

Interim Report 2015

Storebrand Livsforsikring AS

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Important notice:

This document may contain forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that may be beyond the Storebrand Group's control. As a result, the Storebrand Group's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in these forward-looking statements. Important factors that may cause such a difference for the Storebrand Group include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) market related risks such as changes in equity markets, interest rates and exchange rates, and the performance of financial markets generally. The Storebrand Group assumes no responsibility to update any of the forward-looking statements contained in this document or any other forward-looking statements it may make.

Storebrand Livsforsikring Group

Storebrand Livsforsikring AS is a wholly owned subsidiary of the listed company Storebrand ASA. For information about the Storebrand Group's 1st Half year result please refer to the Storebrand Group's interim report for the 1st Half of 2015.

PROFIT STOREBRAND LIVSFORSIKRING GROUP

NOK million	2015		2014			01.01 - 30.06		Full year 2014
	2Q	1Q	4Q	3Q	2Q	2015	2014	
Fee and administration income	829	811	873	856	790	1,640	1,607	3,336
Risk result life & pensions	54	9	323	37	45	63	120	480
Insurance premiums f.o.a.	709	645	603	581	585	1,354	1,175	2,359
Claims f.o.a.	-513	-471	-481	-431	-435	-984	-781	-1,693
Operational cost	-638	-645	-289	-610	-640	-1,283	-1,256	-2,156
Financial result	85	109	-21	103	174	194	310	392
Profit before profit sharing	527	458	1,007	535	519	984	1,175	2,717
Net profit sharing and loan losses	-41	63	-359	99	196	22	314	54
Provision longevity	-151	-154	-121	-90	-90	-306	-180	-391
Profit before amortisation	335	366	527	543	625	701	1,308	2,379

The result before amortisation was NOK 335m (625m) in the 2nd quarter 2015 and NOK 701m (1,308m) year to date. The figures in parentheses are from the corresponding period last year. The fee and administration income in the 2nd quarter increased 4.9% compared with the same quarter last year, and the income year to date increased 2.1%. Adjusted for discontinued business, the growth rate was 10% in the 2nd quarter and 7.0% year to date. Premium income for non-guaranteed savings has increased by 23% 1H 2015 compared with same period in 2014.

The administration costs for the quarter were on par with last year's costs. Year to date there was a 2.1% increase in the costs. The increase is attributed primarily to selling costs and the costs to establish solutions and service customers from Akademikerne (Federation of Norwegian Professional Associations) and Statoil. Strengthening of competitiveness through continued efficiency improvement is a prioritised task.

PROFIT STOREBRAND LIVSFORSIKRING GROUP PER LINE OF BUSINESS

NOK million	2015		2014			01.01 - 30.06		Full year 2014
	2Q	1Q	4Q	3Q	2Q	2015	2014	
Savings	107	85	142	129	73	192	163	433
Insurance	149	148	85	90	117	297	327	502
Guaranteed pensions	32	81	227	233	313	113	614	1,074
Other	47	52	74	92	123	100	204	370
Profit before amortisation	335	366	527	543	625	701	1,308	2,379

The Savings (non-guaranteed) segment reported a result of NOK 107m (73m) in the 2nd quarter and NOK 192m (163m) year to date. The earnings growth is attributed to growth in the volume of business and income. The company SPP Fonder AB is no longer included in the Storebrand Life Insurance Group, and this brings the result down compared with last year. The Insurance segment reported a result of NOK 149m (117m) for the quarter and NOK 297m (327m) year to date. This represents good top line growth and a good financial performance by the Insurance segment. Guaranteed Pension reported a result of NOK 32m (313m) in the 2nd quarter and NOK 113m (614m) year to date. The result is charged with higher costs for increased longevity and reduced profit sharing compared to same period last year.

MARKET AND SALES PERFORMANCE

The Savings and Insurance segments reported strong sales. In Norway, Storebrand is the market leader in defined contribution schemes with 30% of the market share of gross premiums written. In the second quarter, customers chose to move NOK 1.2bn to paid-up policies with investment choice. SPP is the third largest actor in the Swedish unit linked insurance market in the area of Other Occupational Pension with a market share of 15% of new contracts.

CAPITAL SITUATION AND TAXES

The Storebrand Life Insurance Group's solvency margin was 183% at the end of the quarter. This is an increase of 9.9 percentage points during the quarter. The increase was mainly attributed to higher interest rates in Sweden. Higher interest rates reduce the Swedish insurance liabilities in the solvency calculations.

The Solvency II regulations will be introduced from January 2016. The Group's target solvency margin in accordance with the new regulations is 130%, including use of the transitional rules. At the end of the 2nd quarter 2015, the estimated solvency margin in accordance with the Solvency II regulations was 154% (without the transitional rules the solvency margin is estimated at 114%). This is an increase

of 2 and 16 percentage points, respectively, and is attributed to the fact that the long-term interest rates rose during the period. Under Solvency II, all liabilities are discounted by the market interest rate. A standard model and the company's interpretation of the proposed transitional rules from Finanstilsynet (The Financial Supervisory Authority of Norway) have been used. There may be changes to the regulations, methods and interpretations of this up until the date of implementation.

The income tax expense year to date has been estimated based on an expected effective tax rate for 2015. The effective tax rate is influenced by the fact that the Group has operations in countries with tax rates that are different from Norway (27%), and it varies from quarter to quarter depending on each legal entity's contribution to the Group result. The tax rate is calculated to be in the range of 20-25% for the year.

STRENGTHENING OF RESERVES FOR LONGEVITY

Storebrand needs to strengthen its reserves for increased longevity by NOK 12.4bn. At the end of the first half of 2015, NOK 8.1bn has been allocated preliminarily and the remaining required strengthening of reserves is NOK 4.3bn. The direct contribution of NOK 90m for the quarter is an estimate of the overall required strengthening of reserves for the period from 2014 to 2020 with the current portfolio composition. The total contribution to strengthening the reserves for increased longevity, including the direct contribution (NOK 90m), cost of conversion to paid-up policies with investment options (NOK 61m), lost profit sharing and risk result (NOK 102m) was NOK 253m in the 2nd quarter. The total charge was NOK 528m at the end of the first half year.

Savings

Solid earnings growth due to higher volume

The Savings business area includes products for retirement savings with no interest rate guarantees. The business area consists of defined contribution pensions in Norway and Sweden.

SAVINGS

NOK million	2015		2014			01.01 - 30.06		Full year 2014
	2Q	1Q	4Q	3Q	2Q	2015	2014	
Fee and administration income	345	343	356	347	321	688	635	1,338
Risk result life & pensions	4	-4	-10	7	-7		-8	-11
Operational cost	-243	-255	-206	-225	-242	-498	-465	-897
Profit before profit sharing	107	84	141	129	72	191	162	431
Net profit sharing and loan losses			1				1	2
Profit before amortisation	107	85	142	129	73	192	163	433

PROFIT

Savings reported a result of NOK 107m (73m) in the 2nd quarter and NOK 192m (163m) year to date. There is substantial earnings growth driven by higher customer assets in unit linked insurance. Overall fee and administration income increased by 7.5% in the 2nd quarter compared with the same period last year, and the increase has been 8.3% year to date. Adjusted for the sale of SPP Funds, the increase is 22.8% in the 2nd quarter and 21.1% year to date.

The customers' conversion from defined-benefit to defined-contribution pension schemes increased the premium payments. In combination with good sales and a good return, this contributed to growth in customer assets, and income from Unit Linked in Norway and Sweden was 25% higher at the end of the first half year relative to the corresponding period in 2014.

Higher selling costs and higher volume-driven costs explain the cost increase in the Savings segment compared with the same period last year.

BALANCE SHEET AND MARKET TRENDS

Premium income for non-guaranteed savings was NOK 3bn in the 2nd quarter, an increase of 29% compared with the 2nd quarter 2014.

Total reserves within unit linked insurance have increased 26% over the last year.

Assets under management in the Norwegian United Linked business increased NOK 12bn (31%) relative to 2nd quarter 2014. The growth is driven by premium payments for existing contracts, a good return and conversion from defined benefit schemes. Storebrand has also been very successful in the launch of paid-up policies with investment options, and there were reserves of NOK 3.7bn in this product at the end of the 2nd quarter.

In Norway, Storebrand is the market leader in defined contribution schemes with over 30% of the market share of gross premiums written.

The customers' capital increased NOK 13bn (23%) in the Swedish unit linked insurance business last year. The volume increase is driven by a good return and good new sales. Transfers out declined compared with the same period last year.

SPP is the third largest actor in the Swedish unit linked insurance market in the segment Other Occupational Pension with a market share of 15% of new contracts.

SAVINGS- KEY FIGURES

NOK million	2015			2014	
	2Q	1Q	4Q	3Q	2Q
Unit Linked Reserves	117,452	115,816	105,369	93,976	92,899
Unit Linked Premiums	3,035	2,871	2,594	2,483	2,347

Insurance

Solid top line growth attributed to good sales.

The Insurance business area encompasses personal risk products in the Norwegian and Swedish retail market and employee insurance and pensions-related insurance in the Norwegian and Swedish corporate market.

INSURANCE

NOK million	2015		2014			01.01 - 30.06		Full year 2014
	2Q	1Q	4Q	3Q	2Q	2015	2014	
Insurance premiums f.o.a.	709	645	603	581	585	1,354	1,175	2,359
Claims f.o.a.	-513	-471	-481	-431	-435	-984	-781	-1,693
Operational cost	-99	-96	7	-91	-100	-195	-195	-279
Financial result	52	70	-44	31	66	122	128	115
Profit before amortisation	149	148	85	90	117	297	327	502

PROFIT

Insurance delivered a result before amortisation of NOK 149m (117m) in the 2nd quarter, and NOK 297m (327m) year to date, with a total combined ratio of 87% (83%) year to date.

The risk result for the quarter was good with a claims ratio of 72 % (74 %). The risk result in Norway was positively influenced by the accrual of premium income between the 1st and 2nd quarters and negatively influenced by new incidents of disability. The Swedish risk result is weak, but within the natural variation.

The cost percentage was 14% (17%) for the 2nd quarter. Strengthening of competitiveness through continued efficiency improvement is a priority task.

The investment portfolio of Insurance in Norway amounts to NOK 4.6 billion, which is primarily invested in fixed income securities with a short to medium duration. Financial income is good in the quarter due to a good booked return.

