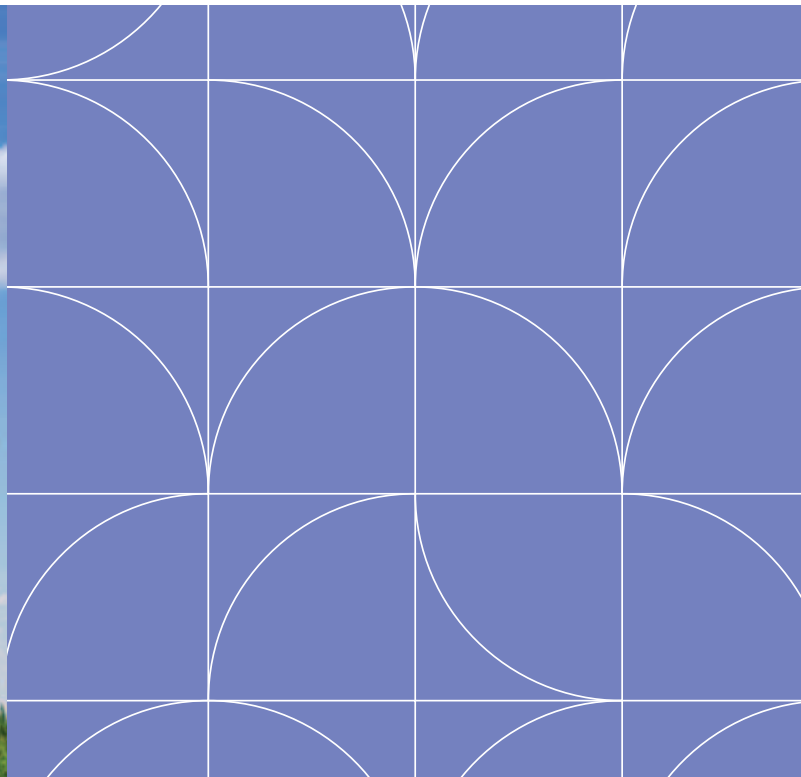


Storebrand Bank Group

4th Quarter 2009



Storebrand Bank Group

- interim report for and as of Q4 2009

(Figures for the corresponding period in 2008 shown in brackets)

- Good margins on loans, but continued high funding costs affected the development of the result in Q4
- Improved core (tier 1) capital ratio, good liquidity and robust funding structure
- Lending losses at a normalised level
- Improved risk profile in lending portfolio - lending for development properties reduced according to plan
- The bank's subsidiary Hadrian Eiendom delivered a good result in the quarter and has strengthened its market position

FINANCIAL PERFORMANCE - BANKING GROUP

The banking group's operating profit before losses amounted to NOK 25 million (NOK 19 million) for Q4 and NOK 80 million (NOK 155 million) for the full year.

Net interest income amounted to NOK 104 million (NOK 110 million) for Q4 and NOK 423 million (NOK 512 million) for the full year. The net interest margin as a percentage of the average total assets under management was 0.92% (1.14%) for Q4 and 0.95% (1.17%) for 2009.

The margins of all of the bank's primary products are developing positively. The redemption of loans with short maturity profiles taken out in autumn 2008 had a positive effect on interest income in the quarter. The low net interest income is due to an increased proportion of long-term financing, the composition of the balance sheet in relative to last year, and the development of money market interest rates in Q4 with the accompanying repricing of the bank's own borrowing.

Other income is substantially higher than in the same period in 2008. Hadrian Eiendom earned a high level of income from several transactions in the quarter and underlying operations in Ring Eiendomsmegling have been strengthened as a result of the improvement in the housing market. One-time effects in Ring Eiendomsmegling, including from restructuring costs, write-downs of accounts receivable, and goodwill, mean that the results for the quarter and the full year were nonetheless negative.

The bank has prioritised good liquidity since the autumn of 2008, which is reflected by a liquidity portfolio that has increased from NOK 3.4 billion as per 31 December 2008 to NOK 4.5 billion at year-end 2009. Changes in the market value of the banking group's liquidity portfolio of fixed income securities provided a positive result effect of NOK 2 million (minus NOK 22 million) for Q4 and NOK 22 million (minus NOK 10 million) for the full year. Financial derivatives had a positive effect on the result amounting to NOK 12 million (NOK 13 million), included in other income.

The increase in net commission income in Q4 compared with the same period last year was due to increased portfolio and guarantee commission. Net fee and commission income amounted to NOK 76 million for the year, compared to NOK 62 million in 2008.

Operating expenses in the banking activities¹⁾ amounted in 2009 to NOK 391 million compared to NOK 382 million in 2008. The bank has reduced staffing levels in the continued business by around 30% in the last three years, and the streamlining process continues at full strength. Staffing reductions were carried out in Q4 also, and further tasks transferred to Storebrand Baltic. The banking activities' costs ratio was 58% in the quarter.

Net lending write-downs amounted to NOK 13 million (NOK 85 million) for Q4 and NOK 46 million (NOK 122 million) for the full year. Total net write-downs in 2009 amounted to 0.13% of gross lending.

¹⁾ The banking activities consists of Storebrand Bank ASA, Storebrand Boligkreditt AS and Storebrand Eiendomskreditt AS

Market trends

A number of the bank's core markets improved in Q4. The housing market developed positively with respect to both the volume of transactions and prices. Demand for new housing also increased, but from a low level. Ring Eiendomsmegling won several major commissions to sell housing projects in Q4, and Hadrian Eiendom ended the year as Norway's most profitable market player in its sector.

Activity within commercial property increased, and in Q4 the bank's corporate department arranged the financing in one of the largest transactions in the Norwegian property market in 2009. The bank has some of the most satisfied and loyal customers in the retail market, and as part of its ambition to be Norway's best direct bank it launched several new services in the online bank during the year. The next milestone in the process will be the launch of Storebrand Bank's new online bank during H1 2010.

Development of the balance sheet

At the end of the quarter the banking group's assets under management amounted to NOK 43.0 billion compared to NOK 45.6 billion at year-end 2008. Gross lending to customers has decreased from NOK 39 billion at year-end 2008 to NOK 36 billion at year-end 2009. The total lending volume in the corporate market has decreased by 6% since Q4 2008. Storebrand Livsforsikring AS' lending, administered by Storebrand Bank ASA, remained almost unchanged and amounted to NOK 3.6 billion at year-end 2009. The total risk in the bank's lending portfolio decreased during Q4. At year-end 2008 the bank's portfolio of development loans amounted to NOK 2.7 billion. This portfolio was reduced as planned in 2009 and as per 31 December 2009 amounted to NOK 1.1 billion. ²⁾

The volume of deposits at year-end 2009 was NOK 18.3 billion and the deposit-to-loan ratio at the close of Q4 was 51%. This represents an improvement from 47% from year-end 2008.

A NOK 200 million capital increase was carried out in the bank in October 2009. Capital adequacy in the bank at the close of the quarter was 13.5% and the core (tier 1) capital ratio was 10.4%, compared to capital adequacy of 10.8% and a core (tier 1) capital ratio of 8.1% at year-end 2008. The profit for the year and net group contribution are added to the primary capital at year-end.

Storebrand Bank ASA established Storebrand Eiendomskreditt AS in Q2 as an issuer of covered bonds secured by mortgages. At the end of September 2009, the company started normal operations buying loans secured by commercial property from Storebrand Bank ASA and in October started issuing covered bonds. The establishment of Storebrand Eiendomskreditt in 2009 was an important part of Storebrand Bank's work to establish access to new sources of funding and increase the terms to maturity of external funding.

Access to long-term funding in the capital market is improving. Storebrand Bank has utilised the swap arrangement administered by Norges Bank through its subsidiaries Storebrand Boligkreditt and Storebrand Eiendomskreditt in connection with the issuing of covered bonds. At the end of the quarter, Storebrand Eiendomskreditt's gross lending totalled NOK 2.1 billion of a total lending volume in the retail market of NOK 11.2 billion. Storebrand Boligkreditt's gross lending totalled NOK 12.9 billion of a total lending volume in the retail market of NOK 25 billion.

Non-performing and loss-exposed loans without impairment fell by NOK 5 million in 2009 pursuant to the new definition of non-performing and loss-exposed loans. ³⁾

²⁾ Does not include development loans granted in 2009 and non-performing and loss-exposed loans with identified impairment.

³⁾ See note 10 for new definition of non-performing and loss-exposed loans.

The banking group's volume of non-performing and loss-exposed loans amounted to NOK 884 million, equivalent to 2.5% of gross lending, as per 31 December 2009, an increase from 2% of gross lending and NOK 834 million in 2008.

