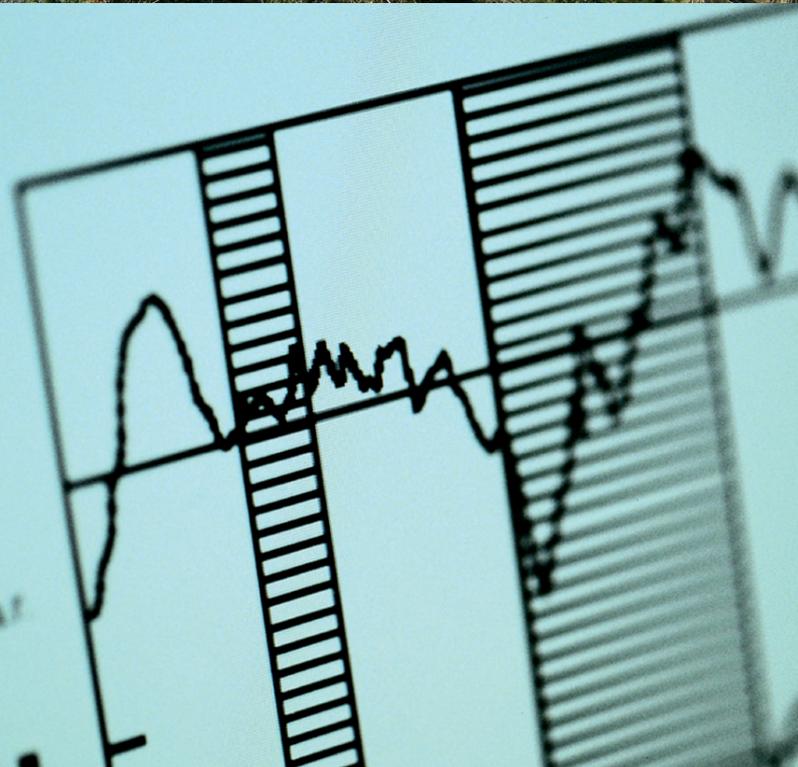
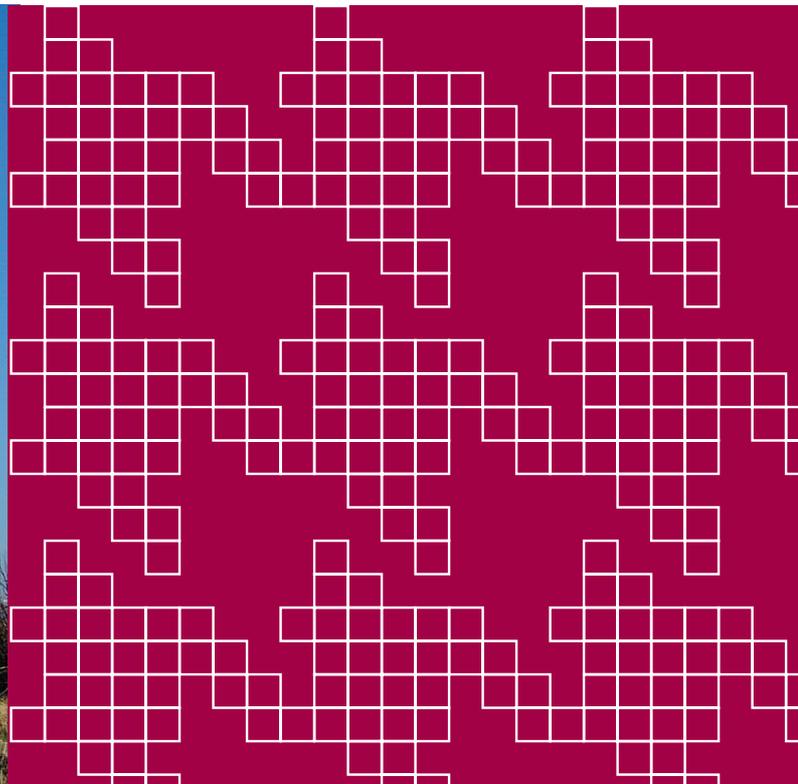


# Interim Report

4<sup>th</sup> Quarter 2006

 storebrand



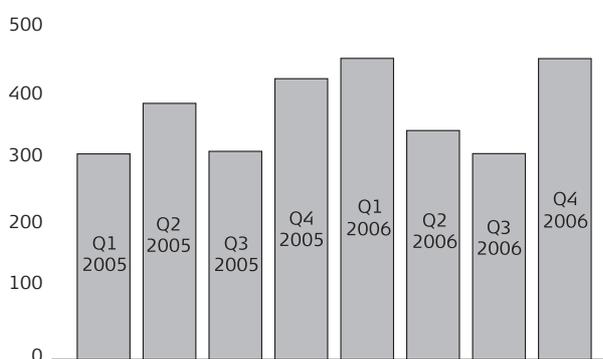
# Interim results for the Storebrand group - fourth quarter 2006

## MAIN FEATURES

- Storebrand reports group profit of NOK 460 million for Q4 and NOK 1,585 million for 2006 as a whole.
- 15,500 companies with 200,000 employees in total have arranged mandatory occupational pension schemes through Storebrand.
- Strong net inflow of policy transfers to the life insurance company in 2006, totalling NOK 5.3 billion.
- Value adjusted return of 8.3% gives a good result for the life company's customers and owner.
- High inflow of new customers to Storebrand Bank. 21,000 new accounts opened in 2006.
- Strong improvement in earnings at Storebrand Investments.

## Group profit by quarter:

NOK million



The group result, which represents the owner's share of operating profit, showed a profit of NOK 460 million in Q4 (NOK 429 million) and NOK 1,585 million for the year as a whole (NOK 1,453 million). Operating profit for Q4 was NOK 2,057 million (NOK 1,646 million) and NOK 5,549 million (NOK 4,740 million) for the year as a whole. Figures for the corresponding period in 2005 are shown in brackets.

