Interim results for the Storebrand group

3rd quarter 2008

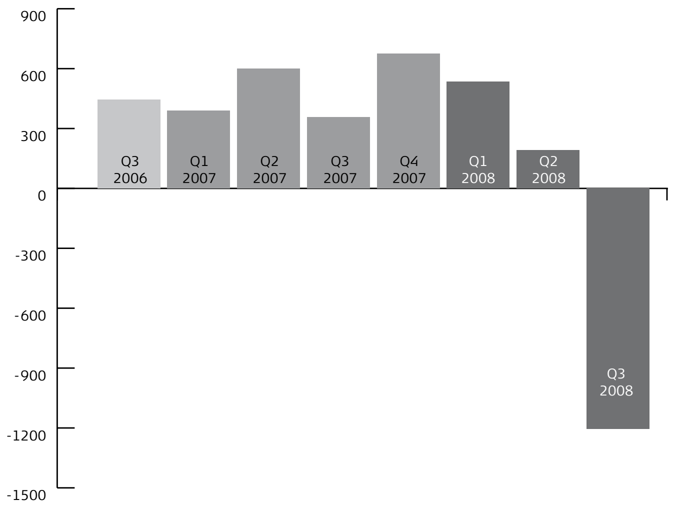
storebrand

Interim results for the Storebrand group – Q3 2008

MAIN FEATURES

- Group result [1] of minus NOK 478 million for the year to date and minus NOK 1,205 million in Q3.
- Intangible assets in SPP written down by NOK 2.5 billion.
- Result for life insurance activities heavily affected by the financial crisis. Strong risk reducing measures have been implemented.
- Solvency margin of 129% in Storebrand Life Insurance as the close of Q3. Capital injection in October increases the solvency margin by 12 percentage points.
- Storebrand Bank's solidity and liquidity is good.
- Satisfactory sales volumes in the business areas. The integration of SPP is proceeding positively.

Figure: Group result per quarter before amortisation and write-downs.



FINANCIAL CRISIS PRODUCING WEAK RESULTS

The group result before amortisation and write-down of intangible assets and tax amounts to minus NOK 478 million for the year to date (NOK 1,344 million) and minus NOK 1,205 million for Q3 (NOK 357 million). Figures in brackets show the development in the corresponding period in 2007. After the amortisation of intangible assets the group result amounts to minus NOK 3,378 million for the year to date and minus NOK 3,838 million in Q3.

Table: Group profit

	Q3		01.01 - 30.09.		Full year
NOK million	2008	2007	2008	2007	2007
Life insurance	-1 219	307	-639	1 041	1 635
Asset Management	21	6	122	101	138
Storebrand Bank	25	53	122	188	235
Other activities	-33	-9	-82	14	12
Group profit before amortisation and write-downs	-1 205	357	-478	1 344	2 020
Write-down of intangible assets	-2 500		-2 500		
Amortisation of intangible assets	-132		-400		
Group profit after amortisation and write-downs	-3 838	357	-3 378	1 344	2 020

The quarterly results were characterised by very weak financial results in Storebrand Life Insurance and SPP. This development was driven by falls in equity markets and the increase in credit spreads due to the financial crisis, as well as losses in alpha portfolios.

The result of Storebrand Life Insurance (excl. SPP) was driven by the movements in the financial markets, even though the dependence on these has been reduced somewhat with the introduction of the new life insurance act from and including 2008. The company's equity was charged in Q3 to cover the customers' guaranteed return.

The return in SPP for the year to date has been lower than the guaranteed interest, and the financial hedging has not been sufficient to compensate for this. High volatility has resulted in expensive and demanding risk management of the effect on the result from SPP.

A significant proportion of the purchase price that exceeds the booked equity in SPP was linked to the surplus value of the insurance policies, in addition to other intangible values and goodwill. The negative developments in the financial markets have affected SPP's results in 2008. New calculations of the surplus values associated with the acquisition as per Q3, in which the financial markets' current volatility has been taken into account, indicates a reduced book value of FTP in the financial accounts. Intangible assets in SPP have therefore been written down by NOK 2.5 billion. In these calculations a robust assessment of future market volatility results in a negative effect for the options and guarantees built into the purchased insurance policies. Any future reduction in market volatility may result in a reversal of this write-down.

Storebrand Bank reports an increase in net interest income compared with last year. The bank has maintained a strong level of liquidity throughout the quarter following a covered bond issue in Q2. The bank's liquidity situation was satisfactory at the close of Q3 and in October the banking group has obtained a further NOK 1,250 million by issuing covered bonds in the Norwegian market. The bank's capital ratio at the close of the quarter was 10.7% with a tier 1 capital ratio of 8.0%.

The result from the asset management activities was characterised by major instability in the financial markets. The

[1] *Group profit shown before tax and amortisation/write-downs of intangible assets from 2008.*

primary reasons for the lower volume-based income in the quarter were the net realisation and changes in assets under management.

CAPITAL INJECTION FOR STOREBRAND LIFE INSURANCE CARRIED OUT

Powerful measures have been implemented in line with the principles for dynamic risk management. Liquid assets have been sold as the ability to carry risk has decreased. The risk in alpha portfolios has also been reduced significantly. The major fluctuations in the market have been demanding, especially in Sweden where major market movements have had greater negative effects on results than they have in Norway.

In Storebrand Life Insurance (excl. SPP) the equities exposure (taking derivatives into account) in customer portfolios with a guaranteed return has been reduced by 9.7 percentage points since the close of Q2 to 5.1% at the close of Q3. Similarly, the exposure in the company portfolio has been reduced by 6.5 percentage points to 2.4%. The change in equities exposure follows from the principles for dynamic management and means that Storebrand Life Insurance's portfolios of liquid equity assets at the close of the quarter have been sold.

The proportion of equities in the defined benefits portfolio in SPP was 15.4% at the close of the quarter, while for the defined contribution portfolio it was 24.6% representing a small reduction since the close of Q2. However, the proportion of equities was significantly reduced at the beginning of Q4.

The assets side has significantly lower fluctuation risk following the measures that have been implemented, and good ongoing returns from bonds held to maturity, real estate, interest rates and the money market. In the coming period the focus will be on building up customer buffers to regain risk bearing capacity. One important element of the investment strategy going forward is to develop balanced portfolios that participate in any upturn in the equity markets in accordance with the principles for dynamic risk management.

On 1 October, SPP split the administration of the traditional Defined Contribution (DC) portfolio into three management portfolios based on guaranteed interest levels and risk capital in order to reduce the financial risk and limit the use of hedging derivatives. The change will help to ensure that the management of insurance policies with high guaranteed interest rates does not influence the management of insurance policies with low guaranteed interest rates. At the same time the change introduces a fairer scheme for new premium payments from both existing and new customers.

Storebrand Life Insurance Group's capital adequacy (incl. SPP) as per Q3 was 13.4% versus 13.7% as per Q2. Storebrand Life Insurance Group's solvency margin was 129% at the close of Q3 versus 136% at the close of 2007. The board of Storebrand ASA resolved to inject NOK 1,000 million of capital into the life insurance company in Octoberthrough a private placement in order to ensure an optimal capital structure and improve the solvency margin in Storebrand Life Insurance. This capital injection increased the solvency margin by 12 percentage points.

The financial crisis with very turbulent equity and fixed income markets has continued through October, including a markedly falling long-term interest rates in Sweden. This has had a negative impact on the administration and financial results in the life insurance business. Up to 24 October, the solvency margin in Storebrand Life Insurance Group has been in the range of 130-140% (pro forma following the injection of capital). There is a good running yield in the investment classes bonds held to maturity, real estate, interest rates and the money markets, and overall the running yield increased whilst risk in the portfolio was reduced.

GOOD COMPETITIVENESS AND OPERATIONS

Group pensions sold well during the quarter, but sales of individual pension policies were weak partly due to the instability in the financial markets. Premium income developed well in the occupational pensions market. Group insurance products with investment choice have grown 38% in the year to date and grew by 46% in Q3 compared with the same periods last year.

Storebrand Investments had NOK 225 billion under management at the close of Q3; a reduction including value changes in the portfolios of NOK 2 billion since Q2. External discretionary assets and funds amounted to NOK 60.7 billion, an increase of NOK 0.5 billion compared with Q2.

Storebrand Bank has strengthened its market position even though the growth in volume in the retail market was lower than in 2007.

Sales of insurance policies in Storebrand Skadeforsikring were also good in Q3. During the quarter, the company increased its insurance portfolio by 8,000 contracts. The company now has more than 25,000 customers. The total portfolio premium has increased by 69% for the year to date. The health insurance products experienced a growth in premium income in Q3 of 22% compared with the same period last year.

THE SPP TRANSACTION AND INTEGRATION

The transaction was completed on 21 December 2007. Its implementation from an accounting perspective was based on the equity in SPP Group as per 31 December 2007. The profit from SPP as per Q3 is consolidated into Storebrand's group profit and balance sheet.

The work on realising the target synergies has shown good progress in Q3. SPP's extra sales in excess of the general market growth as per Q3 totalled NOK 44 million measured on an APE basis. Sales efforts remain intense and the activities commenced are showing positive results. The goal of the extra sales synergy is defined by increased value of new business.

[2] *Annual Premium Equivalent*

The costs synergies are developing well and the annual on-going effects at the close of Q3 amounted to approximately NOK 20 million. So far the gains have been realised earlier than expected. Purchasing agreements have been renegotiated and Nordic purchasing agreements signed . The transition to a common IT infrastructure platform is also producing savings as per Q3. The projects to increase efficiency in SPP have been well received and are showing positive results. The ownership structure is functioning as intended with respect to taxation, and the tax synergy exceeded the targets as per Q3 by approximately NOK 30 million.

Storebrand ASA took out a bridge loan of EUR 580 million from a syndicate of banks in connection with the acquisition of SPP. Storebrand ASA in turn lent this money to Storebrand Livsforsikring AS in the form of a subordinated loan. In the first half of 2008, Storebrand Life Insurance issued capital securities and perpetual subordinated notes in the market totalling NOK 5.6 billion. Storebrand Life Insurance used the proceeds to reduce the loan from Storebrand ASA by a total of EUR 510 million. The bridge loan was repaid in full in Q3 2008 from these proceeds and a new term loan facility of EUR 70 million for Storebrand ASA.

Table: Profit and loss – life insurance activities:

	Q3		01.01-30.09		Full year
MILLION NOK	2008	2007	2008	2007	2007
Storebrand Life Insurance	-589	300	-31	1 030	1 622
SPP Group	-607	0	-588		
Other subsidiaries (incl. Storebrand Helseforsikring)	-22	8	-20	12	13
Profit life insurance activities	-1 219	307	-639	1 041	1 635
Amortisation of intangible assets	-123	0	-369		
Write-down of intangible assets	-2 500		-2 500		
Profit after amortisation and write-down of intangible assets before tax	-3 842	307	-3 508	1 041	1 635
Tax	62	2	-148	-1	-34
Profit after tax	-3 780	309	-3 656	1 041	1 601

FINANCIAL PERFORMANCE – LIFE INSURANCE ACTIVITIES

The profit in Storebrand Livsforsikring AS and SPP Group respectively is discussed below.

Financial performance – Storebrand Life Insurance Group (excl. SPP)

New regulations for the life insurance sector in Norway

The new insurance act and regulations came into force on 1 January 2008. The new act entails considerable changes for life insurance companies. The overall objective of the new legislation is to make the pricing of insurance products more predictable and transparent, and to make a clearer distinction between the pension assets of its policyholders and the insurance company's own capital. The general principle in the new legislation is that premiums must be fixed and paid in advance.