BALANCE SHEET AND MARKET TRENDS

Premium income for own account was NOK 709m in the 2nd quarter (585m) and NOK 1,354m (1,175m) year to date.

There is weak growth in personal insurance, while the employee insurance portfolio is increasing significantly. The latter is attributed, for example, to certain major contracts and the agreement with Akademikerne (Federation of Norwegian Professional Associations), which was signed in the 4th quarter 2014.

For risk cover in connection with defined contribution pensions in Norway, growth is driven by conversions from defined benefit to defined contribution pensions. A new regulatory framework for disability pensions may result in a lower premium volume in the future. In addition, competition is strong in pension-related group disability insurance, with increasing pressure on the margins.

INSURANCE - KEY FIGURES

NOK million	2015			2014	
	2Q	1Q	4Q	3Q	2Q
Individual life *	605	598	591	581	571
Group life **	942	935	734	741	731
Pension related disability insurance ***	1,126	1,101	1,087	1,084	1,081
Portfolio premium	2,674	2,634	2,413	2,406	2,383

* Individual life disability insurance ** Group disability, workers compensation insurance *** DC disability risk premium Norway and disability risk Sweden

NOK million	2015			2014	
	2Q	1Q	4Q	3Q	2Q
Claims ratio	72%	73%	80%	74%	74%
Cost ratio	14%	15%	-1%	16%	17%
Combined ratio	86%	88%	79%	90%	91%

Guaranteed pension

Substantial strengthening of reserves for increased longevity. Lower profit sharing result as a result of the financial market performance.

The Guaranteed Pension business area includes long-term pension savings products that give customers a guaranteed rate of return. The business area covers defined benefit pensions in Norway and Sweden, paid-up policies and individual capital and pension insurance.

GUARANTEED PENSION

(NOK million)	2015		2014			01.01 - 30.06		Full year
	2Q	1Q	4Q	3Q	2Q	2015	2014	2014
Fee and administration income	457	432	457	471	439	889	913	1,842
Risk result life & pensions	47	16	331	26	48	63	126	483
Operational cost	-281	-277	-84	-275	-281	-558	-562	-921
Financial result	-	-	-	-	-	-	-	-
Result before profit sharing and loan losses	223	171	705	222	206	394	478	1,404
Net profit sharing and loan losses	-40	64	-357	101	197	24	317	61
Provision longevity	-151	-154	-121	-90	-90	-306	-180	-391
Result before amortisation	32	81	227	233	313	113	614	1,074

RESULTS

Fee and administration income has performed consistent with the fact that a large part of the portfolio is mature and in long-term decline. Income was NOK 457m (439m) in the 2nd quarter and NOK 889m (913m) year to date. This corresponds to a reduction of 2.6% for the first half year, compared with the corresponding period in 2014.

The operating costs are stable compared with the same quarter last year. The risk result was NOK 47m (NOK 48m) in the 2nd quarter and NOK 63m (NOK 126m) year to date. In the Norwegian business, most of the result that would have normally passed to the owner through the risk equalisation reserve was allocated to the longevity reserve during the quarter. In the Swedish business, the risk result showed a good trend for the quarter and year to date.

The degree of consolidation have been sufficient to provide indexing fee of NOK 38 m. in the Swedish defined benefit portfolio. For the other financial result in the Swedish guaranteed portfolio, higher interest rates, higher credit spreads and weak equity markets have

produced negative returns. This has led to a reversal of previously profit sharing. Furthermore, the persistent low interest rates is a negative running contribution. Overall, this gives a negative financial result of NOK 40 m. in the quarter.

The Norwegian business is prioritising the build-up of buffers and reserves instead of profit sharing between customers and owners. At the end of the 2nd quarter, NOK 1,4m of the profit for the year from the financial and risk results was preliminarily allocated to strengthen the longevity reserves. The owner's result has been charged NOK 90m in the 2nd quarter and NOK 180m year to date to increase the longevity reserves. There is an additional cost to the owner of NOK 126m year to date as a result of the conversion of paid-up policies to paid-up policies with investment choice, which requires Ireserve strengthening of converted contracts. The total cost to the owner of strengthening the reserves, including lost profit sharing and foregone risk profits, was NOK 253m in the 2nd quarter and NOK 528m year to date.

BALANCE SHEET AND MARKET TRENDS

The majority of products are closed for new business, and the customers' choices about transferring from guaranteed to non-guaranteed products are in line with the Group's strategy. Customer reserves for guaranteed pensions amounted to NOK 259bn at the end of the 2nd quarter, which corresponds to a reduction of NOK 5.5bn and 2% since the end of the year. Paid-up policies is the only guaranteed portfolio that is growing, and it totalled NOK 98.4bn at the end of the 2nd quarter, which corresponds to an increase of NOK 5.8bn and 6% since the end of the year. Defined benefit pensions in Norway have declined NOK 7.9bn year to date, which corresponds to 12%, and amounted to NOK 59.9bn at the end of the 2nd quarter.

Transfers out from guaranteed pensions have totalled NOK 3.7bn (7.2bn) year to date and NOK 0.3bn (0.1bn) in the 2nd quarter mainly from the public sector. From the 4th quarter of 2014, the customers were given an offer to convert from paid-up policies to paid-up policies with investment choice. Insurance reserves for paid-up policies with investment choice rose by NOK 1.2 billion in the 2nd quarter and NOK 2.8 billion the year to date. Total premium income was NOK 5.1bn (6.5bn) year to date and NOK 1.7bn (2.2bn) in the 2nd quarter. This represents a decline of 21% year to date.

GUARANTEED PENSION - KEY FIGURES

(NOK million)	2015			2014	
	2Q	1Q	4Q	3Q	2Q
Guaranteed reserves	258,825	261,277	264,290	257,425	263,370
Guaranteed reserves in % of total reserves	68.8 %	69.3 %	71.5 %	73.3 %	73.9 %
Net transfers	-1,432	-5,038	-2,229	-5,452	-72
Buffer capital in % of customer reserves Norway	5.7 %	6.5 %	6.6 %	4.8 %	4.6 %
Buffer capital in % of customer reserves Sweden	12.4 %	12.5 %	11.7 %	15.0 %	15.1 %

Other

Under Other, the company portfolios and smaller daughter companies with Storebrand Life Insurance and SPP are reported. In addition, the result associated with the activities at BenCo is included

PROFIT

NOK million	2015		2014			01.01 - 30.06		Full year 2014
	2Q	1Q	4Q	3Q	2Q	2015	2014	
Fee and administration income	27	36	59	37	30	63	60	156
Risk result life & pensions	3	-4	2	4	3		2	8
Operational cost	-16	-16	-7	-19	-17	-32	-34	-60
Financial result	34	39	23	72	108	72	181	276
Profit before profit sharing	48	54	77	94	124	102	209	380
Net profit sharing and loan losses	-1	-2	-3	-2	-1	-3	-4	-10
Profit before amortisation	47	52	74	92	123	100	204	370

The financial result for the Other includes the net return from the company portfolios of SPP and Storebrand Livsforsikring as well as the net result for subsidiaries.

The Storebrand Life Insurance Group is funded by a combination of equity and subordinated loans. The Group's company portfolios comprised NOK 21.7bn at the end of the 1st half year. The investments are primarily in short-term interest-bearing securities in Norway and Sweden.

Balance sheet, solidity and capital adequacy

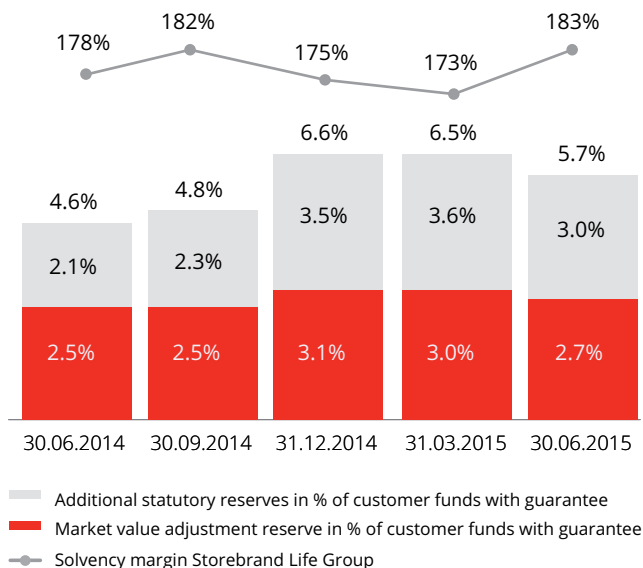
Continuous monitoring and active risk management is a core area of Storebrand's business. Risk and solidity are both followed up on at the Group level and in the legal entities. Regulatory requirements for financial strength and risk management follow to a large extent the legal entities. The section is thus divided up by legal entities.

STOREBRAND LIFE INSURANCE GROUP

The Storebrand Life Insurance Group's solvency margin was 183% at the end of the first half year, an increase of 9.9 percentage points for the quarter and 8.3 percentage points for the year to date. The increase was mainly attributed to higher interest rates in Sweden. Higher interest rates reduce the Swedish insurance liabilities in the solvency calculations.

The solvency capital¹⁾ totalled NOK 62.3bn at the end of the first half year of 2015, a decline of NOK 3.8bn in the 2nd quarter as a result of lower customer buffers and a positive result. The decline for the first half year was NOK 2.4bn.

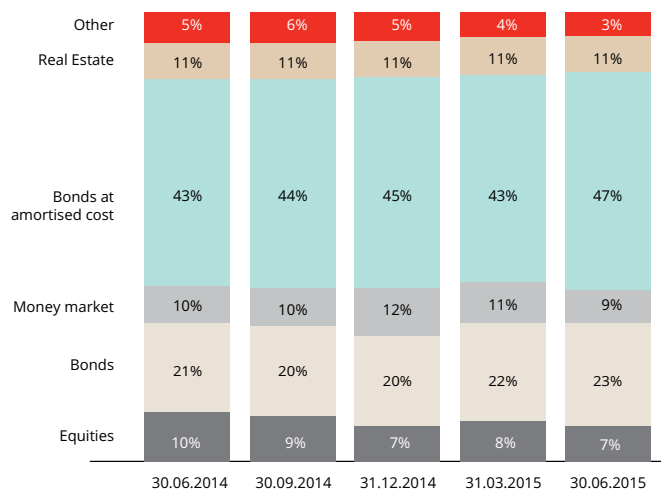
SOLIDITY



STOREBRAND LIVSFORSIKRING AS

The market value adjustment fund declined NOK 0.9bn year to date and amounted to NOK 4.9bn at the end of the first half of 2015. The additional statutory reserves declined NOK 0.4bn in the 2nd quarter and NOK 0.6bn year to date, which is primarily attributed to conversion to paid-up policies with investment choice. The additional statutory reserves totalled NOK 4.5bn at the end of the first half of 2015. Excess value of held-to-maturity bonds that are assessed at amortised cost declined by NOK 3.1bn in the 2nd quarter and NOK 3.6bn year to date due to rising interest rates, and amounted to NOK 9.7bn at the end of the first half year. The excess value of bonds at amortised cost is not included in the financial statements.