## Group profit:

NOK million	Q4		Full year	
	2006	2005	2006	2005
Life insurance	379	376	1 198	1 229
Asset management	67	4	156	24
Storebrand Bank	36	59	190	241
Other activities	-21	-9	41	-41
<b>Group profit</b>	<b>460</b>	<b>429</b>	<b>1 585</b>	<b>1 453</b>

Storebrand Life Insurance booked a net inflow of pension reserves of NOK 5.3 billion for 2006, of which Q4 accounted for NOK 0.5 billion. Storebrand's investment in the market for mandatory occupational pensions is producing good results. Storebrand has set up mandatory pension schemes

for companies with around 200,000 employees in total, representing annual premiums of NOK 870 million.

Storebrand Life Insurance's investment portfolio has performed well. The value-adjusted investment return was 3.6% in Q4, and 8.3% for the year as a whole.

Asset management activities reported an improvement in profit of NOK 63 million relative to the fourth quarter of 2005. The main reasons for this improvement were growth in assets under management and the good investment performance achieved for funds and portfolios, which led to higher performance-based fee income. At the close of 2006, Storebrand Investments had NOK 217 billion under management, representing an increase of NOK 12 billion over the course of 2006.

Storebrand Bank's focus on the retail market is generating accelerating growth in customer numbers. The bank opened over 6,000 new customer accounts in Q4, bringing the total number of new accounts for the year as a whole to over 21,000. Gross lending increased by NOK 2.6 billion in total in Q4, bringing the increase for 2006 as a whole to NOK 4.4 billion.

Storebrand Skadeforsikring (P&C insurance business) moved from its project phase into normal operation in Q4. The launch of this operation was completed as planned, and it has attracted a very good inflow of customers. By the close of 2006, the company had over 2,000 customers and a portfolio of business representing NOK 17 million of annual premiums.

On the basis of Storebrand's earnings, capital situation and dividend policy, the Board of Directors of Storebrand ASA will recommend that the Annual General Meeting approve a dividend for 2006 of NOK 1.80 per share, excluding shares bought back by the company, equivalent to NOK 442 million. The Board will ask the Annual General Meeting to approve a new mandate for repurchases of the company's own shares.

## LIFE INSURANCE

### Profit and loss - Storebrand Life Insurance and other life insurance activities:

NOK million	Q4		Full year	
	2006	2005	2006	2005
Interest result	2 335	1 516	5 573	4 402
Risk result	-65	166	220	365
Administration result	-306	-249	-601	-384
Change in security and premium reserves	1	-5	-18	-11
<b>Operating profit</b>	<b>1 965</b>	<b>1 429</b>	<b>5 175</b>	<b>4 372</b>
Profit allocated to policyholders	-1 606	-1 127	-3 994	-3 215
Of which allocated to additional statutory reserves	-1 000	-950	-1 000	-950
Profit to owner - Storebrand Livsforsikring AS	359	302	1 181	1 158
<b>Profit to owner - Storebrand Livsforsikring Group</b>	<b>358</b>	<b>300</b>	<b>1 182</b>	<b>1 158</b>
Other life insurance activities	1	1	7	5
IFRS effects	19	75	8	66
<b>Total for life insurance activities</b>	<b>379</b>	<b>376</b>	<b>1 198</b>	<b>1 229</b>

Profit to the owner for life insurance activities in total in accordance with IFRS was NOK 379 million (NOK 376 million) in Q4, and NOK 1,198 million (NOK 1,229 million) for the year as a whole.

### Storebrand Livsforsikring Storebrand Life Insurance

Storebrand Livsforsikring AS reported an operating profit of NOK 1,965 million for Q4 (NOK 1,429 million) and NOK 5,175 million (NOK 4,372 million) for the year as a whole.

Risk result was NOK 220 million for 2006 as a whole, a decline of NOK 145 million from 2005. The risk result for Q4 showed a loss of NOK 65 million, which is significantly lower than the same quarter of 2005. This is primarily caused by a one-time adjustment to reserves for reported but not settled disability claims.

The administration result showed a loss of NOK 601 million for the year as a whole (loss of NOK 384 million), of which Q4 accounted for a loss of NOK 306 million (loss of NOK 249 million). The deterioration in administration result is due in part to higher investment management fees as a result of the good investment return achieved, as well as higher personnel costs. Additional costs were incurred in connection with the opening of the Swedish branch office and the introduction of mandatory occupational pension products. Costs in 2006 represented 1.10% of the average level of policyholders' funds, unchanged from 2005. The interest result for the year as a whole was NOK 5,573 million (NOK 4,402 million) of which NOK 2,335 million in Q4 (NOK 1,516 million). Net realised gains totalled NOK 3,417 million (NOK 3,663 million) for the year as a whole, of which NOK 1,120 million in Q4 (NOK 1,319 million). The market value adjustment reserve increased by NOK 2,027

million in 2006, of which NOK 2,038 million in Q4, to stand at NOK 5,890 million at year-end.

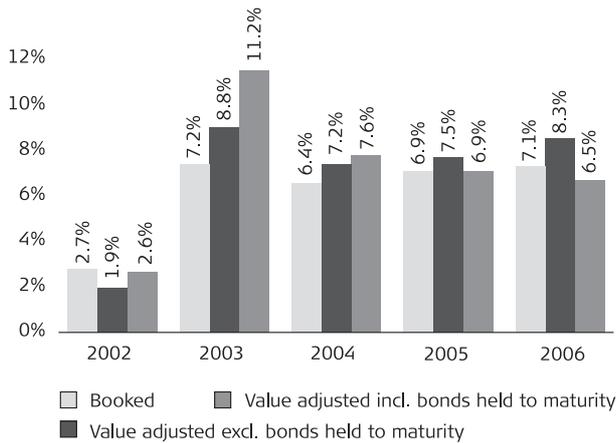
Storebrand Life Insurance reports pre-tax profit for the owner of NOK 1,182 million (NOK 1,158 million) for the year as a whole, of which NOK 358 million in Q4 (NOK 300 million). The result includes a loss from life insurance products with investment choice (formerly Storebrand Fondsforsikring AS) of NOK 77 million (loss of NOK 9 million), of which Q4 represented a loss of NOK 20 million (loss of NOK 7 million). Earnings from life insurance products not subject to profit sharing with policyholders (excluding life insurance with investment choice) contributed NOK 135 million (NOK 168 million) of the profit for the owner, of which Q4 represented NOK 35 million (NOK 45 million).

