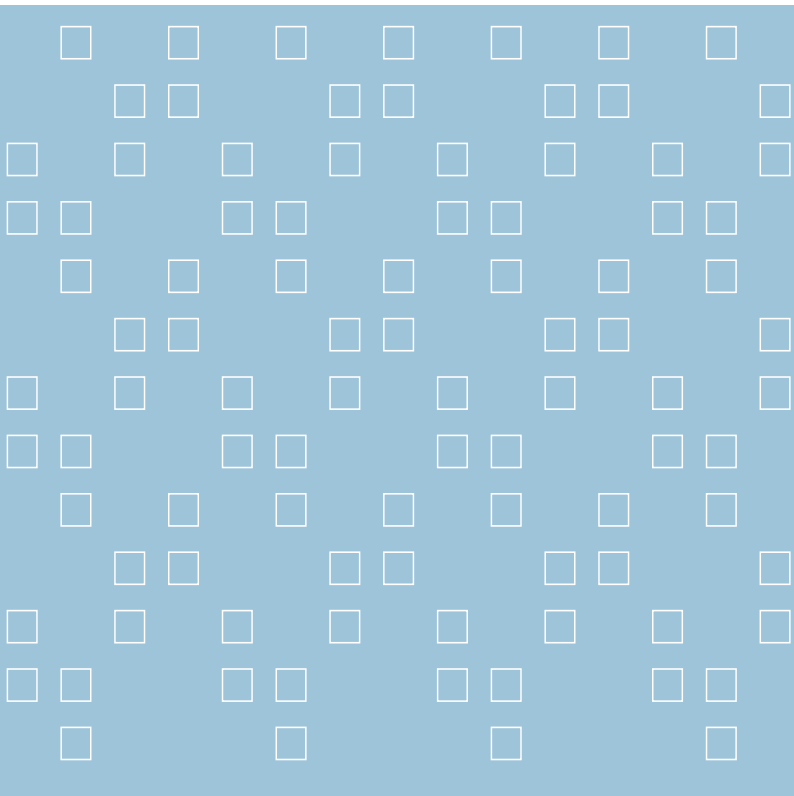


Interim Report Storebrand Livsforsikring AS  
First half 2009



# Interim report for Storebrand Livsforsikring Group

## - first half 2009

### IN BRIEF

- Satisfactory customer growth within the Service Pension area
- Positive net transferred reserves of NOK 1 billion for the first six months of the year, of which net transferred out of NOK 0.1 billion in Q2
- Strengthened returns on Q2 produce positive results
- Satisfactory financial position at Storebrand Liv Group; a solvency margin of 154 percent and a capital adequacy of 15.8 percent and by the end of the first six months of the year

In June 2009, Storebrand Livsforsikring AS issued a bond that was listed on the Oslo Stock Exchange.

Storebrand Livsforsikring AS is a wholly owned subsidiary of the listed company Storebrand ASA. For information about the Storebrand Group's half-year result please refer to the Storebrand Group's interim report for the first half of 2009.

The official financial statements of the Storebrand Group are prepared in accordance with the International Financial Reporting Standards (IFRS), while the official consolidated financial statements of Storebrand Livsforsikring AS are prepared in accordance with the Annual Accounts Regulations for Insurance Companies.

One significant difference between the Annual Accounts Regulations and IFRS is that pursuant to IFRS one can charge additional statutory reserves continuously throughout the year, while pursuant to the Annual Accounts Regulations this is only permissible upon the preparation of the annual financial statements.

For the first six months of the year, a credit of NOK 384 million is estimated on additional statutory reserves and buffer provisions to cover returns falling below the guarantees in some of the customer portfolios. The Norwegian Regulation relating to Financial Statements for Insurance Companies (regnskapsforskriften for forsikringselskaper) does not give rise to charge from the additional statutory reserves in the interim financial report; this results in a charge on the results for the holder of NOK 384 million for the first six months of the year, which is presented under "Other results related to the company portfolio/Other". However, this needs to be taken into account in estimating the capital base when calculating the capital adequacy and solvency.

The table below summarises the information in the consolidated financial statements for Storebrand Livsforsikring AS based on IFRS principles.

### RISK

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

### PROFIT AND LOSS LIFE AND PENSION

The Company's Norwegian and Swedish activities are presented without intercompany transactions.

Profit and loss Life and Pension <sup>1)</sup>

NOK million	Q2		01.01 - 30.06		Full year
	2009	2008	2009	2008	2008
Life and Pension Norway	286	176	158	561	348
Life and Pension Sweden	216	-43	-304	19	831
<b>Result before amortisation and write-downs</b>	<b>502</b>	<b>133</b>	<b>-147</b>	<b>580</b>	<b>1 179</b>
Amortisation intangible assets	-81	-129	-167	-259	-476
Write-downs intangible assets					-2 500
<b>Pre-tax profit/loss</b>	<b>421</b>	<b>4</b>	<b>-313</b>	<b>322</b>	<b>-1 797</b>
Tax	2	28	3	-210	-471
<b>Profit/loss after tax</b>	<b>423</b>	<b>32</b>	<b>-310</b>	<b>112</b>	<b>-2 269</b>

<sup>1)</sup> Encompasses Storebrand Livsforsikring Group exclusive Storebrand Eiendom AS and SPP Fonder AB.

The development of the results in Life and Pensions in Norway and Sweden respectively is described below.

### LIFE AND PENSION NORWAY

#### Profit allocated to the owner for the product areas

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

Profit and loss Life and Pension Norway

NOK million	Q2		01.01 - 30.06		Full year
	2009	2008	2009	2008	2008
Administration result	-65	-55	-120	-117	-154
Investment result	32	19	70	138	12
Risk result	3	123	117	302	475
Price of interest guarantee and profit risk	118	101	236	201	398
Profit sharing	144	23	-131	7	-320
Result subsidiaries			11	3	11
Other	55	-35	-24	27	-74
<b>Pre-tax profit/loss</b>	<b>286</b>	<b>176</b>	<b>158</b>	<b>561</b>	<b>348</b>

Profit allocated to the owner per product area in Q2

NOK million	Group Defined Benefit fee based	Group pension with investment choice and unit-linked fee based	Risk products	Individual and Paid-up policies with profit-sharing	Company portfolio/other	Total
Administration result	- 11	- 38	- 16			- 65
Investment result			34		- 2	32
Risk result	24		18	- 39		3
Price of interest guarantee and profit risk	117	1				118
Profit sharing				144		144
Other	55					55
<b>Pre-tax profit/loss</b>	<b>184</b>	<b>- 37</b>	<b>36</b>	<b>105</b>	<b>- 2</b>	<b>286</b>
<b>Change in Assets under management (NOK bn)</b>	<b>2</b>	<b>2</b>		<b>2</b>	<b>-3</b>	<b>3</b>

Profit allocated to the owner per product area as per 30 June 2009

NOK million	Group Defined Benefit fee based	Group pension with investment choice and unit-linked fee based	Risk products	Individual and Paid-up policies with profit-sharing	Company portfolio/other	Total
Administration result	- 18	- 69	- 34	1		- 120
Investment result			36		34	70
Risk result	71		73	- 27		117
Price of interest guarantee and profit risk	235	1				236
Profit sharing				- 131		- 131
Result subsidiaries					11	11
Other	- 14				- 10	- 24
<b>Pre-tax profit/loss</b>	<b>273</b>	<b>- 68</b>	<b>75</b>	<b>- 157</b>	<b>35</b>	<b>158</b>
<b>Assets under management (NOK bn)</b>	<b>77</b>	<b>11</b>	<b>3</b>	<b>77</b>	<b>12</b>	<b>180</b>

### Administration results

The administration result is weak in the quarter, but the underlying costs are reduced due to, among other things, less use of consultants in IT and staff functions, and lower staffing levels in a number of areas. The trend with reduced costs is expected to continue also in the coming quarters.

