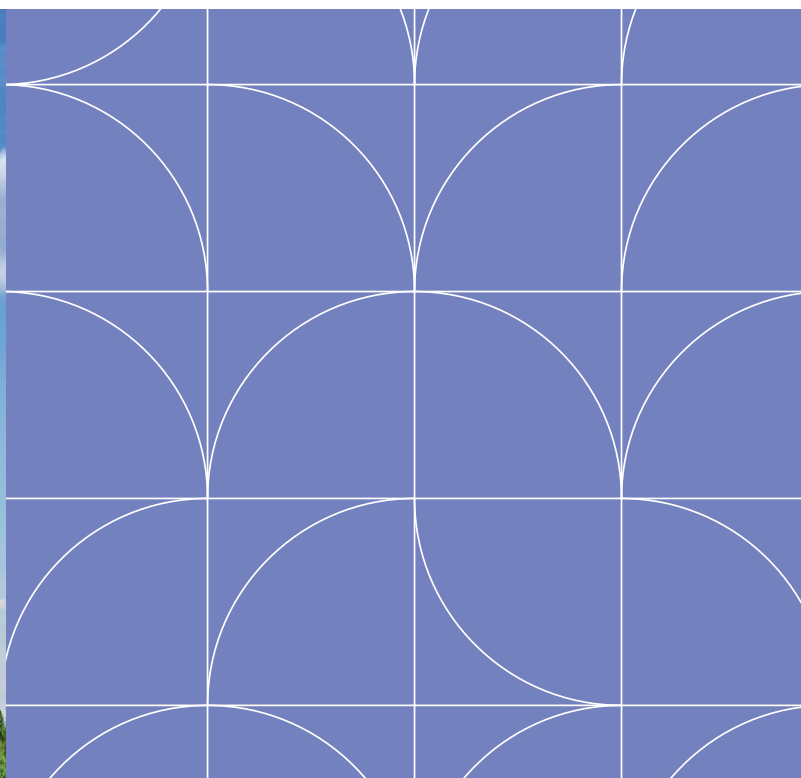


# Storebrand Bank Group

1st Half 2009



# Storebrand Bank Group

## - Interim Report for and of 30 June 2009

(Figures in parentheses apply to the corresponding period in 2008)

- Storebrand Bank Group reports a weak result of NOK 4.2 million before tax for H1 due to high financing costs and low deposit margins
- The balance sheet is strengthened through continued growth in deposits and a more robust financing structure
- Core capital is improved
- Good portfolio quality and stable development in losses and defaults
- Established Storebrand Eiendomskreditt AS to issue covered bonds secured by mortgages for commercial properties

### **BANK GROUP DEVELOPMENTS**

The Bank Group reports operating profit before losses of NOK 1 million in Q2 compared to NOK 48 million for the corresponding period in 2008 and operating profit before losses of NOK 33 million for the first half of 2009 (NOK 91 million).

Net interest income as a percentage of average total assets was 0.81% (1.14%) for Q2 and 0.93% (1.16%) for the first half of 2009, compared with 1.17% for the whole of 2008. Net interest income amounted to NOK 93 million (NOK 127 million) in Q2 and NOK 214 million (NOK 253 million) for the first half of 2009.

The bank secured financing during the autumn of 2008 with fixed-rate periods of 6 and 12 months without interest rate hedging. This has increased financing costs in the quarter and for the first half of 2009 due to falling money market interest rates. This is also expected to affect the result in Q3. The above-mentioned financing will be subject to interest rate changes and repayment during Q3 and thus will not affect net interest income in Q4. The bank has since the autumn of 2008 prioritised good liquidity, which is reflected in the increased liquidity portfolio. The increased liquidity portfolio had a negative effect on the result in both the quarter and in the first half of the year. The banking group's liquidity situation was good at the close of the first half of 2009.

The result was also affected by falling deposit margins. The bank has prioritised growing deposits and increased its

deposit-to-loan ratio in the first half of 2009 from 47% to 53%. The increased volume of deposits, but with reduced deposit margins, had a negative effect on net interest income compared with the same period last year. Competition for deposits was strong and the bank is satisfied with having increased the deposit-to-loan ratio during the period.

Gross lending to customers declined from NOK 39 billion at year-end 2008 to NOK 38 billion at the close of the first half of 2009. Storebrand Bank has not grown its commercial loan portfolio since the close of 2007. Total commercial lending has been reduced by 2.8% from Q4 2007 to the close of H1 2009. In the first six months of 2009, commercial property loans have declined by NOK 157 million. Loans to commercial real estate development projects declined by NOK 321 million from Q4. This is in line with the Bank's expectations.

The Bank's lending margin as measured against the 3-month NIBOR rate increased from 0.6% during the first six months of 2008 to 1.4% during the first six months of 2009. The corresponding figures for Q2 were 1.5% (0.6%). The increase in lending margins is mainly due to increased credit risk margin and the decline in interest rates in the market.

Net commission income has remained at the same level as the corresponding periods from the previous year and mainly derive from commissions from the sale of savings products in the second-hand market, portfolio commissions and guarantee commissions. There were no new issues in the savings products Storebrand Optimèr, Storebrand

Infrastruktur and Storebrand Eiendomsfond during the first six months of 2009 as a result of poor demand. Going forward a shift from deposits toward alternative savings products is expected as a result of low interest rates.

Other income remained approximately at the same level as in 2008. Improvements in the housing market have given Ring Eiendomsmegling (real estate broking) a positive development, with sale of second-hand houses as the most positive factor. Changes in fair value on financial instruments have a positive result effect of NOK 8 million in Q2 (minus NOK 1 million) and NOK 5 million for the first six months (minus NOK 6 million).

Operating costs as a percentage of average total assets continue to develop positively and was reduced from 1.16% to 1.11% in the first half of 2009. The positive development of operating costs is a result of implemented and ongoing efficiency measures. Corrected for the fact that the bank took over 18 full time equivalent positions (FTEs) from Storebrand Livsforsikring AS on 1 January 2009, the bank's staff was reduced by 26 FTEs between the close of the first half of 2008 and the close of the first half of 2009, a reduction of 15%. The FTEs were taken over because the bank became responsible for its own distribution at the start of 2009.

The restructuring entails an increase in payroll costs as compared to last year but a reduction in distribution compensation. Using the effective interest rate method, distribution compensation is amortised over the expected life of loans in the retail market, currently 4 years. Thus, during the transitional period there will both be payroll costs associated with the current own unit, which are charged on an ongoing basis, and the remaining amortisation.

An additional reduction in headcount was carried out in staffing and support functions at Ring Eiendomsmegling in Q2. Total restructuring costs associated with these measures will be NOK 3 million for the quarter.

The cost/income ratio for the banking group developed negatively in the first half of 2009 due to lower net interest income. The cost/income ratio was 86% (72%) for Q2 and 83% (73%) for the first half of 2009.

Access to long-term financing in the capital markets is steadily improving. One of the reasons for this is the scheme involving swapping covered bonds for government securities. Storebrand Bank has utilised this scheme. In Q2, its subsidiary Storebrand Boligkreditt AS (formerly Storebrand Kredittforetak AS) issued a covered bond which will mature in 2015. Storebrand Bank bought parts of this bond so it could utilise the government swap arrangement. Storebrand Bank ASA established Storebrand Boligkreditt AS so it could issue covered bonds secured by retail mortgages. The government swap arrangement also allows the inclusion of commercial real estate loans., Storebrand Bank ASA therefore established Storebrand Eiendoms-kreditt AS in Q2 so it could utilise this opportunity as part of the banking group's financing strategy. The Norwegian FSA granted the company its license on 6 July 2009.

Net costs recognised from write-down of lending amounted to NOK 0 million (NOK 11 million) in Q2 and NOK 29 million (NOK 10 million) in the first half of 2009. Total write-downs in the first half of 2009 amounted to 0.15% of the lending portfolio on an annualised basis. A settlement was reached concerning a previously realised lending loss in Q2. The settlement resulted in NOK 7 million being recognised as income in the losses item and a reversal of costs relating to the case of NOK 5 million in the quarter. Storebrand Bank ASA took over the Bjørndalen Panorama real estate project in Q1 in connection with a bankruptcy. The real estate project was written down by NOK 19 million in Q2. The write-down resulted in an increase in operating costs in the consolidated financial statements and an increase in losses in the accounts of the parent bank.

The first half of 2009 saw a marked decrease in the total volume of non-performing and loss-exposed loans in the banking group compared with 31 December 2008. The volume of non-performing and loss-exposed loans amounted to NOK 573 million as per 30 June 2009 (NOK 637 million) and NOK 710 million as per 31 December 2008. Total non-performing and loss-exposed loans in the banking group amounted to 1.5% compared with 1.9% as per

31 December 2008. The reduction in non-performing and loss-exposed loans resulted from the commitments in both the retail and corporate markets being monitored closely, and the realisation and elimination of lending commitments taken over by the bank, including the loan to Bjørndalen Panorama AS.

The development in risk has been taken into account when assessing actual losses, individual write-downs and group write-downs. Group write-downs increased by NOK 6 million in the quarter and by NOK 17 million in the first half of 2009.

The Bank Group's total assets stood at NOK 45.8 billion at the end of H1 as compared to NOK 45.6 billion at year end 2008. Total loans have been reduced by slightly more than 3% to NOK 37.8 billion so far in 2009. Loans from Storebrand Livsforsikring AS, administered by Storebrand Bank ASA, remain approximately unchanged for the first six months of the year and totalled NOK 3.7 billion by the end of Q2.

By the end of the first six months of the year, gross loans in the subsidiary Storebrand Boligkreditt AS totalled NOK 11.7 billion of a total loan volume in the retail market of NOK 26.1 billion. Storebrand Boligkreditt AS carried out its annual update of its loan program rated by Moody's in May.

Capital adequacy at the close of the quarter was 11.8% and the core (tier 1) capital ratio was 8.8%. Profit for the year to date is not included for the purpose of calculating capital adequacy.