Premium income, (excluding premium reserves transferred to Storebrand Life Insurance) amounted to NOK 13.1 billion in 2006, of which NOK 3.1 billion in Q4. This represents a decline of 22% for the full year. Q4 showed growth in premium income of 14%. Insurance products with investment choice showed growth in Q4 of 279% for group pension insurance due to strong sales of mandatory occupational pension products and a decline of 46% for individual endowment policies, reflecting particular strong sales in Q4 2005. Group pension business (defined benefit schemes) produced a 45% increase in premium income, due in part to a higher level of single premium receipts. Premium income from individual endowment policies was 11% higher. Premium income for personal annuity and pension insurance products, group life insurance and P&C lines showed reductions relative to Q4 2005 of 86%, 39% and 44% respectively. The decline in premium income for personal annuity and pension insurance products reflects the government's proposal to abolish the right to offset contributions to individual pension contracts against tax. Transfers of pension business in 2006 as a whole represented a net inflow to Storebrand of NOK 5.3 billion, of which NOK 0.5 billion in Q4.

Storebrand has arranged mandatory occupational pension schemes for approximately 15,500 companies with 200,000 employees in total. At the start of 2007, 180,000 of these employees are pension scheme members. The number of members will increase over time as part-time employees and seasonal workers build up sufficient service to meet the requirement of 20% employment in order to become a member of their employer's pension scheme. The annual premium volume for these schemes totals almost NOK 700 million as at 31 December 2006. Further premium volume of approximately NOK 200 million has accrued in 2007.

Storebrand Life Insurance achieved a value-adjusted investment return of 8.3% (7.6%) for 2006, with 3.6% in Q4. Value-adjusted return including unrealised gains on financial fixed assets was 6.5% (6.9%) for the year as a whole, with 2.7% in Q4. The booked investment return was 7.1% (6.9%) for the year as a whole, with 2.3% in Q4.

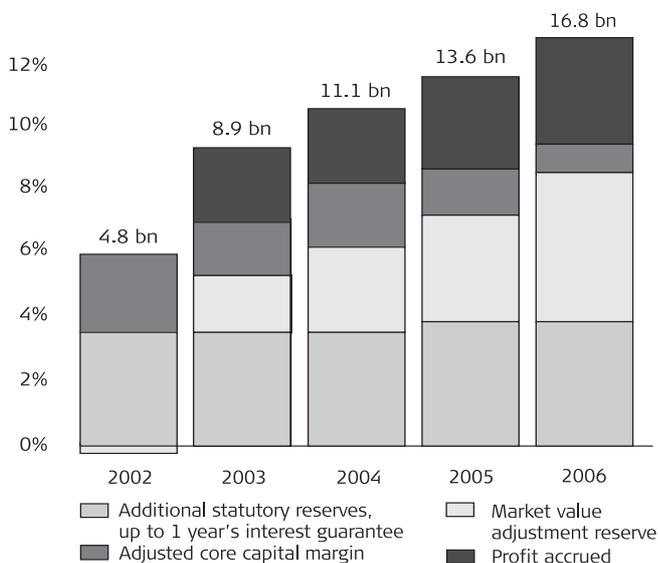
## Development in investment returns:



Storebrand Life Insurance's total assets increased by NOK 17.4 billion in 2006, including NOK 7.3 billion in Q4, to stand at NOK 183 billion at the close of 2006. The life company's overall exposure to equities, including derivative positions, increased by 2 percentage points in Q4 to 28%. Net investment in bonds held to maturity has increased by NOK 2.4 billion in 2006, with a reduction of NOK 1.5 billion in Q4. Bonds and commercial paper held as current assets have fallen by NOK 6.1 billion since the start of the year, with a decrease of NOK 2.7 billion in Q4. The real estate investment portfolio was written up by NOK 753 million in Q4. The effect of this revaluation on the profit to the owner was NOK 62 million. Other asset classes showed little change in Q4.

Unrealised gains on financial fixed assets decreased by NOK 1.2 billion in Q4 to NOK 1.1 billion at 31 December 2006. Unrealised gains on this portfolio are not shown in the accounts, but ensure a relatively high level of future interest income.

## Risk capital in NOK and % of customers' funds excl. additional statutory reserves:

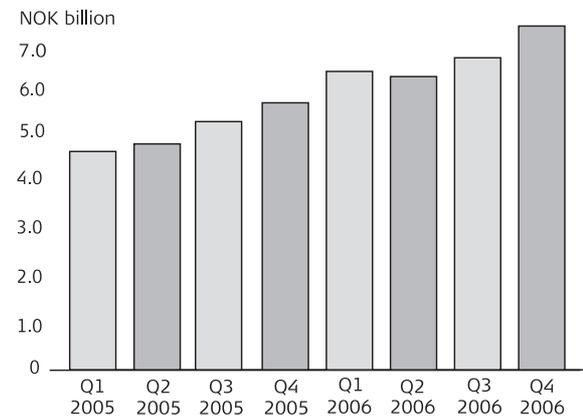


\*) Risk capital includes additional statutory reserves of NOK 0.6 billion in excess of one year's guaranteed return

Risk capital at the close of Q4 amounted to NOK 16.8 billion. This represents an increase of NOK 3.2 billion in Q4. The company satisfies all capital adequacy requirements by a satisfactory margin. The capital ratio fell from 10.3% to 9.7% in Q4. The reduction in capital ratio reflects an increase in risk-weighted total assets due to the increased exposure to equities. The company's solvency margin was 174.6% at the close of Q4 as compared to 175.9% at the close of 2005. Storebrand added NOK 1 billion to strengthen additional statutory reserves, which stand at NOK 5.6 billion as of 31 December 2006.