In the case of group defined benefit pension schemes and newly established individual products with a guaranteed return, the new insurance act means the profit will be allocated to the customer. The various elements of pension products must in future be priced separately and may contain a profit element for the insurance company. As a consequence of this the owner's profit is less affected by developments in the financial markets than before.

In the case of old and new paid up policies, a modified profit sharing regime has been introduced which means that the company can retain 20% of the profit, which amounts to the interest result less any negative risk result from the paid up policies. The company also receives all the return on capital in the balance sheet that does not belong to policyholders.

Individual products established in the company before the coming into force of the act can be continued using the profit rules that applied prior to 2008, and Storebrand continues to manage these assets in line with this regime. In other words the company can take a maximum of 35% of the total profit or cover deficits for these products.

Financial performance in the period

The profit and loss statement below shows the total of the interest, administration and risk results from operations, i.e. both the profit for the customer and that for the owner. The result allocated to the owner amounts to minus 58 million for the year to date (NOK 1,030 million) and minus NOK 619 million (NOK 300 million) in Q3. The result allocated to the owner is generated via various product areas and the returns on the company portfolio, as described in the "Profit allocated to the owner" section below.

Table: Profit and loss Storebrand Life Group (excl. SPP)

	Q3		01.01-30.09		Full year
MILLION NOK	2008	2007	2008	2007	2007
Interest result*)	-3 416	748	-3 601	4 703	7 887
Administration result	-6	-9	-167	-261	-669
Risk result	163	103	574	301	244
Other	-135	-1	246	-18	-3 042
Profit before deductions from additional statutory reserves	-3 393	841	-2 948	4 726	4 420
Deductions from additional statutory reserves	2 735		3 026		
Profit after deductions from additional statutory reserves	-658	841	79	4 726	4 420
Profit allocated to owner in excess of guaranteed interest	68	-542	-110	-3 696	-2 797
Profit allocated to owner Storebrand Livsforsikring AS	-589	300	-31	1 030	1 622
Result other subsidiaries	-29		-27		
Profit before tax Norwegian life insurance activities	-619	300	-58	1 030	1 622

*) The figures for 2007 include returns on the share capital and profit for subsidiaries.

Interest result

The interest result amounts to minus NOK 3,601 million (NOK 4,703 million) for the year to date and minus NOK 3,416 million (NOK 748 million) in Q3. The interest result was affected by very unstable financial markets. Both Norwegian equities and foreign equities experienced heavy losses and interest rates increased strongly in Q3. The net realised losses from securities amount to minus NOK 2,376 million (NOK 3,644 million) for the year to date and minus NOK 1,417 million (NOK 713 million) in Q3. The real estate portfolio was written down by a total of NOK 210 million in Q3.

Administration result

The administration result amounts to minus NOK 167 million (minus NOK 261 million) for the year to date and NOK 6 million (minus NOK 9 million) in Q3. The administration result was affected in Q3, as it has been in previous quarters this year, by lower management fees and reduced bonus costs.

Risk result

The total risk result amounts to NOK 574 million (NOK 301 million) for the year to date and NOK 163 million (NOK 103 million) in Q3. The result for the year to date was affected by the dissolution of the security fund and transfers to the risk equalisation fund totalling NOK 197 million. Compared to last year, the risk result, excluding the effect of the dissolution of the security fund, improved for group pension insurance due to a better disability result. The other sectors were characterised by increased allocations for disability capital for group life and the anticipated new premium tariffs for individual pensions.

Premium income and transfers balance

Premium income in the occupational pensions market developed well. Group insurance products with investment choice have grown by 38% for the year to date, and grew by 46% in Q3 compared with the same period last year. The increase was due to increased conversion from defined benefit pensions to defined contribution pensions and a positive transfer balance relative to competitors. Defined benefit group pension insurance has experienced an increase of 16% for the year to date and increased by 7% in Q3 due to payroll growth amongst others.

The retail market was affected by new business not being signed in traditional individual endowment insurance and interest/pension insurance, and a reduction in savings contracts without fixed periods. The new pension product Individual Pension Saving (IPS) will be launched in October 2008. Unit linked has experienced an increase for the year to date and in Q3 of 136% and 69% respectively due to good sales of guaranteed return accounts. Risk products show an overall increase of 10% for the year to date, but fell by 10% in Q3 compared to the same period last year.

Total premium income, excluding transferred premium reserves in Storebrand Life Insurance, amounted to NOK 12.8 billion (NOK 12.7 billion) as per Q3, an increase of 1%. Premium income amounted to NOK 3.4 billion in Q3, a reduction of 10% compared to the same period last year. This reduction was due to the aforementioned situation concerning traditional individual products.

The net booked inflow of customer assets to Storebrand amounts to NOK 2,702 million (NOK 658 million) for the year to date and minus NOK 375 million in Q3 (NOK 47 million). The change in the quarter was due to a correction of earlier transfers. Adjusted for this correction the net inflow was positive in this quarter as well. Group pensions sold well during the quarter. Sales of individual pension policies were weak, which was partly due to the instability in the financial markets. The outflow of savings agreements increased due to higher interest rates.

New business premiums for group pensions developed well, while the individual sectors experienced a fall in anticipation of a new individual pension product (IPS). The good sales of guaranteed return accounts and increase in transferred premium reserves within group pension is also reflected by the total new business premiums for the year to date. Total new premiums (APE) for the year to date amount to NOK 1,371 million and NOK 236 million in Q3.

Profit allocated to the owner

The profit allocated to the owner is generated via four primary product areas with different earnings structures, as well as the return on the company portfolio.

Table: Profit allocated to the owner per product area as per 30 September 2008

MILLION NOK	Group defined benefit fee based	Group pension with investment choice and unit linked fee based	Risk products	Individual and paid up policies profit sharing	Company portfolio/other	Total
Administration result	17	- 80	- 82	16	0	-129
Interest result	0		25	0	- 110	-84
Risk result	194	0	236	33	0	464
Price of guaranteed interest and profit risk	302	0	0	0	0	302
Profit sharing	0	0	0	- 519	0	-519
Result subsidiaries		0			- 27	-27
Other	- 61	0	0	0	- 3	-64
Profit before tax Norwegian life insurance activities	452	- 80	179	- 469	- 139	-58

Table: Profit allocated to the owner per product areas in Q3

MILLION NOK	Group defined benefit fee based	Group pension with investment choice and unit linked fee based	Risk products	Individual and paid up policies profit sharing	Company portfolio/other	Total
Administration result	9	- 17	- 16	12	0	-12
Interest result	0	0	- 6	0	- 216	-222
Risk result	50	0	117	- 5	0	162
Price of guaranteed interest and profit risk	101	0	0	0	0	101
Profit sharing	0	0	0	- 526	0	-526
Result subsidiaries	0	0	0	0	- 29	-29
Other	- 56	0	0	0	- 36	-91
Profit before tax Norwegian life insurance activities	104	- 17	94	- 519	- 281	-619

The above tables follow from the new insurance act and the figures are therefore not comparable with the figures for 2007.

In total the profit allocated to the owner before tax amounts to minus NOK 58 million for the year to date and minus NOK 619 million in Q3.

The profit allocated to the owner pursuant to the new insurance act is less dependent on the return recognised in the customer portfolios due to upfront pricing for the guaranteed interest and profit from risk. In Q3, as in previous quarters this year, total income of around NOK 100 million was recognised as upfront fee income. Due to the new insurance act the security fund for the product area fee-based group defined benefit pensions was dissolved with NOK 99 million. The assets were recognised as income and are included in the "Risk result" profit and loss item.

The administration result for products without profit sharing of minus NOK 82 million for the year to date and minus NOK 16 million in Q3 was charged to the profit allocated to the owner. Overall profitability in the risk products is satisfactory.

Individual endowment insurance and pension insurance with profit sharing and paid up policies with modified profit sharing have contributed a net result allocated to the owner of minus NOK 519 million in Q3 and minus NOK 469 million for the year to date due to a lack of additional statutory reserves for some contracts and a negative return in some profiles.

Up to 50% of the risk result for group pensions and paid up policies can be set aside in the risk equalisation fund to cover any future negative risk result. NOK 95 million had been set aside in the risk equalisation fund as per Q3, of which NOK 45 million was set aside in Q3 – NOK 50 million was set aside for group retail and NOK 5 million was reversed from paid up policies.

The company portfolio has delivered a result, excluding subsidiaries, of minus NOK 216 million in the quarter and minus NOK 110 million for the year to date. The return on investment assets was 0.3% for the year to date and minus 0.3% in Q3. The weak return in the portfolio is primarily due to falls in the values of equities and credit securities. The interest costs for Storebrand Life Insurance's loan, which has been deducted from the return, amounted to around NOK 170 million net during the quarter. The owner's share of the market value adjustment reserve as per 1 January 2008 amounted to NOK 320 million and was recognised as income.

The results from subsidiaries were satisfactory in the quarter apart from Storebrand Finansiell Rådgivning AS, which was affected by the turbulence in the financial and savings markets.

Profit allocated to customers

The profit allocated to customers depends on developments in the financial markets and the profile customers have chosen for their investments, as well as investments in the profile based on buffer capital. A surplus of NOK 111 million has been calculated as per Q3 for group retail customers due to the calculated positive risk result after allocations to the risk equalisation fund. NOK 3,026 million had been drawn from additional statutory reserves as per Q3 to cover returns that were lower than the guarantees in some of the customer portfolios. NOK 2,735 of this was drawn in Q3.

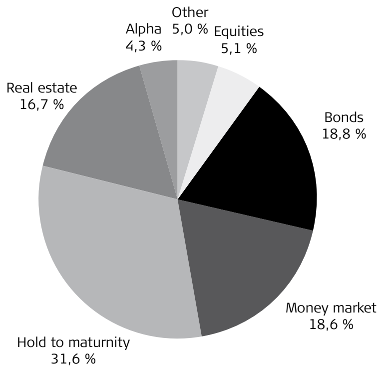
Return on investments, asset allocation and risk capital

The equity markets fell heavily in Q3 and equity exposure in Storebrand's customer portfolios and the company portfolio was reduced during the quarter. The risk adjusted equity exposure (taking derivatives into account) for customer portfolios with a guaranteed return has been reduced by 9.7 percentage points since the close of Q2 to 5.1% at the close of Q3. Similarly, the exposure in the company portfolio has been reduced by 6.5 percentage points to 2.4%.

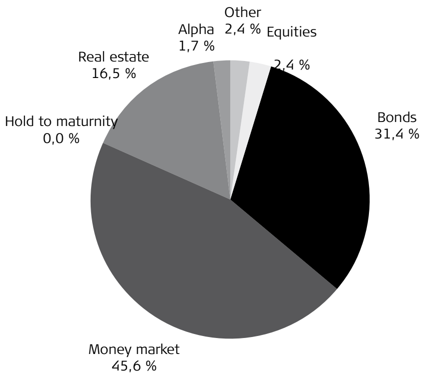
The investment portfolios in the group pension portfolio with a guarantee achieved a weighted market return of minus 1.5% in Q3 and minus 2.0% for the year to date. The return recognised for the year to date was 0.3% and minus 1.4% in Q3.

Due to the reduction in equity exposure, the money market allocation increased during Q3. Other classes of assets saw minor changes only.