STOREBRAND BANK ASA'S PERFORMANCE

Net interest income continued to decrease in Q4 and for the full year compared to the year before. The reduction is a result of the establishment and transfer of lending to the financial institutions, which are both making a positive contribution to the group's net interest income. The parent bank's net interest income amounted to NOK 314 million at year-end 2009 and amounted to 0.80% (1.24%) of average assets under management in Storebrand Bank ASA (the parent bank).

The development in the parent bank's other income was positive during the quarter. The increase in unrealised gains associated with financial instruments amounted to NOK 56 million for 2009, of which the net unrealised gains for Q4 totalled NOK 23 million. The parent bank's liquidity portfolio has grown compared to the corresponding period last year because it has invested in covered bonds issued by its subsidiaries.

Q4 saw a net increase in write-downs of loans of NOK 23 million (NOK 85 million), and of NOK 80 million (NOK 121 million) for the full year, which included write-downs linked to loan commitments relating to repossessed assets. Total write-downs at the close of Q4 amounted to 0.7% of gross lending. Non-performing and loss-exposed loans without impairment amounted to NOK 256 million and non-performing and loss-exposed loans with impairment amounted to NOK 749 million as per 31 December 2009.

The deposit-to-loan ratio in the parent bank was 86% at year-end 2009, compared to 67% the year before. The development of the deposit-to-loan ratio in the parent company was affected by both the increased volume of deposits and sales of loans from the parent company to the financial institutions.

General

No events have occurred since the balance sheet date that would be material to the interim accounts

Customer growth, deposits, cross sales and implementing streamlining measures will be prioritised in 2010. Developments in the capital market, interest rate levels, unemployment and the housing market are considered the most significant risk factors that could affect the banking group's accounting figures over the next six months.

Lysaker, 16 February 2010
The Board of Directors of Storebrand Bank

Storebrand Bank ASA

PROFIT AND LOSS ACCOUNT

NOK MILLION	NOTE	Q4		FULL YEAR	
		2009	2008	2009	2008
Interest income		299.4	677.0	1 529.4	2 633.4
Interest expense		-226.7	-575.1	-1 215.4	-2 146.4
Net interest income	4	72.7	101.9	314.0	486.9
Fee and commission income from banking services		30.9	26.8	104.3	98.1
Fee and commission expenses for banking services		-7.6	-12.9	-17.9	-30.8
Net fee and commission income		23.3	13.9	86.4	67.2
Net income and gains from associated companies		0.3	-1.6	-1.2	23.3
Net gains on financial instruments at fair value	5	23.5	43.6	56.3	-2.7
Other income		73.0	0.8	74.3	6.7
Total other operating income		96.8	42.7	129.4	27.3
Staff expenses		-33.7	-34.7	-151.9	-134.3
General administration expenses		-22.9	-32.7	-20.1	-97.8
Other operating costs		-32.6	-37.3	-236.4	-145.4
Total operating costs		-89.1	-104.8	-408.4	-377.6
Operating profit before losses and other items		103.7	53.7	121.5	203.9
Write-downs for the period	10	-22.8	-85.3	-80.1	-121.2
Profit before tax		80.8	-31.6	41.3	82.7
Tax	6	-22.0	7.1	-10.9	-24.8
Profit for the year		58.9	-24.5	30.5	57.9

STATEMENT OF COMPREHENSIVE INCOME

NOK MILLION	NOTE	Q4		FULL YEAR	
		2009	2008	2009	2008
Pension experience adjustments		5.5	-3.4	5.5	-3.4
Profit for the period		58.9	-24.5	30.5	57.9
Total comprehensive income for the period		64.3	-27.9	35.9	54.5

Storebrand Bank ASA

STATEMENT OF FINANCIAL POSITION

NOK MILLION	NOTE	31.12.2009	31.12.2008
Cash and deposits with central banks		368.4	672.1
Loans to and deposits with credit institutions		2 320.0	1 306.9
Financial assets designated at fair value through profit and loss:			
Equity instruments		1.0	1.4
Bonds and other fixed-income securities	9	11 402.8	6 610.4
Derivatives		390.2	876.9
Other assets		2 223.6	1 025.6
Gross lending		21 301.1	27 463.7
- Write-downs of individual loans	10	-229.9	-262.4
- Write-downs of groups of loans		-106.1	-87.7
Net lending to customers		20 965.1	27 113.7
Investments in associated companies		26.4	27.6
Tangible assets	11	15.7	13.3
Intangible assets	11	48.1	54.1
Deferred tax assets		175.7	155.9
Total assets		37 937.0	37 858.1
Liabilities to credit institutions	12	10 355.5	6 517.1
Deposits from and due to customers		18 344.7	18 305.0
Other financial liabilities:			
Derivatives		289.0	467.1
Commercial paper and bonds issued	13	4 853.5	8 999.8
Other liabilities		730.4	433.1
Provision for accrued expenses and liabilities		14.1	19.9
Pension liabilities		79.5	80.1
Subordinated loan capital	13	960.4	962.0
Total liabilities		35 627.2	35 784.2
Paid in capital		1 635.2	1 316.8
Retained earnings		674.6	757.0
Total equity		2 309.8	2 073.9
Total equity and liabilities		37 937.0	37 858.1

Storebrand Bank Group

PROFIT AND LOSS ACCOUNT

NOK MILLION	NOTE	Q4		FULL YEAR	
		2009	2008	2009	2008
Interest income		366.6	815.3	1 817.7	2 940.5
Interest expense		-262.5	-705.3	-1 394.4	-2 428.0
Net interest income	4	104.2	109.9	423.3	512.5
Fee and commission income from banking services		27.6	25.0	94.0	92.8
Fee and commission expenses for banking services		-7.6	-12.9	-17.9	-30.8
Net fee and commission income		19.9	12.1	76.1	62.0
Net income and gains from associated companies		0.3	-1.6	-1.2	-1.6
Net gains on financial instruments at fair value	5	16.2	23.9	34.9	1.1
Other income		40.6	19.3	114.0	89.4
Total other operating income		57.2	41.6	147.8	88.9
Staff expenses		-57.2	-53.0	-220.9	-197.6
General administration expenses		-26.8	-37.0	-110.2	-114.4
Other operating costs		-62.1	-54.9	-201.0	-196.1
Unrealised loss real estate at fair value, assets repossessed	11	-10.0		-34.9	
Total operating costs		-156.1	-144.9	-567.0	-508.1
Operating profit before losses and other items		25.1	18.7	80.2	155.2
Write-downs for the period	10	-12.5	-85.4	-45.6	-121.8
Profit before tax		12.5	-66.7	34.5	33.3
Tax	6	-7.4	13.8	-15.4	-13.9
Profit for the year		5.2	-52.9	19.1	19.5
Allocated to:					
Shareholders		5.4	-51.8	20.4	23.1
Minority interests		-0.2	-1.1	-1.3	-3.7

STATEMENT OF COMPREHENSIVE INCOME

NOK MILLION	NOTE	Q4		FULL YEAR	
		2009	2008	2009	2008
Pension experience adjustments		5.5	-3.4	5.5	-3.4
Profit for the period		5.2	-52.9	19.1	19.5
Total comprehensive income for the period		10.7	-56.3	24.6	16.1
Allocated to:					
Shareholders		10.8	-55.2	25.9	19.7
Minority interests		-0.2	-1.1	-1.3	-3.7
Total		10.7	-56.3	24.6	16.1

Storebran Bank Group

STATEMENT OF FINANCIAL POSITION

NOK MILLION	NOTE	31.12.2009	31.12.2008
Cash and deposits with central banks		368.4	672.1
Loans to and deposits with credit institutions		424.3	333.7
Financial assets designated at fair value through profit and loss:			
Equity instruments	17	1.1	1.5
Bonds and other fixed-income securities	9, 17	4 484.7	3 439.5
Derivatives	17	807.4	1 791.7
Other assets		544.8	367.6
Gross lending	17	36 123.3	39 034.7
- Write-downs of individual loans	10	-182.0	-262.4
- Write-downs of groups of loans		-107.2	-88.3
Net lending to customers		35 834.2	38 684.0
Investments in associated companies		25.9	27.1
Tangible assets	11	19.4	18.5
Real estate at fair value	11	165.2	
Intangible assets and goodwill	11	129.7	142.8
Deferred tax assets		180.6	166.6
Total assets		42 985.6	45 645.0
Liabilities to credit institutions	12, 17	10 211.8	6 517.1
Deposits from and due to customers	17	18 319.8	18 291.5
Other financial liabilities:			
Derivatives	17	379.7	467.1
Commercial paper and bonds issued	13, 17	10 151.4	16 824.0
Other liabilities		587.0	422.7
Provision for accrued expenses and liabilities		14.1	19.9
Pension liabilities		79.5	80.1
Subordinated loan capital	13	960.4	962.0
Total liabilities		40 703.8	43 584.5
Paid in capital		1 516.8	1 316.8
Retained earnings		761.6	737.5
Minority interests		3.4	6.1
Total equity		2 281.9	2 060.5
Total equity and liabilities		42 985.6	45 645.0