78% of customers' assets with investment choice (defined contribution pensions and unit linked products) were invested in equity and combination funds as compared to 74% at the start of 2006. The returns in Q4 on the investment alternatives recommended for defined contribution pension products were 2.5%, 4.7% and 7.2% respectively for the cautious, balanced and aggressive investment profiles.

## Assets under management - life insurance products with investment choice:



## Storebrand Helseforsikring

Storebrand Helseforsikring AS generated operating profit of NOK 14 million (NOK 10 million) in 2006, of which NOK 2 million (NOK 3 million) in Q4. Storebrand has a 50% interest in this company, which provides health insurance products for the corporate and retail markets. Premium income from health insurance products rose by 20% from 2005 to 2006, and totalled NOK 168.7 million in 2006.

## ASSET MANAGEMENT ACTIVITIES

Asset management activities reported a pre-tax profit of NOK 67 million (NOK 4 million) for Q4, bringing the profit for 2006 as a whole to NOK 156 million (NOK 24 million).

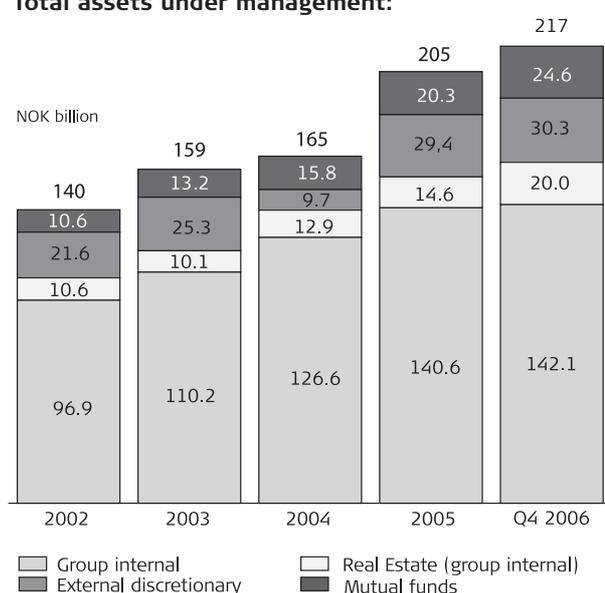
## Profit and loss - Storebrand Investments:

NOK million	Q4		Full year	
	2006	2005	2006	2005
Total revenue	153	65	399	242
Total costs	-95	-63	-280	-232
Net financial income/ other income	8	2	37	15
Pre-tax profit	67	4	156	24

The main reason for improved profitability in the fourth quarter was the better than benchmark investment performance of funds and discretionary portfolios under management. This performance helped to increase total revenue to NOK 153 million in Q4 (NOK 65 million) and NOK 399 million for the year as a whole (NOK 242 million). Good performance by investment managers also causes an increase in performance based salary payments, and this explains the increase in costs in Q4 relative to the same period in 2005.

Storebrand Investments had assets under management of NOK 217 billion at the close of Q4. This represents an increase of NOK 12 billion in 2006, and of NOK 2 billion since the close of Q3. Total funds under management were made up of NOK 162 billion of internal funds (including real estate) and NOK 55 billion of assets/funds managed for external clients.

#### Total assets under management:



Storebrand Investments produced a better return than the comparable benchmark indices (before deducting management fees) by the close of 2006 on 64% of the securities funds it manages. Global equity funds and Delphi Europa produced a particularly good relative performance in the quarter. For the year as a whole, Norwegian equity portfolios produced a generally good performance.

#### BANKING ACTIVITIES

Storebrand Bank group reported ordinary operating profit for Q4 of NOK 30 million (NOK 43 million) before write-downs for loan losses. After a net write-back of earlier loan losses and write-downs of NOK 6 million, pre-tax profit for Q4 was NOK 36 million (NOK 59 million). Ordinary pre-tax profit for 2006 was accordingly NOK 190 million (NOK 241 million).

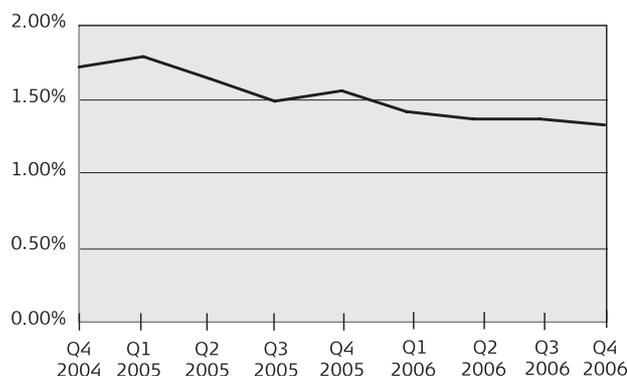
Net interest income amounted to NOK 101 million (NOK 116 million) in Q4, bringing net interest income for 2006 as a whole to NOK 419 million (NOK 447 million). This represents a net interest margin calculated on average total assets of 1.32% (1.59%). The decline reflects continuing strong competition and pressure on margins in the lending market.

#### Profit and loss - Storebrand Bank Group:

NOK million	Q4		Full year	
	2006	2005	2006	2005
Net interest income	101	116	419	447
Net fee and commission income	11	9	32	18
Other income	13	11	47	76
Total income	126	137	498	541
Operating costs	-96	-93	-355	-334
Profit before loan losses	30	43	143	207
Loan losses	6	15	47	34
Pre-tax profit	36	59	190	241

Net fee and commission income amounted to NOK 11 million in Q4 (NOK 9 million). This included net commission income on sales of Storebrand Optimèr ASA and real estate investment funds. Storebrand Optimèr ASA was launched in October, and is a product that combines equity and real estate investment in a single portfolio. Net fee and commission income for the year as a whole was NOK 32 million (NOK 18 million).

#### Net interest income as a percentage of total assets:



Other operating income amounted to NOK 13 million in Q4 (NOK 11 million). For the year as a whole, other operating income totals NOK 47 million (NOK 76 million). Income from real estate broking amounted to NOK 5 million in Q4 (NOK 3 million) and NOK 14 million (NOK 9 million) for the year as a whole.