### Risk result

Up to 50% of the risk result for group pensions and paid up policies can be set aside in the risk equalisation fund to cover any future negative risk result. The disability result in Q2 was weaker than in the same period last year. NOK 24 million was set aside for group defined benefit products in Q2. The risk equalisation fund for group life amounted to NOK 182 million at the close of the first half of 2009. The risk equalisation fund for paid-up policies was partly dissolved in Q2 due to the weak risk result related to the weaker disability result. This resulted in a charge for the owner of NOK 39 million in Q2. The risk equalisation fund for paid-up policies amounted to NOK 14 million as per the close of the first half of 2009.

### Group Defined Benefit fee based

The profit allocated to the owner pursuant to the new insurance act is less dependent on the return recognised in the customer portfolios due to the upfront pricing of the interest guarantee and profit from risk. NOK 117 million was recognised as income from upfront pricing of the interest guarantee and profit from risk for group defined benefits in Q2. NOK 235 million was recognised as income in the first half of 2009. The

owner's coverage of the interest guarantee was reversed due to the improved returns in Q2. There was no charge as per the close of the first half of 2009.

### Risk products

The total profit allocated to the owner for risk products was NOK 36 million in Q2 and NOK 75 million in the first half of 2009.

### Individual and paid-up policies with profit sharing

The return on individual products in Q2 was better than the interest guarantee, while overall it was lower than the guaranteed return in the first half of 2009. The owner's result was charged a total of NOK 19 million in the first half of 2009. The owner's result was charged a further NOK 6 million in the first half of 2009 due amongst other to a negative administration result in some sectors.

The return for paid-up policies was better in Q2 than the average interest guarantee in the portfolio of 3.8%. The return achieved in the first half of 2009 was still lower than the interest guarantee and the owner therefore had to calculate deduction of equity to meet the interest guarantee. This amounted to NOK 155 million in the first half of 2009.

### Company portfolio/other

The company portfolio delivered a result, excluding subsidiaries, of minus NOK 2 million in Q2 and minus NOK 24 million in the first half of 2009. The return on invested assets was 1.2% in Q2 and 2.2% in the first half of 2009. The Norwegian

money market portfolio, which currently constitutes 67% of the investment portfolio, provided a good return both in the quarter and in the first half of 2009. In Q1 the portfolio contained some investments in Private Equity that made a negative contribution to the return. The exposure to Private Equity was sold after Q1 and the company portfolio's assets are now primarily invested in low risk asset categories. Storebrand Life Insurance's lending interest costs on debt amount to around a net NOK 125 million per quarter for the next 12 months. Total interest-bearing debt amounted to around NOK 6.9 billion at the close of the quarter.

The result from subsidiaries during the quarter was satisfactory with the exception of Storebrand Finansiell Rådgivning (SFR), which continued to be affected by the turbulence in the financial and savings markets. On 1 March 2009, the regional systems for the corporate and retail market were amalgamated, which substantially reduces the cost bases of SFR and Storebrand Life Insurance. The agreement to merge parts of SFR and Formuesforvaltning to establish Norway's leading wealth management environment is expected to be implemented with effect from Q3.

## Return on investments, asset allocation and risk capital

### Investment return

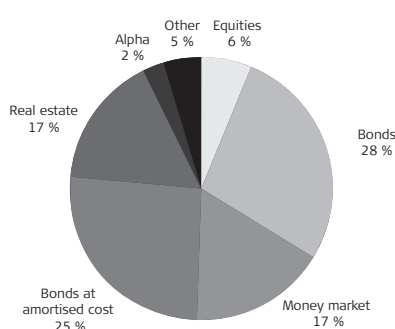
Portfolio	Q2				01.01 - 30.06				Full year	
	2009		2008		2009		2008		2008	
	Market return	Booked return	Market return	Booked return	Market return	Booked return	Market return	Booked return	Market return	Booked return
<b>Total</b>	1.3 %	1.3 %	1.0 %	1.0 %	1.5 %	1.5 %	-0.6 %	1.7 %	-0.2 %	2.0 %
Group standard	1.3 %	1.3 %	1.2 %	1.2 %	1.6 %	1.6 %	-0.2 %	1.7 %	-0.2 %	2.6 %
Paid-up policies	1.3 %	1.3 %	0.8 %	0.8 %	1.4 %	1.4 %	-1.4 %	1.4 %	-1.3 %	0.9 %
Individual	1.0 %	1.0 %	1.0 %	1.0 %	1.1 %	1.1 %	-0.4 %	2.0 %	-0.1 %	2.6 %

Both the Norwegian and international equities markets fell at the start of Q1, but then climbed in Q2 to above their levels at year-end 2008. The key Norwegian interest rate was reduced by 175 basis points during the first half of 2009 to 1.25%. The change in Q2 was 75 basis points. Short-term Norwegian interest rates have fallen by around 200 basis points in the first half of 2009, of which 100 basis points in Q2. Long-term interest rates at the close of Q2 were slightly above the levels they were at year-end 2008.

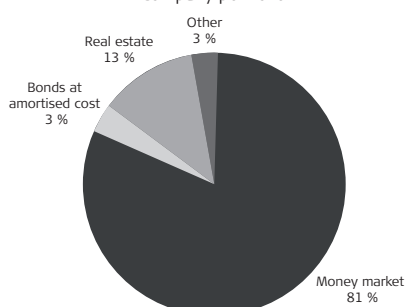
The diagrams below show the risk-adjusted allocations (including derivatives). Loans and receivables in the customer portfolios increased in the first half of 2009, primarily in Q2. The company portfolio no longer holds equities and its exposure to real estate was also reduced in the first half of 2009. Relatively small changes were made to the company portfolio's allocations during Q2.

Asset profile per 30.06.2009

Customer portfolios with guarantee



Company portfolio



The returns on recommended investment choices for defined contribution pensions in Q2 were 4.2% for a careful profile, 9.9% for a balanced profile, and 15.2% for an aggressive profile respectively. The returns for the first half of 2009 were 3.8% for a careful profile, 6.6% for a balanced profile and 8.9% for an aggressive profile, respectively.

Total assets under management increased by around NOK 0.2 billion in Q2 and amounted to NOK 200 billion at the close of the first half of 2009.

### Solidity capital

NOK million	2006	2007	2008	2009	
				31.03	30.06
Equity	5 361	14 304	15 247	14 003	14 417
Subordinated loan capital	2 962	8 814	9 833	9 293	6 844
Risk equalisation fund		197	153	212	196
Market value adjustment fund	5 918	3 889			
Additional statutory reserves (ASR)	5 551	5 757	3 437	2 594	2 999
Conditional bonus (CB)		13 699	7 499	5 629	6 969
Surplus value of bonds at amortised cost	1 097	40	-313	-627	-385
Earned profit	4 175	1 340			
<b>Total</b>	<b>25 063</b>	<b>48 041</b>	<b>35 856</b>	<b>31 105</b>	<b>31 040</b>
<b>Capital as % of customer funds with guarantee excl. ASR and CB</b>	<b>17,8 %</b>	<b>21,6 %</b>	<b>15,4 %</b>	<b>13,2 %</b>	<b>13,6 %</b>

Additional statutory reserves increased by NOK 405 million during Q2 due to good investments returns. Additional statutory reserves were reduced by NOK 438 million in the first half of 2009 and amount to NOK 3.0 billion. Storebrand Life Insurance issued NOK 1 billion in new perpetual subordinated bonds in June. The company redeemed a subordinated debt of EUR 245 million ahead of schedule in June. Additionally, SEK 1.6 billion of perpetual subordinated debt was also redeemed by the the life insurance business in the period.

Storebrand Life Insurance's capital adequacy as per the close of the first half of 2009 was 15.8%. Storebrand Life Insurance Group's solvency margin was 154% at the close of the first half of 2009, compared to 160% at the close of 2008.

