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Press release

Storebrand ASA 4Q 2012: Competitive customer returns and strengthened buffer capital

- **Group profit[1] of NOK 489 million for 4th quarter and NOK 1,960 million for the year**
- **Excess value of securities and customer buffers totalling NOK 12.0 billion in SBL and NOK 8.6 billion in SPP in 2012**
- **Strong returns for Norwegian and Swedish pension customers**
- **NOK 4.3 billion in provisions for new mortality tables, 3.2 billion in 2012**
- **Board of Directors recommends no dividend be paid for 2012**

- Storebrand delivers strong returns to customers in Norway and Sweden. Defined contribution customers in Norway that have chosen the most usual investment profile have received 11.6 per cent returns in 2012. We have also achieved high return within guaranteed pension. This has enabled us to strengthen our customer buffers with a total of NOK 9.3 billion in 2012, of which by NOK 3.2 billion is reserved for increased life expectancy, says Group CEO Odd Arild Grefstad.

Group profit before amortisation and write-downs of intangible assets was NOK 489 million (NOK 268 million) for the 4th quarter and NOK 1,960 million (NOK 1,279 million) for the year. The figures in brackets show the corresponding period last year. The results for the quarter and the full year are affected by costs in connection with reorganisation and a more focused business. This reduces the administration and fee results in the quarter, but will contribute to strengthened results going forward.

Good market and result development
The customers' return in Storebrand Life Insurance has been good throughout the year, and asset returns in SPP have provided a basis for profit sharing in all customer portfolios.

The shift from products with guaranteed interest rates to unit linked insurance products continues in the Norwegian and Swedish life insurance businesses. In Norway, this trend will be further strengthened by the proposed transitional rules for defined benefit products from the Banking Law Commission, and the fact that companies that already have a defined contribution pension may be given an opportunity to save significantly more for their employees than today.

The customer return in unit linked pensions, in the most common allocation profile, was 11.6 per cent in 2012. Sales in the Norwegian corporate market were good, with booked net transfers to Storebrand totalling NOK 525 million.

Asset management's result is affected by weak income growth. This is due to greater allocation to products with lower margins. Costs have increased primarily as a result of restructuring.

The banking result increased by NOK 25 million for the year. The underlying portfolio performance and sales results are in line with the market.

Storebrand Insurance continues its positive financial performance, reflecting a positive underlying risk performance in the portfolio combined with efficient operations.

Cost programme progressing according to plan
The measures in the cost programme that will to reduce the Group's costs by NOK 400 million by 2014 are progressing according to plan. The effects realised as at the end of 2012 total NOK 68 million measured on an annual basis for the Storebrand Group, with full effect in 2013.

[1] Group profit before amortisation and write-downs of intangible assets.

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Future reserves for a projected higher life expectancy
The life insurance industry in Norway is working on new mortality tables in cooperation with the Financial Supervisory Authority of Norway. There is a general need for strengthening of reserves for longer life expectancy within group pension. Based on the mortality survey conducted by the life insurance industry, the Financial Supervisory Authority of Norway will set a minimum level for new mortality tariffs effective from 1 January 2014. Statistics Norway middle alternative for projected mortality with a ten per cent security margin equals a strengthening of the premium reserves by around 7 per cent, amounting to around NOK 10 billion. Storebrand has set aside a total of NOK 4.3 billion during the period from 2011 to 2012 for future reserves for longevity.

Board proposes no dividends for 2012
In Norway there is a need to strengthen the longevity reserves. This entails that the high returns in 2012 have been used in their entirety to strengthen the longevity reserves. The customers have thus not received any excess return, and the company's shareholders have not received any profit sharing and will not receive any dividend for 2012.

Strengthened solidity
The Storebrand Life Insurance Group's (Storebrand Life Insurance and SPP's) solvency margin was 162 per cent at the end of the quarter. This is an improvement of nine percentage points since the 3rd quarter. This is related primarily to the quarterly results and higher interest rates in Sweden.

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Enclosure: Board of Director's Interim Report for 4th quarter 2012