ASSET ALLOCATION IN CUSTOMER PORTFOLIOS WITH INTEREST RATE GUARANTEE

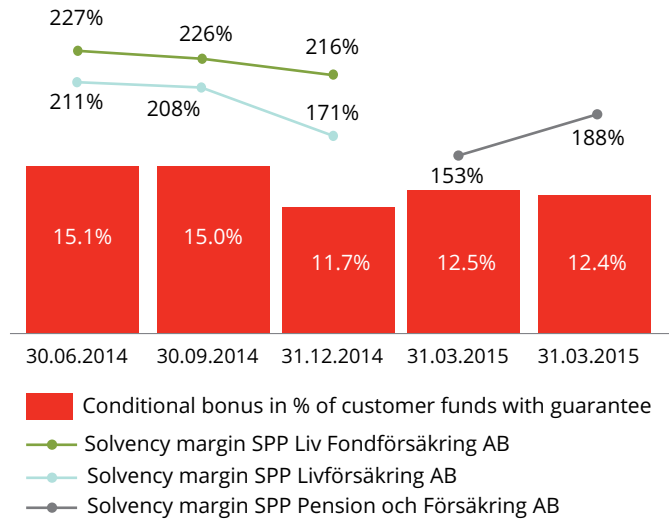


Customer assets increased NOK 2.2bn in the 2nd quarter and NOK 5.1 bn year to date and amounted to NOK 224bn at the end of the first half of 2015. Customer assets within non-guaranteed Savings increased NOK 2.6bn in the 2nd quarter and NOK 7.5bn for the first half of 2015. Customer assets with guaranteed reserves decreased NOK 0.4bn in the 2nd quarter and NOK 2.5bn for the first half of 2015.

¹⁾ The term solvency capital encompasses equity, subordinated loan capital, the risk equalisation fund, the market value adjustment reserve, additional statutory reserves, conditional bonuses, excess value/deficit related to bonds at amortised cost and accrued profit.

SPP

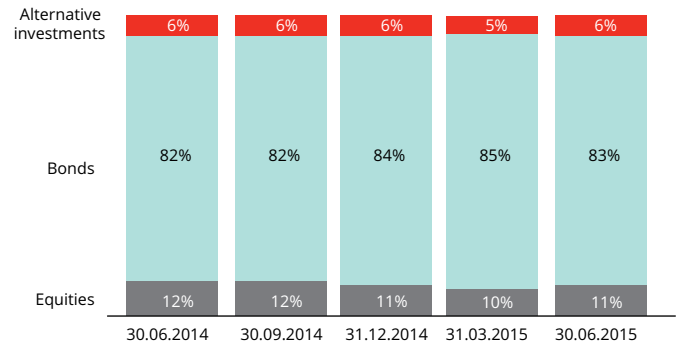
SOLIDITY



The solvency margin of SPP Pension og Försäkring AB was 188% at the end of the 2nd quarter. SPP Livförsäkring AB and SPP Livfondförsäkring AB merged effective 1 January 2015.

The buffer capital totalled NOK 9.3bn (10.8bn) at the end of the 2nd quarter. The decline is attributed primarily to a lower return on the customer portfolio.

ASSET ALLOCATION IN CUSTOMER PORTFOLIOS WITH INTEREST RATE GUARANTEE



Total assets under management in SPP were NOK 149.2bn at the end of the 2nd quarter 2015. This corresponds to a decline of 2% compared with the first quarter of 2015. For unit linked insurance, the assets under management totalled NOK 68.0bn in the second quarter, which corresponds to a decline of 1.3%, compared with the first quarter of 2015.

Outlook

EARNINGS PERFORMANCE

Strong growth in insurance and savings are strengthening Storebrand's market position. Storebrand's ambition is to be the best provider of pension savings. Continued growth is expected in the Savings and Insurance segments as a result of new customers, general wage inflation and the possibility of higher savings rates in Norway.

The financial markets have been marked by major fluctuations in the second quarter. The central banks in both Norway and Sweden have lowered their key rates during the quarter, while rising interest rates were observed at the same time on long-term loans. The share markets also fell in several countries, including Sweden, while there was a more stable performance in Norway. The uncertainty has continued in the third quarter and is marked in particular by the debt negotiations in Greece and the share market in China. It is expected that the macroeconomic conditions will mark the financial markets this autumn. An improvement in the US economy and expectations of rising interest rates in the US will also be important to the development of the economy.

Storebrand has adapted to the historically low interest rates through building up buffer capital, risk reduction on the investments and changes to the products. The solvency level improved during the period, which shows that the Group is robust in relation to low interest rates in the long term. The level of the annual interest rate guarantee will decline over time. A change in the interest rate level will affect the value of the products for which Storebrand is required to cover an annual interest rate guarantee, and it will be reflected in the sensitivity of the solvency level to interest rate changes.

Conversions from defined benefit to defined contribution pension schemes entail the issuance of paid-up policies, which reduces the Group's earnings. The termination of activities related to defined benefit pensions for the public sector and the corporate lending portfolio will also result in lower income for a transitional period. The cost performance must be adapted to the earnings performance, and it is expected that the cost ratio will be 60% of the income in the coming years.

During the period from 2014 to 2020, Storebrand's results will be burdened by a minimum of 20% of the costs associated with the strengthening of reserves for increased longevity. The final amount will, among other things, depend on risk results and returns in the customer portfolios. The building up of reserves for increased longevity is described in further detail in the introduction.

Sales of pensions and insurance have been good in the second quarter. Through reduced costs, adjustments to new solvency requi-

irements, and growth in non-guaranteed savings and insurance, the Group has a solid foundation for continued profitable growth.

RISK

Storebrand is exposed to several types of risk through its business areas. Trends in interest rates and the property and equity markets are deemed to be the most significant risk factors that can affect the Group's result. Over time, it is important to be able to deliver a return that exceeds the interest rate guarantees of the products. Risk management is therefore a prioritized core area for the group. In addition, the disability and life expectancy trends are key risks.

REGULATORY CHANGES

SOLVENCY II

The new European solvency regulations Solvency II will enter into force on 1 January 2016 and will apply to all the insurance companies in the EEA. In Norway, Solvency II will be implemented by the Act on Financial Undertakings and regulations. The regulations have been circulated for consultation with a deadline of 20 March 2015, and they will be issued by the Ministry of Finance. The regulations will contain, for example, the Norwegian implementation of the permanent measures and transitional rules in the Omnibus II Directive to facilitate adaptation to Solvency II for products with long guarantees. The Financial Supervisory Authority of Norway has recommended that companies be given the opportunity to apply a yield curve spread to discount insurance liabilities (volatility adjustment). Another opportunity is for a transitional period of 16 years for the valuation of insurance liabilities. This transitional rule entails that an increase in the insurance liabilities as a result of Solvency II can be phased in over a period of maximum 16 years. This transitional rule should ease the transition to Solvency II for companies with long-term guaranteed annual returns, and it will have a significantly positive effect on paid-up policies.

TAX

The Ministry of Finance has circulated a proposal for a tax deduction for insurance reserves for consultation. The deadline for submissions was set to 2 July 2015. The proposal entails that the Solvency II reserves shall be used as the basis for a tax deduction for life insurance and property and casualty insurance. The Ministry of Finance has stated in this proposal that it will have limited effect on life insurance companies. In its consultation comments, Finance Norway has recommended continuation of the current law for life insurance, in which the tax deduction corresponds to the insurance reserves pursuant to the Insurance Activity Act. Finance Norway points out that it is not necessary on a regulatory basis to introduce Solvency II for the calculation of the tax deduction for life insurance companies, since

the provisions concerning insurance reserves will be continued in the business regulations for customer accounts, and the continuation is proposed for the valuation of the insurance liabilities in the financial statements.

If the Solvency II reserves are introduced as a basis for the tax deduction, this will entail the deduction being calculated as the present value of future cash flows. This will for Storebrand imply increased volatility for the tax deduction, even if the underlying liabilities to the customers remain unchanged.

NEW REGULATIONS FOR DISABILITY PENSIONS

The Norwegian Parliament has adopted new rules for disability pensions in the occupational pension schemes in the private sector. The Ministry of Finance has requested that the Financial Supervisory Authority of Norway propose regulations for transitional rules etc. by 25 September. The Financial Supervisory Authority of Norway was also requested to consider the timing of the entry into force. The Ministry assumes, however, that the new rules will not take effect any earlier than 1 January 2016.