Key figures

STOREBRAND BANK ASA

NOK MILLION AND PERCENTAGE	Q4		FULL YEAR	
	2009	2008	2009	2008
Profit and Loss account: (as % of avg. total assets)				
Net interest income ³⁾	0.74 %	1.15 %	0.80 %	1.24 %
Other operating income ⁴⁾	1.24 %	0.60 %	0.55 %	0.24 %
Main balance sheet figures:				
Total assets			37 937.0	37 858.1
Average total assets ¹⁾	38 880.9	37 718.2	39 321.0	39 404.7
Total lending to customers			21 301.1	27 463.7
Deposits from and due to customers as % of gross lending			86.1 %	66.7 %
Equity			2 309.8	2 073.9
Other key figures:				
Total non-interest income as % of total income	62.29 %	35.71 %	40.74 %	16.25 %
Loan losses and provisions as % of average total lending	0.41 %	1.19 %	0.32 %	0.38 %
Individual impairment loss as % of gross defaulted loans ⁵⁾			30.69 %	50.46 %
Non-performing and loss-exposed loans as% of total lending			4.72 %	2.21 %
Costs as % of operating income	46.23 %	66.11 %	77.08 %	64.93 %
Costs as % of avg. total assets	0.92 %	1.11 %	1.04 %	0.96 %
Return on equity after tax ²⁾	10.50 %	-3.33 %	1.94 %	2.78 %
Capital ratio			17.2 %	13.1 %

STOREBRAN BANK GROUP

NOK MILLION AND PERCENTAGE	Q4		FULL YEAR	
	2009	2008	2009	2008
Profit and Loss account: (as % of avg. total assets)				
Net interest income ³⁾	0.92 %	1.14 %	0.95 %	1.17 %
Other operating income ⁴⁾	0.70 %	0.48 %	0.50 %	0.34 %
Main balance sheet figures:				
Total assets			42 985.6	45 645.0
Average total assets ¹⁾	43 946.1	45 087.6	44 665.8	43 723.9
Total lending to customers			36 123.3	39 034.7
Deposits from and due to customers as % of gross lending			50.7 %	46.9 %
Equity			2 281.9	2 060.5
Other key figures:				
Total non-interest income as % of total income	42.53 %	32.81 %	34.59 %	22.74 %
Loan losses and provisions as % of average total lending	0.14 %	0.88 %	0.12 %	0.32 %
Individual impairment loss as % of gross defaulted loans ⁵⁾			31.65 %	50.46 %
Non-performing and loss-exposed loans as% of total lending			2.45 %	1.86 %
Costs as % of operating income banking activities	58.39 %	62.33 %	70.53 %	63.13 %
Costs as % of avg. total assets	1.33 %	1.29 %	1.19 %	1.16 %
Return on equity after tax ²⁾	0.37 %	-6.58 %	0.90 %	0.94 %
Capital ratio			13.5 %	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.

Reconciliation of changes in equity

STOREBRAND BANK ASA

NOK MILLION	SHARE-CAPITAL	SHARE PREMIUM RESERVE	OTHER PAID IN EQUITY	TOTAL PAID-IN EQUITY	REVENUE AND COSTS APPLIED TO EQUITY	OTHER EQUITY	TOTAL OTHER EQUITY	TOTAL EQUITY
Equity at 31.12.2007	916.6	0.0	400.3	1 316.8	27.1	688.3	715.4	2 032.3
Total comprehensive income for the period					-3.4	57.9	54.6	54.6
Equity transactions with owners:								
Provisions for group contribution						-13.0	-13.0	-13.0
Equity at 31.12.2008	916.6	0.0	400.3	1 316.8	23.8	733.3	757.0	2 073.9
Total comprehensive income for the period						30.5	35.9	35.9
Equity transactions with owners:								
Capital increase paid in	44.0	156.0		200.0				200.0
Group contribution received			118.4	118.4				118.4
Provision for group contribution				0.0		-118.4	-118.4	-118.4
Equity at 31.12.2007	960.6	156.0	518.7	1 635.2	29.3	645.3	674.6	2 309.8

The share capital is made up of 64,037,183 shares of nominal value NOK 15.

STOREBRAND BANK GROUP

NOK MILLION	MAJORITY'S SHARE OF EQUITY								TOTAL EQUITY
	SHARE-CAPITAL	SHARE PREMIUM RESERVE	OTHER PAID IN EQUITY	OTHR EQUITY				TOTAL OTHER EQUITY	
				TOTAL PAID-IN EQUITY	REVENUE AND COSTS APPLIED TO EQUITY	OTHER EQUITY	TOTAL OTHER EQUITY		
Equity at 31.12.2007	916.6	0.0	200.0	1 116.6	29.1	887.0	916.1	7.1	2 039.8
Total comprehensive income for the period					-3.4	23.1	19.8	-3.7	16.1
Equity transactions with owners:									
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 contributin paid					-200.3	-200.3			-200.3
Other changes / changes in minority interests						2.1	2.1	-0.2	1.8
Equity at 31.12.2008	916.6	0.0	400.3	1 316.8	25.7	711.9	737.6	6.079	2 060.5
Total comprehensive income for the period					5.5	20.4	25.9	-1.3	24.6
Equity transactions with owners:									
Capital increase paid in	44.0	156.0		200.0					200.0
Acquisitions					-1.0	-1.0			-1.0
Purchase of minority interests						0.0	-1.5		-1.5
Other changes					-0.7	-0.7	0.0		-0.7
Equity at 31.12.2009	960.6	156.0	400.3	1 516.8	31.2	730.5	761.7	3.4	2 281.9

The equity changes with the result for the individual period, equity transactions with the owners and items that are entered directly on the balance sheet. Share capital, the share premium fund and other equity is evaluated and managed together. The share premium fund may be used to cover a loss, and other equity may be used in accordance with the provisions of the Public Limited Liabilities Company Act.

Storebrand Bank pays particular attention to the active management of equity in the banking group. This management is tailored to the business-related financial risk and capital requirements in which the composition of its business areas and their growth will be an important driver for the group's capital requirements. The goal of the capital management is to ensure an effective capital structure and reserve an appropriate balance between internal goals in relation to regulatory and the rating companies' requirements. If there is a need for new equity, this must be procured by the holding company Storebrand Bank ASA.

Storebrand Bank is a financial group subject to statutory requirements regarding primary capital under the capital adequacy regulations. Primary capital encompasses both equity and subordinated loan capital. For Storebrand Bank, these legal requirements carry the greatest significance in its capital management.

The banking group's goal is to achieve a core (tier 1) capital ratio of 10% over time. In general, the equity of the banking group can be managed without material restrictions if the capital requirements are met and the respective legal entities have adequate solidity. Capital can be transferred from foreign legal entities with the consent of local supervisory authorities.

For further information on the group's fulfilment of the capital requirements, see note 15.

Cash flow statement

STOREBRAND BANK ASA			STOREBRAND BANK GROUP	
31.12.2008	31.12.2009	NOK MILLION	31.12.2009	31.12.2008
		Cash flow from operations		
2 660.0	1 436.6	Receipts of interest, commissions and fees from customers	1 966.5	3 072.2
-1 035.0	-592.5	Payments of interest, commissions and fees to customers	-592.5	-1 071.0
9 569.7	6 182.1	Net disbursement/payments on customer loans	2 773.1	-2 001.5
735.3	31.1	Net receipts/payments of deposits from banking customers	31.1	814.3
-3 891.6	-4 468.3	Net receipts/payments - securities at fair value	-925.5	-746.0
		Net receipts/payments - real estate at fair value	-94.7	
	5.7	Payments - taxes	-5.9	
-481.3	-348.5	Payments of operating costs	-460.5	-616.7
	138.9	Net receipts/payments on other operating activities	192.6	
7 557.1	2 385.0	Net cash flow from operating activities	2 884.2	-548.6
		Cash flow from investment activities		
2.0		Net receipts from sale of subsidiaries and associated companies		2.0
-520.5	-823.1	Net payments on purchase/capitalisation of subsidiaries		
-16.3	-21.1	Net payments on purchase/sale of fixed assets etc.	-22.2	-40.1
-534.7	-844.2	Net cash flow from investment activities	-22.2	-38.0
		Cash flow from financing activities		
-11 641.2	-5 209.6	Payments - repayments of loans and issuing of bond debt	-6 607.1	-11 543.2
3 005.9	954.0	Receipts - new loans and issuing of bond debt	269.5	9 821.1
-1 074.0	-540.5	Payments - interest on loans	-694.3	-1 356.2
-55.9		Payments - repayments of subordinated loan capital		-55.9
-68.2	-36.9	Payments - interest on subordinated loan capital	-36.9	-68.2
3 436.7	3 789.7	Net receipts/payments of liabilities to credit institutions	3 789.7	3 436.7
	200.0	Receipts - issuing of share capital and other equity	200.0	
212.1	24.9	Receipts - group contribution		200.3
-279.1	-13.0	Payments - group contribution / dividends		-278.2
-6 463.7	-831.4	Net cash flow from financing activities	-3 079.1	156.4
558.6	709.4	Net cash flow in period	-217.0	-430.3
1 420.4	1 979.0	Cash and bank deposits at the start of the period	1 005.8	1 436.1
		Cash and bank deposits at the start of the period for new companies	3.9	
1 979.0	2 688.4	Cash and bank deposits at the end of the period	792.7	1 005.8
672.1	368.4	Cash and deposits with central banks	368.4	672.1
1 306.9	2 320.0	Loans to and deposits with credit institutions	424.3	333.7
1 979.0	2 688.4	Total cash and bank deposits in the balance sheet	792.7	1 005.8

The cash flow analysis shows the group's cash flows for operational, investment and financial activities pursuant to the direct method. The cash flows show the overall change in means of payment over the year.