Figure: Customer portfolio with guaranteed return



Company portfolio



81% of the assets under management from customers with investment choice (defined contribution pensions and unit linked) are invested in equity funds and combination funds, compared with 80% at the close of Q2. The return on the recommended investment choices for defined contribution pensions in Q3 were minus 1.8% for the careful profile, minus 7.6% for the balanced profile, and minus 13% for the aggressive profile respectively. As per the close of Q3 the return was minus 2.8%, minus 12.0 % and minus 20.0% respectively.

Total assets under management reduced by NOK 9 billion during the quarter and amounted to NOK 198 billion at the close of Q3 2008. The reduction in the quarter was driven by a net outflow of premium reserves, a reduction in individual savings agreements, and a negative financial return, among other things.

Figure: Risk capital as % of customer funds excel. additional statutory reserves

NOK mill	2005	2006	2007	1. halvår 2008	3.kvartal 2008
Equity capital	3 884	5 918	15 376	16 353	16 410
Subordinated loans	2 875	2 962	8 814	12109	9007
Risk equalisation reserve				83	128
Market value adjustment reserve	3 884	5 918	3 889	0	0
Additional statutory reserves	4 538	5 551	5 757	5265	2564
Conditional bonus				10786	8150
Reserves on bonds held to maturity	3 573	1 097	14	-1373	-353
Profit carried forward	3 422	4 175	4 138	-425	-4238
Total	22 176	25 620	37 988	42 799	31 668
In % of insurance fund excl. additional statuary reserves and conditional bonuses	17,1 %	18,2 %	17,1 %	19,2 %	14,1 %

During Q3 the company's risk capital fell by NOK 11 billion to NOK 32 billion due to the weak result and drawing on additional statutory reserves, among other things. The additional statutory reserves fell by NOK 2.7 billion in the quarter and amounted to NOK 2.6 billion at the close of Q3.

No market value adjustment reserve was booked at the close of Q3. The fair value of bonds held to maturity increased by NOK 1 billion during Q3. Negative unrealised gains on bonds held to maturity amounted to NOK 0.4 billion at the close of Q3 2008. These unrealised losses are not included in the accounts.

Storebrand Life Insurance Group's capital adequacy as per Q3 was 13.5% compared with 13.7% as per Q2. Storebrand Life Insurance Group only includes part of the insurance customers' buffer capital (conditional bonuses) in SPP when calculating its capital adequacy. Storebrand Life Insurance Group achieved a solvency margin of 129% at the close of Q3 compared with 136% at the close of 2007. The injection of capital from Storebrand ASA in October increased the solvency margin by 12 percentage points.

Financial performance – SPP Group

Table: Profit and loss SPP Group:

	Q3		01.01 - 30.09.		Full year
NOK million	2008	2007	2008	2007	2007
Adm. Result	-6	45	1	97	102
Risk Result	59	31	192	141	185
Financial Result	-610	-163	-844	-158	-377
Other	-51	65	63	216	284
Profit SPP group before amortisation	-608	-21	-588	296	194
Amortisation intangible assets	-123	-8	-367	-22	-30
Write-down intangible assets	-2,500	0	-2,500	0	0
Profit SPP Group before tax	-3,231	-28	-3,455	273	164

SPP's administration result amounts to NOK 1 million for the year to date (NOK 97 million), while the result for Q3 alone amounted to minus NOK 6 million (NOK 45 million). The administration result was affected by reduced income due to a reduction in assets under management over the year. The development in costs is satisfactory. The administration result is paid to the owner in full.

The risk result amounts to NOK 192 million (NOK 141 million) for the year to date, of which NOK 59 million (NOK 31 million) was earned in Q3. The risk result is volatile because of changes in the illness result. The release of illness reserves during Q3 made a positive contribution to the result. The risk result is paid to the owner in full.

The financial result amounts to minus NOK 844 million (minus NOK 158 million) for the year to date and amounted to minus NOK 610 million (minus NOK 163 million) in Q3. There was no profit sharing in Q3 due to the return in the customer portfolio being lower than the guaranteed interest. Conditional bonuses function as a buffer in SPP that absorbs the effects of the negative return for most contracts. On the other hand, those contracts that do not have conditional bonuses have a negative effect on the financial result in the form of increases in the reserves called latent capital gains (LCG). SPP utilises an extensive hedging programme to limit the effect LCG have on the financial result. During Q3 the hedging programme provided a positive contribution to the result amounting to NOK 736 million, however this only partly compensated for the increase in LCG of NOK 1,364 million. The difference has been recognised as a loss in the financial result. Increases in the reserves in LCG can be reversed via the profit and loss account to the owner at a later point in time if the return is higher than the liabilities' discount rate.

The hedging programme comprises liquid derivatives that protect against high level negative equities and interest rate movements, but does not address the specific inherent risks in, for example, credit securities, alternative investments or equities in emerging markets.

On 1 October, SPP split the administration of the traditional Defined Contribution (DC) portfolio into three management portfolios based on guaranteed interest levels and risk capital in order to reduce the financial risk and limit the use of hedging derivatives.

The change was made to ensure that the management of insurance policies with high guaranteed interest rates does not influence the management of insurance policies with low guaranteed interest rates. Insurance policies with low guaranteed interest have a higher proportion of assets with high expected returns. At the same time the change introduces a fairer arrangement for new premium payments from both existing and new customers. The current guaranteed interest for new premium payments is 2.5%. New premiums are managed in the portfolio with this guaranteed interest rate, which results in a high expected long-term return.

The change does not affect how SPP guarantees customers' pensions. Insurance policies with high guarantee levels can be moved to guarantee groups with low guaranteed interest, but policies cannot move the other way.

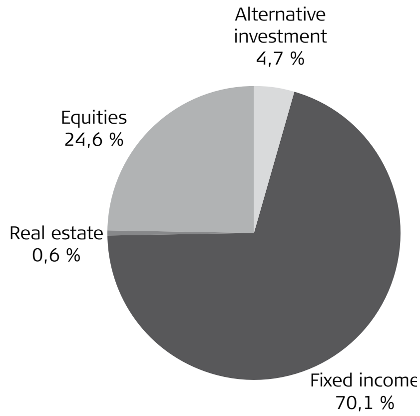
The "Other profit" amounts to NOK 63 million (NOK 210 million) for the year to date and amounted to minus NOK 51 million (NOK 65 million) in Q3. The negative result in Q3 was primarily due to losses in the company portfolio associated with bonds in American financial institutions. This result element also includes interest on subordinated loan capital. The equity portfolio is entirely invested in fixed income securities.

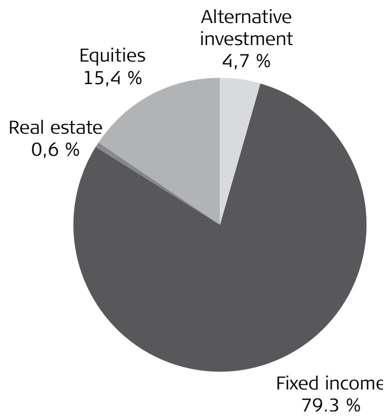
Table: Return on investments, asset allocation and risk capital

	Q3		01.01-30.09		Year
Financial return	2008	2007	2008	2007	2007
Defined Benefit (DB) %	0.16	-0.35	-4.79	1.76	0.46
Defined Contribution (DC) %	-0.14	-0.37	-5.79	1.81	0.40

The risk management in the customer portfolios has been successful and made a positive contribution to the return during the quarter. Dynamic risk management has been implemented in accordance with the same principles employed in Storebrand. In short this means that with falling equity markets equities are gradually sold to protect the risk capital of customers and owners. At the start of the year the customer portfolios in both DB and DC consisted of 40.6% equities. The proportion of equities in the DB portfolio was 15.4% at the close of the quarter, and 24.6% in the DC portfolio. The proportion of equities was significantly reduced shortly after the close of the quarter.

Asset profile customer portfolios with a guaranteed return

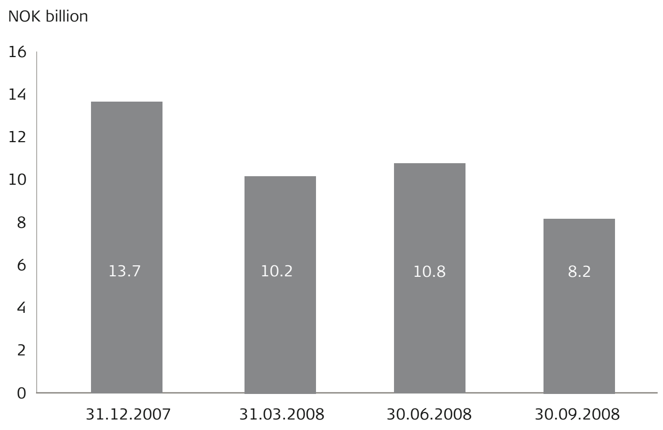




SPP also uses derivatives to ensure the owner's financial result is not negative due to a negative return on portfolios without buffers. Compared with Storebrand Life Insurance in which the hedging is part of the customer portfolio, this hedging is in the company portfolio in SPP. The income from the hedging transaction is taxable pursuant to Swedish tax regulations, while corresponding increases in the insurance liabilities are not tax deductible.

This resulted in a tax cost for the SPP in Q3 amounting to NOK 205 million. The tax effect for the year to date amounts to NOK 312 million.

Figure: Development of conditional bonuses:



The conditional bonuses (the policyholders buffer capital) at the close of Q3 were NOK 8,150 million. Falling interest rates resulted in condition bonuses being reduced.

The assets under management at the close of Q3 amounted to NOK 94 billion, a reduction of NOK 2 billion from Q2. The reduction is primarily due to changes in the unit linked fund insurance portfolio. Premium income in the unit link fund insurance portfolio has been approximately NOK 2 billion higher than insurance payments for the year to date, but total assets have nonetheless fallen due to developments in the market. Unit linked insurance represents NOK 22 billion of total assets under management.

The solvency margin developed negatively from 170% in Q2 to 137% in Q3. The solvency was primarily affected by the negative result.

Premium income

Premium income SPP Group

	Q3		01.01 - 30.09.		Full year
NOK million	2008	2007	2008	2007	2007
Single premiums	416	229	1,208	1,434	2,165
Annual premiums	1,210	1,300	4,326	4,225	5,255
Total	1,626	1,529	5,534	5,659	7,420

Premium income amounts to NOK 5,534 million for the year to date (NOK 5,659 million) and amounted to NOK 1,626 million (NOK 1,529 million) in Q3. However, the 2007 figures include a very large single premium in Euroben of approximately NOK 750 million, which largely explains the difference. The premium income in mutual fund insurance/unit linked amounts to NOK 2,327 million for the year to date (NOK 2,078 million). This is an increase of 10% compared with the same period of last year.

Compared with last year, new policies increased by a total of 11% measured by APE. The increase has primarily come from sales through the broker channels. New policies sold through broker channels have doubled for the year to date compared with 2007. New policies for ongoing premiums have increased by 8% in Q3 and by 20% for the year to date.

The premium income for retirement pensions continued to grow in Q3 and have grown by a total of 12% for the year to date. The premiums for collectively agreed pensions are on a par with 2007 and can largely be explained by the fact that SPP is no longer an option that can be chosen for ITPK from 2008. The premium income in Euroben has fallen by 44% for the year to date compared to last year. The primary cause of the fall is the large single premium that Euroben received in Q2 2007. The reduction in retail pensions amounts to 6% for the year to date compared with 2007.