### Premium income and transfer balance

#### Premium income

NOK million	Q2		01.01 - 30.06		Full year
	2009	2008	2009	2008	2008
Group Defined Benefit	1 586	1 718	5 709	5 452	9 948
Paid-up policies	12	12	59	60	97
Group with investment choice	646	532	1 308	1 041	2 260
Individual endowment insurance and pensions	419	288	909	1 163	1 638
Individual with investment choice	209	281	412	773	1 023
Risk products without profit sharing	265	224	1 049	979	1 338
<b>Total</b>	<b>3 137</b>	<b>3 055</b>	<b>9 446</b>	<b>9 467</b>	<b>16 304</b>

Premium income developed well in the occupational pensions market because of the growth in wages and a positive transfer balance with respect to competitors, among other things, in the first half of 2009.

Sales of savings products in the retail market were still slow. The outflow of savings agreements without fixed-rate periods stopped.

The net booked outflow of customer assets from Storebrand was NOK 110 million in Q2, compared to an inflow of NOK 885 million in the same period last year. An inflow of customer assets amounting to NOK 991 million (NOK 3,078 million) was booked in the first half of 2009.

New premiums (APE) worth NOK 162 million (NOK 370 million) were signed in Q2. APE in the first half of 2009 amounted to NOK 577 million (NOK 1,135 million). The fall since 2008 is primarily due to the reduced APE for group occupational pensions. Paid-up policies, risk products and defined contribution pensions have increased since 2008. New group pensions premiums (APE) increased to NOK 124 million (NOK 23 million) in the public sector in the first half of 2009. The fall in APE being experienced in the individual sectors continues in Q2.

## LIFE AND PENSIONS - SWEDEN

### Profit and loss Life and Pension Sweden

NOK million	Q2		01.01 - 30.06		Full year
	2009	2008	2009	2008	2008
Administration result	-39	-10	-60	7	-103
Risk result	86	62	111	133	287
Financial result	166	-164	-357	-234	340
Other	4	68	3	113	293
Currency result					14
<b>Result before amortisation and write-downs</b>	<b>216</b>	<b>-44</b>	<b>-304</b>	<b>19</b>	<b>831</b>
Amortisation intangible assets	-82	-129	-167	-259	-476
Write-downs intangible assets					-2 500
<b>Pre-tax profit/loss</b>	<b>134</b>	<b>-172</b>	<b>-471</b>	<b>-239</b>	<b>2 145</b>

The administration result amounted to minus NOK 39 million (minus NOK 10 million) in Q2 and minus NOK 60 million (NOK 7 million) for the first half of 2009. In Q2 it was decided to implement improvement measures to produce an even more efficient and customer-oriented organisation. These measures involve changes primarily in sales and IT and have resulted in staffing reductions in SPP. At the close of the first half of 2009 the costs of the staffing reduction measures implemented so far have been added in the accounts and had a negative effect on the administration result amounting to NOK 17 million. Further reductions in personnel will be made in the second half of 2009. The use of consultants was reduced in the first half of 2009 and is expected to be reduced further during the second half of the year.

The risk result amounted to NOK 86 million (NOK 62 million) in Q2 and NOK 111 million (NOK 133 million) for the first half of 2009. The risk result was primarily affected by dissolved illness reserves. The result developed somewhat more poorly in the first of of 2009 compared with the same period in 2008 when the dissolution level of illness reserves in relation to recovery reports was higher.

The financial result improved in Q2 and amounted to NOK 166 million (minus NOK 164 million). The quarter's financial result was affected by increased bond interest rates, which reduced the value of liabilities, while the return in the investment portfolios was positively affected by the good development in equity and credit markets. The developments in the quarter resulted in a reversal of deferred capital contributions (DCC) and reduced the total charge on the profit allocated to the owner in the first half of 2009. The result for the first half of 2009 was minus NOK 357 million (minus NOK 234 million) and was affected by the return on investments being poorer than the development in the value of liabilities.

Other profit amounted to NOK 4 million (NOK 68 million) in Q2 and NOK 3 million (NOK 113 million) for the first half of 2009. The result was affected by the return on equity, which is

entirely invested in interest-bearing securities. Climbing market interest rates had a negative effect on the portfolio during the period and resulted in weaker development than in the same period last year.

The ownership structures of Euroben and Nordben were changed in Q2. Ownership was transferred from SPP and Storebrand Life Insurance to BenCo Insurance Holding B.V. (BenCo), a company established by SPP, Storebrand, and the Finnish companies Mandatum and Varma earlier this year. SPP owns 81% and Storebrand Life Insurance owns 9% of BenCo. The total ownership interest in BenCo of SPP and Storebrand Life Insurance will be included in the result of SPP on the basis of the ownership interest at the close of the first half of 2009.

### Return on investments, asset allocation and risk capital

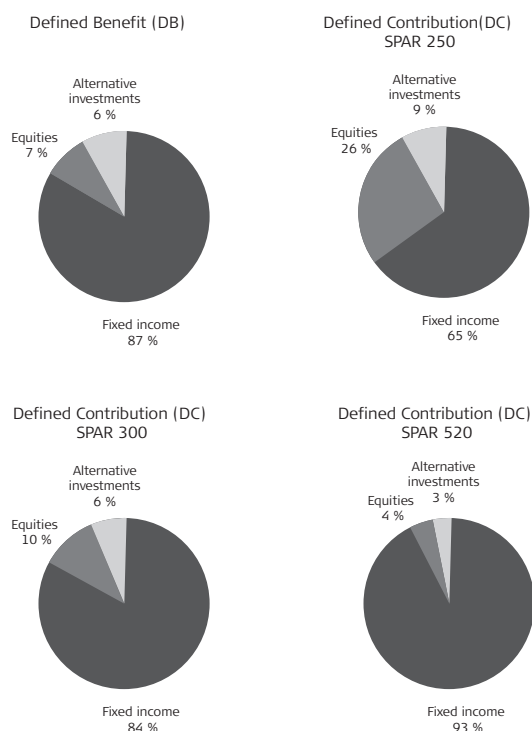
Financial return

	Q2		01.01 - 30.06		Full year 2008
	2009	2008	2009	2008	
Defined Benefit (DB)	-0.62	-0.96	-1.37	-4.95	0.60
Defined Contribution (DC)		-1.89		-5.65	
SPAR 250	2.10		1.08		-5.90
SPAR 300	0.60		-1.31		1.20
SPAR 520	-0.48		-2.05		9.60
RP (Retirement Pension)	0.10		-0.97		

Returns in the portfolios were affected negatively during Q2 by higher long-term interest rates and positively by the development in the equity and credit markets. This has benefited portfolios with a higher proportion of equities. Given that the value of the liabilities decreased over the quarter, the conditional bonus (the policyholders' buffer capital) increased.

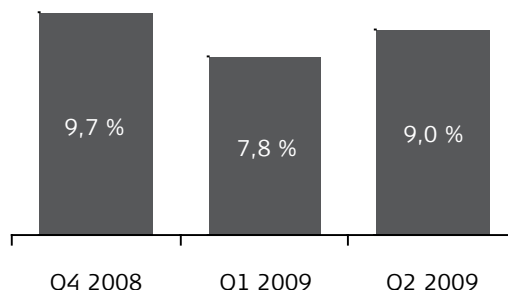
#### Asset profile customer portfolios with a guaranteed return

During the first half of 2009 the equity proportion in the port-



folios has been increased. By comparison the total proportion of equities at the start of 2009 was 2.6% in the DB portfolio and in the DC portfolio the equities proportions were 10.8% in SPAR 250, 8.1% in SPAR 300 and 2.9% in SPAR 520. The RP portfolio in which retirement pensions are managed is entirely invested in interest-bearing papers.

#### Conditional bonus as a percentage of insurance reserves



After decreasing in Q1, the conditional bonus increased significantly during the period and amounted to NOK 7 billion at the close of Q2.

At the end of the first half of 2009 the assets under management amounted to NOK 105 billion, NOK 6 billion of which is in Nordben and will be consolidated into SPP from and including the end of the first half of 2009. Assets under management developed positively in Q2 and increased by NOK 4 billion, excluding Nordben. The increase is due to growth in the unit linked fund insurance portfolio due to positive market development and a positive development in premium income.