Storebrand has issued index-linked bonds since 1996. In this connection, the Bank has also offered loan financing for several of the structures issued. The January 2009 ruling of the Norwegian Banking Complaints Board (Bankklagenemnda) in the complaint against DnB NOR relating to a loan financed index-linked bond may be of importance to Storebrand Bank ASA in principle. DnB NOR does not wish to comply with the ruling issued by the Banking Complaints Board and it is likely that the case will become subject to litigation. Storebrand Bank ASA does not wish to

comply with the ruling from the Banking Complaints Board either but is reviewing each complaint individually.

Storebrand Bank ASA has not found reason to make provisions in the financial statement for Q2 and the first six months of 2009.

TNS Gallup's 2009 Financial Barometer shows that Storebrand Bank is consolidating its position as one of the banks with the most loyal and satisfied customers. Storebrand Bank achieved an index score of 79 compared to the average of 69 for the Norwegian banking market and was ranked number two in the survey. The Norwegian Customer Barometer also shows Storebrand Bank has satisfied customers. Storebrand Bank is continuing to develop its customer services. New SMS based services and new purchasing solutions were launched in the online bank in Q2. The bank launched Storebrand @lfa as a concept that satisfies all of the Consumer Ombudsman's criteria for being able to call itself "fee free".

#### **Developments at Storebrand Bank ASA**

The development in net interest income showed a reduction in Q2 and the first half of the year compared to the previous year. Net interest income totals NOK 155 million as of 30 June 2009, which corresponds to 0.79% of average total assets. Apart from what has already been mentioned under Storebrand Bank Group, the reduction is a result of the Bank's selling more than NOK 7 billion of its retail loan portfolio to its subsidiary Storebrand Boligkreditt AS in Q2 2008.

The development in other income for Storebrand Bank ASA (the parent bank) is characterised by the development in the credit market. Changes in unrealised loss associated with the liquidity portfolio totals NOK 21 million so far this year, of which the net unrealised gain for Q2 totalled NOK 55 million. The liquidity portfolio for the parent bank has grown compared to the corresponding period last year as the bank has invested in covered bonds issued by the subsidiary Storebrand Boligkreditt AS to utilise the Government swap arrangement. The liquidity portfolio totalled nearly NOK 10 billion by the end of Q2 2009 against NOK 6.6

billion by the end of 2008 and NOK 3.6 billion as of 30 June 2008. The liquidity portfolio is valued at its fair value and unrealised losses are principally linked to changes in the composition of the portfolio as well as a reduced credit risk margin in Q2 for these bonds. The effects related to the parent bank's covered bonds are eliminated in the Bank Group.

In Q2 there was a net charge relating to write-downs on loans of NOK 19 million (11 million) and of NOK 47 million (9 million) during the first six months of the year, which included write-downs linked to loan commitments relating to repossessed assets. The total write-downs for the first six months amounted to 0.36% of the lending portfolio on an annualised basis. In Q2 2009, a settlement was reached relating to a loan loss that had been previously realised. The settlement resulted in NOK 7 million being recognised as income in the losses item and a reversal of costs relating to the case of NOK 5 million in the quarter.

The cost/ income ratio for Storebrand Bank ASA was 71% (60%) for Q2 and 106% (64%) for the first six months of the year.

The deposit-to-loan ratio in the parent bank was 77% by the end of the first half of the year compared to 67% from the previous year.

#### **General**

No events of significance to the submission of the interim financial statements have taken place after the balance sheet date.

Developments in the capital market, the interest rate level, unemployment and the housing market are assessed to be the most significant risk factors that may affect the accounting figures for the Bank Group over the next six months.

The semi-annual report for the Storebrand Bank Group has been subject to limited auditing by Deloitte AS.

Oslo, 16 July 2009  
Board of Directors of Storebrand Bank ASA

# Storebrand Bank ASA

## PROFIT AND LOSS ACCOUNT

NOK MILLION	NOTE	Q2		01.01-30.06.		FULL YEAR
		2009	2008	2009	2008	2008
Interest income		388.8	642.4	903.2	1 297.0	2 633.4
Interest expense		-331.9	-519.9	-748.6	-1 055.4	-2 146.4
<b>Net interest income</b>	5	<b>56.9</b>	<b>122.5</b>	<b>154.5</b>	<b>241.7</b>	<b>486.9</b>
Fee and commission income from banking services		24.2	25.1	48.0	43.6	98.1
Fee and commission expenses for banking services		-4.9	-8.8	-6.3	-9.2	-30.8
<b>Net fee and commission income</b>		<b>19.3</b>	<b>16.3</b>	<b>41.7</b>	<b>34.4</b>	<b>67.2</b>
Net income and gains from associated companies		-0.5		-1.0	0.7	-1.6
Net gains on financial instruments at fair value	6	49.8		-18.2	-5.0	-2.7
Other income		0.3	4.7	1.0	7.6	31.6
<b>Total other operating income</b>		<b>49.6</b>	<b>4.8</b>	<b>-18.2</b>	<b>3.3</b>	<b>27.3</b>
Staff expenses		-33.6	-33.4	-70.4	-65.2	-134.3
General administration expenses		-4.4	-18.8	-12.6	-41.9	-97.8
Other operating costs		-50.8	-34.0	-106.0	-74.8	-145.4
<b>Total operating costs</b>		<b>-88.8</b>	<b>-86.2</b>	<b>-189.0</b>	<b>-181.9</b>	<b>-377.6</b>
<b>Operating profit before losses and other items</b>		<b>37.0</b>	<b>57.4</b>	<b>-10.9</b>	<b>97.5</b>	<b>203.9</b>
Write-downs for the period	12	-18.5	0.6	-46.9	2.0	-121.2
<b>Profit before tax</b>		<b>18.5</b>	<b>57.9</b>	<b>-57.9</b>	<b>99.5</b>	<b>82.7</b>
Tax	7	-5.2	-16.2	16.3	-27.8	-24.8
<b>Profit for the year</b>		<b>13.3</b>	<b>41.8</b>	<b>-41.6</b>	<b>71.7</b>	<b>57.9</b>

# Storebrand Bank ASA

## STATEMENT OF FINANCIAL POSITION

NOK MILLION	NOTE	30.06.2009	31.12.2008
Cash and deposits with central banks		1 089.6	672.1
Loans to and deposits with credit institutions		2 215.3	1 306.9
Financial assets designated at fair value through profit and loss:			
Equity instruments		1.2	1.4
Bonds and other fixed-income securities	11	9 841.0	6 610.4
Derivatives		405.7	876.9
Other assets		1 068.0	1 025.6
Gross lending		26 233.1	27 463.7
- Write-downs of individual loans	12	-221.6	-262.4
- Write-downs of groups of loans		-103.5	-87.7
Net lending to customers		25 908.0	27 113.7
Investments in associated companies		26.6	27.6
Tangible assets	13	11.7	13.3
Intangible assets	13	50.3	54.1
Deferred tax assets		164.5	155.9
<b>Total assets</b>		<b>40 782.0</b>	<b>37 858.1</b>
Liabilities to credit institutions	14	9 704.8	6 517.1
Deposits from and due to customers		20 229.6	18 305.0
Other financial liabilities:			
Derivatives		410.5	467.1
Commercial paper and bonds issued	15	6 720.6	8 999.8
Other liabilities		635.4	433.1
Provision for accrued expenses and liabilities		8.4	19.9
Pension liabilities		80.1	80.1
Subordinated loan capital	15	960.2	962.0
<b>Total liabilities</b>		<b>38 749.7</b>	<b>35 784.2</b>
Paid in capital		1 316.8	1 316.8
Retained earnings		715.4	757.0
<b>Total equity</b>	<b>17</b>	<b>2 032.3</b>	<b>2 073.9</b>
<b>Total equity and liabilities</b>		<b>40 782.0</b>	<b>37 858.1</b>

Oslo, 16 July 2009

The Board of Directors of Storebrand Bank ASA

# Storebrand Bank Group

## PROFIT AND LOSS ACCOUNT

NOK MILLION	NOTE	Q2		01.01-30.06.		FULL YEAR
		2009	2008	2009	2008	2008
Interest income		433.1	700.8	1 072.5	1 359.9	2 940.5
Interest expense		-340.5	-573.4	-858.8	-1 106.7	-2 428.0
<b>Net interest income</b>	5	<b>92.6</b>	<b>127.4</b>	<b>213.7</b>	<b>253.1</b>	<b>512.5</b>
Fee and commission income from banking services		21.9	26.0	43.4	44.1	92.8
Fee and commission expenses for banking services		-4.9	-8.8	-6.3	-9.2	-30.8
<b>Net fee and commission income</b>		<b>17.0</b>	<b>17.3</b>	<b>37.1</b>	<b>34.9</b>	<b>62.0</b>
Net income and gains from associated companies		-0.5		-1.0		-1.6
Net gains on financial instruments at fair value	6	8.4	-1.1	5.2	-6.2	1.1
Other income		24.4	27.5	46.9	49.6	89.4
<b>Total other operating income</b>		<b>32.4</b>	<b>26.4</b>	<b>51.1</b>	<b>43.4</b>	<b>88.9</b>
Staff expenses		-51.3	-49.7	-104.3	-94.4	-197.6
General administration expenses		-7.5	-23.7	-18.8	-50.7	-114.4
Other operating costs		-63.2	-49.5	-126.9	-95.8	-196.1
Unrealised loss real estate at fair value, assets repossessed	13	-18.6		-18.6		
<b>Total operating costs</b>		<b>-140.6</b>	<b>-122.9</b>	<b>-268.6</b>	<b>-240.9</b>	<b>-508.1</b>
<b>Operating profit before losses and other items</b>		<b>1.4</b>	<b>48.1</b>	<b>33.4</b>	<b>90.5</b>	<b>155.2</b>
Write-downs for the period	12	-0.4	-11.1	-29.2	-9.7	-121.8
<b>Profit before tax</b>		<b>0.9</b>	<b>37.0</b>	<b>4.2</b>	<b>80.8</b>	<b>33.3</b>
Tax	7	-1.9	-10.7	-2.6	-22.4	-13.9
<b>Profit for the year</b>		<b>-0.9</b>	<b>26.2</b>	<b>1.6</b>	<b>58.4</b>	<b>19.5</b>
Allocated to:						
Shareholders		-0.1	26.3	2.5	59.1	23.1
Minority interests		-0.9	-0.1	-0.9	-0.7	-3.7



