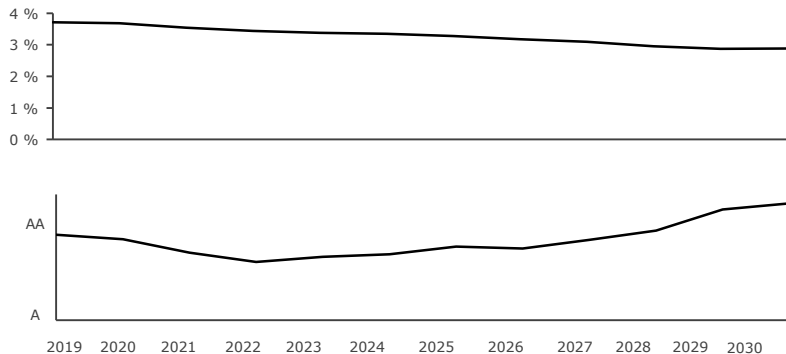
# High Quality Fixed Income I

## - Characteristics of Bonds at Amortised Cost<sup>1</sup>

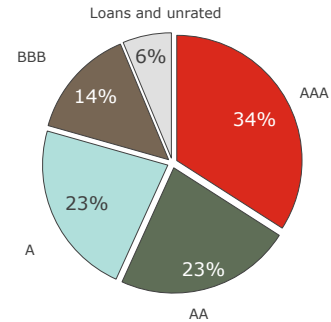
Market & book value – no reinvestment (NOKbn)



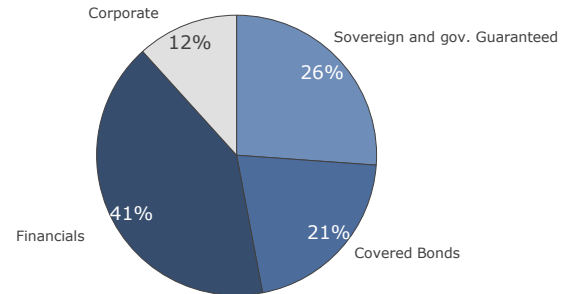
Yield and rating development – no reinvestment



Rating distribution (%)



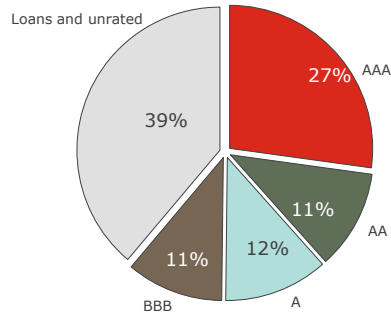
Sector distribution (%)



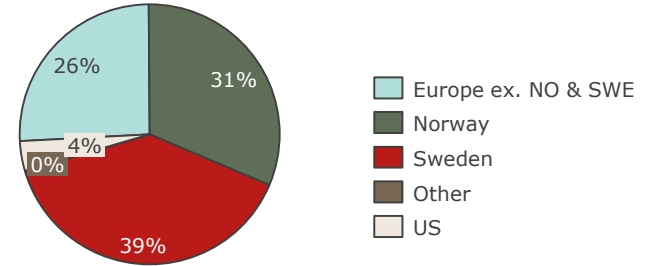
# High Quality Fixed Income II

## - Characteristics of Mark to Market Fixed Income<sup>1</sup>

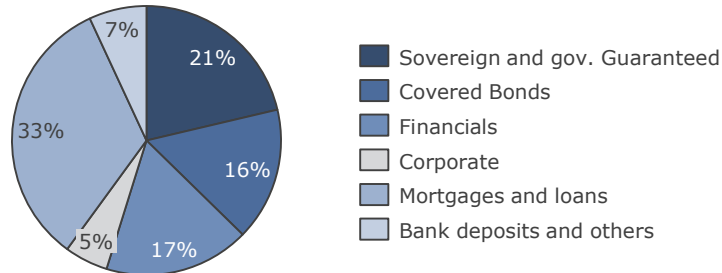
Rating distribution (%)