Financial performance – other life insurance activities

Storebrand Helseforsikring AS experienced an operating profit as per 30 September 2008 amounting to NOK 10.5 million (NOK 20 million), of which NOK 12.5 million came in Q3 (NOK 12 million). Premium income for health insurance products rose by 22% in Q3 compared with the same period last year and amounted to NOK 80 million as per the close of Q3. Of the growth in premium income for own account, the percentagewise increase was greatest in Norway. Storebrand owns 50% of the company and offers treatment insurance in the retail and corporate markets.

FINANCIAL PERFORMANCE – ASSET MANAGEMENT

Table: Profit and loss - asset management activities:

	Q3		01.01-30.09		Full year
NOK million	2008	2007	2008	2007	2007
Total income	64	49	271	247	331
Total costs	-62	-51	-203	-188	-256
Net finance/other	19	8	54	42	66
Profit before amortisation	21	5	122	101	140
Amortisation of intangible assets	-1	0	-2	0	-2
Profit after amortisation 1)	20	5	120	101	138

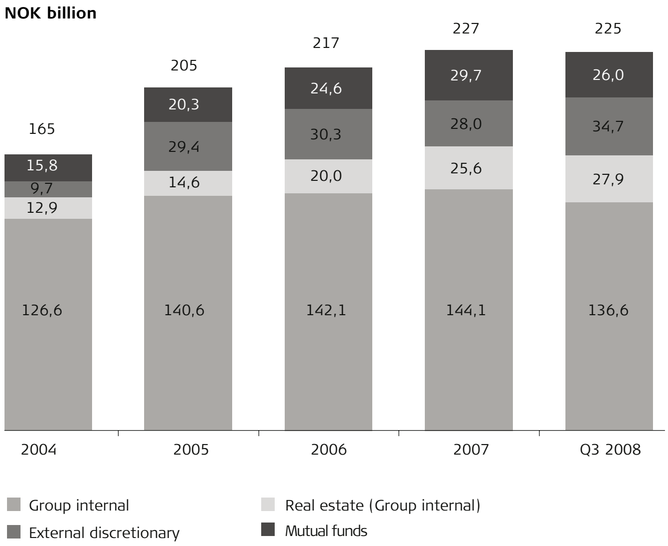
1) Following a legal restructuring in May, the asset management business now encompasses the following companies: Storebrand Kapitalforvaltning AS (formerly Storebrand Alternative Investments AS), the sister company Storebrand Fondene AS and Storebrand Eiendom AS. Storebrand Eiendom AS is included in the asset management business under "Net finance/other" from and including 1 January 2008, while this line includes the then Storebrand Alternative Investments AS in 2007. The figures are therefore not directly comparable. The legal restructuring does not affect the total profit and loss and balance sheet situation for the subgroup.

The profit trend in Q3 was negative compared with earlier quarters in 2008. The quarter has been characterised by great instability in the financial markets. The primary reasons for the lower volume-based income in the quarter were the net realisation and changes in assets under management. Income from alternative investments such as private equity and hedge funds is reported as part of total income following the restructuring. These incomes have been stable in Q3.

Total costs were higher than in 2007 due to the costs associated with external management now being reported as part of total costs. Strict costs control is being practised in the business. Storebrand Eiendom AS shows a good result in both Q3 and for the year to date.

Storebrand Investments had NOK 225 billion under management at the close of Q3, a reduction of NOK 2 billion compared with Q2. The assets under management for internal group customers (including real estate) fell by NOK 2.4 billion during the quarter to NOK 164 billion. External discretionary assets and funds amounted to NOK 60.7 billion, an increase of NOK 0.5 billion compared with Q2. Compared with 2007, the proportion of assets under management from external customers and funds has increased.

Figure: Total assets under management



Value creation in the portfolios was negative in Q3. The management of Storebrand Life Insurance's equities and hedge fund portfolios underperformed by NOK 744 million in Q3 and by NOK 807 million for the year to date. The instability in the financial markets resulted in an abnormal development in spreads in the interest and credit markets, which had a strong impact on the interest portfolios. Nonetheless, the return in the interest portfolios was positive during the quarter, and the runningyield in the portfolios was higher at the close of Q3 than it was at the close of Q2. The funds have underperformed by NOK 369 million in the year to date, of which NOK 630 million in the quarter. 45% of the securities funds had achieved a better return than their reference indices (calculated before management fees) at the close of Q3.

Net new sales in the asset management business (external discretionary assets and mutual funds) amounted to NOK 2.2 billion as per the close of Q3, of which Q3 alone saw new sales amounting to NOK 1 billion from sales in the institutions market. Sales in the retail market were weak and the result has been a net realisation in both equity and fixed income funds so far this year.

FINANCIAL PERFORMANCE - BANKING ACTIVITIES

Table: Profit and loss - Storebrand Bank Group:

	Q3		01.01 - 30.09.		Full year
NOK million	2008	2007	2008	2007	2007
Net interest income	149	108	403	303	413
Net fee and commission income	15	15	50	43	58
Other operating income	4	3	47	29	46
Total income	168	126	500	374	517
Operating expenses	-116	-83	-341	-247	-360
Operating profit before losses	52	43	158	128	157
Loans losses Provisions	-27	11	-36	60	78
Profit before amortisation	**25**	**54**	**122**	**188**	**235**
Amortisation intangible assets	-6		-22		
Profit before tax	**19**	**54**	**100**	**188**	**235**

Net interest income increased in the quarter compared with last year. Net interest margin as a percentage of average total assets under management was 1.24% (1.08%) for Q3 and 1.23% (1.07%) for the year to date, compared with 1.07% for the whole of 2007. Net interest income in Q3 includes positive hedging effects due to fair value hedging amounting to NOK 15 million (NOK 0.5 million) and NOK 21 million (negative by NOK 4 million) for the year to date. Repricing measures implemented in the lending portfolio also had positive effects on the result in Q3.

Net fee and commission income fell in Q3 compared with the earlier periods. The first issue of the new Storebrand Infrastruktur savings product was carried out in Q3 2008. No issues of the savings products Storebrand Optimér and Storebrand Eiendomsfond have been conducted so far in 2008 due to the low demand for these types of products.

Other income was affected by the financial instability in this quarter. The change in value associated with the banking group's liquidity portfolio in interest-bearing securities had a negative effect on the profit of NOK 29 million in Q3 and NOK 31 million (negative by NOK 3 million) for the year to date. The acquisition of the real estate companies Hadrian Eiendom AS, Hadrian Utvikling AS and 13 companies in Ring Eiendomsmegling AS during 2007 and 2008 entailed an increase in other income compared with the same period in 2007. In total the operating income from these activities was almost NOK 65 million at the close of Q3.

The cost ratio (C/I) for the banking group was 73% (66%) for Q3 and 73% (70%) for the year to date. The increase in the cost ratio was affected by the companies acquired at the close of 2007 and in Q1 2008. Intangible assets that are subject to amortisation have also been identified in connection with the acquisitions, and these have further increased costs in 2008. The cost ratio for Storebrand Bank ASA was 66% (65%) for Q3 and 66% (69%) for the year to date. The efficiency improving measures in the banking activities that were implemented in 2006 and 2007 had a positive effect on the cost ratio, while the falling income from sales of savings products such as Eiendomsfond had a negative effect.

The holding company established a subsidiary in 2008, Storebrand Kredittforetak AS, to which parts of the bank's lending in the retail market is sold and used as collateral in connection with the issuance of covered bonds. The holding company's accounting figures for 2008 are therefore not directly comparable with the 2007 financial year.

Storebrand Bank experienced good volume growth in the retail market in 2007. 2008 has so far seen lower growth, though the bank's market position has nonetheless strengthened. The banking group's increase in the volume of lending in the retail market amounted to NOK 100 million in Q3 and amounts to NOK 1,200 since the start of the year. Customer growth measured by the number of customers amounts to 3.7% for the year to date.

During Q3 the bank also conducted a review and assessment of significant lending commitments within the segments retail and commercial. In the opinion of the management, the risk of experiencing a loss in the portfolio has increased somewhat, especially due to the recent financial instability and the uncertainty in the real estate and housing markets due to this. Nonetheless, non-performing and loss-exposed loans without identified impairment were reduced during the quarter. The risk assessment of the portfolio is taken into account when assessing actual losses, individual write-downs and group write-downs. The uncertainty associated with the estimate has increased somewhat due to the financial instability. No changes have been made to routines and assumptions associated with the assessment of non-performance and the need for write-downs compared with earlier periods.

During Q3 there was a reduction in the total volume of non-performing and loss-exposed loans in the banking group of NOK 13 million. The volume of non-performing and loss-exposed loans with identified impairment includes commitments of NOK 82 million which are regarded as loss-exposed due to the developments in the real estate market, but in which the commitments are being serviced on an ongoing basis. The volume of non-performing and loss-exposed loans amounted to NOK 624 million as per 30 September 2008. The level of non-performing and loss-exposed loans is regarded as normal. Q3 saw a net recognition of losses as costs amounting to NOK 27 million (net income recognition of NOK 11 million) and a net recognition of costs of NOK 36 million (net income recognition of NOK 60 million) for the year to date.

The banking group's total assets at the close of Q3 amounted to NOK 44 billion. Gross lending has increased by 3% to almost NOK 38.2 billion so far in 2008. Lending by Storebrand Life Insurance managed by Storebrand Bank ASA increased by NOK 0.1 billion in Q3 to NOK 3.4 billion.

At the close of Q3, the gross lending of the subsidiary Storebrand Kredittforetak AS amounted to NOK 7.6 billion of the total lending volume in the retail market of NOK 26 billion.

The bank's deposit-to-loan ratio was 47.6% at the close of Q3 compared with 47.1% as per 31 December 2007. The market campaigns that have been run increased market shares and competitive terms made a positive contribution to the development in customer deposits.

The turbulent conditions in the credit market resulted in increasing funding costs in 2008. Access to liquidity in the Norwegian capital market was reduced in Q3 due to the turbulence in the international markets. The banking group has held a high level of liquidity throughout the quarter following the issuance of covered bonds in Q2, and the need for borrowing in Q3 was limited. The bank's liquidity situation at the close of Q3 was satisfactory, and since then the banking group has obtained a further NOK 1,25 billion through issuing covered bonds in the Norwegian market in October.

The bank's capital ratio at the close of the quarter was 10.7% with a tier 1 capital ratio of 8.0%. Capital adequacy is calculated pursuant to the new capital adequacy regulations (Basel II). The primary capital is not added to the profit for the year when calculating capital adequacy.

FINANCIAL PERFORMANCE - OTHER ACTIVITIES

Other activities principally comprise Storebrand ASA (the holding company), and Storebrand Skadeforsikring.

Table: Profit and loss – other activities

	Q3		01.01 - 30.09.		Full year
NOK million	2008	2007	2008	2007	2007
Storebrand ASA [1]	-50	-21	583	1 062	1 057
Storebrand Skadeforsikring	17	12	2	-19	-18
Other companies/eliminations [2]	0	0	-667	-1 029	-1 027
Profit before amortisation	-33	-9	-82	14	12
Amortisation of intangible assets	-4		-9		
Profit after amortisation	-37	-9	-91	14	12

[1] Including dividends/group contributions from subsidiaries
[2] Including elimination of dividends/group contributions from subsidiaries

Storebrand Skadeforsikring (non-life)

The Storebrand Skadeforsikring group comprises Storebrand Skade AS and the wholly owned subsidiary Oslo Reinsurance Company ASA (Oslo Re).

Storebrand Skadeforsikring group saw an operating result of NOK 10 million (NOK 12 million) in Q3 and minus NOK 19 million (minus NOK 19 million) for the year to date.