Operational activities

A substantial part of the activities in a financial group will be classified as operational.

Investment activities

Includes cash flows for holdings in group companies and tangible fixed assets.

Financing activities

Financing activities include cash flows for equity, subordinated loans and other borrowing that helps fund the group's activities. Payments of interest on borrowing and payments of group contribution are financial activities.

Cash/cash equivalents

Cash/cash equivalents are defined as claims on central banks and lending to and claims on financial institutions. Last year's figures have been restated in accordance with this definition.

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 nine months 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. 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. The equity statement was presented as a note to the accounts in 2008, but is now presented as a table after the statement of 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 accruals of the items in the financial statements for the accounting period.

NOTE 2 ESTIMATES

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.

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. The bank changed its definition of non-performing and loss-exposed loans in Q4, which resulted in more loans being defined as non-performing and loss-exposed. See the new definition in note 10.

NOTE 3 CHANGES IN THE COMPOSITION OF THE GROUP

The capital in Storebrand Bank ASA has been increased by NOK 200 million in the fourth quarter.

Notes to the account

NOTE 4 NET INTEREST INCOME

STOREBRAND BANK ASA		NOK MILLION	STOREBRAND BANK GROUP	
31.12.2008	31.12.2009		31.12.2009	31.12.2008
172.1	69.3	Interest and other income on loans to and deposits with credit institutions	28.3	66.8
2 255.1	1 167.2	Interest and other income on loans to and due from customers	1 662.1	2 686.9
197.1	281.2	Interest on commercial paper, bonds and other interest-bearing securities	115.6	175.5
9.1	11.7	Other interest income and related income	11.7	11.2
2 633.4	1 529.4	Total interest income	1 817.7	2 940.5
-180.2	-274.1	Interest and other expenses on debt to credit institutions	-277.7	-180.3
-1 004.3	-607.2	Interest and other expenss on deposits from and due to customers	-606.5	-1 003.6
-790.1	-234.4	Interest and other expenses on securities issued	-410.4	-1 070.9
-68.2	-38.9	Interest and expenses on subordinated loan capital	-38.9	-68.2
-103.6	-60.8	Other interest expenses and related expenses	-60.8	-105.0
-2 146.4	-1 215.4	Total interest expenses	-1 394.4	-2 428.0
486.9	314.0	Net interest income	423.3	512.5

NOTE 5 NET INCOME AND GAINS FROM FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

STOREBRAND BANK ASA		NOK MILLION	STOREBRAND BANK GROUP	
31.12.2008	31.12.2009		31.12.2009	31.12.2008
		<i>Equity instruments</i>		
		Dividends received from equity investments		
	2.3	Net gains/losses on realisation of equity investments	2.3	
-0.5	-0.2	Net change in fair value of equity investments	-0.2	-0.5
-0.5	2.1	Total equity investments	2.1	-0.5
		<i>Commercial paper and bonds</i>		
-2.5	3.5	Realised gain/loss on commercial paper and bonds	3.6	-3.7
-13.2	42.9	Unrealised gain/loss on commercial paper and bonds	18.9	-6.4
-15.7	46.4	Total gain/loss on commercial paper and bonds	22.5	-10.1
		<i>Financial derivatives and foreign exchange</i>		
28.2	2.7	Realised gain/loss on financial derivatives, held for trading	3.8	28.7
-14.6	5.2	Unrealised gain/loss on financial derivatives, held for trading	6.5	-17.0
13.5	7.9	Total financial derivatives and foreigh exchange	10.3	11.7
-2.7	56.3	Net income and gains from financial assets and liabilities at fair value	34.9	1.1

Notes to the account

NOTE 6 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 7 CLOSE ASSOCIATES

Covered bonds issued by Storebrand Boligkreditt AS and Storebrand Eiendomskreditt AS

Storebrand Bank ASA has invested a total of NOK 7.2 billion in covered bonds issued by Storebrand Boligkreditt AS and Storebrand Eiendomskreditt AS as of 31 December 2009. The investments are included in the liquidity portfolio in the parent company and are classified at fair value option. The investments have been eliminated in the consolidated accounts against bond issued by Storebrand Boligkreditt AS and Storebrand Eiendomskreditt AS.

Transferred financial assets - Norwegian Government's Swap arrangement

Transferred financial assets consist of swap agreements with the state through the Ministry of Finance concerning the posting of financial collateral. The swap agreements are entered into through auctions that are administrated by Norges Bank. In the swap agreement, the state sells state treasury bills to the bank through a time/restricted swap for covered bonds. The bank can either keep the state treasury bill and receive payment from the state when the swap falls due for repayment, or it may sell the treasury bill in the market. When the bills become due within the term of the swap agreement, the bank must purchase new bills from the state at the price that is determined by the market price for treasury bills. This roll/over will be on/going throughout the entire term of the agreement. Upon expiry of the swap agreement, the bank is obligated to purchase the covered bonds back from the state at the same price that the state purchased them for. Storebrand Bank ASA will receive the returns on the transferred covered bonds. All risk concerning the covered bonds continues to lie with Storebrand Bank ASA.

Transfers of lending between Storebrand Bank ASA and Storebrand Livsforsikring AS.

Storebrand Bank ASA has concluded an agreement concerning the sale of loans secured by mortgages in commercial property to Storebrand Livsforsikring AS. The portfolio of loans amounted to NOK 367.3 million. An agreement has also been concluded regarding Storebrand Bank ASA buying loans secured by mortgages in commercial property for NOK 414.3 million from Storebrand Livsforsikring AS. The transactions were executed to increase the volume of loans in Storebrand Eiendomskreditt AS. The loans will be used as collateral for use in the swap scheme established by Norges Bank. The loans sold to Storebrand Livsforsikring AS have different characteristics to the loans that shall be used in the swap schemes, but do not have a lower value or higher risk. The transfer was executed on commercial terms.

Lending transferred to Storebrand Boligkreditt AS and Storebrand Eiendomskreditt AS

Storebrand Bank ASA shall arrange the transfer and return of loans when changes have to be made, i.e. if there is a need to increase borrowing, change from variable to fixed interest, convert to employee loan or convert to a mortgage loan. The costs form part of the contractual administration fees. The mortgages will be transferred on commercial terms. Non-performing loans in Storebrand Boligkreditt AS and Storebrand Eiendomskreditt AS remain in the undertaking. These loans will, pursuant to the service agreement with Storebrand Bank ASA, be treated in the same way as non-performing loans in the bank. Specific non-performance reports are prepared for non-performing loans in Storebrand Boligkreditt AS and Storebrand Eiendomskreditt AS. These loans do not form part of the credit undertaking's total collateral. Loan to employees can be transferred to Storebrand Boligkreditt AS. The difference between the market interest rate and the subsidised interest rate is covered monthly by the company in which the debtor is employed.

Storebrand Bank AS has not pledged any guarantees in connection with loans to Storebrand Boligkreditt AS and Storebrand Eiendomskreditt AS.

Storebrand Bank ASA and Storebrand Boligkreditt AS have signed a management agreement pursuant to which Storebrand Boligkreditt AS will purchase administrative services from the bank. Storebrand Boligkreditt AS also purchases administrative services from Storebrand Livsforsikrings AS. Storebrand Bank ASA and Storebrand eiendomskreditt AS have signed a management agreement pursuant to which Storebrand Eiendomskreditt AS will purchase administrative services from the bank. Storebrand Eiendomskreditt AS also purchases administrative services from Storebrand Livsforsikrings AS.

Transactions with other 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 7.8 million to profit in the accounts for 2009 and the bank has a receivable due from the company of NOK 1.5 million as of 31.12.09. 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 0.4 million to profit in the accounts for 2009 and the bank has a receivable due from the company of NOK 0.5 million as of 31.12.09. The fees paid to the bank are based on the arm's length principle.