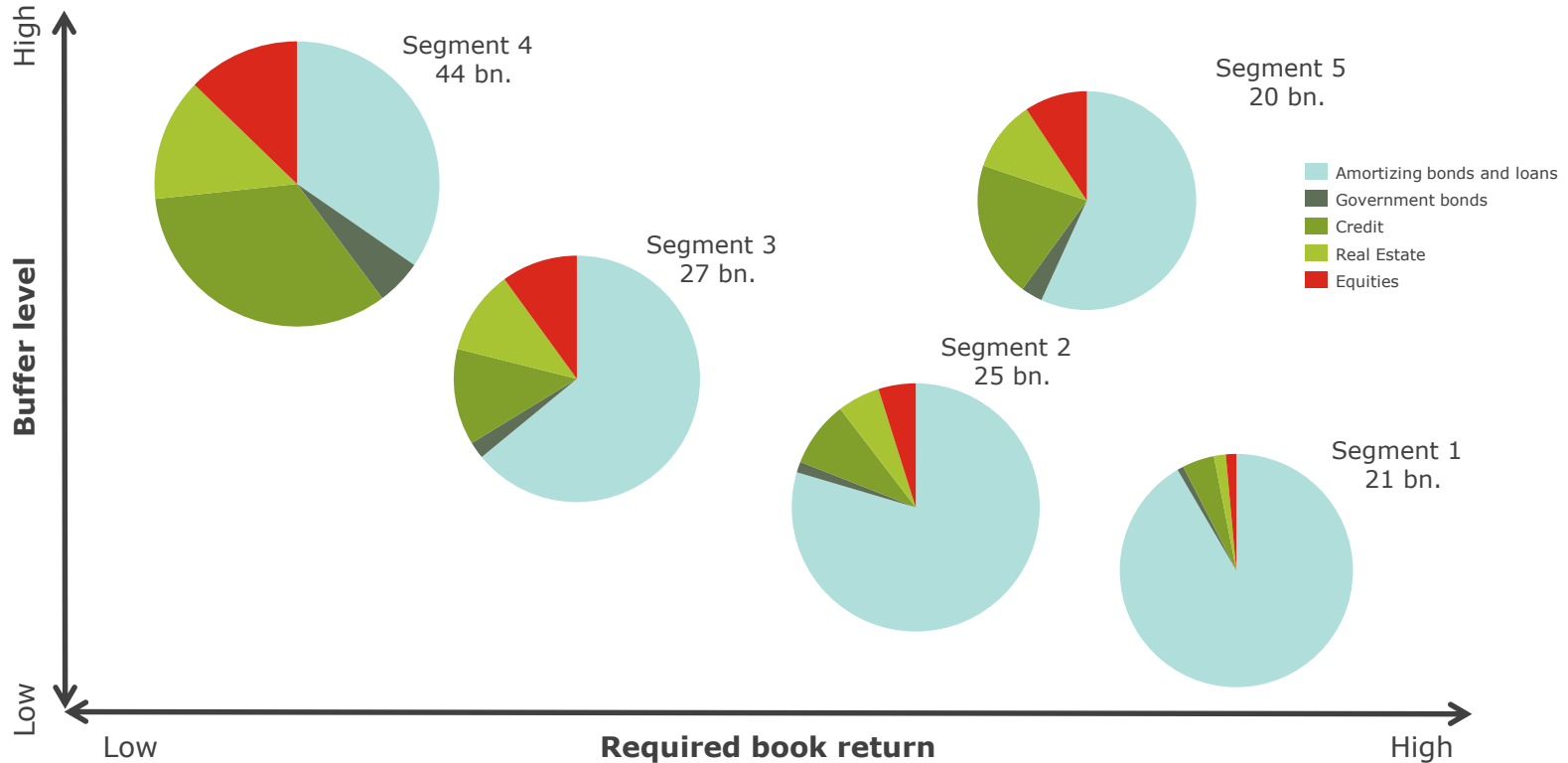
Geographical distribution (%)



Sector distribution (%)