Operating expenses amounted to NOK 96 million in Q4 (NOK 93 million), bringing expenses for the year as a whole to NOK 355 million (NOK 334 million). The bank is committed to a continuous program of measures to reduce operating expenses. As part of this, the bank has implemented measures to ensure continuous improvement and greater efficiency for its internal processes.

Changes in realised loan losses and loan loss write-downs in Q4 resulted in a net write-back of NOK 6 million. This was principally due to a decline in the volume of non-performing and loss-exposed loans with identified impairment. Gross non-performing and loss-exposed loans totalled NOK 533 million at the close of Q4. This represents a reduction of NOK 58 million from the previous quarter and a reduction of NOK 221 million for 2006 as a whole. The bank's loan loss write-downs (both individual and grouped write-downs) totalled NOK 433 million at the end of Q4, of which grou-

ped write-downs accounted for NOK 73 million. This represents a level of provisioning relative to non-performing and loss-exposed loans of 81.3% (63.5%), an increase of 7 percentage points from Q3.

The bank's assets totalled NOK 34.2 billion at the close of Q4. Gross lending increased by NOK 2.6 billion in Q4, bringing the increase for the year as a whole to NOK 4.4 billion. The increase in Q4 was made up of NOK 1.4 billion of lending to the retail market and NOK 1.2 billion to the corporate market. In addition, lending by Storebrand Life Insurance managed by Storebrand Bank ASA increased by NOK 487 million in Q4. The bank's deposit-to-loan ratio fell in Q4 to stand at 43.4% by the end of the quarter as compared to 45.8% at the close of Q3 and 41.8% at the start of 2006.

The bank's capital ratio at the end of Q4 was 11% and its core capital ratio was 8.8%. Net primary capital amounted to NOK 2.4 billion at the close of Q4. The capital ratio calculations at the close of Q4 include profit for the year and a group contribution of NOK 200 million received from Storebrand ASA. The level of capital ratio is in line with expectations given the growth in the bank's total assets.

Lending to the retail market increased by 21% in 2006, while corporate lending increased by 14%. The bank opened over 6,000 new customer accounts in Q4, bringing the total number of new accounts for the year as a whole to over 21,000. Storebrand Bank accordingly achieved a stronger performance than the market as a whole.

## OTHER ACTIVITIES

Other activities principally comprise Storebrand ASA (the holding company), and Storebrand Skadeforsikring. Storebrand's ownership interest in Fair Forsikring was divested with accounting effect from Q1 2006.

### Profit and loss - Other activities:

NOK million	Q4		Full year	
	2006	2005	2006	2005
Storebrand ASA*)	-5	46	1 012	599
Fair Forsikring	0	-4	-1	22
Storebrand Skadeforsikring	-18	19	21	19
Other companies/ eliminations**)	2	-70	-990	-681
<b>Pre-tax profit</b>	<b>-21</b>	<b>-9</b>	<b>41</b>	<b>-41</b>

\*) Including dividends/group contributions from subsidiaries

\*\*\*) Including elimination of dividend/group contributions from subsidiaries.

### Storebrand Skadeforsikring

Storebrand Skadeforsikring (P&C insurance business) moved from its project phase into normal operation in Q4. The customer centre opened for incoming calls on 12 October. Internet sales started in December, and the company was launched externally. The establishment of the P&C business

has proceeded as planned, and it attracted a good inflow of customers at 31 December 2006. The company had 2,044 customers at year-end and a portfolio of NOK 17 million of annual premiums.

The Storebrand Skadeforsikring group reported an operating loss of NOK 18 million (profit of NOK 19 million) in Q4 with an operating profit for the year as a whole of NOK 21 million (NOK 19 million). Operating costs amounted to NOK 20 million (NOK 2 million) in Q4 and NOK 51 million (NOK 24 million) for the year as a whole. The increase in operating costs is mainly due to the launch of the new P&C business.

### Storebrand ASA (holding company)

The following table summarises the profit and loss account for Storebrand ASA in accordance with IFRS. The official accounts of Storebrand ASA are produced in accordance with Norwegian accounting legislation since the company has not elected to apply IFRS. Information on the official accounts can be found in the annual report of Storebrand ASA.

Storebrand ASA reports a loss of NOK 5 million for Q4 (profit of NOK 46 million). Financial items represented income of NOK 17 million in Q4 (NOK 71 million). Q4 operating costs were NOK 21 million (NOK 26 million).

### Profit and loss - Storebrand ASA:

NOK million	Q4		Full year	
	2006	2005	2006	2005
Group contributions and dividends	0	0	1 028	611
Interest income	18	17	73	58
Interest expense	-22	-17	-77	-53
Gains/losses on securities	21	76	70	213
Other financial items	0	-5	0	-116
<b>Net financial items</b>	<b>17</b>	<b>71</b>	<b>66</b>	<b>101</b>
Operating costs	-21	-26	-82	-113
<b>Pre-tax profit</b>	<b>-5</b>	<b>46</b>	<b>1 012</b>	<b>599</b>

Storebrand ASA held liquid assets of NOK 2.2 billion at the close of Q4, of which over NOK 1.9 billion was invested in short term interest-bearing securities with good credit ratings.

Storebrand ASA held 1.8% of the company's shares at the close of Q4 (4,500,000 shares). The company's holding of its own shares was unchanged in Q4. The Board of Directors holds a mandate granted by Storebrand's Annual General Meeting to buy back up to 10% of the company's share capital in the period to the next Annual General Meeting.

On the basis of Storebrand's earnings, capital situation and dividend policy, the Board of Storebrand ASA will recommend that the Annual General Meeting approve a dividend for 2006 of NOK 1.80 per share, excluding shares bought back by the company, equivalent to NOK 442 million. The Board will ask the Annual General Meeting to approve a new mandate for repurchases of the company's own shares.