The solvency margin has improved strongly since the start of the year from 135% to 207% as per first half of 2009. The interest rate used to calculate liabilities in a solvency context increased during the period and largely explains the increase.

### PREMIUM INCOME

New sales measured in APE continued to climb by 4% in Q2  
**Premium income SPP Group**

NOK million	Q2		01.01 - 30.06		Full year 2008
	2009	2008	2009	2008	
Single premiums	336	515	882	956	1 681
Current premiums	1 780	1 543	3 133	2 947	5 615
<b>Total</b>	<b>2 116</b>	<b>2 058</b>	<b>4 015</b>	<b>3 903</b>	<b>7 296</b>

and have increased by 21% in the first half of 2009 compared with the same period in 2008. The increase in sales during the period was primarily due to products within group plans with provider choice and retirement pensions. The increase in new sales is also reflected in premium income which increased by 3% in both Q2 and in the first half of 2009.

## RECONCILIATION IFRS - NGAAP

The table below shows a reconciliation of net result before taxes according to IFRS, and net result before taxes according to local Annual Accounts Regulations for Insurance Companies (NGAAP). The official financial statements for Storebrand Livsforsikring AS are prepared in accordance with NGAAP.

NOK million	30.06.09	30.06.08	31.12.08
<b>Profit and Loss Life and Pension</b>	<b>-147</b>	<b>580</b>	<b>1179</b>
Amortisation and write-downs intangible assets	-167	-259	-2976
Charge from the additional statutory reserves	-383	-269	
Change in administration reserve p&c insurance	3		3
Change in security reserves p&c insurance	-7	-6	-35
Biological assets		-61	-61
Market value adjustment reserve company portfolio as at 01.01.08		-320	-320
Repeal of the security fund		-133	-133
Profit and loss Storebrand Eiendom	21	25	63
Profit and loss SPP Fonder	8		
<b>Profit and loss Storebrand Livsforsikring Group NGAAP before tax</b>	<b>-671</b>	<b>-442</b>	<b>-2280</b>

Oslo, 16 July 2009

The Board of Directors of Storebrand Livsforsikring AS

# Storebrand Livsforsikring

## PROFIT AND LOSS

Storebrand Livsforsikring Group				Storebrand Livsforsikring AS		
31.12 2008	30.06 2008	30.06 2009	NOK million	30.06 2009	30.06 2008	31.12 2008
			<b>TECHNICAL ACCOUNT:</b>			
24 153,3	14 940,3	13 749,7	1.1 Gross premiums written	9 482,5	9 504,5	16 362,9
-251,2	-118,1	-139,6	1.2 Reinsurance premiums ceded	-36,2	-37,6	-59,3
5 027,7	4 461,0	1 968,9	1.3 Premium reserves transferred from other companies	1 941,8	4 467,4	5 019,1
<b>28 929,7</b>	<b>19 283,2</b>	<b>15 579,0</b>	<b>1. Premiums for own account</b>	<b>11 388,1</b>	<b>13 934,3</b>	<b>21 322,7</b>
		-0,9	2.1 Income from investments in subsidiaries, associated companies and joint-controlled companies of which from investment in real estate companies	-95,1	988,8	1 400,3
8 962,9	4 611,4	4 055,0	2.2 Interest income and dividends etc. from financial assets	-91,4	988,8	1 394,0
1 253,6	538,0	571,0	2.3 Net operating income from property	2 495,6	3 041,0	5 818,8
933,2	-6 219,2	-4 164,1	2.4 Changes in investment value	-705,9	-3 752,7	-3 569,6
-7 803,4	-3 651,4	763,6	2.5 Realised gains and losses on investments	523,2	-1 128,3	-4 029,1
<b>3 346,3</b>	<b>-4 721,2</b>	<b>1 224,6</b>	<b>2. Total net income from investments in the collective portfolio</b>	<b>2 217,8</b>	<b>-851,2</b>	<b>-379,6</b>
			3.1 Income from investments in subsidiaries, associated companies and joint-controlled companies of which from investment in real estate companies	-3,6	17,3	21,8
951,8	628,8	151,9	3.2 Interest income and dividends etc. from financial assets	-3,6	17,3	21,7
18,4	9,1	22,1	3.3 Net operating income from property	109,3	61,1	246,8
-10 667,4	-5 638,5	3 081,0	3.4 Changes in investment value	935,1	-608,1	-1 655,1
-802,0	13,7	-301,7	3.5 Realised gains and losses on investments	-302,4	10,7	-854,5
<b>-10 499,2</b>	<b>-4 986,9</b>	<b>2 953,3</b>	<b>3. Total net income from investments in the investment selection portfolio</b>	<b>738,4</b>	<b>-519,0</b>	<b>-2 241,1</b>
<b>762,7</b>	<b>470,4</b>	<b>389,6</b>	<b>4. Other insurance related income</b>	<b>33,7</b>	<b>96,7</b>	<b>127,1</b>
-23 835,5	-11 535,1	-7 550,2	5.1 Gross claims paid	-4 475,9	-8 907,5	-18 539,0
56,5	38,4	23,7	5.2 Claims paid - reinsurance	0,8		2,3
-33,2	162,0	-3,3	5.3 Gross change in claims reserve	-7,7	12,5	-38,4
-2 414,3	-1 423,5	-1 392,3	5.4 Premium reserves etc. transferred to other companies	-959,0	-1 429,9	-2 294,2
<b>-26 226,5</b>	<b>-12 758,2</b>	<b>-8 922,2</b>	<b>5. Claims for own account</b>	<b>-5 441,8</b>	<b>-10 324,9</b>	<b>-20 869,3</b>
-11 167,5	-3 492,3	-4 607,2	6.1 To (from) premium reserve, gross	-5 824,8	-3 559,4	-996,9
2 192,8			6.2 Additional statutory allocations for the year			2 192,8
110,0	76,9	-50,7	6.3 To/from additional statutory reserves in connection with claims/repurchase	-50,7	76,9	110,0
3 529,3	3 569,8		6.4 Change in value adjustment fund		3 569,8	3 529,3
-148,7	-94,4	-71,6	6.5 Change in premium fund, deposit fund and the pension surplus fund	-71,6	-94,4	-148,7
-33,9	-73,1	-70,3	6.6 To/from technical reserves for non-life insurance business	-70,3	-73,1	-56,5
7 801,9	3 365,2	312,4	6.7 Change in conditional bonus			
124,4	41,6	8,5	6.8 Transfer of additional statutory reserves and value adjustment fund from other insurance companies/pension funds	8,5	41,6	109,2
<b>2 408,2</b>	<b>3 093,7</b>	<b>-4 478,9</b>	<b>6. Changes in insurance obligations recognised in the Profit and Loss Account - contractual obligations</b>	<b>-6 008,9</b>	<b>-38,6</b>	<b>4 739,2</b>
5 465,4	505,2	-5 888,9	7.1 Change in premium reserve	-2 319,7	-1 239,7	-213,4
109,6		22,7	7.2 Change in other provisions	22,7		109,6
			7.3 Transfer of additional statutory reserves from other insurance companies/pension funds			
<b>5 575,0</b>	<b>505,2</b>	<b>-5 866,2</b>	<b>7. Changes in insurance obligations recognised in the Profit and Loss Account - investment portfolio separately</b>	<b>-2 297,0</b>	<b>-1 239,7</b>	<b>-103,8</b>
-449,8		-19,8	8.1 Profit on investment result	-19,8		-449,8
-132,3		-70,5	8.2 The risk profit allocated to the insurance agreements	-70,5		-119,7
-85,6	-156,1	0,0	8.3 Other allocation of profit		-156,1	-85,6
<b>-667,7</b>	<b>-156,1</b>	<b>-90,3</b>	<b>8. Funds allocated to insurance contracts, contractual obligations</b>	<b>-90,3</b>	<b>-156,1</b>	<b>-655,1</b>
-345,8	-174,6	-150,6	9.1 Management expenses	-60,3	-62,0	-121,3
-617,4	-374,5	-368,0	9.2 Selling expenses	-276,2	-293,0	-413,3
59,0	33,2	16,2	9.3 Change in pre-paid direct selling expenses			
-1 612,0	-708,5	-743,2	9.4 Insurance-related administration expenses (incl. commissions for reinsurance received)	-403,5	-440,1	-959,5
69,6	21,6	31,7	9.5 Reinsurance commissions and profit participation		4,7	13,8
<b>-2 446,7</b>	<b>-1 202,8</b>	<b>-1 213,9</b>	<b>9. Insurance-related operating expenses</b>	<b>-740,0</b>	<b>-790,4</b>	<b>-1 480,3</b>
<b>-333,1</b>	<b>-225,5</b>	<b>-115,0</b>	<b>10. Other insurance related expenses after reinsurance shar</b>	<b>-73,0</b>	<b>-130,9</b>	<b>-241,1</b>
<b>848,8</b>	<b>-398,2</b>	<b>-539,9</b>	<b>11. Technical insurance result</b>	<b>-273,0</b>	<b>-19,8</b>	<b>218,7</b>