# Paid up policies in Norway: Segmentation According to Risk Capacity

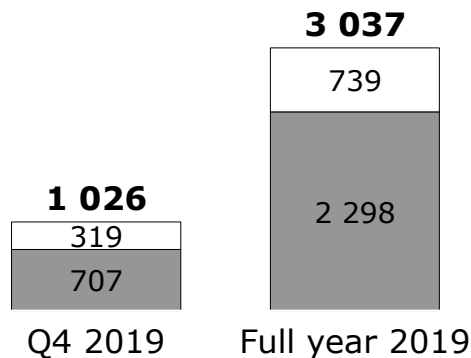


# Q4 2019 Results

# Highlights Q4 2019

## Group result<sup>1</sup>

MNOK



- Financial items and risk result life
- Operating profit



#1 sustainable insurance company in the world<sup>4</sup>



23% Unit Linked reserve growth<sup>2</sup>



NOK 124bn AuM growth Asset Management<sup>2</sup>



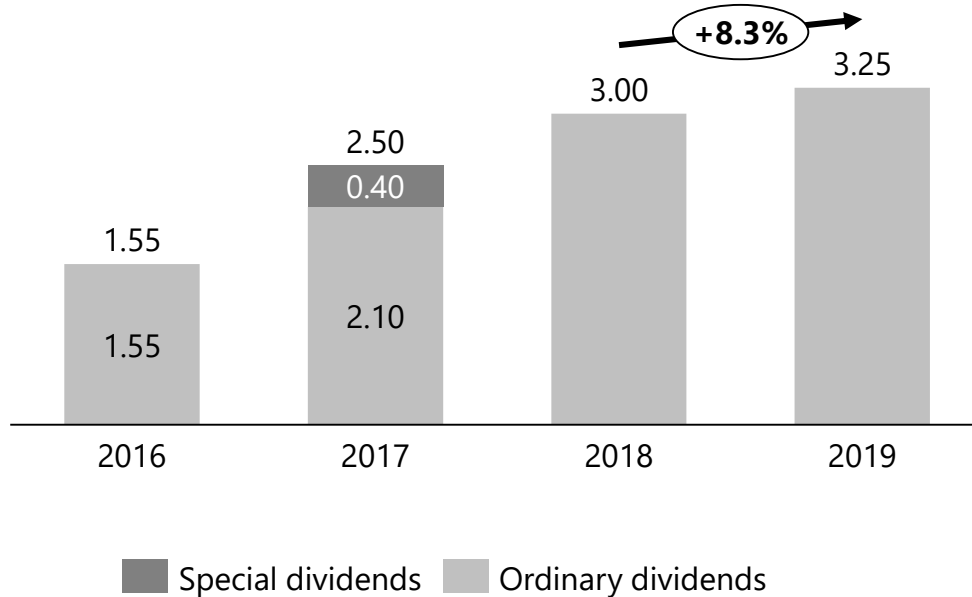
176% Solvency margin<sup>5</sup>



NOK 3.25kr proposed ordinary dividend<sup>3</sup>

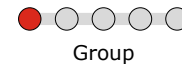


# Dividend 2019

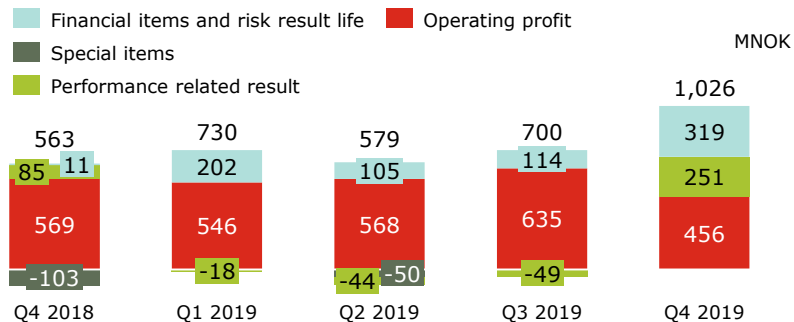


- **IFRS result growth** - *Ordinary dividends* minimum 50% of result after tax with nominal growth
- **Capital release** from back book when solvency ratio is above 180%. *Share buy backs preferred*

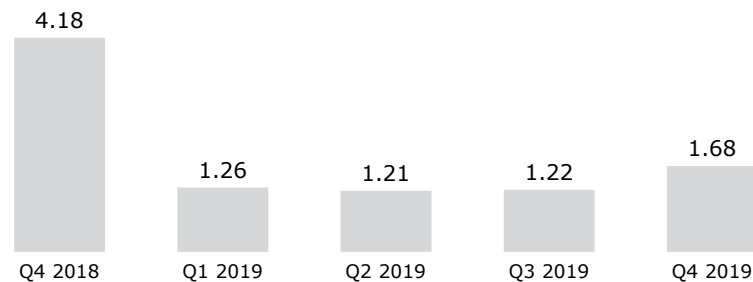
# Key figures



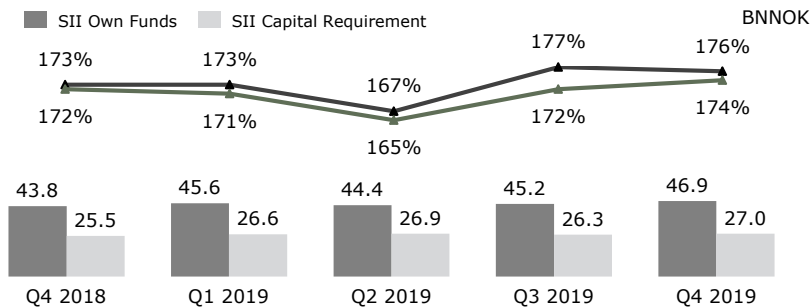
## Result development<sup>1</sup>



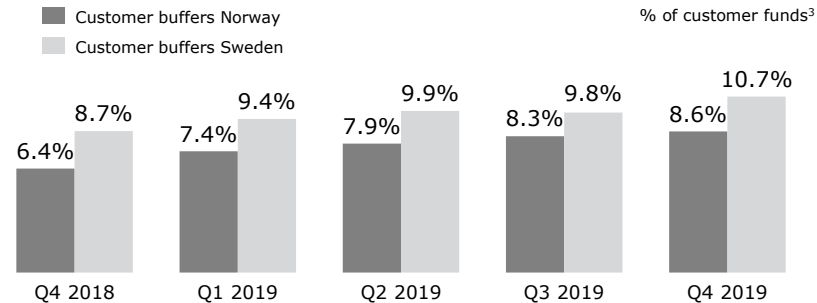
## Earnings per share<sup>2</sup>



## SII Own funds and SCR<sup>4</sup>



## Customer buffers development



<sup>1</sup> Result before amortisation and tax, adjusted for performance related result.