Storebrand Skadeforsikring AS experienced an operating result of minus NOK 3 million (minus NOK 1 million) in Q3 and minus NOK 33 million (minus NOK 28 million) for the year to date. Premium income for own account amounted to NOK 48 million (NOK 20 million) in Q3 and NOK 119 million (NOK 38 million) for the year to date. Claims costs in Q3 amounted to NOK 34 million (NOK 15 million) and NOK 90 million (NOK 28 million) for the year to date. This represents a claims ratio for own account for the year to date of 76%.

Sales of insurance policies in the new business was strong in Q3 also. During the quarter, the company increased its insurance portfolio by 8,000 contracts. At the close of Q3 the company had 74,000 active policies in the portfolio. The company now has more than 25,000 customers. So far this year the total portfolio premium has increased by 69%.

The Internet is the most important sales channel for Storebrand Skadeforsikring. 55% of sales came via the company's online sales solution for the year to date.

Oslo Re achieved an operating profit of NOK 17 million (NOK 15 million) in Q3. The strong result is a consequence of the reversal of claims allocations and good financial results. The operating costs were affected by the company's winding up profile. The claims reserves were strongly reduced.

Storebrand ASA (the holding company)
Storebrand ASA's result pursuant to IFRS is shown in the table below. Storebrand ASA's official accounts are prepared pursuant to Norwegian accounting law and the company has chosen not to use IFRS for these. Information about these accounts is provided in Storebrand ASA's annual report.

Table: Profit and loss – Storebrand ASA (the holding company)

	3. kvartal		01.01 - 30.9		Full year
NOK million	2008	2007	2008	2007	2007
Group contributions and dividends	0	0	672	1 033	1 033
Interest income	46	28	242	76	117
Interest expenses	-50	-28	-220	-77	-114
Gain/losses on securities	-29	-5	-46	82	85
Other financial items	3	0	3	7	2
Net financial items	-30	-6	-22	89	90
Operating costs	-20	-16	-67	-59	-66
Pre-tax profit	-50	-21	583	1 062	1 057

Storebrand ASA achieved a result of NOK 583 million for the year to date (NOK 1,062 million) and minus NOK 50 million (minus NOK 21 million) in Q3. The result for the year to date includes group contributions and dividends from subsidiaries. Net financial income amounted to minus NOK 22 million for the year to date (NOK 89 million) and minus NOK 30 million (NOK 6 million) in Q3. Operating costs amount to NOK 67 million (NOK 59 million) for the year to date, of which NOK 20 million were incurred in Q3 (NOK 16 million).

Storebrand ASA held liquid assets of NOK 1.1 billion at the close of Q3; of which NOK 1.0 billion was invested in short term interest-bearing securities with good credit ratings. The company also has a credit facility of EUR 225 million, which was undrawn at the close of Q3.

Storebrand ASA took out a bridge loan of EUR 580 million from a syndicate of banks in connection with the acquisition of SPP. The bridge loan was repaid in full in Q3 2008 from the proceeds of loans issued by Storebrand Life Insurance in the first half of 2008 and and a new term loan facility of EUR 70 million for Storebrand ASA. Total interest bearing liabilities in Storebrand ASA at the close of Q3 amounted to NOK 2.2 billion.

In October 2008, Storebrand ASA drew EUR 150 million from the company credit facility. The loan proceeds will be used to strength Storebrand ASA's liquidity and carry out a share capital increase in Storebrand Life Insurance. Following this the undrawn amount of the company's credit facility was EUR 75 million.

At the close of Q3 Storebrand ASA owned 1.1% (4,724,889 shares) of the company's own equity. The board of directors holds a mandate from Storebrand's general meeting to buy back up to 10% of the company's equity in the period up to the next annual general meeting.

Storebrand is exposed to several types of risk through its business areas. The continuous monitoring and active management of risk is therefore an integrated core area in the group's activities and organisation. Developments in the level of interest rates are regarded as the most important risk factor that could affect the group's profit in the future. Storebrand employs solvency based risk management in the life insurance activities. The goal of this is to tailor the financial risk to the company's risk bearing capacity.

Oslo, 28 October 2008
The board of directors of Storebrand ASA

Storebrand Group

PROFIT AND LOSS ACCOUNT

NOK MILLION	3Q 2008	01.01. - 30.09.2008
Net premium income	5 304.2	24 677.0
Net interest income - banking	149.4	402.5
Net income from financial assets and property for the company:		
- shares, bonds and other fixed-income securities at fair value	-12.5	81.5
- financial derivatives at fair value	689.8	1 232.1
- net income from investment properties	23.7	74.8
- result from investments in associated companies	-9.7	3.5
Net income from financial assets and property for the customers:		
- shares, bonds and other fixed-income securities	-4 697.7	-17 102.2
- financial derivatives at fair value	-2 011.5	-1 344.3
- to/from market value adjustment reserve	0.0	3 534.6
- net income from bonds at amortised cost	594.6	1 694.9
- net income from investment properties	311.0	1 002.5
Other income	773.2	2 416.2
Total income	**1 114.5**	**16 673.1**
Insurance claims for own account	-6 865.3	-19 689.3
Change in insurance liabilities excl. guaranteed return	4 899.5	8 816.6
To/from additional statutory reserves - life insurance	3 065.9	3 165.1
Guaranteed return and allocation to insurance customers	-2 140.8	-5 645.8
Losses from lending/reversal of previous losses	-26.7	-36.4
Operating costs	-836.1	-2 755.3
Other costs	-110.0	-296.7
Interest expense	-306.3	-709.1
Total costs before amortisation etc	**-2 319.8**	**-17 150.9**
Group profit/loss before amortisation etc	**-1 205.3**	**-477.8**
Write-down of intangible assets	-2 500.0	-2 500.0
Amortisation of intangible assets	-132.2	-399.8
Group profit/loss before tax	**-3 837.5**	**-3 377.6**
Tax cost	62.2	-147.8
Profit/loss for the period	**-3 775.3**	**-3 525.4**
Profit is due to:		
Minority interests' share of profit	0.5	4.8
Majority interest's share of profit	-3 775.8	-3 530.2
Total	-3 775.3	-3 525.4
Earnings per ordinary share	-8.48	-7.93
Average number of shares as basis for calculation (million)		445.0
There is no dilution of the shares		

Storebrand Group

PROFIT AND LOSS ACCOUNT

NOK MILLION	3Q 2007	1.1. - 30.09.2007	FULL YEAR 2007
Net premium income	4 317.2	15 049.8	19 743.6
Net interest income - banking	108.1	302.5	413.2
Net income and gains from financial assets at fair value:			
- shares and other equity participations	-2 183.1	736.3	658.0
- bonds and other fixed-income securities	-674.0	-956.4	123.9
- financial derivatives	2 837.4	5 233.1	4 649.0
- income from financial assets with investment choice	-50.4	381.3	353.4
Net income from bonds at amortised cost	555.9	1 677.1	2 235.2
Income from investment properties	622.0	1 990.2	4 387.5
Profit from investment in associated companies	-7.2	-4.2	-19.6
Other income	314.7	792.1	853.1
Total income	**5 840.6**	**25 201.8**	**33 397.3**
Insurance claims for own account	-3 542.1	-13 807.0	-17 669.3
Change in insurance reserves	-2 057.5	-4 999.5	-9 951.1
Interest expenses	-78.9	-205.4	-318.2
Loan losses/write-backs of earlier losses	10.9	60.0	78.2
Operating costs	-555.8	-1 818.5	-2 581.6
Other costs	-18.0	-78.5	-188.0
Total costs	**-6 241.4**	**-20 848.9**	**-30 630.0**
To/from market value adjustment reserve	1 295.6	676.8	2 036.0
Operating profit/loss	**894.8**	**5 029.7**	**4 803.3**
To/from additional statutory reserves - life insurance	0.0	0.0	-400.0
Funds allocated to policyholders - life insurance	-538.2	-3 685.7	-2 383.5
Group profit/loss	**356.6**	**1 344.0**	**2 019.8**
Changes in security reserves, etc - P&C insurance	-1.8	0.8	9.1
Profit/loss before extraordinary items	**354.8**	**1 344.8**	**2 028.9**
Tax payable	-16.8	-59.0	-20.1
Profit/loss for the period	**338.0**	**1 285.8**	**2 008.8**
Profit is due to:			
Minority interests' share of profit	1.3	9.9	3.1
Majority interest's share of profit	336.7	1 275.9	2 005.7
Total	**338.0**	**1 285.8**	**2 008.8**
Earnings per ordinary share	1.38	5.20	7.95
Average number of shares as basis for calculation (million)		245.1	251.5
There is no dilution of the shares			

Storebrand konsern

CONSOLIDATED STATEMENT OF INCLUDED INCOME AND COSTS

NOK MILLION	1.1. - 30.09.2008	1.1. - 30.09.2007	FULL YEAR 2007
Change in pension experience adjustments	-32.3		143.8
Revaluation of properties for own use	4.7	11.7	28.6
Re-statement differences	-5.5	-14.6	-30.1
Hedging applied directly to equity	14.8		-25.6
Recognised directly against equity	**-18.3**	**-2.9**	**116.7**
Profit for the period	-3 525.4	1 285.8	2 008.8
Total income and costs for the period	**-3 543.7**	**1 282.9**	**2 125.5**
Transported to			
Shareholders	-3 551.1	1 273.0	2 122.4
Minority interests	7.4	9.9	3.1
Total	**-3 543.7**	**1 282.9**	**2 125.5**

Storebrand Group

BALANCE SHEET

NOK MILLION	30.09.2008
Assets company portfolio	
Deferred tax assets	215.4
Intangible assets	7 477.9
Pension assets	204.2
Tangible fixed assets	109.5
Investments in associated companies	81.0
Lending to financial institutions	245.2
Lending to customers	37 990.3
Reinsurers' share of technical reserves	1 553.5
Property assessed at fair value	1 844.4
Other assets	425.2
Due from customers and other current receivables	5 521.0
Financial assets at fair value:	
- Shares and other equity participations	1 158.0
- Bonds and other fixed-income securities	21 587.1
- Derivatives	1 906.6
Other current assets	122.3
Bank deposits	3 407.0
Total assets company	**83 848.6**
Assets customer portfolio	
Bonds at amortised cost	45 924.2
Lending to customers	3 525.0
Real estate at fair value	21 991.4
Due from customers and other current receivables	11 143.9
Financial assets at fair value:	
- Shares and other equity participations	62 404.9
- Bonds and other fixed-income securities	115 463.7
- Derivatives	4 547.4
Other current assets	9 085.2
Bank deposits	12 253.5
Total assets customers	**286 339.2**
Total assets	**370 187.8**
Equity and liabilities	
Paid in capital	11 710.4
Retained earnings	3 293.9
Value adjustment fund	49.3
Minority interests	153.4
Total equity	**15 207.0**
Subordinated loan capital	9 374.1
Market value adjustment reserve	0.0
Insurance reserves - life insurance	268 928.8
Insurance reserves - P&C insurance	2 055.1
Pension liabilities	1 401.0
Deferred tax	473.7
Financial liabilities:	
- Liabilities to financial institutions	3 672.5
- Deposits from banking customers	18 192.2
- Securities issued	19 990.0
- Derivatives company	1 483.3
- Derivatives customers	5 632.0
Other current liabilities	23 778.1
Total liabilities	**354 980.8**
Total equity and liabilities	**370 187.8**