# Storebrand Group

## PROFIT AND LOSS ACCOUNT

NOK MILLION	FULL YEAR			
	Q4 2006	Q4 2005	2006	2005
Net premium income	3 714.2	3 084.7	19 539.1	19 383.4
Net interest income - banking	101.3	116.3	418.8	447.3
<i>Net income and gains from financial assets at fair value:</i>				
- shares and other equity participations	2 402.4	1 982.3	6 057.5	7 439.9
- bonds and other fixed-income securities	-91.9	1 141.2	1 356.1	1 585.4
- financial derivatives	1 455.8	-1 537.8	673.3	-1 619.9
- income from financial assets with investment choice	375.6	177.8	685.4	721.3
Net income from bonds at amortised cost	610.7	593.3	2 397.2	2 409.9
Income from investment properties	1 008.6	208.6	1 997.5	885.7
Profit from investments in associated companies	17.2	0.8	19.1	6.8
Other income	267.2	196.3	930.9	464.4
<b>Total income</b>	<b>9 861.1</b>	<b>5 963.5</b>	<b>34 074.9</b>	<b>31 724.2</b>
Insurance claims for own account	-3 773.7	-3 439.6	-14 493.0	-10 823.1
Change in insurance reserves	-1 157.5	-540.5	-9 238.8	-12 422.8
Interest expense	-60.2	-46.7	-212.9	-197.1
Loan losses	6.4	15.3	47.0	34.4
Operating costs	-735.2	-616.9	-2 520.7	-2 169.4
Other costs	-45.7	-160.3	-79.8	-255.9
<b>Total costs</b>	<b>-5 765.9</b>	<b>-4 788.7</b>	<b>-26 498.2</b>	<b>-25 833.9</b>
To/from market value adjustment reserve	-2 038.3	470.7	-2 027.3	-1 150.1
<b>Operating profit/loss</b>	<b>2 056.9</b>	<b>1 645.5</b>	<b>5 549.4</b>	<b>4 740.2</b>
To/from additional statutory reserves - life insurance	-1 000.0	-950.0	-1 000.0	-950.0
Funds allocated to policyholders - life insurance	-596.9	-266.2	-2 964.1	-2 336.8
<b>Group profit/loss</b>	<b>460.0</b>	<b>429.3</b>	<b>1 585.3</b>	<b>1 453.4</b>
Changes in security reserves etc. - non life insurance	1.7	11.8	-0.2	10.0
<b>Profit/loss before extraordinary items</b>	<b>461.7</b>	<b>441.1</b>	<b>1 585.1</b>	<b>1 463.4</b>
Tax payable	-4.6	11.2	-79.3	-41.1
<b>Profit/loss for the year</b>	<b>457.1</b>	<b>452.3</b>	<b>1 505.8</b>	<b>1 422.3</b>
<b>Profit is due to:</b>				
Minority interests' share of profit	2.1	0.6	9.5	3.6
Majority interest's share of profit	455.0	451.7	1 496.3	1 418.7
Total	457.1	452.3	1 505.8	1 422.3
Earnings per ordinary share	1.84	1.68	6.03	5.41
Average number of shares as basis for calculation (million)			248.0	258.6

Storebrand has not issued any options or other financial instruments that could cause dilution of its shares.

# Storebrand Group

## BALANCE SHEET

NOK MILLION	31.12.06	31.12.05
<b>Assets</b>		
Deferred tax assets	207.0	290.0
Intangible assets	540.7	508.2
Pension fund assets	58.4	57.0
Tangible fixed assets	842.9	752.0
Investments in associated companies	237.1	138.3
Bonds at amortised cost	43 098.8	40 671.6
Lending to financial institutions	114.9	41.7
Lending to customers	33 087.6	26 942.1
Reinsurers' share of technical reserves	1 799.7	2 395.5
Real estate at fair value	17 447.0	13 503.6
Other assets	73.1	150.7
Due from customers and other current receivables	5 046.5	6 278.0
<i>Financial assets at fair value:</i>		
- Shares and other equity participations	46 604.0	39 589.1
- Bonds and other fixed-income securities	50 782.7	57 539.3
- Derivatives	2 117.7	1 481.1
- Life insurance assets with investment choice	7 364.1	5 719.4
Other current assets	119.8	52.1
Bank deposits	13 216.0	5 768.7
<b>Total assets</b>	<b>222 758.0</b>	<b>201 878.4</b>
<b>Equity and liabilities</b>		
Paid in capital	3 045.2	3 081.8
Retained earnings	5 817.1	6 007.7
Value adjustment fund	24.0	12.0
Minority interests	13.5	6.8
<b>Total equity</b>	<b>8 899.8</b>	<b>9 108.3</b>
Subordinated loan capital	3 711.7	3 524.9
Market value adjustment reserve	5 889.7	3 862.5
Insurance reserves - life insurance	146 203.4	134 621.7
Reserve for life insurance with investment choice	7 364.1	5 719.4
Premium and claims reserves - non life insurance	2 268.7	2 992.1
Security reserves etc. - non life insurance	40.9	40.7
Pension liabilities	870.9	715.4
Deferred tax	116.5	189.6
<i>Financial liabilities</i>		
- Liabilities to financial institutions	2 786.0	1 464.6
- Deposits from banking customers	13 533.7	11 187.0
- Securities issued	16 395.3	15 653.7
- Derivatives	1 797.2	1 719.4
Other current liabilities	12 880.1	11 079.2
<b>Total equity and liabilities</b>	<b>222 758.0</b>	<b>201 878.4</b>

Comparable figures for 2005 have been restated to reflect new accounting principles for pensions.