# Storebrand Livsforsikring

## PROFIT AND LOSS

Storebrand Livsforsikring Group				Storebrand Livsforsikring AS		
31.12 2008	30.06 2008	30.06 2009	NOK million	30.06 2009	30.06 2008	31.12 2008
<b>NON-TECHNICAL ACCOUNT</b>						
-72,1	13,2	-0,5	12.1 Income from investments in subsidiaries, associated companies and joint-controlled companies	-28,1	82,3	191,7
			of which from investment in real estate companies	-5,9	74,7	97,3
961,5	408,0	315,7	12.2 Interest income and dividends etc. from financial assets	373,7	534,0	1 154,2
87,8	40,4	36,6	12.3 Net operating income from property			
-379,7	-40,9	-184,1	12.4 Changes in investment value	0,8	-409,9	-2 643,6
163,7	259,2	184,1	12.5 Realised gains and losses on investments	190,5	208,9	-33,7
<b>761,1</b>	<b>679,9</b>	<b>351,8</b>	<b>12. Net income from investments in company portfolio</b>	<b>536,9</b>	<b>415,3</b>	<b>-1 331,4</b>
<b>278,0</b>	<b>111,4</b>	<b>194,0</b>	<b>13. Other income</b>			
-38,9	-19,5	-16,0	14.1 Management expenses	-8,0	-8,0	-15,9
-4 129,4	-815,5	-661,2	14.2 Other costs	-295,9	-334,9	-741,2
<b>-4 168,3</b>	<b>-835,0</b>	<b>-677,2</b>	<b>14. Total management expenses and other costs linked to the company portfolio</b>	<b>-303,9</b>	<b>-342,9</b>	<b>-15,9</b>
<b>-3 129,2</b>	<b>-43,7</b>	<b>-131,3</b>	<b>15. Profit or loss on non-technical account</b>	<b>233,0</b>	<b>72,4</b>	<b>-2 088,6</b>
<b>-2 280,4</b>	<b>-441,9</b>	<b>-671,2</b>	<b>16. Profit before tax</b>	<b>-40,0</b>	<b>52,6</b>	<b>-1 869,9</b>
<b>-488,9</b>	<b>-219,7</b>	<b>2,9</b>	<b>17. Tax costs</b>			
<b>-2 769,3</b>	<b>-661,6</b>	<b>-668,3</b>	<b>18. Profit before other comprehensive income</b>	<b>-40,0</b>	<b>52,6</b>	<b>-1 869,9</b>
-206,8			19.1. Actuarial gains and losses on defined benefit pensions - benefits to employees			-206,8
110,9	-38,9	-33,3	19.2. Valutakursdifferanser fra utenlandsk virksomhet	-16,8	15,2	22,3
<b>-95,9</b>	<b>-38,9</b>	<b>-33,3</b>	<b>19. Other comprehensive income and costs</b>	<b>-16,8</b>	<b>15,2</b>	<b>-184,5</b>
<b>-2 865,2</b>	<b>-700,5</b>	<b>-701,6</b>	<b>20. COMPREHENSIVE INCOME</b>	<b>-56,8</b>	<b>67,8</b>	<b>-2 054,4</b>
11,6	5,5	8,5	Minority interest's share of profit			
-2 987,6	-706,0	-710,1	Majority interest's share of profit			

# Storebrand Livsforsikring

## STATEMENT OF FINANCIAL POSITION

Storebrand Livsforsikring Group			Storebrand Livsforsikring AS	
31.12 2008	30.06 2009	NOK million	30.06 2009	31.12 2008
<b>ASSETS</b>				
<b>ASSETS IN COMPANY PORTFOLIO</b>				
753,0	708,0	1.1 Goodwill	0,0	0,0
6 316,8	5 766,3	1.2 Other intangible assets	41,5	34,0
<b>7 069,8</b>	<b>6 474,3</b>	<b>1. Total intangible assets</b>	<b>41,5</b>	<b>34,0</b>
1 607,1	1 091,0	2.1 Properties and real estate	0,0	0,0
0,0	100,4	2.2 Eierbenyttet eiendom	0,0	0,0
47,7	47,7	2.3 Shares and units in subsidiaries, associated companies and joint-controlled companies	7 514,5	7 056,7
0,0	0,0	of which investment in real estate companies	1 345,0	1 696,4
0,0	0,0	2.4 Loans to and securities issued by subsidiaries, associated companies	7 622,9	7 883,9
20,9	9,5	2.5 Loans and receivables	9,5	19,9
383,5	335,2	2.6 Bonds at amortised cost	335,2	383,5
996,1	436,8	2.7 Shares and other equity participations at fair value	193,2	975,2
19 105,2	17 962,5	2.8 Bonds and other fixed-income securities at fair value	8 533,6	8 893,4
684,5	221,4	2.9 Derivatives at fair value	221,4	684,5
1 319,4	629,3	2.10 Other financial assets	616,0	1 319,4
<b>24 164,4</b>	<b>20 833,8</b>	<b>2. Total investments</b>	<b>25 046,3</b>	<b>27 216,5</b>
<b>103,1</b>	<b>134,4</b>	<b>3. Reinsurance share of insurance obligations</b>	<b>134,4</b>	<b>103,1</b>
2 658,3	1 626,6	4.1 Receivables in connection with direct business transactions	1 606,9	2 649,5
62,2	42,9	4.2 Receivables in connection with reinsurance transactions	0,0	0,0
44,0	32,8	4.3 Receivables with group company	84,3	98,6
1 177,0	1 712,1	4.4 Other receivables	578,9	1 072,6
<b>3 941,5</b>	<b>3 414,4</b>	<b>4. Total receivables</b>	<b>2 270,1</b>	<b>3 820,7</b>
2 026,2	357,6	5.1 Plants and equipment	53,7	46,3
3 559,4	1 347,4	5.2 Cash, bank	86,8	619,7
523,0	509,7	5.4 Other assets designated according to type	0,0	0,0
<b>6 108,6</b>	<b>2 214,7</b>	<b>5. Total other assets</b>	<b>140,5</b>	<b>666,0</b>
0,0	305,8	6.1 Accrued but not received lease rentals	0,0	0,0
215,5	241,0	6.2 Pre-paid direct selling expenses	0,0	0,0
60,0	116,0	6.3 Other pre-paid costs and income earned and not received	35,1	11,9
<b>275,5</b>	<b>662,8</b>	<b>6. Total pre-paid costs and income earned and not received</b>	<b>35,1</b>	<b>11,9</b>
<b>41 662,9</b>	<b>33 734,3</b>	<b>Total assets in company portfolio</b>	<b>27 667,9</b>	<b>31 852,2</b>
<b>ASSETS IN CUSTOMER PORTFOLIOS</b>				
20 961,4	20 908,4	7.1 Properties and real estate	0,0	0,0
0,0	1 895,3	7.2 Eierbenyttet eiendom	0,0	0,0
0,0	0,0	7.3 Shares and units in subsidiaries, associated companies and joint-controlled companies	25 762,6	22 332,4
0,0	0,0	of which investment in real estate companies	25 396,8	22 226,4
21 378,4	38 565,8	7.4 Bonds at amortised cost	38 565,8	21 378,4
3 758,3	3 544,8	7.5 Loans and receivables	3 544,8	3 733,5
31 702,1	28 242,5	7.6 Shares and other equity participations at fair value	15 053,8	20 030,3
144 226,0	133 146,6	7.7 Bonds and other fixed-income securities at fair value	66 084,1	76 205,9
10 849,2	3 431,6	7.8 Financial derivatives at fair value	1 415,1	5 575,2
11 798,2	7 175,0	7.9 Other financial assets	3 596,2	6 242,8
<b>244 673,5</b>	<b>236 910,0</b>	<b>7. Total investments in collective portfolio</b>	<b>154 022,4</b>	<b>155 498,5</b>