# Storebrand Bank Group

## STATEMENT OF FINANCIAL POSITION

NOK MILLION	NOTE	30.06.2009	31.12.2008
Cash and deposits with central banks		1 089.6	672.1
Loans to and deposits with credit institutions		672.3	333.7
Financial assets designated at fair value through profit and loss:			
Equity instruments		1.3	1.5
Bonds and other fixed-income securities	11	5 022.4	3 439.5
Derivatives		671.9	1 791.7
Other assets		347.7	367.6
Gross lending		37 750.6	39 034.7
- Write-downs of individual loans	12	-190.0	-262.4
- Write-downs of groups of loans		-105.0	-88.3
Net lending to customers		37 455.6	38 684.0
Investments in associated companies		26.1	27.1
Tangible assets	13	16.5	18.5
Real estate at fair value	13	158.8	
Intangible assets and goodwill	13	139.1	142.8
Deferred tax assets		169.4	166.6
<b>Total assets</b>		<b>45 770.8</b>	<b>45 645.0</b>
Liabilities to credit institutions	14	9 704.8	6 517.1
Deposits from and due to customers		20 159.1	18 291.5
Other financial liabilities:			
Derivatives		410.5	467.1
Commercial paper and bonds issued	15	11 763.7	16 824.0
Other liabilities		626.1	422.7
Provision for accrued expenses and liabilities		8.4	19.9
Pension liabilities		80.1	80.1
Subordinated loan capital	15	960.2	962.0
<b>Total liabilities</b>		<b>43 713.0</b>	<b>43 584.5</b>
Paid in capital		1 316.8	1 316.8
Retained earnings		737.1	737.5
Minority interests		3.9	6.1
<b>Total equity</b>	17	<b>2 057.8</b>	<b>2 060.5</b>
<b>Total equity and liabilities</b>		<b>45 770.8</b>	<b>45 645.0</b>

Oslo, 16 July 2009

The Board of Directors of Storebrand Bank ASA

# Statement of comprehensive income

## STOREBRAND BANK ASA

NOK MILLION	30.06.2009	30.06.2008	FULL YEAR 2008
Pension experience adjustments			-3.4
Profit for the period	-41.6	71.7	57.9
<b>Total comprehensive income for the period</b>	<b>-41.6</b>	<b>71.7</b>	<b>54.5</b>

## STOREBRAND BANK GROUP

NOK MILLION	30.06.2009	30.06.2008	FULL YEAR 2008
Pension experience adjustments			-3.4
Profit for the period	1.6	58.4	19.5
<b>Total comprehensive income for the period</b>	<b>1.6</b>	<b>58.4</b>	<b>16.1</b>
<b>Allocated to:</b>			
Shareholders	2.5	59.1	19.7
Minority interests	-0.9	-0.7	-3.7
<b>Total</b>	<b>1.6</b>	<b>58.4</b>	<b>16.1</b>

# Key figures

## STOREBRAND BANK ASA

NOK MILLION AND PERCENTAGE	Q2			FULL YEAR
	2009	2008	30.06.2009	2008
<b>Profit and Loss account: (as % of avg. total assets)</b>				
Net interest income <sup>3)</sup>	0,58 %	1,30 %	0,79 %	1,24 %
Other operating income <sup>4)</sup>	0,69 %	0,21 %	0,12 %	0,24 %
<b>Main balance sheet figures:</b>				
Total assets			40 782,0	37 858,1
Average total assets <sup>1)</sup>	39 835,6	39 630,9	39 580,7	39 404,7
Total lending to customers			26 233,1	27 463,7
Deposits from and due to customers as % of gross lending			77,1 %	66,7 %
Equity			2 032,3	2 073,9
<b>Other key figures:</b>				
Total non-interest income as % of total income	54,76 %	14,69 %	13,20 %	16,25 %
Loan losses and provisions as % of average total lending	0,28 %	-0,01 %	0,35 %	0,38 %
Individual impairment loss as % of gross defaulted loans <sup>5)</sup>			39,82 %	50,46 %
Non-performing and loss-exposed loans as% of total lending			2,72 %	2,21 %
Costs as % of operating income	70,59 %	60,05 %	106,14 %	64,93 %
Costs as % of avg. total assets	0,89 %	0,87 %	0,95 %	0,96 %
Return on equity after tax <sup>2)</sup>	2,82 %	9,24 %	-3,93 %	2,78 %
Capital ratio			13,6 %	13,1 %

## STOREBRAND BANK GROUP

NOK MILLION AND PERCENTAGE	Q2			FULL YEAR
	2009	2008	30.06.2009	2008
<b>Profit and Loss account: (as % of avg. total assets)</b>				
Net interest income <sup>3)</sup>	0,81 %	1,14 %	0,93 %	1,17 %
Other operating income <sup>4)</sup>	0,44 %	0,40 %	0,26 %	0,34 %
<b>Main balance sheet figures:</b>				
Total assets			45 770,8	45 645,0
Average total assets <sup>1)</sup>	44 862,8	43 479,9	45 232,3	43 723,9
Total lending to customers			37 750,6	39 034,7
Deposits from and due to customers as % of gross lending			53,4 %	46,9 %
Equity			2 057,8	2 060,5
<b>Other key figures:</b>				
Total non-interest income as % of total income	34,78 %	25,52 %	29,22 %	22,74 %
Loan losses and provisions as % of average total lending	0,00 %	0,12 %	0,15 %	0,32 %
Individual impairment loss as % of gross defaulted loans <sup>5)</sup>			48,52 %	50,46 %
Non-performing and loss-exposed loans as% of total lending			1,52 %	1,86 %
Costs as % of operating income <sup>6)</sup>	85,95 %	71,87 %	82,79 %	76,61 %
Costs as % of operating income banking activities	76,02 %	60,78 %	74,42 %	63,13 %
Costs as % of avg. total assets	1,09 %	1,13 %	1,11 %	1,16 %
Return on equity after tax <sup>2)</sup>	-0,59 %	4,42 %	-0,24 %	0,94 %
Capital ratio			11,8 %	10,8 %

### Definitions:

- 1) Average total assets is calculated on the basis of monthly total assets for the quarter and for the year to date respectively.
- 2) Annualised profit after tax adjusted for hedging ineffectiveness as % of average equity.
- 3) Annualised net interest income adjusted for hedging ineffectiveness.
- 4) Other operating income includes net fee and commission income.
- 5) Gross defaulted loans with identified loss of value.
- 6) Costs excluded unrealised loss real estate at fair value, assets repossessed.

# Cash flow statement

STOREBRAND BANK ASA		NOK MILLION	STOREBRAND BANK GROUP	
31.12.2008	30.06.2009		30.06.2009	31.12.2008
		<b>Cash flow from operations</b>		
748.1	280.6	Net receipts/payments of interest, commissions and fees from customers	392.7	820.5
9 569.7	255.5	Net disbursement/payments on customer loans	865.8	-2 001.5
-213.1	1 920.5	Net receipts/payments of deposits from banking customers	1 863.5	854.7
-1 133.4	-68.4	Net receipts/payments on other operating activities	1 490.3	1 898.6
<b>8 971.3</b>	<b>2 388.2</b>	<b>Net cash flow from operating activities</b>	<b>4 612.3</b>	<b>1 572.3</b>
		<b>Cash flow from investment activities</b>		
2.0		Net receipts from sale of subsidiaries and associated companies		2.0
-520.5	-49.9	Payments on purchase and establish of subsidiaries		
-16.3	-5.6	Net payments on purchase/sale of fixed assets etc.	-6.7	-40.1
<b>-534.7</b>	<b>-55.5</b>	<b>Net cash flow from investment activities</b>	<b>-6.7</b>	<b>-38.0</b>
		<b>Cash flow from financing activities</b>		
-8 759.5	-1 922.4	Net receipts/payment from borrowing	-4 188.1	-1 846.3
-279.1	-0.7	Dividend/group contribution payments		-278.2
212.1	7.8	Group contribution received		200.3
<b>-8 826.5</b>	<b>-1 915.3</b>	<b>Net cash flow from financing activities</b>	<b>-4 188.1</b>	<b>-1 924.1</b>
<b>-389.9</b>	<b>417.5</b>	<b>Net cash flow in period</b>	<b>417.5</b>	<b>-389.9</b>
1 062.0	672.1	Cash and bank deposits at the start of the period	672.1	1 062.0
<b>672.1</b>	<b>1 089.6</b>	<b>Cash and bank deposits at the end of the period</b>	<b>1 089.6</b>	<b>672.1</b>

# Notes to the account

## NOTE 1 ACCOUNTING PRINCIPLES

The consolidated interim accounts for the group include Storebrand Bank ASA together with subsidiaries, joint ventures and associated companies. The interim accounts for first half have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim accounts do not include all the information required for full annual accounts prepared in accordance with all the current IFRS standards.

The interim accounts of Storebrand Bank ASA are prepared in accordance with Section 1-5 of the Norwegian regulations for the annual accounts of banks and finance companies etc. that provides for simplified application of international accounting standards, (hereinafter termed simplified IFRS), and with IAS 34 Interim Financial Reporting. Simplified IFRS permits recognition to profit and loss of provisions for dividend and group contribution, and allows the Board of Director's proposal for dividend and group contribution to be recognized as a liability on the balance sheet date. The full application of IFRS stipulates that dividend and group contribution must remain part of equity until approved by the company's general meeting. Other than this, simplified IFRS requires the use of the same accounting principles as the full application of IFRS.