Notes to the account

NOTE 8 SEGMENT INFORMATION

Storebrand Bank group

Analysis of profit and loss account by activity:

NOK MILLION	CORPORATE				RETAIL				MARKETS			
	Q4		FULL YEAR		Q4		FULL YEAR		Q4		FULL YEAR	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Profit and loss items:												
Net interest income	42,8	69,7	174,7	264,1	81,0	76,3	307,0	262,8	1,4	2,6	7,4	11,8
Net fee and commission income	3,5	4,0	12,1	12,0	10,5	3,8	34,5	22,1	8,0	4,1	29,4	26,4
Other income	7,0	8,3	13,8	12,4	1,0	1,4	4,6	4,2	12,2	13,9	31,1	39,4
Operating costs	-15,6	-24,9	-63,9	-92,6	-50,8	-58,7	-257,2	-215,8	-18,9	-21,1	-68,7	-82,5
Operating profit before loan losses	37,7	57,1	136,7	195,9	41,8	22,8	88,9	73,3	2,7	-0,5	-0,8	-4,9
Write-downs	-17,3	-87,7	-61,6	-113,5	-5,0	-3,2	-18,9	-8,3				
Ordinary profit from continuing operations	20,4	-30,6	75,1	82,4	36,8	19,6	70,0	65,0	2,7	-0,5	-0,8	-4,9
Ordinary profit from businesses discounted	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Balance sheet items:												
Gross lending to customers			11 249,0	11 973,4			25 009,0	27 032,1				
Deposits from and due to customers			6 565,0	5 998,5			11 628,0	11 946,4				
Key figures:												
Cost as of % of income	29%	30%	32%	32%	55%	72%	74%	75%	87%	102%	101%	106%
Deposits from and due to customers as % of gross lending			58%	50%			46%	44%				

NOK MILLION	REAL ESTATE BROKING				TREASURY / OTHERS				TOTAL			
	Q4		FULL YEAR		Q4		FULL YEAR		Q4		FULL YEAR	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Profit and loss items:												
Net interest income	-2,0	1,1	-3,8	0,8	-19,1	-39,7	-62,0	-27,0	104,2	109,9	423,3	512,5
Net fee and commission income					-2,1	0,2	0,1	1,5	19,9	12,1	76,1	62,0
Other income	21,7	17,7	85,2	71,8	15,2	0,2	13,1	-38,9	57,2	41,6	147,8	88,9
Operating costs	-41,8	-40,1	-118,9	-117,2	-18,9	0,0	-23,4		-146,1	-144,9	-532,1	-508,1
Unrealised loss real estate at fair value, assets repossessed					-10,0		-34,9		-10,0		-34,9	
Operating profit before loan losses	-22,2	-21,3	-37,5	-44,6	-34,9	-39,3	-107,2	-64,5	25,1	18,7	80,2	155,2
Write-downs					9,8	5,5	34,9		-12,5	-85,4	-45,6	-121,8
Ordinary profit from continuing operations	-22,2	-21,3	-37,5	-44,6	-25,1	-33,9	-72,2	-64,5	12,5	-66,7	34,5	33,3
Ordinary profit from businesses discounted	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Balance sheet items:												
Gross lending to customers							-134,7	29,2			36 123,3	39 034,7
Deposits from and due to customers							126,8	346,6			18 319,8	18 291,5
Key figures:												
Cost as of % of income	213%	214%	146%	162%					81%	89%	82%	77%
Deposits from and due to customers as % of gross lending											51%	47%

Continues next page

Notes to the account

NOTE 8 SEGMENT INFORMATION (continued)

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 Seilduksгатen 25/31 AS. The bank's share is 50% and net profit as of 31 December is minus NOK 1.2 million. The subsidiaries Bjørndalen Panorama AS and Ullensaker Boligbygg KS are also included in this segment. 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 as of 31 December is NOK 0,5 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 2009. Net profit for Hadrian Eiendom AS and Hadrian Utvikling AS are respectively NOK 4.5 million and minus NOK 1.5 million in 2009.

Real estate broking: This segment solely comprises Ring Eiendomsmegling AS with subsidiaries in which the bank had a 100.0% ownership interest at the close of 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.

NOTE 9 OFF BALANCE SHEET LIABILITIES AND CONTINGENT LIABILITIES

STOREBRAND BANK ASA			STOREBRAND BANK GROUP	
31.12.2008	31.12.2009	NOK MILLION	31.12.2009	31.12.2008
366.4	247.7	Guarantees	247.7	366.4
11 593.7	8 826.1	Undrawn credit limits	3 096.3	3 345.0
11 960.1	9 073.8	Total contingent liabilities	3 344.0	3 711.4
2 116.9	3 195.6	Booked value of bonds pledged as security for the bank's D-loan and F-loan facility with the Norwegian central bank	3 143.5	2 116.9
2 002.3	6 841.4	Booked value of securities pledged as collateral for the government securities for covered bonds swap scheme	6 841.4	2 002.3
4 119.3	10 037.0	Total book value of off balance sheet liabilities	9 984.9	4 119.3

Undrawn credit limits reported in Storebrand Bank ASA as of 31.12.09 includes NOK 7 billion to the subsidiaries Storebrand Boligkreditt AS and Storebrand Eiendomskreditt AS.

Notes to the account

NOTE 10 LOSSES AND PROVISIONS FOR NON-PERFORMING AND LOSS-EXPOSED LOANS, GUARANTEES ETC.

STOREBRAND BANK ASA			STOREBRAND BANK GROUP	
31.12.2008	31.12.2009	NOK MILLION	31.12.2009	31.12.2008
		Non-performing and loss-exposed loans		
184.4	255.7	Non-performing loans without evidence of impairment	309.1	190.2
519.9	749.0	Non-performing and loss-exposed loans with evidence of impairment	574.8	519.9
704.3	1,004.7	Gross defaulted and loss-exposed loans	883.9	710.1
-262.4	-229.9	Provisions for individual impairment losses	-182.0	-262.4
442.0	774.8	Net defaulted and loss-exposed loans	702.0	447.8

The definition of non-performing and loss exposed was changed in Q4 2009. Commitments are regarded as non-performing and loss exposed:

- when a credit facility has been overdrawn for more than 90 days
- when a repayment loan has arrears older than 90 days
- when a credit card has arrears older than 90 days and the credit limit has been overdrawn. If a repayment plan has been agreed with the customer and is being adhered to, the overdraft is not regarded a non-performance.

When one of the three situations described above occurs, the commitment and the rest of the customer's commitments are regarded as non-performing and loss exposed. The number of days is counted from when the arrears exceed NOK 2,000.

The account is given a clean bill of health when there are no longer any arrears. The amount in arrears at the time of reporting can be less than NOK 2,000. The new definition is stricter than the previous version and results in more commitments being classed as non-performing and loss exposed. Comparable figures for 2008 have not been changed.

Key figures

50 %	31 %	Level of provisioning individual write-downs	32 %	50 %
-87.7	-106.1	Write-downs of groups of loans	-107.2	-88.3
-350.0	-336.0	Total write-downs	-289.1	-350.7
50 %	33 %	Total level of provisioning	33 %	49 %

STOREBRAND BANK ASA			STOREBRAND BANK GROUP	
FULL YEAR		NOK MILLION	FULL YEAR	
2008	2009		2009	2008
		Losses on loans and guarantees etc. during period		
-15.3	32.5	Change in individual impairment loss provisions	67.4	-15.3
-29.6	-18.4	Change in grouped impairment loss provisions	-18.8	-29.6
0.7	-9.9	Other write-down effects	-9.9	0.7
-79.9	-92.1	Realised losses specifically provided for previously	-92.1	-79.9
-0.6	-0.3	Realised losses not specifically provided for previously	-0.3	-0.6
3.5	8.0	Recoveries on previous realised losses	8.0	3.5
-121.2	-80.1	Write-downs for the period	-45.6	-121.2

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 the consolidated financial statements as of 31 December by an amount equal to the individual write-downs associated with the pertinent lending commitment in the parent bank of NOK 34.9 million.

Notes to the account

NOTE 11 INTANGIBLE ASSETS AND FIXED ASSETS

Costs of NOK 12.4 million were capitalised as of 31 December 2009 as intangible assets and fixed assets in Storebrand Bank ASA and Storebrand Bank Group. Accordingly costs of NOK 4.3 million were capitalised in Q4. 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 47 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 10 million in Q4. 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 as of 31 December 2009.