# Storebrand Group

## RECONCILIATION OF CHANGES IN EQUITY

NOK MILLION	MAJORITY'S SHARE OF EQUITY			MINORITY INTERESTS	TOTAL EQUITY
	PAID-IN CAPITAL	VALUE ADJUSTMENT FUND	OTHER EQUITY		
<b>Equity at 31.12.04 in the published accounts</b>	<b>3 133.2</b>	<b>7.2</b>	<b>7 169.2</b>	<b>2.3</b>	<b>10 311.9</b>
New accounting principle for pensions			-176.0	-0.3	-176.3
New accounting principle for security reserve			42.1		42.1
<b>Equity at 31.12.04 restated</b>	<b>3 133.2</b>	<b>7.2</b>	<b>7 035.3</b>	<b>2.0</b>	<b>10 177.7</b>
<b>Profit and loss items applied directly to equity</b>					
IAS 39 effects			-1.6		-1.6
Change in pension experience adjustments			-49.7	-0.1	-49.8
Revaluation of properties for own use		4.8			4.8
<b>Profit for the period</b>			<b>1 418.7</b>	<b>3.6</b>	<b>1 422.3</b>
<b>Equity transactions with owners:</b>					
Own shares	-51.4		-567.1		-618.5
Dividend paid			-1 823.4	-1.7	-1 825.1
Currency differences/other			-4.5	3.0	-1.5
<b>Equity at 31.12.05</b>	<b>3 081.8</b>	<b>12.0</b>	<b>6 007.7</b>	<b>6.8</b>	<b>9 108.3</b>
<b>Profit and loss items applied directly to equity</b>					
Change in pension experience adjustments			-239.7		-239.7
Revaluation of properties for own use		12.0			12.0
<b>Profit for the period</b>			<b>1 496.3</b>	<b>9.5</b>	<b>1 505.8</b>
<b>Equity transactions with owners:</b>					
Own shares	-36.6		-466.2		-502.8
Dividend paid			-999.3	-2.9	-1 002.2
Currency differences/other			18.3	0.1	18.4
<b>Equity at 31.12.06</b>	<b>3 045.2</b>	<b>24.0</b>	<b>5 817.1</b>	<b>13.5</b>	<b>8 899.8</b>

# Storebrand Group

## CASH FLOW ANALYSIS: STOREBRAND GROUP

NOK MILLION	FULL YEAR	
	2006	2005
<b>Cash flow from operating activities</b>		
Net premiums received - direct insurance	10 691.8	16 116.4
Net claims and benefits paid - direct insurance	-13 321.7	-8 629.9
Net claims and benefits paid - reinsurance	5 051.0	-3.9
Net receipts/payments - policy transfers		505.1
Interest, commission and fees received from customers	1 388.0	1 229.9
Interest, commission and fees paid to customers	-927.8	-651.9
Net receipts/payments - lending to customers	-6 025.3	-3 055.5
Net receipts/payments - loans to and claims on other financial institutions	-52.1	153.7
Net receipts/payments - customer deposits with the banking activities	2 517.0	84.2
Net receipts/payments - deposits from Norges Bank and other financial institutions	1 321.7	-687.2
Net receipts/payments - securities in the trading portfolio:		
Shares and other equity participations	-1 853.9	-7 447.6
Bonds and other fixed-income securities	8 671.7	-3 787.5
Financial derivatives and other financial instruments	505.8	2 806.7
Dividend receipts from the trading portfolio	3.2	36.4
Net receipts - discretionary asset management and funds management	369.3	
Payments to third parties for goods and services	2 932.0	1 713.3
Net receipts/payments - real estate activities	-2 015.9	-315.2
Payments to employees, pensioners, employment taxes etc.	-1 124.4	-1 078.9
Payments of tax, duties etc.	-83.6	25.8
Net receipts/payments - other operational activities	-0.9	0.4
<b>Net cash flow from operating activities</b>	<b>8 045.8</b>	<b>-2 985.8</b>
<b>Cash flow from investment activities</b>		
Net receipts from sales of subsidiaries	261.7	250.2
Payments on purchase of real estate		-12.4
Net payments on purchase/sale of fixed assets etc.	-104.1	-40.9
<b>Net cash flow from investment activities</b>	<b>157.6</b>	<b>196.9</b>
<b>Cash flow from financing activities</b>		
Repayment of long term lending	-0.5	-79.5
Receipts from taking up term loans	1.3	1 578.2
Receipts from issue of short-term debt instruments/loans		182.2
Payments on short-term debt instruments/loans	-737.4	
Receipts from subordinated loan capital	100.3	6.9
Interest payments on subordinated loans	-80.0	-255.3
Receipts from issue of bond loans and other long term funding	1 462.3	3 007.6
Receipts from issue of new capital		0.7
Payments on redemption of share capital	-502.8	-1 017.8
Dividend/group contribution payments	-999.3	-1 823.4
<b>Net cash flow from financing activities</b>	<b>-756.1</b>	<b>1 599.7</b>
<b>Net cash flow for the period</b>	<b>7 447.3</b>	<b>-1 189.1</b>
Net movement in cash and cash equivalent assets	7 447.3	-1 189.1
Cash and cash equivalent assets at start of the period	5 768.7	6 957.8
<b>Cash and cash equivalent assets at the end of the period</b>	<b>13 216.0</b>	<b>5 768.7</b>

# Notes to the interim accounts

## NOTE 1: ACCOUNTING PRINCIPLES

The consolidated interim accounts include Storebrand ASA together with subsidiaries and associated companies. The interim accounts for the fourth quarter have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim accounts do not include all the information required for full annual accounts prepared in accordance with IFRS.

In preparing the quarterly 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. Actual results may differ from these estimates.

## NOTE 2: CHANGE IN ACCOUNTING PRINCIPLES

The Storebrand group changed its accounting principles for the recognition of pension liabilities in the second quarter of 2006. The group previously amortised the effect of differences between assumptions and actual experience (experience adjustments) and changes in assumptions over the average remaining period for accrual of pensions entitlement to the extent that the effect exceeded 10% of the higher of either the pension liability or pension assets (corridor approach). The effect of such differences is now applied directly to equity, and changes are reported in the reconciliation of changes in equity. Figures for previous periods have been restated to be comparable.