Lysaker, 14 July 2015
Board of directors Storebrand Livsforsikring AS

Storebrand Livsforsikring Group

Statement of Comprehensive income

NOK million	Q2		01.01 - 30.06		Year
	2015	2014	2015	2014	2014
TECHNICAL ACCOUNT:					
Gross premiums written	5,193	5,061	12,551	12,613	22,106
Reinsurance premiums ceded	-36	-29	-60	-56	-76
Premium reserves transferred from other companies	420	623	1,090	1,406	2,434
Premiums for own account	5,577	5,655	13,581	13,963	24,464
Income from investments in subsidiaries, associated companies and joint-controlled companies	34	-8	56	9	24
Interest income and dividends etc. from financial assets	1,914	2,797	3,703	5,003	8,149
Net operating income from real estate	258	282	496	558	1,127
Changes in investment value	-4,228	2,851	-2,648	3,703	8,573
Realised gains and losses on investments	1,290	653	3,221	2,399	4,303
Total net income from investments in the collective portfolio	-732	6,575	4,828	11,671	22,176
Income from investments in subsidiaries, associated companies and joint-controlled companies	4		5		1
Interest income and dividends etc. from financial assets	-160	-24	-202	-47	249
Net operating income from real estate	23	13	41	25	62
Changes in investment value	-5,208	4,723	2,971	5,027	11,032
Realised gains and losses on investments	2,742	20	3,106	1,358	904
Total net income from investments in the investment selection portfolio	-2,599	4,732	5,921	6,364	12,248
Other insurance related income	460	489	903	842	1,739
Gross claims paid	-4,075	-4,529	-8,717	-9,406	-18,097
Claims paid - reinsurance	8	3	11	5	10
Gross change in claims reserve	-46	-2	-176	5	-122
Premium reserves etc. transferred to other companies	-886	-669	-5,043	-8,817	-17,176
Claims for own account	-4,999	-5,197	-13,925	-18,213	-35,386
To (from) premium reserve, gross	3,725	-2,643	5,023	-608	-2,450
To/from additional statutory reserves	59	117	271	133	-710
Change in value adjustment fund	926	-908	884	122	-1,992
Change in premium fund, deposit fund and the pension surplus fund	-1		-4	-1	-14
To/from technical reserves for non-life insurance business	8	-16	-31	-49	-29
Change in conditional bonus	175	-697	-858	-83	3,487
Transfer of additional statutory reserves and value adjustment fund from other insurance companies/pension funds	-19	2	-44	4	-4
Changes in insurance obligations recognised in the Profit and Loss Account - contractual obligations	4,874	-4,147	5,243	-483	-1,711
Change in premium reserve	-334	-6,020	-12,547	-8,996	-18,735
Change in other provisions	-272		171		
Changes in insurance obligations recognised in the Profit and Loss Account - investment portfolio separately	-605	-6,020	-12,376	-8,996	-18,735
Profit on investment result					-120
Risk result allocated to insurance contracts					-46
Other allocation of profit	-2	-2	-2	-2	-25
Unallocated profit	-900	-850	-2,000	-2,688	
Funds allocated to insurance contracts	-901	-852	-2,002	-2,690	-190
Management expenses	-96	-82	-189	-177	-386
Selling expenses	-188	-207	-367	-416	-719
Change in pre-paid direct selling expenses		-2	-2	3	2

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Storebrand Livsforsikring Group

Statement of Comprehensive income continue

NOK million	Q2		01.01 - 30.06		Year
	2015	2014	2015	2014	2014
Insurance-related administration expenses (incl. commissions for reinsurance received)	-379	-356	-768	-668	-1,095
Insurance-related operating expenses	-662	-646	-1,326	-1,258	-2,198
Other insurance related expenses	-112	-89	-231	-117	-459
Technical insurance profit	300	500	616	1,083	1,949
Non-technical account					
Income from investments in subsidiaries, associated companies and joint-controlled companies	-3	-2	2	1	15
Interest income and dividends etc. from financial assets	82	111	162	236	439
Net operating income from real estate	10	13	31	25	62
Changes in investment value	-27	50	-7	68	60
Realised gains and losses on investments	44	35	66	88	187
Net income from investments in company portfolio	107	207	254	418	763
Other income	101	112	201	217	510
Management expenses	-6	-10	-12	-19	-37
Other costs	-260	-278	-544	-582	-1,185
Management expenses and other costs linked to the company portfolio	-266	-288	-557	-601	-1,222
Profit or loss on non-technical account	-59	31	-102	34	50
Profit before tax	242	531	514	1,117	1,999
Tax costs	-73	-117	-139	-217	-359
Profit before other comprehensive income	169	414	375	900	1,640
Change in actuarial assumptions	1	-8	-4	-11	-344
Change in value adjustment reserve own buildings	45	4	5	28	51
Profit/loss cash flow hedging	-48		-67		168
Adjustment of insurance liabilities	-45	-4	-5	-28	-22
Tax on other profit elements not to be classified to profit/loss	13		18		32
Total other profit elements not to be classified to profit/loss	-34	-8	-53	-11	-115
Translation differences	104	-51	-123	-252	136
Total other profit elements that may be classified to profit /loss	104	-51	-123	-252	136
Total other profit elements	70	-59	-176	-263	22
Total comprehensive income	239	355	199	638	1,661
Profit is attributable to:					
Minority share of profit	-1	10	13	14	24
Majority share of profit	170	404	362	886	1,616
Comprehensive income is attributable to:					
Minority share of profit	1	10	13	12	28
Majority share of profit	239	345	187	625	1,634

Storebrand Livsforsikring Group

Statement of financial position

NOK million	30.06.2015	30.06.2014	31.12.2014
ASSETS			
ASSETS IN COMPANY PORTFOLIO			
Goodwill	758	775	808
Other intangible assets	4,330	4,553	4,583
Total intangible assets	5,088	5,328	5,391
Real estate at fair value	681	3,625	4,456
Real estate for own use	73	67	68
Equities and units in subsidiaries, associated companies and joint-controlled companies	303	230	243
Lendings	2	3	2
Bonds held to maturity		347	
Bonds at amortised cost	1,791	1,519	1,877
Equities and other units at fair value	74	82	95
Bonds and other fixed-income securities at fair value	22,287	19,136	20,410
Derivatives at fair value	616	399	966
Other financial assets	358	222	217
Total investments	26,184	25,629	28,335
Reinsurance share of insurance obligations	117	137	124
Receivables in connection with direct business transactions	986	1,281	3,554
Receivables in connection with reinsurance transactions	7	5	3
Receivables with group company	23	19	21
Other receivables	1,266	1,994	793
Total receivables	2,281	3,299	4,372
Tangible fixed assets	407	415	408
Cash, bank	1,994	3,244	4,568
Minority interest in consolidated securities funds		881	4,109
Other assets designated according to type	699	695	710
Total other assets	3,100	5,234	9,796
Pre-paid direct selling expenses	502	489	509
Other pre-paid costs and income earned and not received	237	193	125
Total pre-paid costs and income earned and not received	740	681	634
Total assets in company portfolio	37,509	40,310	48,652
Assets in customer portfolios			
Real estate at fair value	20,304	20,843	20,392
Real estate for own use	2,525	2,362	2,430
Equities and units in subsidiaries, associated companies and joint-controlled companies	1,077	41	40
Loans to and securities issued by subsidiaries, associated companies	11	180	11
Bonds held to maturity	15,108	14,766	15,131
Bonds at amortised cost	67,493	64,312	64,136
Lendings	2,941	4,209	4,679
Equities and other units at fair value	28,085	36,584	35,108
Bonds and other fixed-income securities at fair value	135,575	130,423	134,957
Financial derivatives at fair value	3,082	2,367	4,669
Other financial assets	4,166	6,359	3,148
Total investments in collective portfolio	280,368	282,447	284,702

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Storebrand Livsforsikring Group

Statement of financial position continue

NOK million	30.06.2015	30.06.2014	31.12.2014
Real estate at fair value	1,778	928	1,571
Real estate for own use	144	67	84
Equities and units in subsidiaries, associated companies and joint-controlled companies	110		
Equities and other units at fair value	91,942	64,315	83,226
Bonds and other fixed-income securities at fair value	24,789	28,671	22,619
Financial derivatives at fair value	123	4	45
Other financial assets	452	175	260
Total investments in investment selection portfolio	119,339	94,161	107,805
Total assets in customer portfolio	399,707	376,607	392,508
TOTAL ASSETS	437,216	416,917	441,160
Equity and liabilities			
Share capital	3,540	3,540	3,540
Share premium	9,711	9,711	9,711
Total paid in equity	13,251	13,251	13,251
Risk equalisation fund	866	887	829
Other earned equity	7,244	5,939	7,433
Earned profit	338	423	
Minority's share of equity	394	413	421
Total earned equity	8,842	7,662	8,683
Perpetual subordinated loan capital	2,756	2,942	2,830
Dated subordinated loan capital	2,745	2,440	2,991
Hybrid tier 1 capital	1,503	1,502	1,503
Total subordinated loan capital and hybrid tier 1 capital	7,004	6,884	7,324
Premium reserves	251,229	252,575	257,358
Additional statutory reserves	4,505	4,310	5,118
Market value adjustment reserve	4,930	3,701	5,814
Claims allocation	1,193	886	1,016
Premium fund, deposit fund and the pension surplus fund	2,552	3,220	3,047
Conditional bonus	12,115	13,757	11,281
Unallocated profit to insurance contracts	2,000	2,688	
Other technical reserve	650	660	627
Total insurance obligations in life insurance - contractual obligations	279,174	281,796	284,261
Premium reserve	119,031	94,612	107,103
Claims allocation	1	1	1
Total insurance obligations in life insurance - investment portfolio separately	119,032	94,612	107,103
Pension liabilities etc.	263	597	287
Period tax liabilities	1,759	1,617	1,736
Other provisions for liabilities	50	41	67
Total provisions for liabilities	2,073	2,255	2,090

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Storebrand Livsforsikring Group

Statement of financial position continue

NOK million	30.06.2015	30.06.2014	31.12.2014
Liabilities in connection with direct insurance	1,283	1,331	2,338
Liabilities in connection with reinsurance	27	56	31
Financial derivatives	2,149	1,503	4,279
Liabilities to group companies	7	19	22
Minority interest in consolidated securities funds		881	4,109
Other liabilities	3,847	6,266	7,051
Total liabilities	7,313	10,056	17,831
Other accrued expenses and received, unearned income	527	401	616
Total accrued expenses and received, unearned income	527	401	616
TOTAL EQUITY AND LIABILITIES	437,216	416,917	441,160

Storebrand Livsforsikring Group

Statement of change in equity

NOK million	Majority's share of equity					Minority interests	Total equity
	Share capital	Share premium	Total paid in equity	Risk equalisation fund	Other equity ¹⁾		
Equity at 31.12.2013	3,540	9,711	13,251	776	5,844	402	20,273
Profit for the period				64	419	4	486
Total other profit elements					-202	-2	-204
Total comprehensive income for the period				64	217	2	282
<i>Equity transactions with owner:</i>							
Other					1	2	3
Equity at 30.06.2014	3,540	9,711	13,251	839	6,061	407	20,559
Profit for the period				53	1,563	24	1,640
Total other profit elements					18	4	22
Total comprehensive income for the period				53	1,581	28	1,661
<i>Equity transactions with owner:</i>							
Group contributions						-2	-2
Other					8	-7	1
Equity at 31.12.2014	3,540	9,711	13,251	829	7,432	421	21,933
Profit for the period				37	325	13	375
Total other profit elements					-175	-1	-176
Total comprehensive income for the period				37	150	13	199
<i>Equity transactions with owner:</i>							
Group contributions						-16	-16
Minority buyout						-25	-25
Other						1	1
Equity at 30.06.2015	3,540	9,711	13,251	866	7,582	394	22,092

¹⁾ Includes undistributable funds in security reserves amounting NOK 154 million.