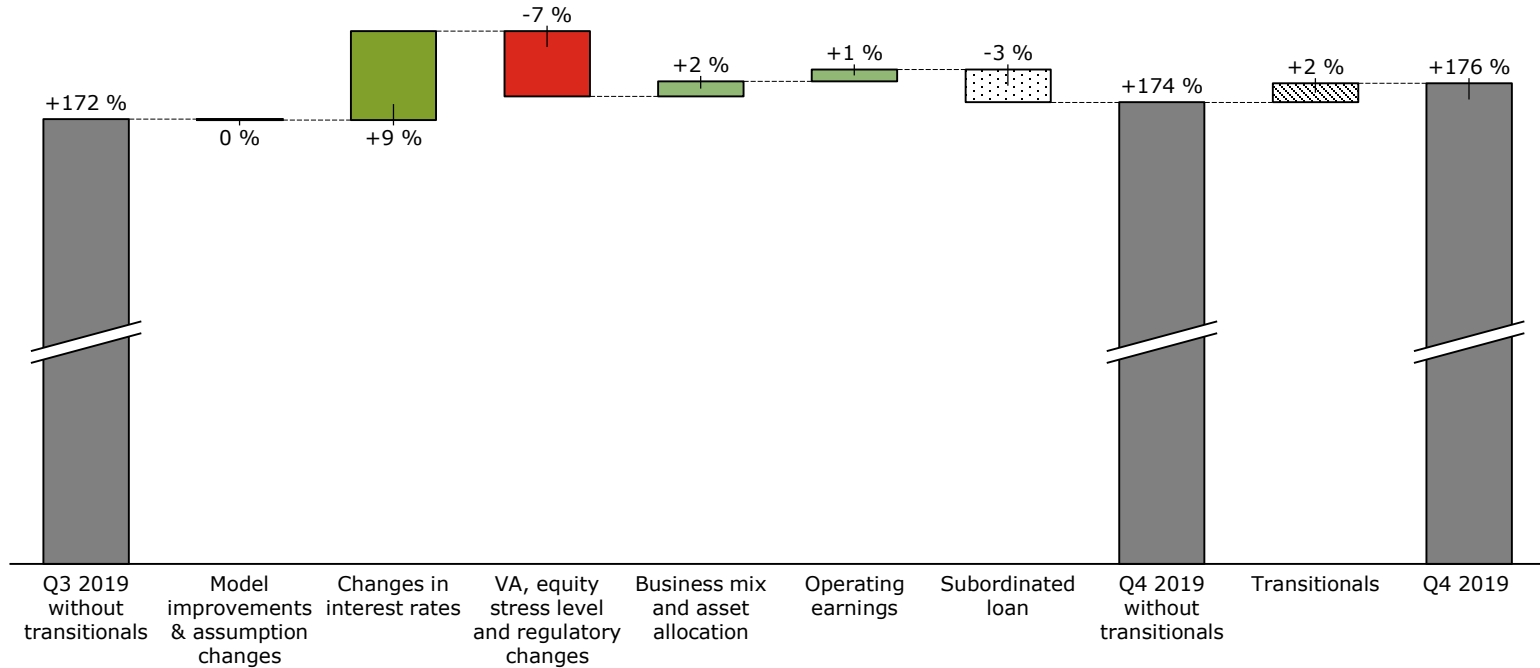
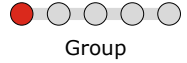
<sup>2</sup> Earnings per share after tax adjusted for amortisation of intangible assets.

<sup>3</sup> Excluding customer buffers Benco. Surplus values of HTM bonds cost excluded.

<sup>4</sup> Bars and green line are without the use of transitional capital. Black line is with transitional.

