

Stock and Press Release



STOREBRAND ASA: Results for the 1st Quarter 2022

Leading the Way in Sustainable Value Creation – Strongest Solvency Ratio on Record and Stable Operating Results, despite Turbulent Financial Markets.

- Group profit¹ of NOK 628m in the 1st quarter
- Operating profit of NOK 678m, up 5% y/y
- Total assets under management (AuM) of NOK 1,040bn, up 5% y/y, down 5% q/q
- 19% growth in overall insurance portfolio premiums, 24% growth in retail insurance (y/y)
- Solvency II ratio of 184%

"The first quarter of 2022 has been a shaky quarter for the world and for financial markets. We witnessed reintroduced Covid-19 restrictions at the start of the year with the outbreak of the Omicron variant. As soon as the future looked brighter with the removal of infection controls in February, Russia shocked the world by starting a devastating war in Europe. The humanitarian costs are unimaginable and the geopolitical situation is uncertain.", says CEO Odd Arild Grefstad.

Storebrand has been able to navigate successfully through a quarter with volatile markets. Inflation and interest rates are rising. Positive consequences of higher interest rates are increased savings and expected long term results for our pension customers. Financial results are negatively affected by higher interest rates resulting in a Group profit of NOK 628 million in the quarter, continued growth and strong operations improved the operating profit by 5% to NOK 678 million. We have strengthened our solvency ratio to 184% -the strongest on record and above our targeted range of 150-180%. The Board now intends to start a share buyback program", continues Grefstad.

Market Returns Reduce Assets under Management, Insurance Growth Continues
Storebrand continues to see net inflows of capital in the Savings segment, totalling NOK 11 billion in asset management in the quarter, but weak financial markets and a stronger Norwegian krone reduced assets under management (AuM) by 5% to NOK 1,040 billion compared to the last quarter. Compared to the same quarter last year, the growth in AuM was 5%.

Annual written premiums grew 19% in the Insurance segment, led by 24% growth in P&C & Individual life. Annual market data for 2021 shows that Storebrand is Norway's fastest growing retail P&C insurer in terms of total written premiums and market share. The overall combined ratio improved to 92% from 96% in the previous quarter and is in line with the targeted combined ratio of 90-92%.

Solvency Ratio Development

The solvency ratio was 184% at the end of 1st quarter, an increase of 9 percentage points from the previous quarter and 4 percentage points above the targeted range of 150-180%. Turbulent financial markets, with falling equity markets and wider credit spreads, detracted 7 percentage points from the solvency ratio while rising interest rates added 3 percentage points. Countercyclical regulatory factors, including an increase in the volatility adjustment and a lower symmetric equity stress, added 7 percentage points. Actions, including changes made in the investment portfolios, improved the solvency ratio by 5 percentage points. The Group profit after tax, net of dividends set aside for 2022, contributed an additional 3 percentage points to the solvency ratio.

Initiation of buyback program

Storebrand's dividend policy states that if the solvency ratio is above 180%, the Board of Directors intends to propose special dividends or share buybacks. The Board thus intends to initiate a share buyback program and will seek an approval from the Financial Supervisory Authority to initiate a program amounting to NOK 500 million.

Key figures in the quarter:

(Q1-2021 in brackets)

- Solvency Ratio 184% (176%)
- Earnings per share, adjusted for amortisation NOK 2.18 (NOK 1.21)
- Equity NOK 38,430m (NOK 36,069m)
- Assets under management NOK 1,040bn (NOK 987bn)

Activities Related to the 1st Quarter 2022

07:30 CET: Release of stock exchange notification. Press release, quarterly report and analyst presentation will be available on storebrand.no/ir.

10:00 CET: Live analyst conference in English. A webcast will be available for everyone to view on storebrand.no/ir. The presentation will be available on demand afterwards. [Link to webcast](#)
Analysts who would like to ask questions at the end of the presentation must register for and participate in the MS Teams Webinar. [Link to registration](#)

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About Storebrand

Storebrand's ambition is to provide our customers with financial freedom and security by being the best provider of long-term savings and insurance. Storebrand will deliver sustainable solutions adapted to the customer's individual situation. Storebrand has about 40.000 corporate customers and 2 million individual customers, and has its headquarter at Lysaker outside of Oslo, Norway. Storebrand manages NOK 1 040 bn and is one of the largest asset managers in the Nordics. Storebrand (STB) is listed on Oslo Stock Exchange.

www.storebrand.no

¹ Earnings before amortisation and tax. www.storebrand.no/ir provides an overview of APMs used in financial reporting.