Storebrand Livsforsikring

Statement of cash flow 1. January - 30. June

Storebrand Livsforsikring Group			Storebrand Livsforsikring AS	
2015	2014	NOK million	2015	2014
Cash flow from operational activities				
9,292	16,227	Net received - direct insurance	12,210	7,946
-4,422	-10,165	Net claims/benefits paid - direct insurance	-5,569	-2,223
-7,366	-3,953	Net receipts/payments - policy transfers	-3,433	-5,529
-612	-1,326	Net receipts/payments operations	-733	-349
2,495	-1,005	Net receipts/payments - other operational activities	866	1,993
-613	-223	Net cash flow from operational activities before financial assets	3,341	1,838
-1,432	1,739	Net receipts/payments - lendings to customers	1,739	-1,505
851	-2,076	Net receipts/payments - financial assets	-5,498	-719
419	-312	Net receipts/payments - real estate activities		
-524	-1,210	Net change bank deposits insurance customers	-604	-6
-687	-1,859	Net cash flow from operational activities from financial assets	-4,363	-2,230
-1,300	-2,082	Net cash flow from operational activities	-1,022	-392
Cash flow from investment activities				
	99	Net payments - sale/purchase of subsidiaries		
-27	3	Net payments - purchase/capitalisation associated companies		
	-65	Net receipts/payments - sale/purchase of fixed assets	-12	-10
-28	37	Net cash flow from investment activities	-12	-10
Cash flow from financing activities				
1,741	997	Payment of subordinated loan capital	997	1,094
	-1,000	Repayment of subordinated loan capital	-1,000	
-202	-370	Payments - interest on subordinated loan capital	-370	-202
	-16	Payment of dividend		
1,539	-389	Net cash flow from financing activities	-373	892
211	-2,433	Net cash flow for the period	-1,407	490
898	-574	of which net cash flow for the period before financial assets	2,956	2,720
211	-2,433	Net movement in cash and cash equivalent assets	-1,407	490
3,823	4,785	Cash and cash equivalent assets at start of the period	2,336	1,540
4,034	2,352	Cash and cash equivalent assets at the end of the period	929	2,030

Storebrand Livsforsikring AS

Statement of Comprehensive income

NOK million	Q2		01.01 - 30.06		Year
	2015	2014	2015	2014	2014
TECHNICAL ACCOUNT:					
Gross premiums written	3,685	3,440	9,297	9,216	15,495
Reinsurance premiums ceded	-1	-17	-6	-21	-25
Premium reserves transferred from other companies	212	205	680	579	1,088
Premiums for own account	3,896	3,628	9,970	9,774	16,559
Income from investments in subsidiaries, associated companies and joint-controlled companies	774	280	1,130	520	1,549
of which from investment in real estate companies	770	265	1,155	514	1,481
Interest income and dividends etc. from financial assets	1,357	2,104	2,576	3,679	5,497
Changes in investment value	-1,023	677	-937	-180	1,986
Realised gains and losses on investments	550	209	1,424	1,654	2,067
Total net income from investments in the collective portfolio	1,659	3,270	4,193	5,672	11,100
Income from investments in subsidiaries, associated companies and joint-controlled companies	79	13	115	26	92
of which from investment in real estate companies	79	13	115	26	91
Interest income and dividends etc. from financial assets	-162	-28	-205	-50	236
Changes in investment value	-2,742	1,824	-1,347	970	2,373
Realised gains and losses on investments	2,670	-22	3,038	1,316	792
Total net income from investments in the investment selection portfolio	-155	1,788	1,600	2,262	3,492
Other insurance related income	93	54	182	118	256
Gross claims paid	-2,300	-2,742	-4,756	-5,465	-10,468
Claims paid - reinsurance	5	3	9	5	8
Gross change in claims reserve	-46	-2	-179	-2	-132
Premium reserves etc. transferred to other companies	-434	105	-4,113	-5,799	-12,722
Claims for own account	-2,775	-2,637	-9,039	-11,262	-23,315
To (from) premium reserve, gross	495	-1,252	2,807	972	5,141
To/from additional statutory reserves	190	118	235	134	-710
Change in value adjustment fund	926	-908	884	122	-1,992
Change in premium fund, deposit fund and the pension surplus fund	-1		-4	-1	-14
To/from technical reserves for non-life insurance business	9	-20	-40	-55	-33
Transfer of additional statutory reserves and value adjustment fund from other insurance companies/pension funds	-19	2	-44	4	-4
Changes in insurance obligations recognised in the Profit and Loss Account - contractual obligations	1,600	-2,061	3,839	1,175	2,389
Change in premium reserve	-2,640	-2,525	-7,538	-3,702	-7,788
Changes in insurance obligations recognised in the Profit and Loss Account - investment portfolio separately	-2,640	-2,525	-7,538	-3,702	-7,788
Profit on investment result					-120
Risk result allocated to insurance contracts					-46
Other allocation of profit					-19
Unallocated profit	-900	-850	-2,000	-2,688	
Funds allocated to insurance contracts	-900	-850	-2,000	-2,688	-185
Management expenses	-39	-24	-74	-64	-134
Selling expenses	-73	-149	-156	-296	-312
Insurance-related administration expenses (incl. commissions for reinsurance received)	-258	-179	-503	-339	-587
Insurance-related operating expenses	-370	-351	-733	-700	-1,033
Other insurance related expenses after reinsurance share	-99	-76	-202	-112	-434
Technical insurance profit	309	239	272	537	1,041

Storebrand Livsforsikring AS

Statement of Comprehensive income continue

NOK million	Q2		01.01 - 30.06		Year
	2015	2014	2015	2014	2014
Non-technical account					
Income from investments in subsidiaries, associated companies and joint-controlled companies	609	-257	690	-245	-196
of which from investment in real estate companies	40	13	60	26	74
Interest income and dividends etc. from financial assets	170	158	321	353	699
Changes in investment value	-17	33	-25	53	21
Realised gains and losses on investments	31	32	51	66	125
Net income from investments in company portfolio	793	-33	1,037	227	649
Other income	8	6	14	13	26
Management expenses	-3	-4	-7	-7	-13
Other costs	-79	-125	-181	-223	-442
Total management expenses and other costs linked to the company portfolio	-82	-129	-187	-230	-456
Profit or loss on non-technical account	719	-156	864	11	219
Profit before tax	1,028	83	1,136	547	1,260
Tax costs	-105	-76	-120	-201	-279
Profit before other comprehensive income	923	7	1,016	346	981
Change in actuarial assumptions					-264
Profit/loss cash flow hedging	-48		-67		168
Adjustment of insurance liabilities					29
Tax on other profit elements not to be classified to profit/loss	14		20	1	18
Total other profit elements not to be classified to profit/loss	-34		-47	1	-49
Translation differences	-3	-1	-6	-4	-3
Total other profit elements that may be classified to profit /loss	-3	-1	-6	-4	-3
Total other profit elements	-37	-1	-53	-3	-51
TOTAL COMPREHENSIVE INCOME	886	6	963	344	930

Storebrand Livsforsikring AS

Statement of financial position

NOK million	30.06.2015	30.06.2014	31.12.2014
Assets			
Assets in company portfolio			
Other intangible assets	177	140	176
Total intangible assets	177	140	176
Equities and units in subsidiaries, associated companies and joint-controlled companies	10,255	10,208	10,193
of which investment in real estate companies	1,033	1,028	1,013
Loans to and securities issued by subsidiaries, associated companies	6,389	6,274	6,728
Lendings	2	3	2
Bonds held to maturity		347	
Bonds at amortised cost	1,791	1,519	1,877
Equities and other units at fair value	61	63	63
Bonds and other fixed-income securities at fair value	10,207	8,646	8,451
Derivatives at fair value	616	397	964
Other financial assets	244	182	177
Total investments	29,566	27,637	28,454
Reinsurance share of insurance obligations	133	155	143
Receivables in connection with direct business transactions	923	1,257	3,204
Receivables in connection with reinsurance transactions	7	5	3
Receivables with group company	29	18	24
Other receivables	208	356	180
Total receivables	1,166	1,636	3,411
Tangible fixed assets	17	29	20
Cash, bank	685	1,087	2,159
Total other assets	702	1,116	2,178
Other pre-paid costs and income earned and not received	39	25	15
Total pre-paid costs and income earned and not received	39	25	15
Total assets in company portfolio	31,784	30,709	34,378
Assets in customer portfolios			
Equities and units in subsidiaries, associated companies and joint-controlled companies	21,041	21,103	20,185
of which investment in real estate companies	19,700	20,460	19,462
Bonds held to maturity	15,108	14,766	15,131
Bonds at amortised cost	67,493	64,312	64,136
Lendings	2,941	4,209	4,679
Equities and other units at fair value	15,096	23,088	21,884
Bonds and other fixed-income securities at fair value	56,752	55,331	53,118
Financial derivatives at fair value	286	89	246
Other financial assets	1,801	3,296	1,206
Total investments in collective portfolio	180,519	186,194	180,586
Equities and units in subsidiaries, associated companies and joint-controlled companies	2,132	1,031	1,721
of which investment in real estate companies	1,903	1,031	1,721
Equities and other units at fair value	28,465	20,636	23,367
Bonds and other fixed-income securities at fair value	18,642	15,532	17,250
Financial derivatives at fair value	119	4	45
Other financial assets	199	138	189
Total investments in investment selection portfolio	49,556	37,341	42,573
Total assets in customer portfolios	230,076	223,534	223,159
TOTAL ASSETS	261,859	254,243	257,537

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Storebrand Livsforsikring AS