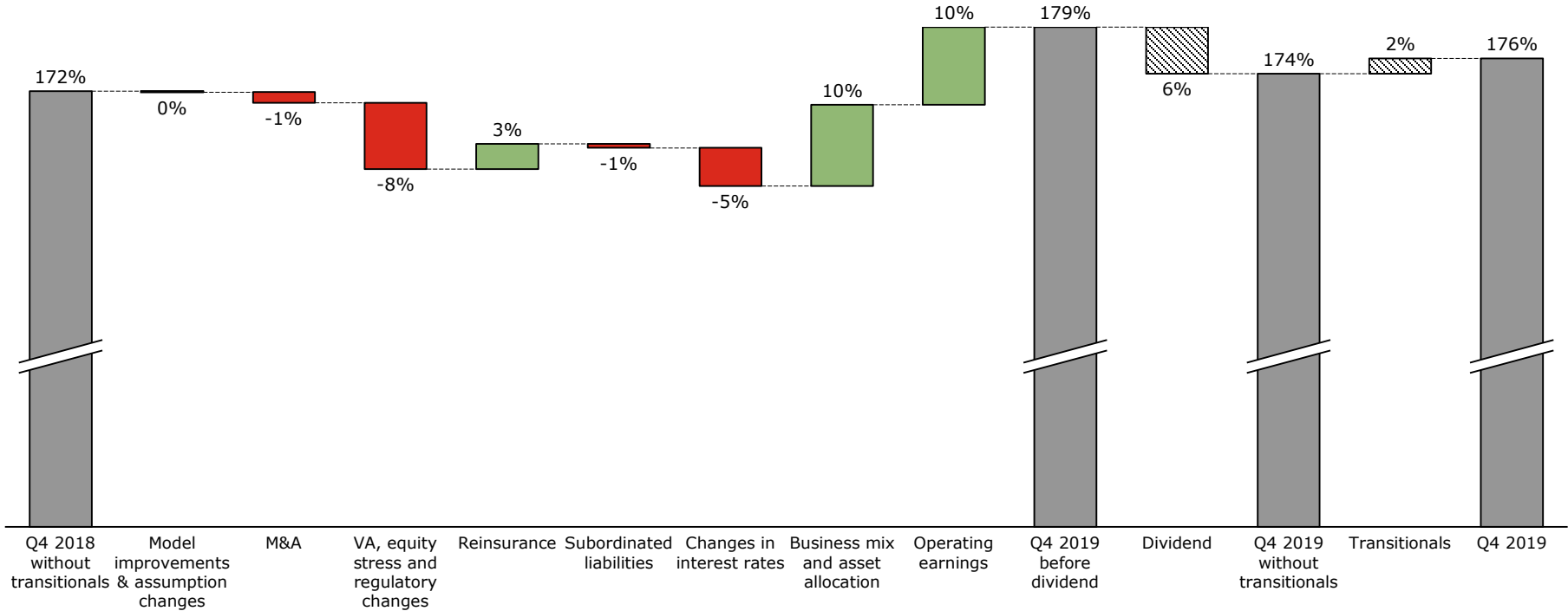
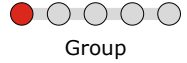
# Movement from Q3 2019 to Q4 2019

Storebrand ASA

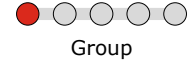


# Movement full year 2019

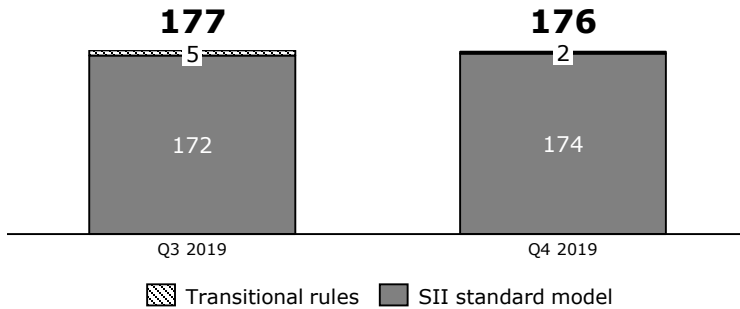
Storebrand ASA



# SII position Storebrand Group



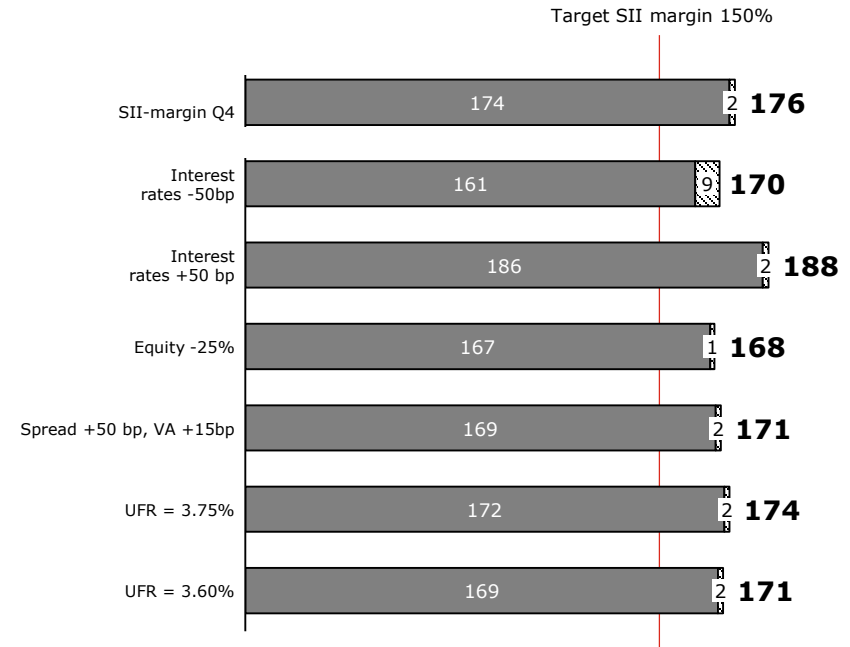
## Solvency position(%)<sup>1</sup>



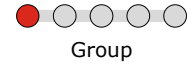
## Key takeaways

- Positive effect from increased interest rates partly offset by decreased VA
- Subordinated loan with call in March excluded
- Business mix strengthens balance sheet