The annual report and accounts of Storebrand Bank ASA and the Storebrand Bank ASA group for 2008 is available on request from the company's registered office at Filipstad Brygge 1, Oslo, and is also available at [www.storebrand.no](http://www.storebrand.no). Information on the accounting principles used in the interim accounts can be found in the accounting principles note to the 2008 accounts with exception of the changes described below.

### New standards and changes in standards

#### IAS 1 Presentation of Financial Statements

The revised standard entails some changes to the layout of the equity statement and the statement of non-owner transactions. Storebrand has amended the statements with respect to these changes in accordance with IAS 34, which has been changed in lines with the revised IAS 1 Presentation of Financial Statements. The changes to IAS 1 have no effect on the reporting of the group's financial position.

#### IFRS 8 Operating Segments

IFRS 8 Operating Segments, which replaces IAS 14 Segment Reporting, is based to a greater degree on the management's internal monitoring. Storebrand Bank's segment reporting was previously also based on the management's internal monitoring and the transition to IFRS 8 therefore entails no changes in segment reporting. Nor have any changes been made to the measurement of the segment results, which is based on principles used in IFRS in the financial statements.

The changes to IAS 1 and IFRS 8 came into force on 1 January 2009. Both standards relate to notes to the accounts and their implementation therefore has no effect on the measurement or periodising of the items in the financial statements for the accounting period.

## NOTE 2 ESTIMATER

The preparation of the interim accounts involves the use of estimates and assumptions that have an effect on assets, liabilities, revenue, costs, the notes to the accounts and information on potential liabilities. There will be uncertainty related to estimates and assumptions. In the future, actual experience may deviate from the estimates used. Please refer to note 1 and 2 in the annual report and accounts for 2008.

As far as losses on loans are concerned the uncertainty in the markets' future development has resulted in uncertainty in the calculation of losses having increased somewhat. 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.

The risk of experiencing a loss in the portfolio has increased somewhat due to the recent financial instability and the uncertainty in the real estate and housing markets, which means increased uncertainty in the assessment of the size of individual and group write-downs.

## NOTE 3 SHARE PURCHASES BY EMPLOYEES

In May 2009, employees of Storebrand Group were offered the opportunity to buy shares in Storebrand ASA at a discounted price. The basis for the purchase price was the weighted marked share price from 18 May to 20 May and employees were offered shares at a 20% discount to the calculated average. A total of 517,397 shares were sold from Storebrand ASA's holdings of its own shares.

# Notes to the account

## NOTE 4 CHANGES IN THE COMPOSITION OF THE GROUP

The subsidiary Start Up 102 AS changed its name to Bjørndalen Panorama AS, which has purchased a real estate project from Storebrand Bank ASA. The real estate project was taken over by the bank in connection with the takeover of collateral. The real estate project is classified as an investment property and is included in real estate at fair value.

Storebrand Bank has in connection with a loss exposed commitment taken over shares, among other things, in the company Vakås Utvikling AS, which changed its name to Bjørndalen Tomteselskap AS, and which from and including Q1 has been consolidated into the Storebrand Bank Group. The cost price for the shares was NOK 20 million, which corresponds to the value adjusted equity in the company at the time of its takeover. The company owns the site associated with the property project in Bjørndalen Panorama AS.

In May 2009, the bank took over collateral in the form of shares in the company Ullensaker Boligbygg AS and units in Ullensaker Boligbygg KS. The companies were consolidated into the Storebrand Bank Group's financial statements from and including 1 May 2009. The shares are valued at NOK 100 and the KS units are also valued at NOK 100, of which the bank owns 89%.

The subsidiary Storebrand Kredittforetak AS changed its name to Bjørndalen Boligkreditt AS.

The subsidiary Start Up 104 AS has changed its name to Storebrand Eiendoms-kreditt AS. There were no activities in the company.

## NOTE 5 NET INTEREST INCOME

STOREBRAND BANK ASA			NOK MILLION	STOREBRAND BANK GROUP		
31.12.2008	30.06.2008	30.06.2009		30.06.2009	30.06.2008	31.12.2008
172.1	87.3	44.4	Interest and other income on loans to and deposits with credit institutions	45.3	28.3	66.8
2 255.1	1 145.7	692.0	Interest and other income on loans to and due from customers	947.6	1 259.6	2 686.9
197.1	65.4	157.6	Interest on commercial paper, bonds and other interest-bearing securities	69.2	67.4	175.5
9.1	3.6	9.1	Other interest income and related income	10.4	4.6	11.2
<b>2 633.4</b>	<b>1 302.0</b>	<b>903.2</b>	<b>Total interest income</b>	<b>1 072.5</b>	<b>1 359.9</b>	<b>2 940.5</b>
-180.2	-70.6	-151.6	Interest and other expenses on debt to credit institutions	-152.0	-70.7	-180.3
-1 004.3	-473.7	-374.8	Interest and other expenses on deposits from and due to customers	-374.3	-469.9	-1 003.6
-790.1	-428.5	-159.6	Interest and other expenses on securities issued	-266.9	-481.2	-1 070.9
-68.2	-30.1	-23.5	Interest and expenses on subordinated loan capital	-23.5	-30.1	-68.2
-103.6	-52.5	-39.2	Other interest expenses and related expenses	-42.1	-54.8	-105.0
<b>-2 146.4</b>	<b>-1 055.4</b>	<b>-748.6</b>	<b>Total interest expenses</b>	<b>-858.8</b>	<b>-1 106.7</b>	<b>-2 428.0</b>
<b>486.9</b>	<b>246.6</b>	<b>154.5</b>	<b>Net interest income</b>	<b>213.7</b>	<b>253.1</b>	<b>512.5</b>

# Notes to the account

## NOTE 6 NET INCOME AND GAINS FROM FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

STOREBRAND BANK ASA			NOK MILLION	STOREBRAND BANK GROUP		
31.12.2008	30.06.2008	30.06.2009		30.06.2009	30.06.2008	31.12.2008
			<i>Equity instruments</i>			
			Dividends received from equity investments			
			Net gains/losses on realisation of equity investments			
-0.5	-0.1	-0.2	Net change in fair value of equity investments	-0.2	-0.1	-0.5
<b>-0.5</b>	<b>-0.1</b>	<b>-0.2</b>	<b>Total equity investments</b>	<b>-0.2</b>	<b>-0.1</b>	<b>-0.5</b>
			<i>Commercial paper and bonds</i>			
-2.5	-1.9	2.8	Realised gain/loss on commercial paper and bonds, FVO	2.8	-2.4	-3.7
-13.2	-4.8	-21.4	Unrealised gain/loss on commercial paper and bonds, FVO	5.2	-5.5	-6.4
<b>-15.7</b>	<b>-6.7</b>	<b>-18.6</b>	<b>Total gain/loss on commercial paper and bonds</b>	<b>8.0</b>	<b>-7.9</b>	<b>-10.1</b>
			<i>Financial derivatives</i>			
13.5	1.8	0.6	Financial derivatives, held for trading	-2.5	1.8	11.7
<b>13.5</b>	<b>1.8</b>	<b>0.6</b>	<b>Total financial derivatives</b>	<b>-2.5</b>	<b>1.8</b>	<b>11.7</b>
			<b>Net income and gains from financial assets and liabilities at fair value</b>	<b>5.2</b>	<b>-6.2</b>	<b>1.1</b>

## NOTE 7 TAX

Tax cost is based on an expected average tax rate of 28% of company's profit and group profit before tax adjusted for permanent differences.

## NOTE 8 RELATED PARTIES

### Storebrand Bank ASA

#### Transactions with group companies:

NOK MILLION	30.06.2009		30.06.2008		31.12.2008	
	SUBSIDIARIES	OTHER GROUP COMPANIES <sup>1)</sup>	SUBSIDIARIES	OTHER GROUP COMPANIES <sup>1)</sup>	SUBSIDIARIES	OTHER GROUP COMPANIES <sup>1)</sup>
Interest income	122.4		84.0		137.4	
Interest expense	4.8	0.2	5.1	0.3	2.1	0.6
Services sold	4.6	3.2	4.4	2.5	5.3	5.5
Services purchased	3.5	37.7	1.9	31.1		60.8
Due from <sup>2)</sup>	1 863.8	35.1	1 360.4		1 101.7	271.9
Liabilities to	38.5	0.8	43.8	10.7	53.8	41.5

1) Other group companies are companies in other sub-groups within Storebrand group.

2) Balance and interest income from subsidiaries at 30 June 2009 principally comprises lending and interest to Storebrand Boligkreditt AS as a result of the agreement made about the credit facility.

Storebrand Bank ASA has invested a total of NOK 5 billion in covered bonds issued by Storebrand Boligkreditt AS as of 30 June 2009. The investments are included in the liquidity portfolio in the parent company and are classified at fair value option. The investment has been eliminated in the consolidated accounts against bond issued by Storebrand Boligkreditt AS.

An agreement has been signed in 2009 between Storebrand Bank ASA and Storebrand Boligkreditt AS concerning compensation for reduced funding costs.

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# Notes to the account

## NOTE 8 (continued)

### Storebrand Bank Group

#### Transactions with group companies:

NOK MILLION	30.06.2009 OTHER GROUP COMPANIES 1)	30.06.2008 OTHER GROUP COMPANIES 1)	31.12.2008 OTHER GROUP COMPANIES 1)
Interest income			
Interest expense	0.2	0.3	0.6
Services sold	3.2	2.5	5.5
Services purchased	37.7	32.2	60.8
Due from	35.1		271.9
Liabilities to	2.8	10.8	41.5

1) Other group companies are companies in other sub-groups within Storebrand group.

Transactions with group companies are based on the principle of transactions at arm's length.

#### Transactions with related parties:

Storebrand Bank ASA defines Storebrand Optimér ASA as a related party as the company's objective is to offer alternative savings products to the bank's customers. Storebrand Optimér ASA has no employees and the company has entered into an agreement with Storebrand Bank ASA to carry out the day-to-day operation of the company. The bank also acts as a Manager for issues of shares carried out by Storebrand Optimér ASA. The bank has recognized NOK 0.2 million to profit in the accounts for first half and the bank has a receivable due from the company of NOK 1.9 million as of 30.06.09. The fees paid to the bank are based on the arm's length principle.