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# Storebrand Livsforsikring

## STATEMENT OF FINANCIAL POSITION

Storebrand Livsforsikring Group			Storebrand Livsforsikring AS	
31.12 2008	30.06 2009	NOK million	30.06 2009	31.12 2008
431,4	915,1	8.1 Properties and real estate	0,0	0,0
0,0	84,2	8.2 Eierbenyttet eiendom	0,0	0,0
0,2	0,0	8.3 Shares and units in subsidiaries, associated companies and joint-controlled companies	1 138,9	432,9
0,0	0,0	of which investment in real estate companies	1 128,3	431,4
602,8	147,1	8.4 Bonds at amortised cost	147,1	602,8
56,7	100,7	8.5 Loans and receivables	100,7	56,7
21 464,9	26 083,3	8.6 Shares and other equity participations at fair value	6 029,4	4 542,4
9 614,5	11 132,0	8.7 Bonds and other fixed-income securities at fair value	6 961,0	4 457,4
429,6	66,1	8.8 Financial derivatives at fair value	55,0	429,6
1 516,5	1 175,8	8.9 Other financial assets	1 175,8	1 089,2
<b>34 116,6</b>	<b>39 704,3</b>	<b>8. Total investments in investment selection portfolio</b>	<b>15 607,9</b>	<b>11 611,0</b>
<b>278 790,2</b>	<b>276 614,3</b>	<b>Total assets in customer portfolio</b>	<b>169 630,3</b>	<b>167 109,5</b>
<b>320 453,1</b>	<b>310 348,6</b>	<b>TOTAL ASSETS</b>	<b>197 298,2</b>	<b>198 961,7</b>
		<b>EQUITY AND LIABILITIES</b>		
3 430,4	3 430,4	9.1 Share capital	3 430,4	3 430,4
9 270,5	9 270,6	9.2 Share premium reserve	9 270,6	9 270,6
<b>12 700,9</b>	<b>12 701,0</b>	<b>9. Total paid in equity</b>	<b>12 701,0</b>	<b>12 701,0</b>
153,1	196,2	10.1 Fund for risk-smoothing	196,2	153,1
1 677,6	1 644,7	10.2 Other earned equity	2 375,7	2 392,4
0,0	-709,5	10.3 Earned profit	-83,1	0,0
202,5	201,7	10.4 Minority's share of equity	0,0	0,0
<b>2 033,3</b>	<b>1 333,1</b>	<b>10. Total earned equity</b>	<b>2 488,8</b>	<b>2 545,5</b>
6 921,3	5 371,4	11.1 Perpetual subordinated loan capital	5 371,4	5 504,5
1 675,5	0,0	11.2 Dated subordinated loans	0,0	1 675,5
1 488,0	1 484,1	11.3 Perpetual capital	1 484,1	1 488,0
<b>10 084,8</b>	<b>6 855,5</b>	<b>11. Total subordinate loan capital etc.</b>	<b>6 855,5</b>	<b>8 668,0</b>
225 587,2	223 521,5	12.1 Premium reserves	146 935,4	142 772,9
3 779,5	3 257,2	12.2 Additional statutory reserves	3 257,2	3 408,0
0,0	0,0	12.3 Market value adjustment reserve	0,0	0,0
556,4	553,2	12.4 Claims allocation	499,2	494,1
5 764,2	3 727,0	12.5 Premium fund, deposit fund and the pension surplus fund	3 727,0	5 764,2
7 499,2	6 968,8	12.6 Conditional bonus	0,0	0,0
0,0	90,3	12.7 Unallocated surplus	90,3	0,0
385,1	486,7	12.8 Other technical reserve	486,7	385,1
<b>243 571,6</b>	<b>238 604,7</b>	<b>12. Total insurance obligations in life insurance - contractual obligations</b>	<b>154 995,8</b>	<b>152 824,3</b>
33 304,4	39 208,3	13.1 Premium reserve	15 090,7	10 797,5
0,5	0,5	13.2 Supplementary reserves	0,5	0,5
0,6	3,1	13.3 Claims allocation	3,1	0,6
30,0	124,9	13.2 Additional statutory reserves	124,9	30,0
468,6	436,0	13.5 Premium fund, deposit fund and the pension surplus fund	436,0	468,6
<b>33 804,1</b>	<b>39 772,8</b>	<b>13. Total insurance obligations in life insurance - investment portfolio separately.</b>	<b>15 655,2</b>	<b>11 297,2</b>

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# Storebrand Livsforsikring

## STATEMENT OF FINANCIAL POSITION

Storebrand Livsforsikring Group			Storebrand Livsforsikring AS	
31.12 2008	30.06 2009	NOK million	30.06 2009	31.12 2008
1 214,9	851,4	14.1 Pension liabilities etc.	592,7	592,7
901,0	1 041,0	14.2 Period tax liabilities	0,4	1,1
85,7	60,4	14.3 Other provisions for liabilities	38,8	59,1
<b>2 201,7</b>	<b>1 952,8</b>	<b>14. Total provisions for liabilities</b>	<b>631,9</b>	<b>652,9</b>
1 225,2	1 634,5	15.1 Liabilities in connection with direct insurance	1 042,6	613,8
138,7	142,9	15.2 Liabilities in connection with reinsurance	118,6	85,8
8 376,7	1 325,9	15.3 Financial derivatives	1 315,5	7 402,5
72,8	37,0	15.4 Liabilities to group companies	52,2	84,3
5 294,0	5 439,2	15.5 Other liabilities	1 111,8	1 245,9
<b>15 107,4</b>	<b>8 579,5</b>	<b>15. Total liabilities</b>	<b>3 640,7</b>	<b>9 432,3</b>
572,5	0,0	16.1 Received, unearned leasing income	0,0	572,5
376,9	549,1	16.2 Other accrued expenses and received, unearned income	329,3	268,0
<b>949,4</b>	<b>549,1</b>	<b>16. Total accrued expenses and received, unearned income</b>	<b>329,3</b>	<b>840,5</b>
<b>320 453,1</b>	<b>310 348,6</b>	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>197 298,2</b>	<b>198 961,7</b>
<b>ITEMS NOT ON STATEMENT OF FINANCIAL POSITION</b>				
5 479	5 021	Contingent liabilities	3 695	3 715

# Storebrand Livsforsikring

## RECONCILIATION OF CHANGE IN EQUITY STOREBRAND LIVSFORSIKRING AS

NOK million	Share capital <sup>1)</sup>	Share premium reserves	Total paid-in equity	Fund for risk-smoothing	Administration reserve non-life insurance	Other equity	Total equity
<b>Equity at 31.12.2008</b>	<b>3 430,4</b>	<b>9 270,6</b>	<b>12 701,0</b>	<b>153,1</b>	<b>12,7</b>	<b>2 379,8</b>	<b>15 246,6</b>
<b>Profit and loss items applied directly to equity:</b>							
Re-statement differences						-16,8	-16,8
Profit for the period				43,1		-83,1	-40,0
<b>Total revenue and costs for the period</b>				<b>43,1</b>		<b>-99,9</b>	<b>-56,8</b>
<b>Equity transactions with owner:</b>							
Share issue							0,0
<b>Equity at 30.06.2009</b>	<b>3 430,4</b>	<b>9 270,6</b>	<b>12 701,0</b>	<b>196,2</b>	<b>12,7</b>	<b>2 279,9</b>	<b>15 189,8</b>

<sup>1)</sup> 34.304.200 shares of NOK 100 par value.