## Estimated sensitivities



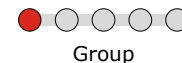
# Storebrand Group



## Profit<sup>1</sup>

NOK million	Q4		Full year	
	2019	2018	2019	2018
Fee and administration income	1 561	1 301	5 308	5 011
Insurance result	223	282	1 005	1 291
Operational cost	-1 077	-1 031	-4 015	-3 786
<b>Operating profit</b>	<b>707</b>	<b>551</b>	<b>2 298</b>	<b>2 516</b>
Financial items and risk result life	319	11	739	642
<b>Profit before amortisation</b>	<b>1 026</b>	<b>563</b>	<b>3 037</b>	<b>3 158</b>
Amortisation and write-downs of intangible assets	-117	-99	-444	-360
<b>Profit before tax</b>	<b>909</b>	<b>464</b>	<b>2 593</b>	<b>2 799</b>
Tax	-234	1 392	-511	897
<b>Profit after tax</b>	<b>675</b>	<b>1 856</b>	<b>2 082</b>	<b>3 696</b>

# Storebrand Group



Group

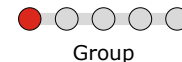
## Profit<sup>1</sup>

NOK million	Q4		Full year	
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## Profit per line of business

NOK million	Q4		Full year	
	2019	2018	2019	2018
Savings - non-guaranteed	547	325	1 364	1 257
Insurance	70	97	439	748
Guaranteed pension	332	217	1 029	1 148
Other profit	77	-76	205	5
<b>Profit before amortisation</b>	<b>1 026</b>	<b>563</b>	<b>3 037</b>	<b>3 158</b>

# Storebrand Group



## Profit<sup>1</sup>

NOK million	Q4		Full year	
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Operational cost	-1 077	-1 031	-4 015	-3 786
<b>Operating profit</b>	<b>707</b>	<b>551</b>	<b>2 298</b>	<b>2 516</b>

## Operating profit adjusted for performance related income and costs<sup>2</sup>

NOK million	Q4		Full year	
	2019	2018	2019	2018
Performance related income	225	96	225	96
Performance related OPEX	26	-11	-84	-11
<b>Adjusted operating profit</b>	<b>456</b>	<b>466</b>	<b>2 157</b>	<b>2 431</b>

<sup>1</sup> The result includes special items. Please see [storebrand.com/ir](https://storebrand.com/ir) for a complete overview.

<sup>2</sup> Performance related costs refer to performance bonuses and kick-backs in funds with performance fees that are booked on a quarterly basis. The corresponding income is not booked until the end of the year. The numbers will vary with performance development through the year.



# Savings (non-guaranteed)



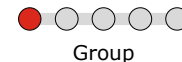
## Profit

NOK million	Q4		Full year	
	2019	2018	2019	2018
Fee and administration income	1 233	1 006	3 996	3 709
Operational cost	-692	-652	-2 621	-2 405
<b>Operating profit</b>	<b>541</b>	<b>354</b>	<b>1 375</b>	<b>1 303</b>
Financial items and risk result life	6	-29	-11	-46
<b>Profit before amortisation</b>	<b>547</b>	<b>325</b>	<b>1 364</b>	<b>1 257</b>

## Profit per product line

NOK million	Q4		Full year	
	2019	2018	2019	2018
Unit linked Norway	57	44	275	224
Unit linked Sweden	89	71	291	267
Asset management	329	160	526	542
Retail banking	72	50	272	224
<b>Profit before amortisation</b>	<b>547</b>	<b>325</b>	<b>1 364</b>	<b>1 257</b>

# Savings (non-guaranteed)



## Profit

NOK million	Q4		Full year	
	2019	2018	2019	2018
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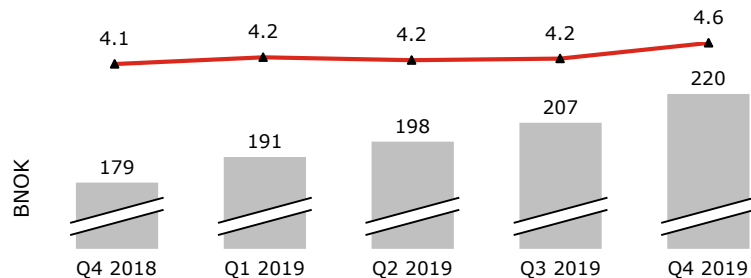
## Operating profit adjusted for performance related income and costs<sup>1</sup>