Storebrand Bank ASA also defines Storebrand Infrastruktur ASA as a related party since the general manager of Storebrand Infrastruktur ASA is an employee of Storebrand Bank ASA and the company's objective is to offer alternative savings products to the bank's customers. Storebrand Infrastruktur ASA has no employees and the company has entered into an agreement with Storebrand Bank ASA to carry out the day-to-day operation of the company. The bank also acts as a Manager for issues of shares carried out by Storebrand Infrastruktur ASA.

The bank has recognized NOK 4.4 million to profit in the accounts for first half and the bank has a receivable due from the company of NOK 0.3 million as of 30.06.09. The fees paid to the bank are based on the arm's length principle.

## NOTE 9 HEADCOUNT AND PERSONNEL INFORMATION

STOREBRAND BANK ASA			STOREBRAND BANK GROUP	
31.12.2008	30.06.2009	NOK MILLION	30.06.2009	31.12.2008
163	171	Number of employees 1)	306	307
159	167	Number of employees expressed as full-time equivalent positions 1)	302	299

1) Figures for Storebrand Bank Group includes employees and FTEs for Storebrand Bank ASA, Ring Eiendomsmegling AS with subsidiaries, Hadrian Eiendom AS, Hadrian Utvikling AS and Storebrand Baltic UAB. Number of employees and FTE's in the Storebrand Bank group have been changed at 31.12.08 compared to the number that was stated in the 2008 annual report where number of employees and FTE's related to the franchises in Ring Eiendomsmegling group were included.



# Notes to the account

## NOTE 10 SEGMENT INFORMATION

### Storebrand Bank Group

#### Analysis of profit and loss account by activity:

NOK MILLION	CORPORATE					RETAIL				
	2009	Q2 2008	01.01. - 30.06. 2009 2008		FULL YEAR 2008	2009	Q2 2008	01.01. - 30.06. 2009 2008		FULL YEAR 2008
<b>Profit and loss items:</b>										
Net interest income	37.0	64.2	81.9	128.0	264.1	81.1	56.6	160.4	115.3	262.8
Net fee and commission income	2.9	2.7	5.8	5.4	12.0	5.4	9.3	14.5	14.9	22.1
Other income	2.0	-1.1	5.3	2.0	12.4	-0.1	1.1	2.7	2.1	4.2
Total operating costs	-11.8	-18.2	-31.0	-46.1	-92.6	-64.1	-51.5	-126.8	-103.9	-215.8
<b>Operating profit before loan losses</b>	<b>30.1</b>	<b>47.6</b>	<b>62.0</b>	<b>89.3</b>	<b>195.9</b>	<b>22.3</b>	<b>15.5</b>	<b>50.8</b>	<b>28.4</b>	<b>73.3</b>
Net write-back in loan losses	-16.4	-13.5	-38.5	-8.6	-113.5	-3.0	3.5	-9.3	0.0	-8.3
<b>Ordinary profit from continuing operations</b>	<b>13.7</b>	<b>34.1</b>	<b>23.5</b>	<b>80.7</b>	<b>82.4</b>	<b>19.3</b>	<b>19.0</b>	<b>41.5</b>	<b>28.4</b>	<b>65.0</b>
<b>Ordinary profit from businesses discounted</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Balance sheet items:</b>										
Gross lending to customers			11 816.4	12 446.4	11 973.4			26 061.6	26 026.3	27 032.1
Deposits from and due to customers			7 386.5	7 877.9	5 998.5			12 843.1	10 871.5	11 946.4
<b>Key figures:</b>										
Cost as of % of income	28%	28%	33%	34%	32%	74%	77%	71%	79%	75%
Deposits from and due to customers as % of gross lending			63%	63%	50%			49%	42%	44%

NOK MILLION	MARKETS					REAL ESTATE BROKING				
	2009	Q2 2008	01.01. - 30.06. 2009 2008		FULL YEAR 2008	2009	Q2 2008	01.01. - 30.06. 2009 2008		FULL YEAR 2008
<b>Profit and loss items:</b>										
Net interest income	0.4	3.6	4.6	6.7	0.4	-0.3	1.5	-1.1	2.0	0.8
Net fee and commission income	6.8	5.1	14.2	15.1	6.8	0.0	0.0	0.0	0.0	0.0
Other income	7.9	9.2	19.4	17.7	7.9	22.2	23.2	41.6	35.9	71.8
Total operating costs	-16.6	-22.0	-35.2	-41.6	-16.6	-28.3	-30.6	-52.3	-48.7	-117.2
<b>Operating profit before loan losses</b>	<b>-1.5</b>	<b>-4.1</b>	<b>3.0</b>	<b>-2.1</b>	<b>-1.5</b>	<b>-6.4</b>	<b>-5.9</b>	<b>-11.8</b>	<b>-10.8</b>	<b>-44.6</b>
Net write-back in loan losses										
<b>Ordinary profit from continuing operations</b>	<b>-1.5</b>	<b>-4.1</b>	<b>3.0</b>	<b>-2.1</b>	<b>-1.5</b>	<b>-6.4</b>	<b>-5.9</b>	<b>-11.8</b>	<b>-10.8</b>	<b>-44.6</b>
<b>Ordinary profit from businesses discounted</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Balance sheet items:</b>										
Gross lending to customers										
Deposits from and due to customers										
<b>Key figures:</b>										
Cost as of % of income	110%	123%	92%	105%	110%	129%	124%	129%	128%	162%
Deposits from and due to customers as % of gross lending										

Continues next page

# Notes to the account

## NOTE 10 (continued)

NOK MILLION	TREASURY / OTHERS					TOTAL				
	2009	Q2 2008	01.01. - 30.06. 2009	01.01. - 30.06. 2008	FULL YEAR 2008	2009	Q2 2008	01.01. - 30.06. 2009	01.01. - 30.06. 2008	FULL YEAR 2008
<b>Profit and loss items:</b>										
Net interest income	-25.6	1.5	-32.1	1.1	-27.0	92.6	127.4	213.7	253.1	512.5
Net fee and commission income	1.9	0.2	2.6	-0.5	1.5	17.0	17.3	37.1	34.9	62.0
Other income	0.4	-6.0	-17.9	-14.3	-38.9	32.4	26.4	51.1	43.4	88.9
Total operating costs	-19.8	-0.6	-23.3	-0.6		-140.6	-122.9	-268.6	-240.9	-508.2
<b>Operating profit before loan losses</b>	<b>-43.1</b>	<b>-4.9</b>	<b>-70.7</b>	<b>-14.3</b>	<b>-64.5</b>	<b>1.4</b>	<b>48.1</b>	<b>33.4</b>	<b>90.5</b>	<b>155.1</b>
Net write-back in loan losses	19.0	-1.1	18.6	-1.1		-0.4	-11.1	-29.2	-9.7	-121.8
<b>Ordinary profit from continuing operations</b>	<b>-24.1</b>	<b>-6.0</b>	<b>-52.1</b>	<b>-15.4</b>	<b>-64.5</b>	<b>0.9</b>	<b>37.0</b>	<b>4.2</b>	<b>80.8</b>	<b>33.3</b>
<b>Ordinary profit from businesses discounted</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Balance sheet items:</b>										
Gross lending to customers			-127.4	-657.0	29.2			37 750.6	37 815.7	39 034.7
Deposits from and due to customers			-70.5	225.0	346.6			20 159.1	18 974.4	18 291.5
<b>Key figures:</b>										
Cost as of % of income						99%	72%	89%	73%	77%
Deposits from and due to customers as % of gross lending								53%	50%	46%

Business segments are the company's primary reporting segments.

### Description of the segments:

**Commercial Banking:** This segment comprises deposits from and lending to commercial customers, principally real estate investors/developers. The segment includes the affiliated company Seilduksgaten 25/31 AS. The bank's share is 50% and net profit for first half is minus NOK 1.0 million. Changes in value of repossessed assets are presented in the profit and loss account by item. In the note on segment changes are reported under provision of losses in accordance with internal procedure. The reclassification is adjusted for under the segment treasury/other.

**Retail Banking:** Deposits from and lending to retail customers, including credit cards. Lending is principally mortgage lending secured against residential real estate. The segment include deposits from and lending to retail customers in Storebrand Boligkreditt AS.

The segment also includes the bank's share in Storebrand Baltic UAB in Lithuania on 50%. The ownership interest is classified as a jointly venture. Net profit for first half is NOK 0,6 million.

**Markets:** This business area includes all the bank's activities in structured products, real estate funds, Storebrand Optimér ASA, Storebrand Infrastruktur ASA and stockbroking activities. The subsidiaries Hadrian Eiendom AS and Hadrian Utvikling AS are also included in this area, where the bank respectively had a 90.9% ownership interest and 86.15% ownership interest at the close of first half 2009. Net profit for Hadrian Eiendom AS and Hadrian Utvikling AS are respectively NOK 0.7 million and minus NOK 0.3 million in the first half.

**Real estate broking:** This segment solely comprises Ring Eiendomsmebling AS with subsidiaries in which the bank had a 99.6% ownership interest at the close of first half 2009.

Indirect income and indirect costs have been allocated on the basis of estimated use of resources.

Elimination of double counting applies principally to customer transactions carried out in collaboration between Markets and the relevant customer segment. The effects of financial hedging and the investment portfolio are not allocated between business areas and are reported solely as part of the item treasury/others.