Storebrand Group

BALANCE SHEET *)

NOK MILLION	2007
Assets	
Deferred tax assets	234.9
Intangible assets	10 189.7
Pension assets	205.0
Tangible fixed assets	1 103.2
Investments in associated companies	174.6
Bonds at amortised cost	40 380.1
Lending to financial institutions	374.1
Lending to customers	39 493.5
Reinsurers' share of technical reserves	1 501.3
Real estate at fair value	21 358.6
Other assets	221.6
Due from customers and other current receivables	6 512.6
Financial assets at fair value:	
- Shares and other equity participations	73 661.1
- Bonds and other fixed-income securities	112 025.6
- Derivatives	4 774.1
- Life insurance assets with investment choice	39 083.4
- Other financial assets	4 853.4
Other current assets	33.0
Bank deposits	25 569.0
Total assets	**381 748.8**
Equity and liabilities	
Paid in capital	11 711.7
Retained earnings	7 362.1
Value adjustment fund	44.6
Minority interests	122.2
Total equity	**19 240.6**
Subordinated loan capital	5 213.8
Market value adjustment reserve	3 853.7
Insurance reserves - life insurance	241 744.7
Reserve for life insurance with investment choice	39 208.2
Premium and claims reserves - P&C insurance	1 998.8
Security reserves etc. - P&C insurance	31.8
Pension liabilities	1 121.0
Deferred tax	630.8
Financial liabilities:	
- Liabilities to financial institutions	7 653.3
- Deposits from banking customers	17 469.6
- Securities issued	18 739.1
- Derivatives	3 644.6
Other current liabilities	21 198.8
Total equity and liabilities	**381 748.8**

*) See note 4

Storebrand Group

CASH FLOW ANALYSIS STOREBRAND GROUP

NOK MILLION	1.1 - 30.9 2008	1.1 - 30.9 2007
Cash flow from operational activities		
Net receipts/payments - insurance	-744	-1 088
Net receipts/payments - interest, commission and fees	-199	136
Net receipts/payments - lending	-1 936	-4 910
Net receipts/payments - deposits from others (banking)	744	1 739
Net receipts/payments - securities in the trading portfolio	14 631	5 600
Net receipts/payments - other operational activities	-15 941	-8 920
Net cash flow from operational activities	**-3 444**	**-7 444**
Cash flow from investment activities		
Net receipts/payments - bonds held to maturity	-5 544	3 533
Net receipts/payments - sales of subsidiaries	9	-32
Net receipts/payments - sale/purchase of property and fixed assets, etc	-1 570	655
Net cash flow from investment activities	**-7 106**	**4 156**
Cash flow from financing activities		
Net payments/receipts - lending	1 184	3 200
Net receipts/payments - share capital		-82
Dividend/group contribution payments	-534	-447
Net cash flow from financing activities	**650**	**2 670**
Net cash flow for the period	**-9 899**	**-617**
Net movement in cash and cash equivalent assets	**-9 899**	**-617**
Cash and cash equivalent assets at start of the period	25 560	13 216
Cash and cash equivalent assets at the end of the period [1]	**15 661**	**12 599**

1) Includes holdings for both company and customers

Notes to the interim accounts

NOTE 1 ACCOUNTING PRINCIPLES

The group's interim accounts include Storebrand ASA together with subsidiaries and associated companies. The interim accounts have been prepared in accordance with IAS 34 Interim Financial Reporting, as approved by the EU, and the additional Norwegian requirements in the Norwegian Securities Trading Act. The interim accounts do not include all the information required for full annual accounts.

The 2007 annual report and accounts for Storebrand ASA can be obtained by contacting the company's head office, Filipstad Brygge 1, Oslo or from: www.storebrand.no. The accounting principles used for the interim accounts are described in the accounting principles section of the notes to the accounts in the 2007 annual report.

On October 13 IASB amended IAS39 to allow for reclassification of certain financial instruments. The changes were resolved in the EU in a seperate directive on October 15, and the Ministry of Finance implemented a regulation to allow these changes on October 16.

Storebrand has not reclassified financial instruments. Neither has Storebrand changed its pricing models or use of external price providers in connection with the valuation of financial instruments.

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. Actual results may differ from these estimates.

NOTE 3: NEW LAYOUTS FOR THE PROFIT AND LOSS ACCOUNT AND BALANCE SHEET

The layouts for the group's profit and loss account and balance sheet have changed in 2008 in connection with the new insurance act for life insurance coming into force. The act has led to changes with respect to how Storebrand's consolidated accounts are presented because it is believed that it is appropriate to change the old layouts in order to provide a better presentation of the business results pursuant to the new insurance act. This will comply with IAS 1 no. 27, and the change involves the life insurance company differentiating between customer portfolios and the company portfolio. The number of lines in both the profit and loss account and balance sheet has increased since there are separate lines for the customer portfolio. Also see note 4 for a more detailed description of the new insurance act.

Brief descriptions of the most important changes are provided below:

Net premium income includes as before the savings part and the risk part of the premium as well as the premium for the guaranteed interest. The inflow and outflow volumes of premiums are also included in this line.

Income associated with financial instruments, as well as real estate and associated companies, is split between the customer portfolio and company portfolio. The customer portfolio consists of both the group portfolio and investment choice portfolio. The to/from market value adjustment reserve line, which is linked to unrealised gains in the customer portfolio, has now been moved to financial income. Previously the operating profit was showed as an undistributed profit between customers and owners, but from which the guaranteed return was deducted. The operating profit has now been taken out of the profit and loss layout. A new line has been included for the amortisation of intangible assets since after the acquisition of SPP there is a larger cost for the amortisation of purchased intangible assets (value of business in force – "VIF"). This provides a better insight into the profit when it is shown on a separate line. The profit before and after the amortisation of intangible assets is shown.

The change insecurity allocations, etc, in non-life insurance is included in the line for insurance claims on own account.

The balance sheet is divided into the company's assets and the customers' assets. The customers' assets in a group portfolio and an investment choice portfolio have not been split.

NOTE 4: CONSEQUENCES OF NEW INSURANCE ACT FOR LIFE INSURANCE

The transition to the new insurance act has resulted in significant changes in how the profit in the life insurance business has to be distributed between the owner and policyholders. The new life insurance act means that the insurance company's assets (Storebrand Life Insurance) must be allocated to customer portfolios and a company portfolio. The rules that applied in 2007 entailed no such distribution.

Profit elements pursuant to the new insurance act
A brief description of how the profit has to be distributed pursuant to the new life insurance act is provided below.

The return (value adjusted) in the company portfolio will hereafter be transferred to equity. Furthermore, the owner's profit will also be affected by the following products:

Notes to the interim accounts

Products without profit sharing:
The entire profit (booked) is allocated to the owner.

Products with investment choice without a guaranteed interest rate (Unit Linked):
The risk result and the administration result are allocated in their entirety to the owner; the financial result (value adjusted) is in its entirety allocated to the customer.

Products with investment choice with a guaranteed interest rate (fee-based):
The administration result, as well as any negative risk result not covered by the risk equalisation fund and negative financial result (booked) not covered by additional statutory reserves, are allocated in their entirety to the owner. The owner receives the premiums for the guaranteed interest rate, as well as any profit margin for risk, administration, management and the guaranteed interest rate. A positive financial result is allocated to the customer; a positive risk result is allocated to the customer or possibly the risk equalisation fund.

Fee-based products (group defined benefit pensions):
The administration result, as well as any negative risk result not covered by the risk equalisation fund and negative financial result (booked) not covered by additional statutory reserves, are allocated in their entirety to the owner. The owner receives the premiums for the guaranteed interest rate, as well as any profit margin for risk, administration, management and the guaranteed interest rate. A positive financial result is allocated to the customer; a positive risk result is allocated to the customer or possibly the risk equalisation fund.

Modified profit sharing (paid-up policies, etc.):
A positive financial result (booked), less any negative risk result that is not covered by the risk equalisation fund, is shared between customers and the owner, though a maximum of 20 per cent of the profit can be allocated to the owner. A negative financial result that is not covered by the additional statutory reserves is allocated to the owner. The administration result is allocated in its entirety to the owner. A positive risk result is allocated to the customer or the risk equalisation fund.

"Old" profit sharing/regime (individual policies):
A positive total result (booked) is shared between the customers and the owner, though a maximum of 35 per cent of the total result can be allocated to the owner. A negative result that is not covered by the additional statutory reserves is allocated to the owner.

Opening balance 1 January 2008
The allocation of financial assets between customers and the owner is based on section 9-7 of the insurance act, which, among other things, refers to good business practice.

Market value adjustment reserve, Security fund and risk equalisation fund:
The market value adjustment reserve was previously been treated as a liability in its entirety in the Storebrand ASA Group's accounts. After the transition to the new insurance act a proportion of the original unrealised gains have been allocated to the owner. With reference to IAS 8 nos. 5 and 16 and IFRS 4 nos. 26 and 36, this change is not regarded as a change of principle pursuant to IFRS, and this change has been recognised in the profit and loss account. The same applies to the market value adjustment reserve. The new risk adjustment fund is viewed as equity.

Comparable figures from earlier periods
According to IFRS, comparison figures must basically be adapted unless the company considers and documents that this is not practically possible. This follows from both IAS 8 no. 5 and IAS 1 no. 40. The owner's result from risk, administration, the interest guarantee and return have been totally changed in 2008 compared with previously, cf. the description above. Based on the IFRS rules no adaptation of the comparable figures has been made. Previous official accounts have been used in the interim report for Q2 as comparison figures. These are shown on their own pages in the report. In the case of the balance sheet, the previous year is included at the end of the financial year with the balance sheet for comparison.

NOTE 5: TAX

These are significant tax losses carried forward in the Norwegian activities of Storebrand - primarily in Storebrand Livsforsikring AS. Deferred Tax assets have not been activated in the accounts.

The tax cost in Q3 is connected with the Swedish activities including write back of deferred tax in connection with write-downs of VIF/intangible assets related to SPP.

NOTE 6: SHARES FOR EMPLOYEES – CLOSE ASSOCIATES' TRANSACTIONS

In July, senior employees acquired 90,491 shares in Storebrand ASA, from Storebrand ASA's own holdings of shares. The purchases were made at the market value at the time of the purchase and amounted to a total of NOK 3.6 million.

Notes to the interim accounts

NOTE 7: WRITING DOWN OF PARTS OF INTANGIBLE ASSETS/EXTRA VALUE OF INSURANCE POLICIES (VIF - VALUE OF IN FORCE) LINED TO SPP

No final settlement analysis of the acquisition of SPP and associated companies has been carried out. A significant proportion of the purchase price has provisionally been ascribed to the extra value associated with the insurance policies. In addition come other intangible values and goodwill. The negative developments in the financial markets have affected SPP's results in 2008. New calculations of the extra values associated with the acquisition as per Q3, in which the markets' current volatility has been taken into account, indicates a reduced value of around NOK 2,500 million. The majority of the write-down can be seen as per 30 September 2008 in connection with the adequacy test that follows from IFRS 4 – Insurance Contracts. In these calculations the current market volatility results in a negative affect for the options and guarantees built into the purchased insurance policies. Any future reduction in market volatility may result in the reversal of this write-down.

Since no final settlements analysis is available as per Q3, it will not be possible as per Q3 to accurately allocate the write-down to VIF, goodwill and any other intangible assets respectively. A final settlement analysis will be completed during the course of Q4 and any note requirements that follow from IAS 36 – impairment of assets – will be taken into account at this time.

