

## **STB – The Norwegian Ministry of Finance approves Storebrand's acquisition of the SPP Group**

Storebrand has on 16 November 2007 received the Norwegian Ministry of Finance's decision relating to Storebrand ASA's and Storebrand Livsforsikring AS' application to acquire the SPP Group.

Storebrand is satisfied that Ministry of Finance has decided to approve the completion of its acquisition of the SPP Group.

All regulatory approvals relating to the acquisition of the SPP Group (including approvals from Swedish and Irish authorities) have now been received.

The Ministry of Finance has made its decision to approve the acquisition of the SPP Group subject to certain conditions:

- Storebrand ASA shall by 31 March 2008 provide the Norwegian Financial Supervisory Authority (the "FSA") with a plan for the development of the group's equity for the years 2008 to 2010, with the aim of strengthening the core capital of the group. The plan shall among other include forecasts for the withholding of profits and other elements of relevance to the solidity of the Storebrand ASA group.
- Should, for the financial years ending 31 December 2007 and 31 December 2008, the core capital ratio not be at least 6 per cent. or the solvency margin not be at least 150 per cent. for the Storebrand ASA group or for the Storebrand Livsforsikring AS group, then the Norwegian FSA may impose restrictions on distributions of dividends from Storebrand ASA and from Storebrand Livsforsikring AS.
- Storebrand ASA shall, by the end of 2009, file an application regarding the group structure.
- Direct and indirect costs related to the transaction shall not be charged to the insurance clients of Storebrand Livsforsikring AS

It is also a condition for the approval that the rights offering in Storebrand ASA of between NOK 9 billion and NOK 10.7 billion and the share capital increase in Storebrand Livsforsikring AS, are both completed, and that the Norwegian FSA receives the required documentation to this effect following which they will approve the resulting changes to the articles of association of Storebrand ASA and Storebrand Livsforsikring AS.

The solidity levels set out in the above conditions are consistent with Storebrand's communicated targets and Storebrand expects that the levels will be met through normal operations, without affecting its communicated dividend policy. SPP is a strong business with considerable buffer capital and Storebrand believes that the enlarged group's aggregated risk bearing capacity will increase following the completion of the acquisition.

The contemplated financing of the acquisition of SPP is also solid, with approximately two-thirds being provided through new equity by means of the rights offering and with the remaining capital being provided through a combination of available funds and the contemplated issue of subordinated loans.

The board of directors of Storebrand ASA and Storebrand Livsforsikring AS have concluded that the conditions set out in the approval from the Norwegian Ministry of Finance, and all other regulatory approvals received, are acceptable. Against the above the board of Storebrand ASA has resolved to proceed with the rights issue pursuant to the resolution made by the extraordinary general meeting on 24 October 2007.

A separate stock exchange announcement regarding the rights offering in Storebrand ASA is being released today. The acquisition of SPP is planned to be completed before year end 2007.