NOTE 12 LIABILITES TO CREDIT INSTITUTIONS

NOK MILLION	STOREBRAND BANK GROUP	
	31.12.2009	31.12.2008
Total liabilities to credit institutions without fixed maturity at amortised cost	22.8	40.2
F-loan:		
Maturity 2009		1 000.0
Maturity 2010	527.3	505.3
Maturity 2012	1 009.0	
Loan with fixed interest rate:		
Maturity 2009		275.0
Loan with floating interest rate:		
Maturity 2010	1 128.1	2 022.3
Maturity 2011	83.2	98.7
Maturity 2012	350.0	350.0
Maturity 2013	250.0	250.0
Total liabilities to credit institutions with fixed maturity at amortised cost	3 347.6	4 501.3
Borrowings under the Norwegian Government's Swap arrangement:		
Maturity 2010	992.1	994.1
Maturity 2011	2 359.8	981.5
Maturity 2013	2 500.9	
Maturity 2014	988.6	
Total liabilities to credit institutions with fixed maturity at fair value (FVO)	6 841.4	1 975.6
Total liabilities to credit institutions	10 211.8	6 517.1

Undrawn credit facilities totalled EUR 220 million at 31.12.2009.

The loan agreements contain standard covenants.

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

Notes to the account

NOTE 13 SECURITIES ISSUED AND SUBORDINATED LOAN CAPITAL

NOK MILLION	STOREBRAND BANK GROUP	
	31.12.2009	31.12.2008
Commercial paper	0.0	1 907.9
Bond loans	9 800.8	14 058.3
Structured bond loans	350.6	857.8
Subordinated loan capital	960.4	962.0
Total securities issued and subordinated loan capital	11 111.8	17 786.0

Specification of bonds issued and subordinated loan capital as of 31 December 2009 - Storebrand Bank Group

ISIN CODE	ISSUER	NET NOMINAL VALUE	CURRENCY	INTEREST	MATURITY	BOOK VALUE
						31.12.2009
Obligasjoner						
NO001029117	Storebrand Bank ASA	624.5	NOK	Fixed	22.11.2010	631.2
NO001035009	Storebrand Bank ASA	273.0	NOK	Fixed	16.06.2010	275.9
NO001043982	Storebrand Bank ASA	310.0	NOK	Fixed	04.06.2015	317.0
NO001045553	Storebrand Bank ASA	327.0	NOK	Fixed	03.09.2012	332.4
NO001051323	Storebrand Bank ASA	300.0	NOK	Fixed	25.05.2016	294.1
NO001025224	Storebrand Bank ASA	325.0	NOK	Floating	14.01.2010	325.1
NO001047340	Storebrand Bank ASA	408.0	NOK	Floating	21.11.2013	416.6
NO001049263	Storebrand Bank ASA	900.0	NOK	Floating	20.02.2012	900.5
NO001050777	Storebrand Bank ASA	548.0	NOK	Floating	30.04.2014	552.8
NO001054848	Storebrand Bank ASA	500.0	SEK	Floating	26.01.2012	404.5
Accrued interest expenses						52.9
Total bond loans						4 502.9
Covered bonds						
XS0366475662	Storebrand Boligkreditt AS	141.2	EUR	Fixed	28.05.2010	1 188.1
NO0010428584	Storebrand Boligkreditt AS	1 000.0	NOK	Fixed	06.05.2015	1 048.5
NO0010428592	Storebrand Boligkreditt AS	640.0	NOK	Floating	02.05.2011	639.5
NO0010466071	Storebrand Boligkreditt AS	1 250.0	NOK	Fixed	24.04.2014	1 295.4
NO0010548373	Storebrand Boligkreditt AS	1 000.0	NOK	Fixed	28.10.2019	992.7
Accrued interest expenses						133.7
Total covered bonds						5 297.9

Continues next page

Notes to the account

NOTE 13 SECURITIES ISSUED AND SUBORDINATED LOAN CAPITAL (continued)

Specification of bonds issued and subordinated loan capital as of 31 December 2009 - Storebrand Bank Group

NOK MILLION							BOOK
ISIN CODE	ISSUER	NET NOMINAL VALUE	CURRENCY	INTEREST	MATURITY		VALUE 31.12.2009
Structured bond loans							
NO001029838	Storebrand Bank ASA	81.3	NOK	Zero coupon	25.03.2010		81.0
NO001030481	Storebrand Bank ASA	31.1	NOK	Zero coupon	26.11.2010		30.5
NO001032252	Storebrand Bank ASA	20.0	NOK	Zero coupon	06.09.2010		19.7
NO001032930	Storebrand Bank ASA	73.7	NOK	Zero coupon	27.10.2010		72.0
NO001034110	Storebrand Bank ASA	60.0	NOK	Zero coupon	16.12.2010		58.5
NO001034675	Storebrand Bank ASA	75.0	NOK	Zero coupon	22.12.2010		73.0
NO001035920	Storebrand Bank ASA	17.0	NOK	Zero coupon	23.05.2011		15.9
Total structured bond loans							350.6
NOK MILLION							BOOK
ISIN CODE	ISSUER	NET NOMINAL VALUE	CURRENCY	INTEREST	CALL DATO		VALUE 31.12.2009
Dated subordinated loan capital							
NO001027568	Storebrand Bank ASA	175.0	NOK	Floating	15.07.2010		175.0
NO001034566	Storebrand Bank ASA	100.0	NOK	Floating	22.12.2011		99.9
NO001036427	Storebrand Bank ASA	250.0	NOK	Floating	08.05.2012		249.8
NO001040278	Storebrand Bank ASA	150.0	NOK	Floating	17.12.2012		150.0
Other subordinated loan capital							
NO001771168	Storebrand Bank ASA	9.3	NOK	Fixed			9.3
Tier 1 hybrid capital							
NO001024206	Storebrand Bank ASA	107.0	NOK	Fixed	29.10.2014		107.1
NO001024207	Storebrand Bank ASA	168.0	NOK	Floating	29.10.2014		167.1
Accrued interest expenses							2.1
Total subordinated loan capital incl. Tier 1 hybrid capital							960.4
Total securities issued and subordinated loan capital							11 111.8

The loan agreements contain standard covenants.

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

Notes to the account

NOTE 14 RISK MANAGEMENT

Risk management in Storebrand Bank covers the areas of credit, market, liquidity and operational risk. Specific risk management policies have been drawn up for credit, market and liquidity risk, which have been approved by Storebrand Bank's board of directors and are subject to annual review. A balance sheet management committee has been established to help provide effective and rational decision-making support to the bank's management in their asset and liability management. The balance sheet management committee is an advisory body for the bank's management and holds monthly meetings. Storebrand Bank utilises the standard method for credit risk in the capital adequacy regulations (pillar 1), the standard method for market risk, and the basic method for operational risk. In its ICAAP (pillar 2) the bank has assessed the total capital requirement for the banking group. Apart from credit, market and operational risk as calculated in pillar 1, the calculated capital requirement also takes into account extra capital requirements linked to concentration, liquidity, residual, market and reputation risk, among others. The bank is regarded as well capitalised in relation to the business' risk profile. The bank changed its definition of non-performing and loss-exposed loans without impairment from and including Q4 2009. The new definition is significantly stricter in a number of ways and complies with all the requirements of the capital adequacy regulations.

Credit risk/counterparty risk

Storebrand Bank is exposed to credit risk in connection with lending and counterparty risk in connection with other financial instruments. Storebrand Bank ASA places great importance on maintaining close relationships with its corporate customers and monitoring credit risk in this portfolio. The bank has set routines for reviewing credit. A significant proportion of Storebrand Bank's corporate lending is linked to real estate in the greater Oslo area. Storebrand monitors economic conditions and the real estate market closely. All credit approvals over a certain limit in the corporate segment must be approved by either a credit committee chaired by the bank's managing director or the bank's board of directors. Credit risk is monitored through a risk classification system that ranks each customer by ability to pay, financial strength, and collateral. The risk classification system estimates the likelihood of a borrower defaulting (ability to pay/financial condition) and the likely loss given default (collateral). Separate credit approval processes are used for retail lending. Retail lending is approved on the basis of credit scoring, combined with case-by-case evaluation of the borrower's ability to repay. Loans are primarily granted with collateral in housing. In January 2008, the bank decided to no longer offer loan financing secured by collateral in structured products in the retail market. The bank manages its exposure to counterparty risk when placing its liquidity or through other exposure on the basis of the counterparty's credit rating and size.

Market risk

Market risk is the risk that unexpected and adverse movements in interest or exchange rates reduce the value of the bank's assets. Storebrand Bank manages its exposure in the interest rate market to ensure that the net interest rate sensitivity of assets and liabilities is as small as possible. Interest rate hedging shall be structured such that it has a moderate accounting effect. All instruments and products with a maturity period in excess of six months are subject to a specific hedging policy for financial and accounting hedging.

The interest risk is measured by shocking the interest rate curve by 2 percentage points in an unfavourable direction for all balance sheet items. The interest rate shock in combination with VaR is used to manage the interest risk in the sub-portfolios, investment portfolios, borrowing in certificates and the bond market at fixed rates (over six months), and lending to customers. The hedging is included in the risk measurement of the portfolios.