The change in accounting principles has caused changes in comparable figures for the following balance sheet items:

NOK MILLION	31.12.05
<b>Assets</b>	
Deferred tax assets	-9.1
Pension assets	-126.2
<b>Equity and liabilities</b>	
Retained earnings	-225.8
Pension liabilities	90.5

Changes were made to the assumptions used to calculate pension commitments for own employees in the fourth quarter of 2006. The changes are set out in the table below.

	31.12.06	31.12.05
Discount rate*)	4.3 %	4.7 %
Expected return on pension fund assets in the period	5.6 %	6.0 %
Expected earnings growth	4.3 %	3.0 %
Expected annual increase in social security pensions	4.3 %	3.0 %
Expected annual increase in pensions in payment	1.7 %	2.0 %

\*) Storebrand ASA has applied 4.1% as at 31.12.06.

Consolidated equity was reduced by NOK 240 million in 2006 in respect of changes in experience adjustments for pensions.

## NOTE 3: NET INTEREST INCOME - BANKING ACTIVITIES

NOK MILLION	Q4		FULL YEAR	
	2006	2005	2006	2005
Total interest income	339	241	1 220	1 027
Total interest expense	-237	-125	-801	-580
<b>Net interest income</b>	<b>101</b>	<b>116</b>	<b>419</b>	<b>447</b>

## NOTE 4: SEGMENT INFORMATION - ANALYSIS OF PROFIT AND LOSS BY BUSINESS AREA

NOK MILLION	Q4		FULL YEAR	
	2006	2005	2006	2005
Life insurance	379	376	1 198	1 229
Asset management	67	4	156	24
Storebrand Bank	36	59	190	241
Other activities	-21	-9	41	-41
<b>Total</b>	<b>460</b>	<b>429</b>	<b>1 585</b>	<b>1 453</b>

# Notes to the interim accounts

## NOTE 5: OPERATING COSTS

NOK MILLION	Q4				FULL YEAR	
	2006	2005	2006	2005	2006	2005
Personnel costs	-360	-292	-1 176	-991		
Depreciation	-37	-21	-88	-81		
Other operating costs	-338	-305	-1 257	-1 097		
<b>Total operating costs</b>	<b>-735</b>	<b>-617</b>	<b>-2 521</b>	<b>-2 169</b>		

## NOTE 6: PROFIT AND LOSS BY QUARTER

NOK MILLION	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q4 2005	Q3 2005	Q2 2005	Q1 2005
Total operating income	9 861	8 410	2 282	13 522	5 964	7 153	7 725	10 891
Total costs	-5 766	-6 205	-4 038	-10 489	-4 789	-4 775	-6 272	-10 007
Operating profit	2 057	708	1 596	1 188	1 646	1 128	1 193	775
Group profit	460	315	350	460	429	318	392	314
Pre-tax profit	462	313	352	459	441	318	390	314
Profit for the period	457	290	326	426	452	305	366	297
<b>Profit by business area</b>								
Life insurance	379	244	277	299	376	291	307	255
Asset management	67	38	32	20	4	-2	14	8
Storebrand Bank	36	47	59	48	59	42	69	72
Other activities	-21	-13	-18	94	-9	-13	1	-20
<b>Group profit</b>	<b>460</b>	<b>315</b>	<b>350</b>	<b>460</b>	<b>429</b>	<b>318</b>	<b>392</b>	<b>314</b>

## NOTE 7: KEY FIGURES BY BUSINESS AREA - CUMULATIVE FIGURES

NOK MILLION	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q4 2005	Q3 2005	Q2 2005	Q1 2005
<b>Group</b>								
Earnings per ordinary share (NOK)	6.03	4.19	3.01	1.70	5.41	3.73	2.55	1.13
Equity	8 900	8 615	8 478	9 269	9 108	8 965	8 725	10 191
Capital ratio	10.6 %	10.4 %	10.6 %	10.6 %	11.2 %	12.6 %	13.6 %	14.6 %
<b>Life Insurance</b>								
<b>Storebrand Livsforsikring *)</b>								
Premiums for own account	19 619	15 816	11 384	8 445	19 227	16 120	13 089	8 266
- of which products with investment choice	1 763	1 158	833	490	992	641	357	203
Policyholders' fund incl. accrued profit	153 490	150 757	146 876	146 860	140 228	138 428	135 874	131 798
- of which products with investment choice	7 364	6 684	6 281	6 392	5 719	5 317	4 838	4 675
Investment yield I **) annualised	7.1 %	6.5 %	7.0 %	6.6 %	6.9 %	6.5 %	6.4 %	5.8 %
Investment yield II **) year to date	8.3 %	4.7 %	2.4 %	2.8 %	7.6 %	7.7 %	3.4 %	1.4 %
Capital ratio (Storebrand Life group)	9.7 %	10.3 %	10.4 %	10.7 %	10.9 %	11.8 %	12.5 %	14.2 %
Operating costs as % of policyholders' funds	1.10 %	1.06 %	1.14 %	1.12 %	1.10 %	0.94 %	1.04 %	0.90 %
<b>Storebrand Bank</b>								
Interest margin %	1.32 %	1.36 %	1.36 %	1.41 %	1.59 %	1.59 %	1.64 %	1.79 %
Cost/income %	71 %	70 %	68 %	74 %	62 %	60 %	58 %	54 %
Non-interest income/total income %	16 %	15 %	14 %	16 %	17 %	18 %	20 %	24 %
Net lending	30 748	28 118	27 490	26 797	26 286	25 082	23 990	22 977
Capital ratio	11.0 %	9.7 %	9.8 %	10.3 %	10.5 %	11.9 %	12.2 %	15.1 %
<b>Storebrand Investments (Asset management)</b>								
Total funds under management	216 902	215 056	206 355	209 276	204 825	177 048	172 001	170 566
Funds under mgmt. for external clients	54 825	55 962	50 707	50 790	49 716	24 688	23 995	25 006

\*) Figures presented in accordance with NGAAP except for premium and policyholders' fund, which is presented in accordance with IFRS.

\*\*\*) Investment yield I: Realised financial income including revaluations (positive or negative) of real estate.

Investment yield II: As Investment yield I but including change in unrealised gains on financial current assets.