## RECONCILIATION OF CHANGE IN EQUITY STOREBRAND LIVSFORSIKRING GROUP

NOK mill.	Majority's share of equity							Minority interests	Total equity
	Share capital	Share premium reserves	Total paid-in equity	Fund for risk-smoothing	Administration reserve non-life insurance	Other equity			
<b>Equity at 31.12.2008</b>	<b>3 430,4</b>	<b>9 270,6</b>	<b>12 701,0</b>	<b>153,1</b>	<b>12,7</b>	<b>1 664,8</b>	<b>202,5</b>	<b>14 531,6</b>	
<b>Profit and loss items applied directly to equity:</b>									
Re-statement differences						-24,2	-9,1	-33,3	
Pension experience adjustments						1,6		1,6	
Profit for the period				43,1		-719,8	8,5	-668,2	
<b>Total revenue and costs for the period</b>				<b>43,1</b>		<b>-742,4</b>	<b>-0,6</b>	<b>-699,9</b>	
<b>Equity transactions with owner:</b>									
Own shares									
Share issue									
Issue costs									
Dividend paid									
Purchase/sale minority interests									
Other									
<b>Equity at 30.06.2009</b>	<b>3 430,4</b>	<b>9 270,6</b>	<b>12 701,0</b>	<b>196,2</b>	<b>12,7</b>	<b>922,4</b>	<b>201,9</b>	<b>14 034,2</b>	

# Storebrand Livsforsikring

## CASH FLOW ANALYSIS

Storebrand Livsforsikring Group			Storebrand Livsforsikring AS	
01.01 - 30.06			01.01 - 30.06	
2008	2009	NOK million	2009	2008
		<b>Cash flow from operational activities</b>		
398,6	-3 911,9	Net receipts/payments - insurance	4 048,3	3 273,7
-384,3	251,8	Net receipts/payments - interest, commission and fees	-229,6	185,0
-2 270,6	180,9	Net receipts/payments - lending	416,1	-782,3
17 579,2	6 840,4	Net receipts/payments - securities at fair value	5 316,3	379,3
-3 787,9	-7 325,1	Net receipts/payments - bonds at amortised cost	-7 325,1	-2 687,6
999,3	706,7	Net receipts/payments - sale/purchase of property		742,6
-8 799,2	-1 772,6	Net receipts/payments - other operational activities	-4 944,1	129,2
<b>3 735,1</b>	<b>-5 029,7</b>	<b>Net cash flow from operational activities</b>	<b>-2 718,1</b>	<b>1 239,9</b>
		<b>Cash flow from investmet activities</b>		
		Net receipts - sales of subsidiaries		
		Net payments - purchase/capitalisation of subsidiaries	-60,0	177,1
	-398,0	Net receipts/payments - sale/purchase of fixed assets	-7,4	-0,1
	<b>-397,9</b>	<b>Net cash flow from investment activities</b>	<b>-67,4</b>	<b>177,0</b>
		<b>Cash flow from financing activities</b>		
3 295,2	-2 427,6	Net payments/receipts - lending	-1 010,8	3 156,7
450,0		Net receipts/payments - share capital		450,0
-268,0		Dividend/group		-268,0
<b>3 477,2</b>	<b>-2 427,6</b>	<b>Net cash flow from financing activities</b>	<b>-1 010,8</b>	<b>3 338,7</b>
<b>7 212,3</b>	<b>-7 855,2</b>	<b>Net cash flow for the period</b>	<b>-3 796,3</b>	<b>4 755,6</b>
<b>7 212,3</b>	<b>-7 855,2</b>	<b>Net movement in cash and cash equivalent assets</b>	<b>-3 796,3</b>	<b>4 755,6</b>
		Cash and cash equivalent assets at start of the period for sold and new companies		
23 983,8	18 193,8	Cash and cash equivalent assets at start of the period	9 271,1	9 777,4
<b>31 196,1</b>	<b>10 338,6</b>	<b>Cash and cash equivalent assets at the end of the periode <sup>1)</sup></b>	<b>5 474,8</b>	<b>14 533,0</b>

<sup>1)</sup> Includes holdings for both company and customers

# Notes to the interim accounts

## NOTE 1: ACCOUNTING POLICIES

The accounts were prepared in accordance with the accounting policies applied in the 2008 annual accounts, and in accordance with Annual Accounts Regulations for Insurance Companies (NGAAP). A description of the accounting policies is provided in the 2008 annual report.

## NOTE 2: ESTIMATES

In preparing the interim accounts, Storebrand has used assumptions and estimates that affect reported amounts of assets, liabilities, revenues, costs and information in the notes to the accounts, as well as the information provided on contingent liabilities. The final values realised may differ from these estimates. Please refer to the discussions in notes 2 and 3 of the 2008 annual report.

## NOTE 3: SEGMENT INFORMATION - ANALYSIS OF PROFIT AND LOSS BY BUSINESS AREA

NOK million	Life and Pension Norway		Life and Pension Sweden		Asset management		Storebrand Livsforsikring Group	
	Q2		Q2		Q2		Q2	
	2009	2008	2009	2008	2009	2008	2009	2008
Revenue from external customers	7 644,1	6 109,1	5 110,7	1 620,1	32,5	17,5	12 787,3	7 746,7
Revenue from other group companies	52,5	79,6			0,4	0,5	52,9	80,1
Group profit before amortisation and write-downs	733,3	167,4	216,1	-43,4	12,7	10,9	962,1	134,9
Amortisation and write-downs			-81,9	-129,0	-0,3		-82,2	-129,0
Group pre-tax profit/loss	733,3	175,8	134,6	-172,4	12,0	10,9	879,9	14,3
Assets	-1 399,7	5 469,2	4 527,0	-4 177,4	78,2	7,9	3 205,5	1 299,7
Liabilities	-670,7	2 293,8	2 916,9	-1 538,5	94,0	-3,0	2 340,2	752,3

NOK million	Life and Pension Norway		Life and Pension Sweden		Asset management		Storebrand Livsforsikring Group	
	30.06.2009	30.06.2008	30.06.2009	30.06.2008	30.06.2009	30.06.2008	30.06.09	30.06.08
	Revenue from external customers	16 113,6	16 842,6	5 596,9	-2 017,6	64,1	38,1	21 774,6
Revenue from other group companies	100,2	85,4			0,8	1,0	101,0	86,4
Group profit before amortisation and write-downs	-229,8	-227,0	-304,1	19,3	29,7	24,5	-504,2	-183,2
Amortisation and write-downs			-166,5	-258,6	-0,5		-167,0	-258,6
Group pre-tax profit/loss	-229,8	-227,0	-470,6	-239,3	29,2	24,5	-671,2	-441,8
Assets	184 273,0	199 527,0	125 896,4	134 706,1	179,2	43,1	310 348,6	334 276,2
Liabilities	174 799,2	191 474,3	121 397,8	126 938,4	117,4	17,8	296 314,4	318 430,5

# Notes to the interim accounts

## NOTE 4: REAL ESTATE INVESTMENTS

Storebrand primarily uses its own model for calculating the fair value of its real estate portfolio. Because of the financial instability, the number of transactions in the market has been limited, and in general the uncertainty associated with basic information being used in valuations has increased compared with earlier periods.