# Notes to the account

## NOTE 11 OFF BALANCE SHEET LIABILITIES AND CONTINGENT LIABILITIES

STOREBRAND BANK ASA			STOREBRAND BANK GROUP	
31.12.2008	30.06.2009	NOK MILLION	30.06.2009	31.12.2008
366.4	292.2	Guarantees	292.2	366.4
11 593.7	11 343.5	Undrawn credit limits	3 207.0	3 345.0
<b>11 960.1</b>	<b>11 635.7</b>	<b>Total contingent liabilities</b>	<b>3 499.2</b>	<b>3 711.4</b>
2 116.9	2 341.5	Booked value of bonds pledged as security for the bank's D-loan and F-loanfacility with the Norwegian central bank	2 289.5	2 116.9
2 002.3	4 840.1	Booked value of securities pledged as collateral for the government securities for covered bonds swap scheme	4 840.1	2 002.3
<b>4 119.3</b>	<b>7 181.6</b>	<b>Total book value of off balance sheet liabilities</b>	<b>7 129.6</b>	<b>4 119.3</b>

Undrawn credit limits reported in Storebrand Bank ASA as of 30.06.09 includes NOK 8.1 billion to Storebrand Boligkreditt AS.

## NOTE 12 NON-PERFORMANCE AND LENDING LOSSES, GUARANTEES, ETC

STOREBRAND BANK ASA			STOREBRAND BANK GROUP	
31.12.2008	30.06.2009	NOK MILLION	30.06.2009	31.12.2008
		<b>Non-performing and loss-exposed loans</b>		
184.4	155.9	Non-performing loans without evidence of impairment	181.4	190.2
519.9	556.6	Non-performing and loss-exposed loans with evidence of impairment	391.6	519.9
<b>704.3</b>	<b>712.5</b>	<b>Gross defaulted and loss-exposed loans</b>	<b>573.0</b>	<b>710.1</b>
-262.4	-221.6	Provisions for individual impairment losses	-190.0	-262.4
<b>442.0</b>	<b>490.9</b>	<b>Net defaulted and loss-exposed loans</b>	<b>383.0</b>	<b>447.8</b>

Loans in default are defined as loans where payments are more than 90 days past due.

### Key figures

50 %	40 %	Level of provisioning individual write-downs	49 %	50 %
-87.7	-103.5	Write-downs of groups of loans	-105.0	-88.3
-350.0	-325.1	Total write-downs	-295.0	-350.7
50 %	46 %	Total level of provisioning	51 %	49 %

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# Notes to the account

## NOTE 12 (continued)

STOREBRAND BANK ASA				STOREBRAND BANK GROUP				
FULL YEAR 2008	1.1. - 30.06. 2008		2009	NOK MILLION	1.1. - 30.06. 2009		2008	FULL YEAR 2008
				<b>Losses on loans and guarantees etc. during period</b>				
-15.3	4.0	40.8		Change in individual impairment loss provisions	72.4	4.0		-15.3
				Change in individual impairment loss provisions, assets repossessed	-13.0			0.0
-29.6	-4.2	-15.8		Change in grouped impairment loss provisions	-16.6	-4.5		-30.3
0.7	3.4	-5.9		Other write-down effects	-5.9	3.4		0.7
-79.9	-14.1	-73.7		Realised losses specifically provided for previously	-73.7	-14.1		-79.9
-0.6	-0.5			Realised losses not specifically provided for previously		-0.5		-0.6
3.5	1.9	7.7		Recoveries on previous realised losses	7.7	1.9		3.5
<b>-121.2</b>	<b>-9.4</b>	<b>-46.9</b>		<b>Write-downs for the period</b>	<b>-29.2</b>	<b>-9.7</b>		<b>-121.8</b>

Lending commitments that are continued after collateral is taken over are classified in the financial statements according to their type. Lending commitments, including individual write-downs against debt in the taken over company are eliminated in the consolidated financial statements. The volume of non-performing and loss-exposed loans is similarly eliminated. A separate assessment is made in the consolidated financial statements in relation to any write-down/value adjustment of the assets that have been taken over. The value of taken over investment properties was adjusted with a negative amount in Q2 in the consolidated financial statements by an amount equal to the individual write-downs associated with the pertinent lending commitment in the parent bank of NOK 19 million.

## NOTE 13 INTANGIBLE ASSETS, TANGIBLE FIXED ASSETS AND REAL ESTATE

Costs of NOK 5.8 million were capitalised in the first half as intangible assets and fixed assets in Storebrand Bank ASA and Storebrand Bank Group. Accordingly costs of NOK 4.1 million were capitalised in Q2. This relates principally to costs incurred on systems development, data warehouse, systems licenses and similar costs.

In connection with the take over of collateral associated with a loss exposed commitment in the corporate market, Storebrand Bank activated real estate under development amounting to NOK 94 million. The building project was sold to a subsidiary of the bank, Bjørndalen Panorama AS, which will complete the project. Following this takeover NOK 40 million relating to development in the project was activated. In addition Storebrand Bank has taken over the shares in Bjørndalen Tomteselskap AS, which owns the site associated with the property project in Bjørndalen Panorama AS. The building project is classified as real estate at fair value.

The value of the building project in Bjørndalen Panorama AS was written down by NOK 19 million in Q2. This is presented on a separate line in the profit and loss account. In connection with the takeover of collateral associated with another loss exposed commitment in the corporate market, Storebrand Bank activated real estate under development amounting to a total of NOK 24 million in Q2.

# Notes to the account

## NOTE 14 LIABILITES TO CREDIT INSTITUTIONS

NOK MILLION	30.06.2009	31.12.2008
<b>Total liabilities to credit institutions without fixed maturity at amortised cost</b>	<b>52.2</b>	<b>40,2</b>
<b>F-loan:</b>		
Maturity 2009	286.0	1 000.0
Maturity 2010	513.4	505.3
Maturity 2012	1 013.0	
<b>Loan with fixed interest rate:</b>		
Maturity 2009	448.2	275.0
<b>Loan with floating interest rate:</b>		
Maturity 2010	1 848.7	2 022.3
Maturity 2011	90.2	98.7
Maturity 2012	350.0	350.0
Maturity 2013	250.0	250.0
<b>Total liabilities to credit institutions with fixed maturity at amortised cost</b>	<b>4 799.4</b>	<b>4 501.3</b>
<b>Borrowings under the Norwegian Government's Swap arrangement:</b>		
Maturity 2010	996.0	994.1
Maturity 2011	2 367.7	981.5
Maturity 2013	494.5	
Maturity 2014	995.0	
<b>Total liabilities to credit institutions with fixed maturity at fair value (FVO)</b>	<b>4 853.2</b>	<b>1 975.6</b>
<b>Total liabilities to credit institutions</b>	<b>9 704.8</b>	<b>6 517.1</b>

Undrawn credit facilities totalled EUR 340 million at 30.06.2009

The loan agreements contain standard covenants.

Storebrand Bank ASA and Storebrand Boligkreditt AS were in compliance with all relevant terms in 2009.

# Notes to the account

## NOTE 15 SECURITIES ISSUED AND SUBORDINATED LOAN CAPITAL

NOK MILLION	STOREBRAND BANK GROUP	
	30.06.2009	31.12.2008
Commercial paper	912.2	1 907.9
Bond loans	10 295.1	14 058.3
Structured bond loans	556.4	857.8
Subordinated loan capital	960.2	962.0
<b>Total securities issued and subordinated loan capital</b>	<b>12 723.9</b>	<b>17 786.0</b>

### Specification of bonds issued and subordinated loan capital as of 30 June 2009 - Storebrand Bank Group

ISIN CODE	ISSUER	NET NOMINAL VALUE	CURRENCY	INTEREST	MATURITY	BOOK VALUE
						30.06.2009
<b>Bond loans</b>						
NO001029117	Storebrand Bank ASA	624.5	NOK	Fixed	22.11.10	621.4
NO001035009	Storebrand Bank ASA	275.0	NOK	Fixed	16.06.10	274.2
NO001043982	Storebrand Bank ASA	310.0	NOK	Fixed	04.06.15	309.0
NO001045553	Storebrand Bank ASA	277.0	NOK	Fixed	03.09.12	274.2
NO001051323	Storebrand Bank ASA	300.0	NOK	Fixed	25.05.16	302.2
NO001025224	Storebrand Bank ASA	896.0	NOK	Floating	14.01.10	897.7
NO001032866	Storebrand Bank ASA	629.0	NOK	Floating	28.08.09	629.0
NO001047340	Storebrand Bank ASA	158.0	NOK	Floating	21.11.13	158.5
NO001049263	Storebrand Bank ASA	640.0	NOK	Floating	22.02.12	636.3
NO001036439	Storebrand Bank ASA	900.0	SEK	Floating	26.10.09	750.6
NO001050277	Storebrand Bank ASA	348.0	NOK	Floating	30.04.14	346.2
Accrued interest expenses						52.8
<b>Total bond loans</b>						<b>5 252.1</b>
<b>Covered bonds</b>						
XS0366475662	Storebrand Boligkreditt AS	236.2	EUR	Fixed	28.05.10	2 132.9
NO0010428584	Storebrand Boligkreditt AS	1 000.0	NOK	Fixed	06.05.15	1 000.1
NO0010428592	Storebrand Boligkreditt AS	640.0	NOK	Floating	02.05.11	639.4
NO0010466071	Storebrand Boligkreditt AS	1 250.0	NOK	Fixed	24.04.14	1 249.7
Accrued interest expenses						20.9
<b>Total covered bonds</b>						<b>5 043.0</b>
<b>Total bond loans excl. structured bond loans</b>						<b>10 295.1</b>

Continues next page

# Notes to the account

## NOTE 15 (continued)

### Specification of bonds issued and subordinated loan capital as of 30 June 2009 - Storebrand Bank Group

NOK MILLION							BOOK VALUE
ISIN CODE	ISSUER	NET NOMINAL VALUE	CURRENCY	INTEREST	MATURITY		30.06.2009
<b>Structured bond loans</b>							
NO001026219	Storebrand Bank ASA	51.4	NOK	Zero coupon	10.12.09		49.8
NO001027993	Storebrand Bank ASA	97.6	NOK	Zero coupon	14.12.09		94.3
NO001028788	Storebrand Bank ASA	61.4	NOK	Zero coupon	27.10.09		61.0
NO001029838	Storebrand Bank ASA	86.8	NOK	Zero coupon	25.03.10		85.3
NO001030481	Storebrand Bank ASA	34.3	NOK	Zero coupon	26.11.10		33.3
NO001032252	Storebrand Bank ASA	20.2	NOK	Zero coupon	06.09.10		19.3
NO001032930	Storebrand Bank ASA	79.8	NOK	Zero coupon	27.10.10		76.9
NO001034110	Storebrand Bank ASA	61.1	NOK	Zero coupon	16.12.10		59.0
NO001034675	Storebrand Bank ASA	77.2	NOK	Zero coupon	22.12.10		74.1
NO001035920	Storebrand Bank ASA	17.0	NOK	Zero coupon	23.05.11		15.5
Accrued interest expenses							-12.1
<b>Total structured bond loans</b>							<b>556.4</b>