NOTE 8: REAL ESTATE

Storebrand primarily uses its own models to calculate the fair value associated with the real estate portfolio. The number of transactions in the market has been very limited due to the financial instability. Some external appraisals have been obtained in connection with the valuations as per 30 September 2008 in order to support the internal valuations.

The properties have been valued on the basis of the following effective required rates of return (including 2.5% inflation):

Segment	Required rate of return %
Office portfolio Oslo City Centre	8.20 – 9.00
Shopping centre portfolio	7.95 – 9.50
Other real estate	8.45 – 10.50

NOTE 9: FINANCIAL INSTRUMENTS

The situation in the financial markets as per Q3 means that the scope to which financial instruments can be measured on the basis of observable transactions has declined and that the uncertainty in the base information used in the valuation techniques has increased. Storebrand has assessed the suitability of previously used price sources and valuation techniques and concluded that it will continue to use the same price sources and valuation techniques as before. Below follows a description of the financial instruments booked in the balance sheet as per 30 September 2008 and the basis for measuring their fair value.

1. Shares and units

1.1 Listed

Listed shares and fund units are measured at their fair value based on observable transactions in active markets as per 30 September 2008.

1.2 Unlisted

1.2.1 Private Equity

By its very nature private equity represents unlisted investments without continuous observable market prices. The investments are generally shares and equity-related instruments. Private equity investments are valued as per 30 September 2008 according to information from the underlying funds' reporting, adjusted for relevant market conditions.

1.2.2 Hedge funds

The liquidity in the underlying investments is higher when compared to private equity investments and large proportions of the underlying investments are listed instruments. The hedge funds are valued on the basis of the reporting from external administrators.

1.2.3 Other unlisted shares and units

Other unlisted shares and units are measured at their fair value on the basis of valuation techniques.

2. Bonds and other fixed-income securities

2.1 Norwegian bonds and other fixed-income securities

Norwegian bonds and other fixed-income securities are measured at their fair value on the basis of valuation techniques. The valuation techniques utilise interest rate curves and credit spreads from external suppliers. The liquidity in the Norwegian credit market has significantly declined in relation to previous periods.

Notes to the interim accounts

2.2 Foreign bonds and other fixed-income securities

Foreign bonds and other fixed-income securities are primarily measured at their fair value on the basis of prices from external price suppliers. The prices from the external price suppliers represent actual transactions where these are available or are based on valuation techniques in those cases were observable transactions are unavailable. The number of observable transactions used in the pricing as per 30 September 2008 has fallen compared to previous periods and a larger proportion of the prices are thus based on valuation techniques. The group has NOK 5.1 million in investments in asset backed securities (ABS). The liquidity in these investments is very limited.

3. Derivatives

OTC derivatives are measured at their fair value on the basis of valuation techniques. The valuation techniques utilise interest rate curves from external suppliers.
See note 15 for spesification.

NOTE 10: NET INTEREST INCOME - BANKING ACTIVITIES

	Q3		01.01 - 30.09		YEAR
NOK MILLION	2008	2007	2008	2007	2007
Total interest income	765	519	2 125	1 366	1 992
Total interest expense	-616	-411	-1 723	-1 063	-1 579
Net interest income	**149**	**108**	**403**	**303**	**413**

NOTE 11: SEGMENT INFORMATION - ANALYSIS OF PROFIT AND LOSS BY BUSINESS AREA

	Q3		01.01 - 30.09		YEAR
NOK MILLION	2008	2007	2008	2007	2007
Life insurance	-1 219	307	-639	1 041	1 635
Asset management	21	6	122	101	138
Storebrand Bank	25	53	122	188	235
Other activities	-33	-9	-82	14	12
Group profit	**-1 205**	**357**	**-478**	**1 344**	**2 020**
Write-down of intangible assets	-2 500		-2 500		
Amortisation of intangible assets	-132		-400		
Group pre-tax profit	**-3 838**	**357**	**-3 378**	**1 344**	**2 020**

NOTE 12: OPERATING COSTS

	Q3		01.01 - 30.09		YEAR
NOK MILLION	2008	2007	2008	2007	2007
Personnel costs	-429	-302	-1 312	-921	-1 299
Depreciation	3	-28	-21	-80	-118
Other operating costs	-410	-226	-1 423	-818	-1 165
Total operating costs	**-836**	**-556**	**-2 755**	**-1 819**	**-2 582**

Notes to the interim accounts

NOTE 13: PROFIT AND LOSS BY QUARTER

NOK MILLION	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007	Q4 2006
Total income [1)]	1 115	8 131	7 427	8 196	5 841	9 383	9 979	9 904
Total costs before amortisation [1)]	-2 320	-7 939	-6 892	-9 781	-6 241	-6 442	-8 166	-5 825
Group profit [1)]	-3 838	58	402	676	357	599	389	443
Profit for the period	-3 775	81	169	723	338	584	364	437
Profit by business area								
Life insurance	-1 219	132	448	594	307	463	272	362
Asset management	21	52	48	38	6	64	31	67
Storebrand Bank	25	46	51	47	54	55	79	36
Other activities	-33	-37	-12	-3	-9	17	7	-21
Group profit	**-1 205**	**193**	**535**	**676**	**357**	**599**	**389**	**443**
Write-down of intangible assets	-2 500							
Amortisation of intangible assets	-132	-135	-133					
Group profit before tax	**-3 838**	**58**	**402**					

1) The figures for 2008 are not comparable with previous periods due to the changed layout, see note 3.

NOTE 14: KEY FIGURES BY BUSINESS AREA - CUMULATIVE FIGURES

NOK MILLION	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007	Q4 2006
Group								
Earnings per ordinary share (NOK)	-7,93	0,55	0,37	7,95	5,20	3,82	1,48	6,03
Equity	15 207	18 951	19 434	19 241	9 658	9 341	9 277	8 900
Capital adequacy	12,3 %	12,7 %	10,0 %	9,2 %	11,0 %	10,5 %	10,6 %	10,6 %
Life Insurance								
Storebrand Life insurance *)								
Premiums for own account	17 349	13 934	9 683	19 717	15 042	10 735	6 340	19 619
Policyholders' fund incl. accrued profit	164 605	169 594	169 723	165 120	161 155	159 058	155 406	153 519
- of which products with investment choice	153 031	152 341	153 479	150 433	143 006	141 657	141 160	140 325
Investment yield customer fund with guarantee	0,3 %	1,7 %	0,7 %					
Investment yield company portfolio	0,3 %	1,0 %						
Risk capital in excess of min. requirement	4 267	9 871	7 542	15 324	16 768	16 882	14 633	16 772
Capital adequacy (SBL Group)	13,4 %	13,7 %	10,0 %	10,0 %	10,0 %	9,4 %	9,7 %	9,7 %
Solvency margin (SBL Group)	129,3 %	149,7 %	130,9 %	136,1 %	172,3 %	170,4 %	177,3 %	174,6 %
SPP Group								
Premiums for own account	7 185	5 355	2 575					
Policyholders fund incl. accrued profit	90 281	87 932	91 189	95 824				
- of which funds with guaranteed return	67 074	64 766	67 891	65 511				
Return Defined Benefit	-4,8 %	-5,0 %	0,0					
Return Defined Contribution	-5,8 %	-5,7 %	0,0					
Conditional bonus	8 150	10 786	10 152	13 699				
Storebrand Bank								
Interest margin %	1,23 %	1,16 %	1,19 %	1,07 %	1,07 %	1,06 %	1,08 %	1,32 %
Cost/income %	73 %	73 %	74 %	70 %	66 %	66 %	70 %	71 %
Non-interest income/total income %	19 %	24 %	22 %	20 %	19 %	22 %	20 %	16 %
Net lending	37 975	38 164	37 520	36 791	35 242	34 512	32 274	30 748
Capital adequacy	10,7 %	10,6 %	11,4 %	10,5 %	10,4 %	10,5 %	10,5 %	11,0 %
Storebrand Investments								
Total funds under management	226 119	227 071	229 568	227 356	225 790	225 826	219 525	216 902
Funds under management for external clients	61 666	60 194	59 230	57 661	59 436	60 116	56 353	54 825

Notes to the interim accounts

NOTE 15: FINANCIAL ASSETS AT REAL VALUE

SHARES AND UNITS [1]	OBSERVABLE PRICE IN AN ACTIVE MARKET	UNLISTED	BOOK VALUE 30.09.08
Shares	13 617,7	3 542,6	17 160,3
Private Equity		9 612,1	9 612,1
Hedgefond		4 486,5	4 486,5
Other funds	32 145,6		32 145,6
Total	**45 763,3**	**17 641,2**	**63 404,5**
Other companies			158,4
Total			**63 562,9**
Shares and units at fair value in the company portfolio			1 158,0
Shares and units at fair value in the customer portfolio			62 404,9
Total			**63 562,9**

BONDS AND OTHER SECURITIES WITH A FIXED RETURN [1]	REGISTERED IN NORWAY	REGISTERED IN SWEDEN	FOREIGN AND (BOTH REGISTERED AND UNREGISTERED)	BOOK VALUE 30.09.08
Bonds and other securities	35 535,9	55 820,3	44 159,8	135 516,0
Other companies				1 534,8
Total				**137 050,8**
Bonds and other securities with a fixed return in the company portfolio				21 587,1
Bonds and other securities with a fixed return in the customer portfolio				115 463,7
Total				**137 050,8**

DERIVATIVES [1]	BOKFØRT VERDI 30.09.08
Share index options	0,3
Currency contracts	-2 932,4
Interest rate swaps	-442,8
Future interest rate agreements	44,3
Defaul swaps	186,6
Basket options	2 074,3
Cap/floor options	-1,4
Total derivatives	-1 071,1
- Derivatives earmarket for hedge accounting	-409,8
Total derivatives excl. hedge accounting	**-661,3**
Derivatives with a positive market value in the company portfolio	1 906,6
Derivatives with a positive market value in the customer portfolio	4 547,4
Derivatives with a negative market value company	-1 483,3
Derivatives with a negative market value customer	-5 632,0
Sum	**-661,3**

1) Spesifikasjonen gjelder Storebrand Livsforsikring, SPP og Storebrand Bank

Notes to the interim accounts

NOTE 16: CREDIT RISK BONDS AT AMORTISED COST

NOK MILLION	AAA	AA	A	AMORTISED COST 30.09.08	FAIR VALUE 30.09.08
Public sector	32 588,2	930,6	2 000,0	35 518,8	35 678,0
Financial institutions	5 271,6	4 367,3	516,2	10 155,1	9 644,2
Other issuers	250,3			250,3	249,2
Total	**38 110,1**	**5 297,9**	**2 516,2**	**45 924,2**	**45 571,4**

NOTE 17: LOANS AND LIQUIDITY RISK (cont.)