The properties are valued on the basis of the following effective required rate of return (incl. 2.5% inflation):

Segment:	Required rate of return
Office portfolio Oslo City Centre	7,95-9,00
Shopping centre portfolio	8,45-9,50
Other properties	8,45-10,75

## NOTE 5: FINANCIAL RISKS

The market value of Storebrand's financial assets and liabilities varies due to financial market risks. Note 7 in the 2008 annual report contains further details about the group's financial risk. Interest risk was reduced in the first half of 2009. Other risk factors are regarded as largely unchanged. The financial result was less affected by movements in credit spreads than before.

## NOTE 6: FINANCIAL LIABILITIES AND SPECIFICATION OF BORROWING

NOK million	Nominal value	Currency	Interest rate (fixed/variable)	Call date and other terms	Balance sheet 30.06.2009
<b>Issuer</b>					
<b>Hybrid tier 1 capital</b>					
Storebrand Livsforsikring AS	1 500,0	NOK	Variable	2018	1 475,8
<b>Perpetual subordinated loan capital</b>					
Storebrand Liv AS 20/12/99	300,0	EUR	Fixed	2013	2 705,0
Storebrand Livsforsikring 49-13	1 700,0	NOK	Variable	2014	1 682,5
Storebrand Livsforsikring AS	1 000,0	NOK	Fixed	2015	980,9
<b>Interest</b>					<b>11,3</b>
<b>Total subordinated loan capital and hybrid tier 1 capital</b>					<b>6 855,5</b>
<b>Total subordinated loan capital and hybrid tier 1 capital 31.12.2008</b>					<b>10 084,6</b>

## NOTE 7: CONTINGENT LIABILITIES

NOK million	Storebrand Livsforsikring AS		Storebrand Livsforsikring Group	
	30.06.09	31.12.08	30.06.09	31.12.08
Undrawn amounts of committed lending facilities	298,9	242,6	298,9	242,6
Uncalled residual liabilities concerning Limited Partnership	3 695,4	3 714,8	5 021,0	6 139,8
<b>Total contingent liabilities</b>	<b>3 994,3</b>	<b>3 957,4</b>	<b>5 319,9</b>	<b>6 382,4</b>



# Notes to the interim accounts

## NOTE 8: CAPITAL ADEQUACY

NOK million	Storebrand Livsforsikring AS		Storebrand Livsforsikring Group	
	30.06.09	31.12.08	30.06.09	31.12.08
Share capital	3 430,4	3 430,4	3 430,4	3 430,4
Other equity	11 759,4	11 803,5	10 603,7	11 126,8
<b>Equity</b>	<b>15 189,8</b>	<b>15 233,9</b>	<b>14 034,1</b>	<b>14 557,2</b>
Hybrid tier 1 capital	1 500,0	1 500,0	1 353,6	1 427,2
Conditional bonus			2 058,5	2 279,9
Goodwill and other intangible assets	-41,5	-34,0	-6 474,3	-6 885,3
Capital adequacy reserve			-129,5	-43,0
Risk equalisation fund	-181,8	-153,1	-181,8	-153,1
Minority's share of equity				202,6
Revaluation fund			-48,3	
Portion of reset unamortised experience adjustments		117,8		117,8
Mimimum requirement reinsurance reserve	-3,9	-3,0	-3,9	-3,0
Unrealised gains on company portfolio	-22,6	-35,4	-22,6	-35,4
Deductions for investments in other financial institutions		-10,7		-10,7
Other	370,5		364,9	340,4
<b>Core (tier 1) capital</b>	<b>16 810,5</b>	<b>16 615,5</b>	<b>10 950,7</b>	<b>11 794,6</b>
Hybrid tier 1 capital			146,7	72,9
Perpetual subordinated loan capital	5 066,2	4 622,6	5 066,2	4 622,6
Dated subordinated loan capital		1 430,7		1 430,7
Capital adequacy reserve			-129,5	-43,0
Deductions for investments in other financial institutions		-10,7		-10,7
<b>Tier 2 capital</b>	<b>5 066,2</b>	<b>6 042,6</b>	<b>5 083,4</b>	<b>6 072,5</b>
<b>Net primary capital</b>	<b>21 876,7</b>	<b>22 658,1</b>	<b>16 034,1</b>	<b>17 867,1</b>
<b>Risk weighted calculation base</b>	<b>89 640,1</b>	<b>85 109,2</b>	<b>101 552,1</b>	<b>102 833,0</b>
<b>Capital adequacy</b>				
<b>Capital adequacy rati</b>	<b>24,4 %</b>	<b>26,6 %</b>	<b>15,8 %</b>	<b>17,4 %</b>
<b>Core (tier 1) capital ratio</b>	<b>18,8 %</b>	<b>19,5 %</b>	<b>10,8 %</b>	<b>11,5 %</b>

# Notes to the interim accounts

## NOTE 9: SOLVENCY MARGIN

NOK million	Storebrand Livsforsikring AS		Storebrand Livsforsikring Group	
	30.6.09	31.12.08	30.6.09	31.12.08
Solvency margin requirements	6 720,0	6 485,2	10 040,5	10 354,9
Solvency margin capital	21 808,8	21 690,2	15 421,4	16 580,1
<b>Solvency margin</b>	<b>324,5 %</b>	<b>334,5 %</b>	<b>153,6 %</b>	<b>160,1 %</b>

### Specification of solvency margin capital

NOK million	Storebrand Livsforsikring AS		Storebrand Livsforsikring Group	
	30.6.09	31.12.08	30.6.09	31.12.08
Net primary capital	21 876,7	22 658,2	16 034,1	17 867,1
50% of additional statutory reserves	1 499,5	1 710,0	1 499,5	1 710,0
50% of risk equalisation fund	48,0	76,6	48,0	76,6
Counting security reserve	90,9	45,4	90,9	45,4
Conditional bonus	-	-	-2 058,5	-2 230,0
Reduction in Tier 2 capital eligible for inclusion in solvency capital	-1 706,3	-2 800,0	-192,7	-889,0
<b>Solvency capital</b>	<b>21 808,8</b>	<b>21,690.2</b>	<b>15 421,3</b>	<b>16,580.1</b>

## NOTE 10: SHARES FOR EMPLOYEES

In May, Storebrand employees were given an option to purchase shares in Storebrand ASA at a discount. The purchase price was based on the weighted quoted price between 18 May and 20 May.

# Storebrand Livsforsikring AS

## - Declaration by the members of the Board and the CEO

On this date, the Board and CEO have discussed and approved the interim report and interim financial statements for Storebrand ASA Group for the first half of 2009 and as per 30 June 2009 (Interim Report - First Half 2009).

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

In the best judgement of the Board and CEO the half-yearly financial statements for 2009 have been prepared in accordance with applicable accounting standards, and the information in the financial statements provides a fair and true picture of the group's assets, liabilities, financial standing and results as a whole as per 30 June 2009. In the best judgement of the Board and CEO the half-yearly interim report provides a fair and true overview of important events during the accounting period and their effects on the half-yearly financial statements. In the best judgement of the Board and CEO the descriptions of the most important risk and uncertainty factors the group faces in the next accounting period, as well as the descriptions of related parties' significant transactions, also provide a fair and true overview.

Oslo, 16 July 2009

The Board of Directors of Storebrand Livsforsikring AS

Idar Kreutzer  
Chairman of the Board

Andreas Enger

Else-Lill Grønli

Gorm Leiknes

Inger Johanne Bergstøl

Egil Thompson

Lars A. Løddesøl  
CEO

Translation from the original Norwegian version

To the board of Storebrand Livsforsikring AS

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

We have reviewed the condensed consolidated financial statement of Storebrand Livsforsikring AS as of June 30, 2009, showing a loss of MNOK 701,6. The condensed consolidated financial Statement comprises the balance sheet, the statements of income, cash flow, the statement of changes in equity and selected explanatory notes by June 30, 2009. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the rules of the Norwegian Accounting Act and generally accepted accounting practice in Norway. 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)



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### Offices in Sweden

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