Statement of financial position continue

NOK million	30.06.2015	30.06.2014	31.12.2014
Equity and liabilities			
Share capital	3,540	3,540	3,540
Share premium	9,711	9,711	9,711
Total paid in equity	13,251	13,251	13,251
Risk equalisation fund	866	887	829
Other earned equity	6,893	6,026	6,946
Earned profit	979	275	
Total earned equity	8,737	7,188	7,774
Perpetual subordinated loan capital	2,095	2,303	2,163
Dated subordinated loan capital	2,745	2,440	2,991
Hybrid tier 1 capital	1,503	1,502	1,503
Total subordinated loan capital and hybrid tier 1 capital	6,343	6,244	6,656
Premium reserves	162,860	169,296	165,374
Additional statutory reserves	4,541	4,310	5,118
Market value adjustment reserve	4,930	3,701	5,814
Claims allocation	1,074	765	895
Premium fund, deposit fund and the pension surplus fund	2,552	3,220	3,047
Unallocated profit to insurance contracts	2,000	2,688	
Other technical reserve	829	834	799
Total insurance obligations in life insurance - contractual obligations	178,786	184,813	181,048
Premium reserves	49,429	37,803	41,892
Claims allocation	1	1	1
Total insurance obligations in life insurance - investment portfolio separately	49,430	37,803	41,893
Pension liabilities etc.	174	432	174
Period tax liabilities	1,550	1,390	1,449
Other provisions for liabilities	49	40	63
Total provisions for liabilities	1,773	1,862	1,686
Liabilities in connection with direct insurance	1,045	985	1,497
Liabilities in connection with reinsurance		17	
Financial derivatives	952	921	3,023
Liabilities to group companies	2	12	10
Other liabilities	1,359	927	374
Total liabilities	3,359	2,861	4,905
Other accrued expenses and received, unearned income	180	220	324
Total accrued expenses and received, unearned income	180	220	324
TOTAL EQUITY AND LIABILITIES	261,859	254,243	257,537

Storebrand Livsforsikring AS

Statement of change in equity

NOK million	Share capital ¹⁾	Share premium reserve	Total paid in equity	Risk equalisation fund	Other equity	Total equity
Equity at 31.12.2013	3,540	9,711	13,251	776	6,069	20,096
Profit for the period				112	235	346
Total other profit elements					-3	-3
Total comprehensive income for the period				112	232	344
Equity at 30.06.2014	3,540	9,711	13,251	887	6,301	20,440
Profit for the period				53	928	981
Total other profit elements					-51	-51
Total comprehensive income for the period				53	877	930
Equity at 31.12.2014	3,540	9,711	13,251	828	6,946	21,025
Profit for the period				37	979	1,016
Total other profit elements					-53	-53
Total comprehensive income for the period				37	926	963
Equity at 30.06.2015	3,540	9,711	13,251	866	7,872	21,989

¹⁾ 35 404 200 shares of NOK 100 par value.

Notes to the interim accounts

Note 01 | Accounting policies

The Group's interim financial statements include Storebrand Livsforsikring AS, subsidiaries and associated companies. The financial statements are prepared in accordance with the "Regulation on the annual accounts etc. of insurance companies" for the parent company and the consolidated financial statements in accordance with IAS 34 Interim Financial Reporting. The interim financial statements do not contain all the information that is required in full annual financial statements.

A description of the accounting policies applied in the preparation of the financial statements is provided in the 2014 annual report, and the interim financial statements are prepared with respect to these accounting policies.

There is none new or amended accounting standards that entered into effect as at 1 January 2015 that have caused significant effects on Storebrand's interim financial statements.

Note 02 | Estimates

Critical accounting estimates and judgements for the 2014 annual financial statements are described in note 2, building-up reserves for long life expectancy for Storebrand Life Insurance in note 3, insurance risk in note 7 and valuation of financial instruments at fair value is described in note 14.

As stated in note 3 in the 2014 annual report, which deals with the strengthening of reserves for increased longevity, the owner's contribution in the period for strengthening reserves will be contingent on a minimum level associated with future returns in customer portfolios and other factors and assumptions. The estimated future contribution is still uncertain. There is a continued dialogue with the Financial Supervisory Authority of Norway concerning the final terms for the strengthening of reserves. Information at the end of the first half year does not indicate any significant change in the future contributions for the owner other than what is stated as an expectation in Note 3 in the annual financial statements for 2014. Storebrand had a required strengthening of reserves of NOK 12.4 billion for its Norwegian operations. NOK 6.2 billion had been allocated by the end of 2014 and a further NOK 1.9 billion in the first half of 2015. The remaining required strengthening of reserves at the end of the first half year is NOK 4.3 billion.

In preparing the Group's financial statements the management are required to make judgements, estimates and assumptions of uncertain amounts. The estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and expectations of future events and represent the management's best judgement at the time the financial statements were prepared.

Actual results may differ from these estimates.

Note 03 | Segments – result by business area

CHANGES IN SEGMENT REPORTING

From Q2 2015, certain subsidiaries in Norway and Sweden changed from the segment Other to Savings. The results of the other subsidiaries are also previously shown as net results, but is modified to show the gross results. Historical figures have been restated.

SAVINGS

Consists of products that include long-term saving for retirement with no explicit long-term interest rate guarantees. The area includes fundbased insurance (Unit Linked and defined contribution pensions) to individuals and companies in Norway and Sweden and management companies Storebrand Eiendom AS and Storebrand Realinvestering AS. In addition also includes certain other subsidiaries.

INSURANCE

Insurance is responsible for the group's insurance risk products. The unit provides personal risk products in the Norwegian and Swedish retail market and employee- and pension-related insurances in the Norwegian and Swedish corporate market .

GUARANTEED PENSION

Guaranteed pension consists of products that include long-term saving for retirement, where customers have a guaranteed return or performance of savings funds. The area includes defined contribution pensions in Norway and Sweden, paid-up policies and individual capital and pension insurances.

OTHER

Under the category 'Other', the performance of the company's portfolios in Storebrand Livsforsikring and SPP are reported. It also includes results related to operations in subsidiaries including BenCo, which through Nordben and Euroben offer pension products to multi-national companies.

RECONCILIATION WITH THE OFFICIAL PROFIT AND LOSS ACCOUNTING

Results in the segments are reconciled with the corporate results before amortization and write-downs of intangible assets. The corporate profit and loss account includes gross income and gross costs linked to both the insurance customers and owners. In addition are the savings element in premium income and in costs related to insurance. The various segments are to a large extent followed up in the follow-up of net profit margins, including follow-up of risk and administration results. The result lines that are used in segment reporting will therefore not be identical with the result lines in the corporate profit and loss account.

NOK million	Q2		01.01 - 30.06		Year
	2015	2014	2015	2014	2014
Savings	107	73	192	163	433
Insurance	149	117	297	327	502
Guaranteed pension	32	313	113	614	1,074
Other	47	123	100	204	370
Profit before amortisation	335	625	701	1,308	2,379
Amortisation of intangible assets	-93	-94	-187	-191	-380
Profit before tax	242	531	514	1,117	1,999

SEGMENT INFORMATION AS AT Q2

NOK million	Savings		Insurance		Guaranteed pension	
	2015	2014	2015	2014	2015	2014
Fee and administration income	345	321			457	439
Risk result life & pensions	4	-7			47	48
Insurance premiums f.o.a.			709	585		
Claims f.o.a.			-513	-435		
Operational cost	-243	-242	-99	-100	-281	-281
Financial result			52	66		
Result before profit sharing	107	72	149	117	223	206
Net profit sharing					-40	197
Provision longevity					-151	-90
Result before amortisation	107	73	149	117	32	313
Amortisation of intangible assets						
Pre-tax profit	107	73	149	117	32	313

NOK million	Other		Storebrand Livsforsikring Group	
	2015	2014	2015	2014
Fee and administration income	27	30	829	790
Risk result life & pensions	3	3	54	45
Insurance premiums f.o.a.			709	585
Claims f.o.a.			-513	-435
Operational cost	-16	-17	-638	-640
Financial result	34	108	85	174
Result before profit sharing	48	124	527	519
Net profit sharing	-1	-1	-41	196
Provision longevity			-151	-90
Result before amortisation	47	123	335	625
Amortisation of intangible assets	-93	-94	-93	-94
Pre-tax profit	-46	29	242	531

SEGMENT INFORMATION AS AT 30.06

NOK million	Savings		Insurance		Guaranteed pension	
	2015	2014	2015	2014	2015	2014
Fee and administration income	688	635			889	913
Risk result life & pensions		-8			63	126
Insurance premiums f.o.a.			1,354	1,175		
Claims f.o.a.			-984	-781		
Operational cost	-498	-465	-195	-195	-558	-562
Financial result			122	128		
Result before profit sharing	191	162	297	327	394	478
Net profit sharing		1			24	317
Provision longevity					-306	-180
Result before amortisation	192	163	297	327	113	614
Amortisation of intangible assets						
Pre-tax profit	192	163	297	327	113	614
Assets	119,489	94,979	5,491	3,859	270,715	274,793
Liabilities	120,438	93,628	5,491	3,859	258,570	267,048

NOK million	Other		Storebrand Livsforsikring Group	
	2015	2014	2015	2014
Fee and administration income	63	60	1,640	1,607
Risk result life & pensions		2	63	120
Insurance premiums f.o.a.			1,354	1,175
Claims f.o.a.			-984	-781
Operational cost	-32	-34	-1,283	-1,256
Financial result	72	181	194	310
Result before profit sharing	102	209	984	1,175
Net profit sharing	-3	-4	22	314
Provision longevity			-306	-180
Result before amortisation	100	204	701	1,308
Amortisation of intangible assets	-187	-191	-187	-191
Pre-tax profit	-87	13	514	1,117
Assets	41,522	43,286	437,216	416,917
Liabilities	30,625	31,468	415,123	396,004

RESTATEMENT OF COMPARATIVE FIGURES

NOK million	Q2 2014			30.06.14			Year 2014		
	Reported figures 2015	Change in segment 2014	Revised figures	Reported figures 2015	Change in segment 2014	Revised figures	Reported figures 2014	Change in segment	Revised figures
Savings	80	-7	73	170	-8	163	426	7	433
Insurance	117		117	327		327	502		502
Guaranteed pension	313		313	614		614	1,074		1,074
Other	116	7	123	197	8	204	377	-7	370
Group result before amortisation	625		625	1,308		1,308	2,379		2,379
Amortisation intangible assets	-94		-94	-191		-191	-380		-380
Pre-tax profit	531		531	1,117		1,117	1,999		1,999

Note 04 | Financial market risk and insurance risk

Risks are described in the annual report for 2014 in note 7 (Insurance risk), note 8 (Financial market risk), note 9 (Liquidity risk), note 10 (Lending and counterparty risk), note 11 (Currency exposure), note 12 (Credit exposure) and note 13 (Concentration of risk).