NOK million	Q4		Full year	
	2019	2018	2019	2018
Performance related income	225	96	225	96
Performance related OPEX	26	-11	-84	-11
<b>Adjusted operating profit</b>	<b>290</b>	<b>269</b>	<b>1 234</b>	<b>1 218</b>

# Savings (non-guaranteed) – strong AuM growth



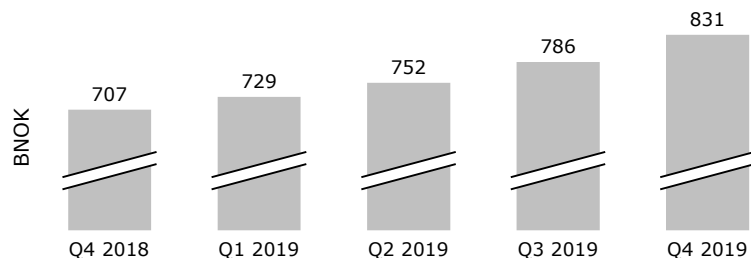
## Reserves and premiums Unit Linked



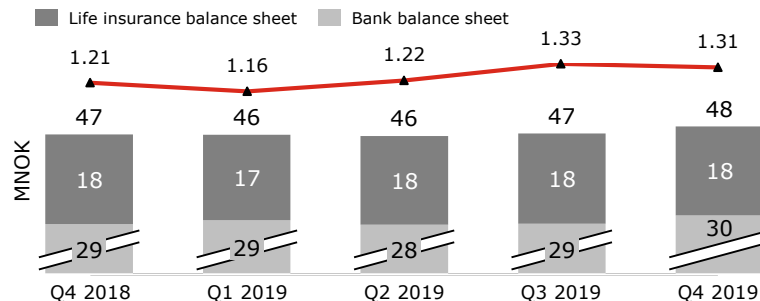
## Comments<sup>1</sup>

- 11% premium growth in UL premiums
- 23% growth in UL reserves
- 18% growth in assets under management<sup>2</sup>
- Higher net interest margin in the bank

## Assets under management<sup>2</sup>



## Retail bank balance and net interest margin (%)



<sup>1</sup> Growth figures from YTD 2018 to YTD 2019.

<sup>2</sup> Includes a reclassification of NOK 16bn in assets under administration to assets under management

## Profit

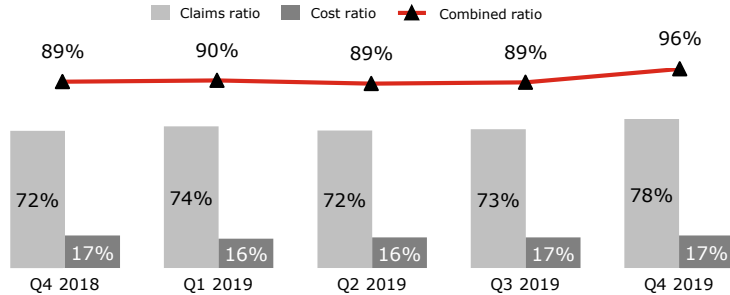
NOK million	Q4		Full year	
	2019	2018	2019	2018
Insurance premiums f.o.a.	1 014	1 003	3 909	3 854
Claims f.o.a.	-792	-721	-2 904	-2 562
Operational cost	-177	-175	-648	-614
<b>Operating profit</b>	<b>45</b>	<b>107</b>	<b>357</b>	<b>677</b>
Financial result	25	-9	83	71
<b>Profit before amortisation</b>	<b>70</b>	<b>97</b>	<b>439</b>	<b>748</b>

## Profit per product line

NOK million	Q4		Full year	
	2019	2018	2019	2018
P&C & Individual life	87	71	335	372
Health & Group life	-34	-7	-41	185
Pension related disability insurance Nordic	16	34	145	192
<b>Profit before amortisation</b>	<b>70</b>	<b>97</b>	<b>439</b>	<b>748</b>

# Insurance – overall in line with target

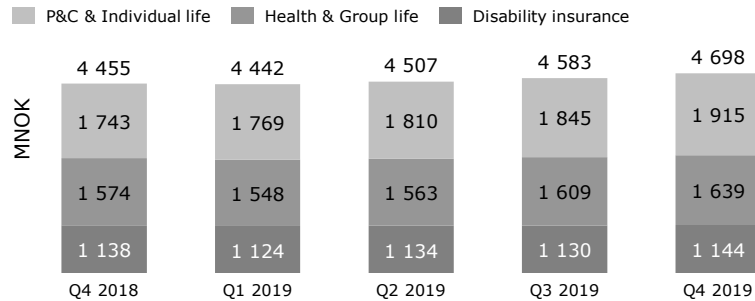
## Combined ratio



## Comments Combined ratio and results

- 91% combined ratio 2019, target ratio 90-92%
- Good cost control
- Group life re-priced from 1 January 2020