NOK MILLION							BOOK VALUE
ISIN CODE	ISSUER	NET NOMINAL VALUE	CURRENCY	INTEREST	CALL DATO		30.06.2009
<b>Dated subordinated loan capital</b>							
NO001027568	Storebrand Bank ASA	175.0	NOK	Floating	15.07.10		175.0
NO001034566	Storebrand Bank ASA	100.0	NOK	Floating	21.12.11		99.9
NO001036427	Storebrand Bank ASA	250.0	NOK	Floating	08.05.12		249.7
NO001040278	Storebrand Bank ASA	150.0	NOK	Floating	19.12.12		150.0
<b>Other subordinated loan capital</b>							
	Storebrand Bank ASA	9.3	NOK	Fixed			9.3
<b>Tier 1 hybrid capital</b>							
NO001024206	Storebrand Bank ASA	107.0	NOK	Fixed	29.10.14		107.3
NO001024207	Storebrand Bank ASA	168.0	NOK	Floating	29.10.14		167.1
Accrued interest expenses							1.9
<b>Total subordinated loan capital incl. Tier 1 hybrid capital</b>							<b>960.2</b>

<b>Total securities issued and subordinated loan capital</b>	<b>11 811.7</b>
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The loan agreements contain standard covenants.

Storebrand Bank ASA and Storebrand Boligkreditt AS were in compliance with all relevant terms in 2009.

# Notes to the account

## NOTE 16 RISK MANAGEMENT

Storebrand Bank ASA's and Storebrand Bank group's objectives and principles for the management of financial risk are as described in the 2008 annual report.

## NOTE 17 CHANGES IN EQUITY

### Storebrand Bank ASA

NOK MILLION	SHARE CAPITAL	SHARE PREMIUM RESERVE	TOTAL PAID-IN EQUITY	REVENUE AND COSTS APPLIED TO EQUITY	OTHER EQUITY	TOTAL OTHER EQUITY	TOTAL EQUITY
<b>Equity at 31.12.2007</b>	<b>916.6</b>	<b>400.3</b>	<b>1 316.8</b>	<b>27.1</b>	<b>688.3</b>	<b>715.4</b>	<b>2 032.3</b>
Total comprehensive income for the period				-3.4	57.9	54.6	54.6
<b>Equity transactions with owners:</b>							
Provisions for group contribution					-13.0	-13.0	-13.0
<b>Equity at 31.12.2008</b>	<b>916.6</b>	<b>400.3</b>	<b>1 316.8</b>	<b>23.8</b>	<b>733.3</b>	<b>757.0</b>	<b>2 073.9</b>
Total comprehensive income for the period					-41.6	-41.6	-41.6
<b>Equity at 30.06.2009</b>	<b>916.6</b>	<b>400.3</b>	<b>1 316.8</b>	<b>23.8</b>	<b>691.6</b>	<b>715.5</b>	<b>2 032.3</b>

The share capital is made up of 64,037,183 shares of nominal value NOK 14.313.

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# Notes to the account

## NOTE 17 (continued)

### Storebrand Bank Group

NOK MILLION	MAJORITY'S SHARE OF EQUITY							MINORITY INTERESTS	TOTAL EQUITY
	SHARE CAPITAL	SHARE PREMIUM RESERVE	TOTAL PAID-IN EQUITY	OTHER EQUITY					
				REVENUE AND COSTS APPLIED TO EQUITY	OTHER EQUITY	TOTAL OTHER EQUITY			
<b>Equity at 31.12.2007</b>	<b>916.6</b>	<b>200.0</b>	<b>1 116.6</b>	<b>29.1</b>	<b>887.0</b>	<b>916.1</b>	<b>7.1</b>	<b>2 039.8</b>	
Total comprehensive income for the period				-3.4	23.1	19.8	-3.7	16.1	
<b>Equity transactions with owners:</b>									
Acquisitions							4.1	4.1	
Purchase of minority interests							-3.9	-3.9	
Dividend paid						0.0	2.7	2.7	
Receipts of group contribution		200.3	200.3			0.0		200.3	
Group contribution paid					-200.3	-200.3		-200.3	
Other changes / changes in minority interests					2.1	2.1	-0.2	1.8	
<b>Equity at 31.12.2008</b>	<b>916.6</b>	<b>400.3</b>	<b>1 316.8</b>	<b>25.7</b>	<b>711.9</b>	<b>737.6</b>	<b>6.1</b>	<b>2 060.5</b>	
Total comprehensive income for the period					2.5	2.5	-0.9	1.6	
<b>Equity transactions with owners:</b>									
Acquisitions					-2.4	-2.4		-2.4	
Purchase of minority interests						0.0	-1.4	-1.4	
Other changes					-0.6	-0.6	0.1	-0.5	
<b>Equity at 30.06.2009</b>	<b>916.6</b>	<b>400.3</b>	<b>1 316.8</b>	<b>25.7</b>	<b>711.3</b>	<b>737.1</b>	<b>3.9</b>	<b>2 057.8</b>	

# Notes to the account

## NOTE 18 CAPITAL ADEQUACY

Capital adequacy calculations are subject to special consolidation rules in accordance with the Regulation on consolidated application of the capital adequacy rules etc. (the "Consolidation Regulation"). The Storebrand Bank group is defined pursuant to Section 5 of the Consolidation Regulation as a financial group comprising solely or mainly undertakings other than insurance companies. The valuation rules used in the company's accounts form the basis for consolidation.

Consolidation is, in the main, carried out in accordance with the same principles as used in the accounts, with all internal transactions eliminated, including shares, loans and deposits as well as other receivables and liabilities. Companies in which the group has a minority interest are included on a proportional basis applying the percentage interest held by the group at 30 June 2009.

The figure for primary capital used in calculation of capital adequacy will differ from the figure shown in the accounts since the calculation does not include accrued profit for the year or minority interests.

### Net primary capital

STOREBRAND BANK ASA		NOK MILLION	STOREBRAND BANK GROUP	
31.12.2008	30.06.2009		30.06.2009	31.12.2008
916.6	916.6	Share capital	916.6	916.6
1 157.3	1 115.7	Other equity	1 141.3	1 143.9
<b>2 073.9</b>	<b>2 032.3</b>	<b>Total equity</b>	<b>2 057.8</b>	<b>2 060.5</b>
		Deductions:		
		Profit not included in the calculation of net primary capital	-1.6	
		Minority's share of equity	-3.9	-6.1
		Goodwill	-56.3	-54.7
-54.1	-50.3	Intangible assets	-82.9	-88.1
-155.9	-164.5	Deferred tax asset	-169.4	-166.6
		Addition:		
275.9	276.3	Perpetual subordinated bonds	276.3	275.9
13.0		Proportion of pension experience adjustments not amortised		13.0
<b>2 152.7</b>	<b>2 093.8</b>	<b>Core capital</b>	<b>2 020.1</b>	<b>2 033.8</b>
683.9	683.9	Supplementary capital	683.9	683.9
		Deductions		
<b>2 836.5</b>	<b>2 777.7</b>	<b>Net primary capital</b>	<b>2 704.0</b>	<b>2 717.7</b>

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# Notes to the account

## NOTE 18 CAPITAL ADEQUACY (continued)

### Minimum capital requirement

STOREBRAND BANK ASA		NOK MILLION	STOREBRAND BANK GROUP	
31.12.2008	30.06.2009		30.06.2009	31.12.2008
1 662.7	1 561.6	Credit risk	1 763.7	1 935.8
		Of which:		
1.6	7.3	Local and regional authorities	7.3	1.6
120.5	142.5	Institutions	57.7	50.8
836.5	637.7	Corporates	627.5	838.0
453.8	533.1	Loans secured on real estate	878.1	777.0
133.6	73.8	Retail market	73.8	133.6
32.2	66.9	Loans past-due	67.8	32.9
31.9	45.1	Covered bonds	4.5	4.0
52.5	55.1	Other	47.0	97.8
<b>1 662.7</b>	<b>1 561.6</b>	<b>Total minimum requirement for credit risk</b>	<b>1 763.7</b>	<b>1 935.8</b>
<b>0.0</b>	<b>0.0</b>	<b>Total minimum requirement for market risk</b>	<b>0.0</b>	<b>0.0</b>
76.9	76.9	Operational risk	84.0	84.0
		Deductions		
-7.0	-8.3	Write-downs of groups of loans	-8.4	-7.0
<b>1 732.6</b>	<b>1 630.2</b>	<b>Minimum requirement for capital base</b>	<b>1 839.3</b>	<b>2 012.8</b>

### Capital adequacy

STOREBRAND BANK ASA		NOK MILLION	STOREBRAND BANK GROUP	
31.12.2008	30.06.2009		30.06.2009	31.12.2008
13.1 %	13.6 %	Capital ratio	11.8 %	10.8 %
9.9 %	10.3 %	Core capital ratio	8.8 %	8.1 %

Capital adequacy is calculated in accordance with the new capital adequacy regulation (Basel II). The company uses the standard method for credit risk and market risk, and the basic method for operational risk. The minimum requirement for the capital ratio is 8%.

Basel II is divided into three pillars (areas). Pillar 1 deals with the minimum requirement for capital adequacy and represents a continuation of the former regulations pursuant to Basel I. Pillar 2 deals with supervisory evaluation of capital requirement and supervisory monitoring (ICAAP), while Pillar 3 deals with the requirements for publication of financial information. The introduction of the new regulatory framework has caused changes to the calculation base for capital adequacy. Calculation of operational risk is a new element of the Basel II regulations. Management of market risk is only affected by the transition to the Basel II regulations to a minor extent.