Storebrand Bank's policy is to fully hedge currency risks, and positions must be covered continuously as they become large enough for this to be financially appropriate within set limits.

Derivatives

Derivatives shall primarily be used to adjust the interest rate sensitivity position, currency position, liquidity position and manage the price risk associated with structured products. Derivatives will also be an integral part of the activities in Storebrand Markets. The bank thus has no trading portfolio consisting of derivatives. The derivatives that can be used in hedging situations are interest rate swaps, interest rate currency swaps, currency swaps, future interest rate agreements, interest rate futures, buy back agreements, interest rate options, currency options, and options linked to structured products. In this way Storebrand Bank's market risk is kept marginal in relation to the bank's total activities.

Market risk is reported monthly to the balance sheet management committee and the board of directors.

Liquidity risk

The liquidity policy applies to the parent bank. The banking group's liquidity gap and proportion of long-term funding is also calculated. Liquidity risk refers to the risk that the bank is not able to meet all its financial liabilities as they fall due for payment. The liquidity in the bank and credit institutions shall be sufficient to support balance sheet growth and repay funding and deposits as they mature. The bank and credit institutions manage their liquidity positions based on a running liquidity gap, which shows the gap between expected and stress tested cash flows in and out on the date of the balance sheet, long-term funding proportions, and liquidity reserves.

The liquidity policy shall take account of and ensure sufficient funding to avoid liquidity problems in situations such as, for example:

- Uncertainty surrounding owner/group companies.
- Uncertainty among investors about the banking sector in general, including losses or financial criminality.
- Downgrading of the bank's rating.
- Unplanned reductions in deposits.
- Falls in market values in the investment portfolio (liquidity portfolio).
- The bank experiencing funding problems due to distrust of the bank in the market without downgrading of the bank's rating.

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Notes to the account

NOTE 14 RISK MANAGEMENT *(continued)*

The bank's liquidity is primarily affected by changes in deposits and lending, as well as financial activities. In order to ensure a proper liquidity situation, the bank must maintain a minimum holding of liquid assets and ensure stable access to varied and cost effective funding that is tailored to the bank's asset side. The ways in which Storebrand Bank must maintain good liquidity include by:

- Attracting a large proportion of reasonable and stable core deposits from customers.
- Maintaining a minimum holding of liquid assets in the form of short-term investments in banks and tradeable securities.
- Having access to stable and long-term funding to reduce the need for continuous short-term borrowing.
- Maintaining a broad funding structure to ensure it is not dependent on a few major investors.
- Maintaining a broad term to maturity structure to avoid concentrations of large repayments and in this way be able to avoid having to take up large new loans when funding spreads are high. Due dates for new borrowing must also be planned to achieve the bank's goal of always having, in stressed situations, sufficient liquidity to cover all borrowed amounts due for a minimum of 3 months without having far too large a liquidity portfolio.
- Ensuring uncommitted lines of credit to cover current liquidity needs.
- Ensuring committed credit lines to cover unforeseen needs. It is a goal that committed credit lines and available unused covered bonds should be able to cover losses of certificate funding and other short-term borrowing, as well as deposits.

The liquidity position is managed with the aid of indicators, minimum liquidity holdings, Financial Indicator I (i.e. short-term funding indicators are measured in unstressed and stressed situations in which goals are set for stressed situations) and Financial Indicator II (i.e. long-term funding indicators). The minimum liquidity holding describes the liquidity holding the bank must have to ensure that it always has sufficiently liquidity to cover ordinary day-to-day transaction volumes and at the same time take account of the liquidity requirement that is necessary for the bank to stay within the green limits under the goal in Financial Indicator I (short-term financial indicator) in a stressed situation. Financial Indicator I describes the liquidity reserve the bank has in ordinary and stressed situations. This goal takes into account situations caused by the market in general and the company specifically, or a combination of these. Financial Indicator II shows the proportion of long-term funding over 1 and 3 years respectively.

The liquidity position and financial indicators are reported monthly. Liquidity management is carried out by treasury in the bank on a day-to-day basis and controlled by the risk management department. A separate risk management system, Quantitative Risk Management, is used to manage and measure the liquidity risk.

Operational risk

Operational risk management is an integral part of the management responsibilities in Storebrand Bank corporate governance structure, in which the risk is assessed against the organisation's ability to attain its goals as part of the value-based management model. The bank has continued to adhere to the principles that follow from the group's risk assessment policy (introduced in 2005). The objective of the risk review is to reach a common understanding of the overall risk picture for the group's activities, and through this contribute to a broader basis for making decisions in connection with important prioritisations. Risk assessments are therefore an important part of the basis for adopting the group's strategy and approving the level of risk in the business plan. Risk assessments take the current situation and how the risk owner experiences risk, based on the existing internal control, as their starting point. After this an assessment is made of the assumed risk after planned improvement measures have been implemented. This assumes that the risk owner implicitly confirms how the internal control functions (cf. the Internal Control Regulations). Risk assessments are integrated into the value-based management system through linking risk assessments to the units' ability to achieve their business goals, comply with regulatory requirements and the degree to which the risk will affect Storebrand's reputation.

The bank's internal control activities in the form of risk assessments, monitoring and reporting satisfy the requirements of the Internal Control Regulations.

NOTE 15 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 31 December 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.

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Notes to the account

NOTE 15 CAPITAL ADEQUACY (continued)

Net primary capital

STOREBRAND BANK ASA			STOREBRAND BANK GROUP	
31.12.2008	31.12.2009	NOK MILLION	31.12.2009	31.12.2008
916.6	960.6	Share capital	960.6	916.6
1 157.3	1 349.2	Other equity	1 321.3	1 143.9
2 073.9	2 309.8	Total equity	2 281.9	2 060.5
		Deductions:		
		Minority's share of equity		-6.1
		Goodwill	-50.4	-54.7
-54.1	-48.1	Intangible assets	-79.3	-88.1
-155.9	-175.7	Deferred tax asset	-180.6	-166.6
		Addition:		
275.9	276.4	Perpetual subordinated bonds	276.4	275.9
13.0		Proportion of pension experience adjustments not amortised		13.0
2 152.7	2 362.4	Core capital	2 248.0	2 033.8
683.9	684.0	Supplementary capital	684.0	683.9
2 836.5	3 046.4	Net primary capital	2 932.0	2 717.7

Minimum capital requirement

STOREBRAND BANK ASA			STOREBRAND BANK GROUP	
31.12.2008	31.12.2009	NOK MILLION	31.12.2009	31.12.2008
1 662.7	1 357.9	Credit risk	1 653.1	1 935.8
		Of which:		
1.6	1.6	Local and regional authorities	1.6	1.6
120.5	235.2	Institutions	56.1	50.8
836.5	389.5	Corporates	545.6	838.0
453.8	469.0	Loans secured on real estate	846.4	777.0
133.6	77.5	Retail market	77.5	133.6
32.2	75.0	Loans past-due	77.7	32.9
31.9	62.1	Covered bonds	4.0	4.0
52.5	48.0	Other	44.3	97.8
1 662.7	1 357.9	Total minimum requirement for credit risk	1 653.1	1 935.8
0.0	0.0	Total minimum requirement for market risk	0.0	0.0
76.9	70.0	Operational risk ¹⁾	91.9	84.0
		Deductions:		
-7.0	-8.5	Write-downs of groups of loans	-8.6	-7.0
1 732.6	1 419.4	Minimum requirement for capital base	1 736.4	2 012.8

Capital adequacy

STOREBRAND BANK ASA			STOREBRAND BANK GROUP	
31.12.2008	31.12.2009		31.12.2009	31.12.2008
13.1 %	17.2 %	Capital ratio	13.5 %	10.8 %
9.9 %	13.1 %	Core capital ratio	10.4 %	8.1 %

¹⁾ The figure for 2009 is calculated as an average of total income for 2007, 2008 and 2009.

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. capital adequacy.