## Portfolio premiums



## Comments premiums and growth<sup>1</sup>

- 5% overall premium growth in line with target
- 10% P&C & Individual life growth

# Guaranteed pension



## Profit

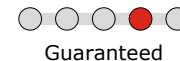
NOK million	Q4		Full year	
	2019	2018	2019	2018
Fee and administration income	368	333	1 475	1 440
Operational cost	-225	-223	-819	-816
<b>Operating profit</b>	<b>143</b>	<b>111</b>	<b>657</b>	<b>624</b>
Risk result life & pensions	71	58	215	191
Net profit sharing	118	48	157	333
<b>Profit before amortisation</b>	<b>332</b>	<b>217</b>	<b>1 029</b>	<b>1 148</b>

## Profit per product line

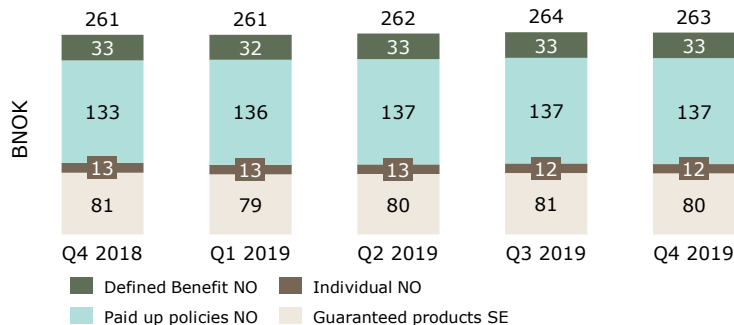
NOK million	Q4		Full year	
	2019	2018	2019	2018
Defined benefit (fee based)	63	82	287	314
Paid-up policies, Norway	91	51	409	511
Individual life and pension, Norway	11	29	21	35
Guaranteed products, Sweden	167	55	312	288
<b>Profit before amortisation</b>	<b>332</b>	<b>217</b>	<b>1 029</b>	<b>1 148</b>

# Guaranteed pension

- strong financial result and robust buffer situation



## Reserves guaranteed products



## Buffer capital

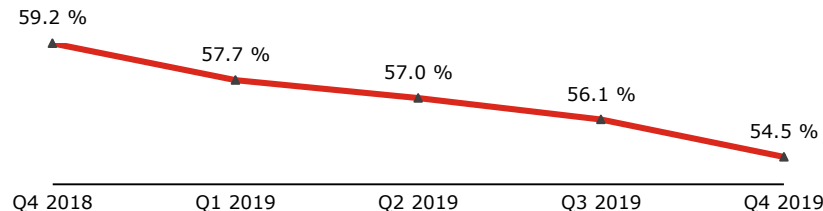
NOK million	Q4 2019	Q3 2019	Change
Market value adjustment reserve	5 500	5 893	- 393
Excess value of bonds at amortised cost	4 697	6 495	- 1 798
Additional statutory reserve	9 023	8 194	+ 829
Conditional bonuses Sweden	7 802	7 213	+ 589
<b>Total</b>	<b>27 022</b>	<b>27 795</b>	<b>- 773</b>

*The term Buffer capital in this table is not consistent with the definition of buffer capital made in the IFRS accounting*

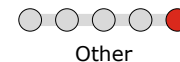
## Comments

- As companies convert to DC schemes, the migration from DB to paid up policies continues to reduce fee income in Guaranteed pensions
- Strong financial result Sweden
- Strong risk result

## Guaranteed reserves in % of total reserves



# Other<sup>1</sup>



## Profit

NOK million	Q4		Full year	
	2019	2018	2019	2018
Fee and administration income	13	23	51	102
Operational cost	-35	-42	-143	-190
<b>Operating profit</b>	<b>-22</b>	<b>-20</b>	<b>-91</b>	<b>-89</b>
Financial items and risk result life	99	-56	296	128
<b>Profit before amortisation</b>	<b>77</b>	<b>-76</b>	<b>205</b>	<b>40</b>

## Profit per product line

NOK million	Q4		Full year	
	2019	2018	2019	2018
BenCo	26	-1	33	30
Holding company costs and net financial results in company portfolios	52	-75	173	24
<b>Profit before amortisation</b>	<b>77</b>	<b>-76</b>	<b>205</b>	<b>40</b>



## Capital Markets Day 2020

Storebrand will hold a Capital Markets Day in London Tuesday 9 June 2020 at 09:00 AM BST.

To register, please visit [Storebrand.com/ir](https://www.storebrand.com/ir)



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# Our Vision

Recommended by our customers

This document contains Alternative Performance Measures as defined by the European Securities and Market Authority (ESMA). An overview of APMs used in financial reporting is available on [storebrand.com/ir](https://www.storebrand.com/ir).