# Notes to the account

## NOTE 19 QUARTERLY PROFIT AND LOSS

### Storebrand Bank ASA

NOK MILLION	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007
Interest income	388.8	514.4	677.0	659.3	642.4	654.6	626.4	518.7
Interest expense	-331.9	-416.8	-575.1	-515.9	-519.9	-535.4	-516.5	-410.6
<b>Net interest income</b>	<b>56.9</b>	<b>97.6</b>	<b>101.9</b>	<b>143.4</b>	<b>122.5</b>	<b>119.2</b>	<b>109.9</b>	<b>108.1</b>
Fee and commission income from banking services	24.2	23.8	26.8	27.7	25.1	18.5	31.8	29.3
Fee and commission expenses for banking services	-4.9	-1.4	-12.9	-8.7	-8.8	-0.5	-16.6	-14.6
<b>Net fee and commission income</b>	<b>19.3</b>	<b>22.4</b>	<b>13.9</b>	<b>19.0</b>	<b>16.3</b>	<b>18.1</b>	<b>15.2</b>	<b>14.7</b>
Net income and gains from associated companies	-0.5	-0.5	-1.6				-0.5	
Net gains on financial instruments at fair value	49.8	-68.1	43.6	-16.4	0.0	-5.0	13.6	-0.2
Other income	0.3	0.8	0.8	-2.3	4.7	3.6	3.1	-0.5
<b>Total other operating income</b>	<b>49.6</b>	<b>-67.8</b>	<b>42.7</b>	<b>-18.7</b>	<b>4.8</b>	<b>-1.5</b>	<b>16.2</b>	<b>-0.7</b>
Staff expenses	-33.6	-36.8	-34.7	-34.4	-33.4	-31.8	-34.4	-30.4
General administration expenses	-4.4	-8.2	-32.7	-23.1	-18.8	-23.1	-26.9	-19.3
Other operating cost	-50.8	-55.2	-37.3	-33.4	-34.0	-40.7	-48.1	-29.2
<b>Total operating costs</b>	<b>-88.8</b>	<b>-100.1</b>	<b>-104.8</b>	<b>-90.9</b>	<b>-86.2</b>	<b>-95.7</b>	<b>-109.4</b>	<b>-79.0</b>
<b>Operating profit before losses and other items</b>	<b>37.0</b>	<b>-48.0</b>	<b>53.7</b>	<b>52.7</b>	<b>57.4</b>	<b>40.1</b>	<b>31.9</b>	<b>43.1</b>
Write-downs for the period/ net write-back in loan losses	-18.5	-28.4	-85.3	-37.9	0.6	1.5	18.2	10.9
<b>Profit before tax</b>	<b>18.5</b>	<b>-76.3</b>	<b>-31.6</b>	<b>14.8</b>	<b>57.9</b>	<b>41.6</b>	<b>50.1</b>	<b>54.0</b>
Tax	-5.2	21.4	7.1	-4.1	-16.2	-11.6	-17.2	-15.1
<b>Profit for the year</b>	<b>13.3</b>	<b>-54.9</b>	<b>-24.5</b>	<b>10.7</b>	<b>41.8</b>	<b>30.0</b>	<b>32.9</b>	<b>39.0</b>

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# Notes to the account

## NOTE 19 (continued)

### Storebrand Bank Group

NOK MILLION	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007
Interest income	433.1	639.4	815.3	765.3	700.8	659.1	626.5	518.7
Interest expense	-340.5	-518.3	-705.3	-615.9	-573.4	-533.3	-515.9	-410.5
<b>Net interest income</b>	<b>92.6</b>	<b>121.1</b>	<b>109.9</b>	<b>149.4</b>	<b>127.4</b>	<b>125.7</b>	<b>110.7</b>	<b>108.1</b>
Fee and commission income from banking services	21.9	21.5	25.0	23.7	26.0	18.1	31.8	29.3
Fee and commission expenses for banking services	-4.9	-1.4	-12.9	-8.7	-8.8	-0.5	-16.6	-14.6
<b>Net fee and commission income</b>	<b>17.0</b>	<b>20.1</b>	<b>12.1</b>	<b>15.0</b>	<b>17.3</b>	<b>17.6</b>	<b>15.2</b>	<b>14.7</b>
Net income and gains from associated companies	-0.5	-0.5	-1.6				-0.8	
Net gains on financial instruments at fair value	8.4	-3.2	23.9	-16.6	-1.1	-5.1	9.7	-0.2
Other income	24.4	22.5	19.3	20.5	27.5	22.1	7.8	3.1
<b>Total other operating income</b>	<b>32.4</b>	<b>18.8</b>	<b>41.6</b>	<b>3.9</b>	<b>26.4</b>	<b>17.0</b>	<b>16.7</b>	<b>2.9</b>
Staff expenses	-51.3	-53.0	-53.0	-50.3	-49.7	-44.7	-38.0	-33.8
General administration expenses	-7.5	-11.4	-37.0	-26.7	-23.7	-27.0	-30.6	-17.5
Other operating cost	-63.2	-63.7	-54.9	-45.4	-49.5	-46.3	-45.0	-31.9
Unrealised loss real estate at fair value, assets repossessed	-18.6							
<b>Total operating costs</b>	<b>-140.6</b>	<b>-128.0</b>	<b>-144.9</b>	<b>-122.4</b>	<b>-122.9</b>	<b>-118.0</b>	<b>-113.5</b>	<b>-83.2</b>
<b>Operating profit before losses and other itmes</b>	<b>1.4</b>	<b>32.0</b>	<b>18.7</b>	<b>45.9</b>	<b>48.1</b>	<b>42.4</b>	<b>29.1</b>	<b>42.6</b>
Write-downs for the period/ net write-back in loan losses	-0.4	-28.7	-85.4	-26.8	-11.1	1.5	18.2	10.9
<b>Profit before tax</b>	<b>0.9</b>	<b>3.2</b>	<b>-66.7</b>	<b>19.2</b>	<b>37.0</b>	<b>43.9</b>	<b>47.3</b>	<b>53.5</b>
Tax	-1.9	-0.7	13.8	-5.2	-10.7	-11.7	-16.4	-15.1
<b>Profit for the year</b>	<b>-0.9</b>	<b>2.5</b>	<b>-52.9</b>	<b>13.9</b>	<b>26.2</b>	<b>32.2</b>	<b>30.8</b>	<b>38.4</b>

# Storebrand Bank ASA

## - Declaration by the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer have today considered and approved the half-yearly report and half-yearly accounts of Storebrand Bank ASA for the first six months as at 30 June 2009 (the 2009 half-yearly report).

The half-yearly report has been prepared in accordance with the requirements of IAS 34 Interim Financial Reporting as approved by the EU, as well as the additional Norwegian requirements set out in the Securities Trading Act.

The Board of Directors and the Chief Executive Officer hereby confirm that, to the best of their knowledge, the half-yearly accounts for 2009 have been prepared in accordance with the current accounting standards, and the

information contained in the accounts gives a true and fair view of the company's assets, liabilities, and financial position taken as a whole as at 30 June 2009.

The Board of Directors and the Chief Executive Officer confirm that, to the best of their knowledge, the half-yearly accounts gives a true and fair summary of important events during the accounting period and their effect on the half-yearly accounts. The Board of Directors and the Chief Executive Officer also confirm that, to the best of their knowledge, the description of the most important risk and uncertainty factors that the business faces in the next accounting period, together with the description of material transactions with close associates, provide a true and fair summary.

Oslo, 16 July 2009

The Board of Directors of Storebrand Bank ASA

Idar Kreutzer  
*Chairman of the Board*

Stein Wessel-Aas  
*Deputy Chairman of the Board*

Kristine Schei  
*Member of the Board*

Ida Helliesen  
*Member of the Board*

Odd Arild Grefstad  
*Member of the Board*

Roar Thoresen  
*Member of the Board*

Heidi Storruste  
*Member of the Board*

Klaus-Anders Nysteen  
*Chief Executive Officer*

Translation from the original Norwegian version

To the board of Storebrand Bank ASA

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

We have reviewed the condensed consolidated financial statement of Storebrand Bank ASA as of June 30, 2009, showing a result of MNOK 1,6. The condensed consolidated financial Statement comprises the balance sheet, the statements of income, cash flow, the statement of comprehensive income and selected explanatory notes by June 30, 2009. 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 June 30, 2009, and of its financial performance and its cash flows for the six-month period then ended in accordance with International Accounting Standard no 34 as adopted by EU.

Oslo, July 16, 2009  
Deloitte AS

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

# Company information

## Address:

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 Filipstad Brygge 1  
 PO Box 1693 Vika  
 N-0120 Oslo

Telephone: + 47 - 22 31 50 50  
 Call centre (within Norway): 08880  
 Website: [www.storebrand.no](http://www.storebrand.no)  
 E-mail address: [bank@storebrand.no](mailto:bank@storebrand.no)

Company registration number: 953 299 216

## Senior Management:

Klaus-Anders Nysteen	Managing Director
Trond Fladvad	Finance Director
Robert Fjelli	Head of Markets
Monica Kristoffersen	Head of Retail Banking
Truls Nergaard	Head of Corporate Banking
Anne Grete T. Wardeberg	Head of Staff Functions

## Board of Directors:

Idar Kreutzer	Chairman
Stein Wessel-Aas	Deputy chairman
Kristine Schei	Board Member
Ida Helliesen	Board Member
Roar Thoresen	Board Member
Odd Arild Grefstad	Board Member
Heidi Storruste	Board Member

## Contact persons:

Klaus-Anders Nysteen. Managing Director. Tel.:+ 47 - 992 65 691  
 Trond Fladvad. Finance Director. Tel.:+ 47 - 928 97 173.

## Other sources of information:

Annual Reports and interim reports of Storebrand Bank ASA are published on [www.storebrand.no](http://www.storebrand.no).