Market risk means changes in the value of assets as a result of unexpected volatility or changes in prices on the financial markets. It also refers to the risk that the value of the insurance liability develops differently to that of the assets.

The most significant market risks for Storebrand are share market risk, credit risk, property price risk, interest rate risk and exchange rate risk. For the life insurance companies, the financial assets are invested in a variety of sub-portfolios. Market risk affects Storebrand's income and profit differently in the different portfolios. There are three main types of sub-portfolio: company portfolios, customer portfolios without a guarantee and customer portfolios with a guarantee.

The market risk in the company portfolios and the subsidiaries that are not life insurance companies or included in the customer portfolios has a direct impact on Storebrand's profit.

The market risk in customer portfolios without a guarantee is at the customers' risk and expense, meaning Storebrand is not directly affected by changes in value. Nevertheless, changes in value do affect Storebrand's profit indirectly. Income is based largely on the size of the reserves, while the costs tend to be fixed. Lower returns on the financial market than expected will therefore have a negative effect on Storebrand's income and profit.

For customer portfolios with a guarantee, the net risk for Storebrand will be lower than the gross market risk. The extent of measures to reduce risk depends on several factors, the most important being the size and flexibility of the customer buffers and level and duration of the return guarantee. If the investment return is not sufficiently high to meet the guaranteed interest rate, the shortfall will be met by using customer buffers in the form of risk capital built up from previous years' surpluses. Risk capital primarily consists of unrealised gains, additional statutory reserves and conditional bonuses. The owner is responsible for meeting any shortfall that cannot be covered. For guaranteed customer portfolios, the risk is affected by changes in the interest rate level. Falling interest rates are positive for the investment return in the short term due to price appreciation for bonds, but negative in the long term because it reduces the probability of achieving a return higher than the guarantee.

There have not been any significant changes to the investment allocation throughout the first half of the year. The stock market has shown a positive trend, particularly in the first quarter, while the second quarter has been more mixed. At around the end of the first half year, the situation in Greece caused increased uncertainty. The long-term interest rates have risen in the first half of the year, especially in May and June. Money market rates on the other hand fell during the first half of the year, and the 3-month money market rate in Sweden is negative.

For guaranteed portfolios in Norway, the return is positive, and higher than what has been used as the basis for the plan for the strengthening of reserves. Both equities and property have shown a good return in the first half of the year. The higher interest rates do not have a negative effect on the portfolios that are measured at amortised cost in the accounts. For the guaranteed portfolios in Sweden, particularly the portfolios with a small percentage of equities and high percentage of bonds, the return has been weak as a result of the rising interest rates. It reduces the probability of achieving profit sharing. Customer portfolios without a guarantee have shown a good return as a result of the performance of the equity market. The return on the company portfolios has been as expected.

The customer buffers declined somewhat during the first half of the year. The market value adjustment reserve has declined, primarily as a result of the rising interest rates. The additional statutory reserves have declined somewhat, primarily as a result of the low booked return in a paid-up policy profile, as well as the effect of a shift to paid-up policies with investment choice. The excess value in the portfolios at amortised cost has declined as a result of rising interest rates.

The 10-year interest swap rate increased close to 0.5 percentage points during the first half of the year in both Norway and Sweden. The increase is even greater in the second quarter in isolation. This is positive with respect to the solvency position under Solvency II, which will be in force from 1 January 2016. Higher interest rates also improve the opportunities for reinvestment at levels higher than the guarantee.

The insurance risk is the risk of higher than expected payments and/or an unfavourable change in the value of an insurance liability due to actual developments deviating from what was expected when premiums or provisions were calculated. Most of the insurance risk for the group is related to life insurance. Long life expectancy is the greatest risk because increased longevity means that the guaranteed benefits must be paid over a longer period. There are also risks related to disability and death.

The insurance risk was almost unchanged during the first half year.

Note 05 | Liquidity risk

SPECIFICATION OF SUBORDINATED LOAN CAPITAL

NOK million	Nominal value	Currency	Interest rate	Call date	Book value
Issuer					
Hybrid tier 1 capital					
Storebrand Livsforsikring AS	1,500	NOK	Variable	2018	1,503
Perpetual subordinated loan capital					
Storebrand Livsforsikring AS	1,000	NOK	Variable	2020	999
Storebrand Livsforsikring AS	1,100	NOK	Variable	2024	1,097
SPP Pension & Försäkring AB	700	SEK	Variable	2019	661
Dated subordinated loan capital					
Storebrand Livsforsikring AS	300	EUR	Fixed	2023	2,745
Total subordinated loan capital and hybrid tier 1 capital 30.06.2015					7,004
Total subordinated loan capital and hybrid tier 1 capital 31.12.2014					7,324

Note 06 | Valuation of financial instruments and real estate

The Group categorises financial instruments valued at fair value on three different levels. Criteria for the categorisation and processes associated with valuing are described in more detail in note 14 in the financial statements for 2014.

The levels express the differing degrees of liquidity and different measurement methods used. The company has established valuation models to gather information from a wide range of well-informed sources with a view to minimising the uncertainty of valuations.

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES AT AMORTISED COST

NOK million	Fair value 30.06.15	Fair value 31.12.14	Book value 30.06.15	Book value 31.12.14
Financial assets				
Lending to customers	2,939	4,671	2,943	4,682
Bonds held to maturity	17,067	17,794	15,108	15,131
Bonds classified as loans and receivables	77,020	76,713	69,284	66,012
Financial liabilities				
Subordinated loan capital	7,047	7,549	7,004	7,324

VALUATION OF FINANCIAL INSTRUMENTS AND REAL ESTATE AT FAIR VALUE
STOREBRAND LIVSFORSIKRING GROUP

NOK million	Quoted prices (level 1)	Observable assumptions (level 2)	Non-observable assumptions (level 3)	Total 30.06.2015	Total 31.12.2014
Assets					
Equities and units					
- Equities	20,762	637	2,302	23,701	20,646
- Fund units	340	85,935	9,398	95,673	96,832
- Real estate fund			727	727	952
Total equities and units	21,102	86,573	12,427	120,102	
Total equities and units 31.12.14	17,776	87,929	12,724		118,429
Bonds and other fixed income securities					
- Government and government guaranteed bonds	31,963	19,120		51,083	54,687
- Credit bonds	26	25,987	368	26,382	24,162
- Mortgage and asset backed bonds		42,503		42,503	41,824
- Supranational and agency	27	4,792		4,819	6,575
- Bond funds	859	57,005		57,864	50,739
Total bonds and other fixed income securities	32,875	149,408	368	182,650	
Total bonds and other fixed income securities 31.12.14	36,171	141,476	339		177,987
Derivatives:					
- Interest rate derivatives		1,871		1,871	4,514
- Currency derivatives		-198		-198	-3,113
Total derivatives		1,673		1,673	
- derivatives with a positive market value		3,820		3,820	
- derivatives with a negative market value		-2,148		-2,148	
Total derivatives 31.12.14		1,401			1,401
Real estate:					
- real estate at fair value			22,763	22,763	26,419
- real estate for own use			2,742	2,742	2,583
Total real estate			25,504	25,504	
Total real estate 31.12.14			29,001		29,001

MOVEMENTS BETWEEN QUOTED PRICES AND OBSERVABLE ASSUMPTIONS

NOK million	From quoted prices to observable assumptions	From observable assumptions to quoted prices
Equities and units	33	113

Movements from level 1 to level 2 reflect reduced sales value in the relevant equities in the last measuring period. On the other hand, movements from level 2 to level 1 indicate increased sales value in the relevant equities in the last measuring period.

MOVEMENT LEVEL 3

NOK million	Equities	Fund units	Real estate fund	Credit bonds	Real estate	Real estate for own use
Book value 01.01	2,414	9,359	952	339	26,419	2,583
Net profit/loss	-21	316	25	4	44	77
Supply/disposal	18	629	1	13	646	9
Sales/overdue/settlement	-52	-751	-250	14	-105	
To quoted prices and observable assumptions	-52	-132				
Translation differences	-5	-23		-3	-30	-11
Other*)					-4,212	85
Book value 30.06.15	2,302	9,398	727	368	22,762	2,742

*) Includes derecognition of NOK 4,927 million in Storebrand Eiendomsfond Norge KS. As of 30.06.15, Storebrand Life Insurance had NOK 1,210 million invested in Storebrand Eiendomsfond Norge KS. This investment is classified as "Investment in Associated Companies" in the Consolidated Financial Statements. Storebrand Eiendomsfond Norge KS invests exclusively in real estate at fair value

SENSITIVITY ASSESSMENTS

STOREBRAND LIVSFORSIKRING GROUP

Equities

Equity level 3 consist primarily of forestry investments characterised by, among other things, very long cash flow periods. There can be some uncertainty associated with future cash flows due to future income and cost growth, even though these assumptions are based on recognised sources. Nonetheless, valuations of forestry investments will be particularly sensitive to the discount rate used in the estimate. The company bases its valuation on external valuations. These utilise an estimated market-related required rate of return. As a reasonable alternative assumption with regard to the required rate of return used, a change in the discount rate of 0.25 per cent would result in an estimated change of around 3.25 per cent in value, depending on the maturity of the forest and other factors.

NOK million	Storebrand Livsforsikring Group		Storebrand Livsforsikring AS	
	Change in value at change in discount rate		Change in value at change in discount rate	
	Increase + 25 bp	Decrease - 25 bp	Increase + 25 bp	Decrease - 25 bp
Change in fair value as at 30.06.15	-92	99	-84	90
Change in fair value as at 31.12.14	-72	77	-63	68

Fund units and Private equity fund

Large portions of the portfolio are priced using comparable listed companies, while smaller portions of the portfolio are listed. The valuation of the private equity portfolio will thus be sensitive to fluctuations in global equity markets. Storebrand's private equity portfolio has an estimated Beta relative to the MSCI World (Net – currency hedged to NOK) of around 0.5.