Notes to the account

NOTE 16 QUARTERLY PROFIT AND LOSS

Storebrand Bank ASA

NOK MILLION	Q4 2009	Q3 2009	Q2 2009	Q1 2009	4Q4 2008	Q3 2008	Q2 2008	Q1 2008
Interest income	299.4	326.9	388.8	514.4	677.0	654.4	647.4	654.6
Interest expense	-226.7	-240.1	-331.9	-416.8	-575.1	-515.9	-519.9	-535.4
Net interest income	72.7	86.8	56.9	97.6	101.9	138.4	127.4	119.2
Fee and commission income from banking services	30.9	25.4	24.2	23.8	26.8	25.1	27.7	18.5
Fee and commission expenses for banking services	-7.6	-3.9	-4.9	-1.4	-12.9	-8.7	-8.8	-0.5
Net fee and commission income	23.3	21.5	19.3	22.4	13.9	16.4	18.9	18.1
Net income and gains from associated companies	0.3	-0.5	-0.5	-0.5	-1.6	0.0	0.0	0.0
Net gains on financial instruments at fair value	23.5	51.1	49.8	-68.1	43.6	-16.4	0.0	-5.0
Other income	73.0	0.2	0.3	0.8	0.8	0.2	2.2	3.6
Total other operating income	96.8	50.8	49.6	-67.8	42.7	-16.2	2.2	-1.5
Staff expenses	-33.7	-48.0	-33.6	-36.8	-34.7	-34.9	-32.9	-31.8
General administration expenses	-22.9	-22.8	-24.5	-26.6	-32.7	-23.1	-18.8	-23.1
Other operating cost	-32.6	-59.5	-30.8	-36.7	-37.3	-33.4	-34.0	-40.7
Total operating costs	-89.1	-130.3	-88.8	-100.1	-104.8	-91.4	-85.7	-95.7
Operating profit before losses and other itmes	103.7	28.7	37.0	-48.0	53.7	47.3	62.8	40.1
Write-downs for the period	-22.8	-10.4	-18.5	-28.4	-85.3	-26.4	-10.9	1.5
Profit before tax	80.8	18.4	18.5	-76.3	-31.6	20.8	51.9	41.6
Tax	-22.0	-5.1	-5.2	21.4	7.1	-5.9	-14.4	-11.6
Profit for the year	58.9	13.2	13.3	-54.9	-24.5	14.9	37.5	30.0

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Notes to the account

NOTE 16 QUARTERLY PROFIT AND LOSS (continued)

Storebrand Bank group

NOK MILLION	Q4 2009	Q3 2009	Q2 2009	Q1 2009	4Q4 2008	Q3 2008	Q2 2008	Q1 2008
Interest income	366.6	378.6	433.1	639.4	815.3	765.3	700.8	659.1
Interest expense	-262.5	-273.1	-340.5	-518.3	-705.3	-615.9	-573.4	-533.3
Net interest income	104.2	105.4	92.6	121.1	109.9	149.4	127.4	125.7
Fee and commission income from banking services	27.6	23.1	21.9	21.5	25.0	23.7	26.0	18.1
Fee and commission expenses for banking services	-7.6	-3.9	-4.9	-1.4	-12.9	-8.7	-8.8	-0.5
Net fee and commission income	19.9	19.1	17.0	20.1	12.1	15.0	17.3	17.6
Net income and gains from associated companies	0.3	-0.5	-0.5	-0.5	-1.6	0.0	0.0	0.0
Net gains on financial instruments at fair value	16.2	13.5	8.4	-3.2	23.9	-16.6	-1.1	-5.1
Other income	40.6	26.5	24.4	22.5	19.3	20.5	27.5	22.1
Total other operating income	57.2	39.5	32.4	18.8	41.6	3.9	26.4	17.0
Staff expenses	-57.2	-64.0	-51.3	-53.0	-53.0	-50.3	-49.7	-44.7
General administration expenses	-26.8	-25.9	-27.5	-29.8	-37.0	-26.7	-23.7	-27.0
Other operating cost	-62.1	-46.0	-43.2	-45.2	-54.9	-45.4	-49.5	-46.3
Unrealised loss real estate at fair value, assets repossessed	-10.0	-6.3	-18.6	0.0	0.0	0.0	0.0	0.0
Total operating costs	-156.1	-142.3	-140.6	-128.0	-144.9	-122.4	-122.9	-118.0
Operating profit before losses and other itmes	25.1	21.8	1.4	32.0	18.7	45.9	48.1	42.4
Write-downs for the period	-12.5	-3.9	-0.4	-28.7	-85.4	-26.8	-11.1	1.5
Profit before tax	12.5	17.8	0.9	3.2	-66.7	19.2	37.0	43.9
Tax	-7.4	-5.4	-1.9	-0.7	13.8	-5.2	-10.7	-11.7
Profit for the year	5.2	12.4	-0.9	2.5	-52.9	13.9	26.2	32.2

Notes to the account

NOTE 17 VALUATION

Specification of financial assets to fair value - Storebrand Bank Group

Shares

NOK MILLION	QUOTED PRICES	OBSERVABLE PRE-CONDITIONS	NON- OBSERVABLE PRE-CONDITIONS	BOOK VALUE 31.12.2009	BOOK VALUE 31.12.2008
Shares		1.1		1.1	1.5
Total	0.0	1.1	0	1.1	1.5

Lending to customers

NOK MILLION	QUOTED PRICES	OBSERVABLE PRE-CONDITIONS	NON- OBSERVABLE PRE-CONDITIONS	BOOK VALUE 31.12.2009	BOOK VALUE 31.12.2008
Lending to customers		758.3		758.3	282.9
Total	0.0	758.3	0.0	758.3	282.9

Bonds and other fixed-income securities

NOK MILLION	QUOTED PRICES	OBSERVABLE PRE-CONDITIONS	NON- OBSERVABLE PRE-CONDITIONS	BOOK VALUE 31.12.2009	BOOK VALUE 31.12.2008
Asset backed securities		100.5		100.5	101.1
Finance, Banking and Insurance		2 222.8		2 222.8	1 762.4
Sovereign and Government Guaranteed		1 810.7		1 810.7	1 274.1
Local authorities		350.8		350.8	301.9
Total	0.0	4 484.7	0.0	4 484.7	3 439.5

Derivates

NOK MILLION	QUOTED PRICES	OBSERVABLE PRE-CONDITIONS	NON- OBSERVABLE PRE-CONDITIONS	BOOK VALUE 31.12.2009	BOOK VALUE 31.12.2008
Equity options	0.2			0.2	0.5
Forward foreign exchange contracts	-16.4			-16.4	157.0
Basis swaps		105.4		105.4	914.8
Interest rate swaps		338.5		338.5	603.9
Total derivatives	-16.2	443.9		427.7	1 676.2
- Derivatives designated to hedge accounting ¹⁾					351.6
Total derivatives excl. hedge accounting	-16.2	443.9	0.0	427.7	1 324.6
Derivatives with a positive fair value	46.6	760.7		807.4	1 791.7
Derivatives with a negative fair value	-62.9	-316.9		-379.7	-467.1
Total	-16.2	443.9	0.0	427.7	1 324.6

¹⁾ As per 31 December 2009, derivative contracts earmarked for hedge accounting are presented on the derivatives line under assets and liabilities on the balance sheet. The previous years figures have not been restated and derivatives earmarked for hedging are presented together with the hedging object as per 31 December 2008.

Notes to the account

NOTE 17 VALUATION (continued)

Specification of financial liabilities to fair value - Storebrand Bank Group

NOK MILLION	QUOTED PRICES	OBSERVABLE PRE-CONDITIONS	NON-OBSERVABLE PRE-CONDITIONS	BOOK VALUE 31.12.2009	BOOK VALUE 31.12.2008
Liabilities to credit institutions		6 841.4		6 841.4	1 977.6
Deposits from and due to customers		173.0		173.0	167.9
Commercial paper and bonds issued					934.1
Total		7 014.4		7 014.4	3 079.6

Changes between quoted prices and observable pre-conditions

NOK MILLION	31.12.2009
From quoted prices to observable pre-conditions	0,0
From observable pre-conditions to quoted prices	0,0

Below is a description of the booked financial instruments as per 31 December 2009 and the basis on which their fair value is measured.

Equities

Unlisted equities and units are measured at fair value based on valuation techniques.

Lending to customers classified at FVO

Lending to customers is measured at fair value based on valuation techniques. The valuation techniques use interest rate curves from Reuters and credit spreads for equivalent new loans as per the end of December.

Bonds and other fixed-income securities

Norwegian bonds and other fixed-income securities are measured at fair value based on valuation techniques. The valuation techniques use interest rate curves and credit spreads from external providers and are quality assured using price checks at year-end, primarily through comparing prices against other price providers.

Derivatives

Equity-linked bonds are priced on the basis of received, tradeable market prices from our counterparties as per 29 December 2009. Foreign exchange contracts are translated to NOK based on Norges Bank's exchange rates as per 29 December 2009. Interest rate swaps and base rate swaps are measured at fair value based on valuation techniques. Interest rate curves from external providers are used in the valuation techniques.

Financial liabilities

Financial liabilities are measured at fair value based on valuation techniques. The valuation techniques use interest rate curves and credit spreads from external providers.

Company information

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Senior Management:

Klaus-Anders Nysteen	Managing Director
Lars Syse Christiansen	Finance Director
Robert Fjelli	Head of Markets
Trond Fladvad	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
Roar Thoresen	Board Member
Odd Arild Grefstad	Board Member
Heidi Storruste	Board Member

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Other sources of information:

Annual Reports and interim reports of Storebrand Bank ASA are published on www.storebrand.no.