Securities issued

The following types of funding were issued and repaid during the first nine months of 2008:

	BALANCE SHEET VALUE 31.12.07	NEW ISSUES	REPAYMENTS	EXCHANGE RATE CHANGE	PAPER PRICE CHANGES	AMORTISATION	BALANCE SHEET VALUE 30.09.08
Short-term debt instruments	4 474,6	3 467,0	-5 789,0			-12,9	2 139,7
Bond issue	12 989,7	7 187,9	-3 454,9	174,1		8,1	16 904,9
Equity-linked bonds	1 274,8		-354,4			25,0	945,4
Total securities issued	**18 739,1**	**10 654,9**	**-9 598,3**	**174,1**		**20,2**	**19 990,0**

Liquidity risk bond issues

NOK MILLION	NOMINAL VALUE	CURRENCY	INTEREST RATE	DUE	BALANCE SHEET VALUE 30.09.08
Issuer					
Bonds					
Storebrand Bank ASA	970,0	NOK	4,25 %	2010	966,4
Storebrand Bank ASA	775,5	NOK	3,70 %	2009	772,6
Storebrand Bank ASA	500,0	NOK	5,00 %	2010	498,4
Storebrand Bank ASA	150,0	NOK	6,50 %	2015	147,4
Storebrand Bank ASA	150,0	NOK	6,79 %	2012	148,8
Storebrand Bank ASA	506,5	NOK	3 months floating	2008	506,5
Storebrand Bank ASA	1 500,0	NOK	3 months floating	2010	1 501,1
Storebrand Bank ASA	1 060,0	NOK	3 months floating	2009	1 060,4
Storebrand Bank ASA	327,3	EUR	3 months floating	2008	2 727,0
Storebrand Bank ASA	1 000,0	SEK	3 months floating	2009	850,4
Storebrand ASA	830,0	NOK	3 months floating	2009	830,0
Storebrand ASA	750,0	NOK	3 months floating	2011	749,8
Covered bonds					
Storebrand Kredittforetak AS	500,0	EUR	5,00 %	2010	4 148,9
Storebrand Kredittforetak AS	1 000,0	NOK	5,75 %	2015	998,8
Storebrand Kredittforetak AS	1 000,0	NOK	NIBOR + 0.20	2011	998,5
Total bonds					**16 904,9**
Equity-linked bonds					
Storebrand Bank ASA	31,8	NOK	Zero coupon	2008	31,8
Storebrand Bank ASA	35,4	NOK	Zero coupon	2008	35,4
Storebrand Bank ASA	42,3	NOK	Zero coupon	2009	42,1
Storebrand Bank ASA	35,8	NOK	Zero coupon	2009	35,5
Storebrand Bank ASA	55,6	NOK	Zero coupon	2009	53,7
Storebrand Bank ASA	37,0	NOK	Zero coupon	2009	36,6
Storebrand Bank ASA	100,0	NOK	Zero coupon	2009	96,9
Storebrand Bank ASA	65,4	NOK	Zero coupon	2009	63,3
Storebrand Bank ASA	101,8	NOK	Zero coupon	2010	97,0
Storebrand Bank ASA	41,9	NOK	Zero coupon	2010	39,6
Storebrand Bank ASA	27,8	NOK	Zero coupon	2010	26,0
Storebrand Bank ASA	84,6	NOK	Zero coupon	2010	78,6
Storebrand Bank ASA	63,5	NOK	Zero coupon	2010	58,6
Storebrand Bank ASA	85,3	NOK	Zero coupon	2010	78,3
Storebrand Bank ASA	22,9	NOK	Zero coupon	2009	22,6
Storebrand Bank ASA	132,8	NOK	Zero coupon	2009	130,7
Storebrand Bank ASA	3,8	NOK	Zero coupon	2008	3,8
Storebrand Bank ASA	17,0	NOK	Zero coupon	2011	15,0
Total equity-linked bonds					**945,4**

Notes to the interim accounts

NOTE 17: SUBORDINATED LOANS (cont.)

The following types of funding were issued and repaid during the first nine months of 2008:

	BALANCE SHEET VALUE 31.12.07	NEW ISSUES	REPAYMENTS	EXCHANGE RATE CHANGE	PAPER PRICE CHANGES	AMORTISATION	BALANCE SHEET VALUE 30.09.08
Ordinary subordinated loan capital	3 594,0		-1 530,9	64,0		0,5	2 127,6
Perpetual subordinated loan capital	1 344,1	4 004,3	-30,2	172,2	15,5	-2,8	5 503,0
Perpetual subordinated loans	275,6	1 469,1				-1,2	1 743,5
Total subordinated loans	**5 213,7**	**5 473,4**	**-1 561,1**	**236,2**	**15,5**	**-3,5**	**9 374,1**

Liquidity risk subordinated and perpetual loans

NOK MILLION	NOMINAL VALUE	CURRENCY	INTEREST RATE	CALL	BALANCE SHEET VALUE 30.09.08
Issuer					
Perpetual hybrid securities					
Storebrand Bank	168,0	NOK	3 months NIBOR + 1.50%	2014	166,9
Storebrand Bank	106,4	NOK	5,90%	2014	107,4
Storebrand Life Insurance	1 500,0	NOK	3 months NIBOR + 4.00%	2018	1 469,1
Perpetual subordinated loans					
Storebrand Life Insurance	300,0	EUR	9,404%	Call 2013	2 470,9
Storebrand Life Insurance	1 700,0	NOK	3 months NIBOR + 3.50%	Call 2018	1 675,5
SPP 1)	1 000,0	SEK	3 months STIBOR + 2.00%	Termination 5 years	847,9
SPP 1)	600,0	SEK	3 months STIBOR + 2.00%	Termination 5 years	508,8
Date subordinated loans					
Storebrand Bank	250,0	NOK	3 months NIBOR + 0.58%	2012	249,6
Storebrand Bank	150,0	NOK	3 months NIBOR + 1.65%	2012	150,0
Storebrand Bank	175,0	NOK	3 months NIBOR + 0.70%	2010	175,0
Storebrand Bank	100,0	NOK	3 months NIBOR + 0.57%	2011	99,9
Storebrand Life Insurance	175,0	EUR	3 months EURIBOR + 0.90%	2009	1 453,1
Total subordinated loans and hybrid securities					**9 374,1**

[1] The loans will be taken over by Storebrand by 21 June 2009, and are not included in the group's primary capital.

Notes to the interim accounts

NOTE 18: FINANCIAL STRENGTH/CAPITAL ADEQUACY

PRIMARY CAPITAL

NOK MILLION	30.9.2008
Share capital	2 250
Other equity	12 958
Equity	**15 207**
Perpetual subordinated loans	1 254
Conditional bonus	2 318
Over funding pension liabilities	-204
Goodwill and other intangible assets	-7 035
Deferred tax assets	-204
Minority's share of equity	-153
Deductions for investments in other financial institutions	-9
Risk equalisation fund	-128
Security reserves	-166
Minimum requirement reassurance allocation	-54
Other	-142
Core (Tier 1) capital	**10 682**
Perpetual subordinated loans	520
Perpetual subordinated capital	4 066
Ordinary subordinated capital	2 105
Deductions for investments in other financial institutions	-9
Supplementary capital	**6 683**
Net primary capital	**17 365**

MINIMUM REQUIREMENTS PRIMARY CAPITAL

NOK MILLION	30.9.2008
Credit risk	
Of which by business area:	
Capital requirements insurance	9 245
Capital requirements banking	1 993
Capital requirements securities undertakings	17
Capital requirements other	-41
Total minimum requirements credit risk	**11 214**
Operational risk	124
Deductions	-2
Minimum requirements primary capital	**11 336**

Capital adequacy	
Capital adequacy ratio	**12,3 %**
Core (Tier 1) capital ratio	**7,5 %**

SOLVENCY MARGIN GROUP

NOK MILLION	30.9.2008
Solvency margin requirements	10 190
Solvency margin capital	14 840
Solvency margin	**146 %**

Notes to the interim accounts

NOTE 19 STOREBRAND GROUP - RECONCILIATION OF CHANGES IN EQUITY

NOK MILLION	Share capital [1]	Own shares	Share premium reserve	Total paid in equity	Value adjustment fund	Revenue and costs applied to equity	Other equity [2]	Total other equity	Minority interests	Total equity
	Majority's share of equity					Other equity				
Egenkapital 31.12.06	**1 249,1**	**-22,5**	**1 818,6**	**3 045,2**	**24,0**	**-459,8**	**6 276,9**	**5 817,1**	**13,5**	**8 899,8**
Profit and loss items applied directly to equity:										
Change in pension experience adjustments						143,8		143,8		143,8
Revaluation of properties for own use					20,6	8,0		8,0		28,6
Re-statement differences						-30,1		-30,1		-30,1
Hedging applied directly to equity						-25,6		-25,6		-25,6
Profit for the period						215,0	1 790,7	2 005,7	3,1	2 008,8
Total revenue and costs for the period					**20,6**	**311,1**	**1 790,7**	**2 101,8**	**3,1**	**2 125,5**
Equity transactions with owners:										
Own shares		-3,8		-3,8			-72,2	-72,2		-76,0
Share issue	1 000,4		8 003,6	9 004,0						9 004,0
Issue costs			-333,7	-333,7						-333,7
Dividend paid							-442,0	-442,0	-9,0	-451,0
Purchase of minority interests							-56,4	-56,4	114,3	57,9
Other							13,8	13,8	0,3	14,1
Equity at 31.12.07	**2 249,5**	**-26,3**	**9 488,5**	**11 711,7**	**44,6**	**-148,7**	**7 510,8**	**7 362,1**	**122,2**	**19 240,6**
Profit and loss items applied directly to equity:										
Change in pension experience adjustments						-32,3		-32,3		-32,3
Revaluation of properties for own use					4,7					4,7
Re-statement differences						-8,1		-8,1	2,6	-5,5
Hedging applied directly to equity						14,8		14,8		14,8
Profit for the period							-3 530,2	-3 530,2	4,8	-3 525,4
Total revenue and costs for the period					**4,7**	**-25,6**	**-3 530,2**	**-3 555,8**	**7,4**	**-3 543,7**
Equity transactions with owners:										
Own shares		2,7		2,7			34,0	34,0		36,7
Issue costs			-4,0	-4,0						-4,0
Dividend paid							-534,1	-534,1	-0,6	-534,7
Change in minority interests from supply/disposal									22,7	22,7
Other							-12,3	-12,3	1,7	-10,6
Equity at 30 Sept 08	**2 249,5**	**-23,6**	**9 484,5**	**11 710,4**	**49,3**	**-174,3**	**3 468,2**	**3 293,9**	**153,4**	**15 207,0**

[1] 449 909 891 shares with a nominal value of NOK 5

[2] Includes risk equalisation fund which is undistributable funds

Deloitte.

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Translation from the original Norwegian version

To the board of Storebrand ASA

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

We have reviewed the condensed consolidated financial statement of Storebrand ASA as of September 30, 2008, showing a loss of MNOK 3.525,4. The condensed consolidated financial Statement comprises the balance sheet, the statements of income, cash flow, the statement of changes in equity and selected explanatory notes by September 30, 2008. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Accounting Standard No 34 adopted by EU. 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 September 30, 2008, and of its financial performance and its cash flows for the nine-month period then ended in accordance with International Accounting Standard no 34 as adopted by EU.

Oslo, October 28, 2008
Deloitte AS

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

Offices in Norway (incl. agents)

Tromsø, Harstad, Narvik, Fauske, Bodø, Finnsnes, Mo i Rana, Namsos, Steinkjer, Trondheim, Orkanger, Kristiansund, Molde, Ålesund, Ulsteinvik, Isdalstø, Nyborg, Bergen, Stord, Husnes, Førde, Haugesund, Stavanger, Sandnes, Flekkefjord, Mandal, Kristiansand, Arendal, Gjerstad, Porsgrunn, Larvik, Bø, Sandefjord, Tønsberg, Drammen, Asker, Sandvika, Lysaker, Oslo, Hokksund, Hønefoss, Gjøvik, Hamar, Lillehammer, Jessheim, Skjetten, Ski, Haslum, Sarpsborg, Fredrikstad.

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Storebrand Grafisk Senter 10/08