NOK million	Storebrand Livsforsikring Group		Storebrand Livsforsikring AS	
	Change MSCI World		Change MSCI World	
	Increase + 10 %	Decrease - 10 %	Increase + 10 %	Decrease - 10 %
Change in fair value as at 30.06.15	413	-413	332	-332
Change in fair value as at 31.12.14	291	-291	211	-211

Credit bonds

Credit bonds on level 3 consists of microfinance fund, private equity debt fund and convertible bonds. The pricing of these bonds do not follow the normal pricing of bonds by using the discount rate, but are included in the sensitivity test used on private equity investments.

NOK million	Storebrand Livsforsikring Group		Storebrand Livsforsikring AS	
	Change MSCI World		Change MSCI World	
	Increase + 10 %	Decrease - 10 %	Increase + 10 %	Decrease - 10 %
Change in fair value as at 30.06.15	16	-16	4	-4
Change in fair value as at 31.12.14	15	-15	4	-4

Real estate fund

The valuation of indirect property investments will be sensitive to a change in the required rate of return and the expected future cash flow. The indirect property investments are leveraged structures. The portfolio is leveraged 51 per cent on average.

NOK million	Storebrand Livsforsikring Group		Storebrand Livsforsikring AS	
	Change in value underlying real estates		Change in value underlying real estates	
	Increase + 10 %	Decrease - 10 %	Increase + 10 %	Decrease - 10 %
Change in fair value as at 30.06.15	222	-219	222	-219
Change in fair value as at 31.12.14	250	-247	250	-247

Properties

The valuation of property is particularly sensitive to a change in the required rate of return and the expected future cash flow. A change of 0.25 per cent in the required rate of return when everything else remains unchanged will result in a change in the value of Storebrand's property portfolio of approximately 4.5 per cent. About 25 per cent of the property's cash flow is linked to lease contracts that have been entered into. This entails that the changes in the uncertain parts of the cash flow of 1 per cent will mean a change in value of 0.75 per cent.

NOK million	Storebrand Livsforsikring Group		Storebrand Livsforsikring AS	
	Change in required rate of return		Change in required rate of return	
	Increase + 0,25%	Decrease -0,25%	Increase + 0,25%	Decrease -0,25%
Change in fair value as at 30.06.15	-1,167	1,101	-986	901
Change in fair value as at 31.12.14	-1,288	1,203	-1,172	1,071

STOREBRAND LIVSFORSIKRING AS

NOK million	Quoted prices	Observable	Non-observable	Total	Total
	(level 1)	assumptions	assumptions		
		(level 2)	(level 3)	30.06.2015	31.12.2014
Assets					
Equities and units					
- Equities	12,957	200	1,673	14,830	11,321
- Fund units		21,109	6,956	28,065	33,041
- Real estate fund			727	727	952
Total equities and units	12,957	21,309	9,356	43,622	
Total equities and units 31.12.14	9,336	26,236	9,742		45,314
Bonds and other fixed income securities					
- Government and government guaranteed bonds	17,172			17,172	17,859
- Credit bonds		10,894	78	10,972	10,744
- Mortgage and asset backed bonds		11,929		11,929	9,777
- Supranational and agency		935		935	1,065
- Bond funds		44,594		44,594	39,374

NOK million	Quoted prices (level 1)	Observable assumptions (level 2)	Non-observable assumptions (level 3)	Total 30.06.2015	Total 31.12.2014
Total bonds and other fixed income securities	17,172	68,352	78	85,601	
Total bonds and other fixed income securities 31.12.14	17,859	60,886	74		78,819
Derivatives:					
- Interest rate derivatives		100		100	1,013
- Currency derivatives		-31		-31	-2,782
Total derivatives		69		69	
- derivatives with a positive market value		1,021		1,021	
- derivatives with a negative market value		-952		-952	
Total derivatives 31.12.14		-1,769			-1,769

MOVEMENTS BETWEEN QUOTED PRICES AND OBSERVABLE ASSUMPTIONS

NOK million	From quoted prices to observable assumptions	From observable assumpti- ons to quoted prices
Equities and units	31	10

Movements from level 1 to level 2 reflect reduced sales value in the relevant equities in the last measuring period. On the other hand, movements from level 2 to level 1 indicate increased sales value in the relevant equities in the last measuring period.

MOVEMENT LEVEL 3

NOK million	Equities	Fund units	Real estate fund	Credit bonds
Book value 01.01	1,779	7,012	952	74
Net profit/loss	-58	295	25	4
Supply/disposal	13	391	1	
Sales/overdue/settlement	-61	-801	-250	
From quoted prices and observable assumptions	1	60		
Book value 30.06.15	1,673	6,956	727	78

Note 07 | Tax

The tax expenses have been estimated based upon an expected effective tax rate per legal entity for the year of 2015. There will be uncertainty associated with these estimates.

The tax rate for the group will vary from quarter to quarter depending on the individual legal entities' contribution to earnings.

Note 08 | Contingent liabilities

NOK million	Storebrand Livsforsikring Group		Storebrand Livsforsikring AS	
	30.06.15	31.12.14	30.06.15	31.12.14
Uncalled residual liabilities concerning Limited Partnership	3,486	4,321	2,660	3,212
Total contingent liabilities	3,486	4,321	2,660	3,212

Storebrand Group companies are engaged in extensive activities in Norway and abroad and may become a party in legal disputes.

Note 09 | Capital adequacy

NOK million	Storebrand Livsforsikring Group		Storebrand Livsforsikring AS	
	30.06.15	31.12.14	30.06.15	31.12.14
Share capital	3,540	3,540	3,540	3,540
Other equity	18,552	18,393	18,448	17,485
Equity	22,093	21,934	21,988	21,025
Hybrid tier 1 capital	1,500	1,500	1,500	1,500
Goodwill and other intangible assets	-5,213	-5,519	-177	-176
Risk equalisation fund	-866	-829	-866	-829
Deduction for investments in other financial institutions	-1	-1	-1	-1
Interest adjustment insurance reserves SPP	-1,502	-2,170		
Security reserve		-153		
Other	-275	-31	-260	-71
Core (tier 1) capital	15,736	14,731	22,184	21,449
Perpetual subordinated loan capital	2,100	2,100	2,100	2,100
Dated subordinated loan capital	2,238	2,238	2,238	2,238
Deductions for investments in other financial institutions	-1	-1	-1	-1
Tier 2 capital	4,337	4,337	4,337	4,337
Net primary capital	20,073	19,068	26,522	25,786
Risk weighted calculation base	137,621	141,053	100,941	107,003
Capital adequacy ratio	14.6 %	13.5 %	26.3 %	24.1 %
Core (tier 1) capital ratio	11.4 %	10.4 %	22.0 %	20.0 %

Note 10 | Solvency margin

NOK million	Storebrand Livsforsikring Group		Storebrand Livsforsikring AS	
	30.06.15	31.12.14	30.06.15	31.12.14
Solvency margin requirements	12,528	12,632	7,897	7,823
Solvency margin capital	22,965	22,110	28,891	28,402
Solvency margin	183.3 %	175.0 %	365.8 %	363.0 %

SPECIFICATION OF SOLVENCY MARGIN CAPITAL

NOK million	Storebrand Livsforsikring Group		Storebrand Livsforsikring AS	
	30.06.15	31.12.14	30.06.15	31.12.14
Net primary capital	20,073	19,068	26,522	25,786
50% of additional statutory reserves	2,253	2,559	2,253	2,559
50% of risk equalisation fund	433	414	433	414
Counting security reserve	73	69	73	69
Adjustments in Tier 2 capital eligible for inclusion in solvency capital			-390	-427
Other adjustments	133			
Solvency capital	22,965	22,110	28,891	28,402

Note 11 | Information about related parties

Storebrand conducts transactions with related parties as part of its normal business activities. These transactions take place on commercial terms. The terms for transactions with management and related parties are stipulated in notes 25 and 49 in the 2014 annual report.

Storebrand Life Insurance at the end of the first half year beyond normal commercial transactions had no significant transactions with related parties except that SPP Fonder AB is sold from Storebrand Holding AB to Storebrand Asset Management as in January 2015.

Storebrand Livsforsikring AS and Storebrand Livsforsikring Group - Declaration by the Members of the Board and the CEO

On this date, the Board and CEO have discussed and approved the annual report and annual financial statements for Storebrand Livsforsikring AS and Storebrand Livsforsikring Group for the first six months of 2015 (Report for the first six months, 2015).

The financial statements are prepared in accordance with the "Regulation on the annual accounts etc. of insurance companies" for the parent company and the consolidated financial statements are presented using EU-approved International Financial Reporting Standards (IFRS) and the additional requirements of the Securities Trading Act.

In the best judgment of the Board and CEO the financial statements and consolidated financial statements for the first six months of 2015 have been prepared in accordance with applicable accounting standards, and the information in the financial statements provides a fair and true picture of the assets, liabilities, financial standing and results as a whole of the parent company and the group as at 30 June 2015. In the best judgment of the Board and CEO the annual report provides a fair and true overview of important events during the accounting period and their effects on the financial statements and consolidated financial statements for the first six months. In the best judgment 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 view.

Lysaker, 14 July 2015

The Board of Directors of Storebrand Livsforsikring AS

Translation – not to be signed

Odd Arild Grefstad
Chairman of the Board

Peik Norenberg

Tove Margrete Storrodvann

Bodil Cathrine Valvik

Erik Haug Hansen

Inger Johanne Bergstøl

Jan Otto Risebrobakken

Geir Holmgren
Chief Executive Officer

Translation from the original Norwegian version

To the Board of Directors of Storebrand Livsforsikring AS

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

We have reviewed the consolidated statement of financial position of Storebrand Livsforsikring AS (the Group) as of 31 March 2015, and the related statement of comprehensive income, the statement of changes in equity, the statement of cash flow for the three-month period then ended and selected explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting” as adopted by EU. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information for the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting” as adopted by EU.

Oslo, 28 April 2015
Deloitte AS

Henrik Woxholt
State Authorized Public Accountant (Norway)

Translation has been made for information purposes only

Financial calendar 2015



11 February	Results 4Q 2014
15 April	Annual General Meeting
16 April	Ex dividend date
29 April	Results 1Q 2015
	Embedded Value 2014
15 July	Results 2Q 2015
28 October	Results 3Q 2015
February 2016	Results 4Q 2015

Investor Relations contacts



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 **storebrand**