



Interim report 2019

Storebrand Bank ASA
(unaudited)

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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 Bank Group

- Half-yearly report for the first half of 2019

(Profit figures for the corresponding period in 2018 are shown in brackets. Balance sheet figures in brackets are for the end of 2018).

- Stable loan portfolio and increased competition
- Low volume of non-performing loans
- Good cost control

Loans outstanding decreased by NOK 0.9 billion during the quarter and has decreased by NOK 0.2 billion in the year to date. The home loan portfolio managed on behalf of Storebrand Livsforsikring AS increased by NOK 0.7 billion during the quarter and decreased by NOK 0.2 billion in the year to date. In the first half of 2019, the lending growth has been negatively influenced by increased competition in the home loan market.

Storebrand Bank ASA decided in 2013 to wind up the corporate market at the bank. By the end of 2018, the remaining corporate market portfolio was insignificant. Therefore, from 2019, the Storebrand Bank Group no longer distinguishes between different segments in its reporting.

FINANCIAL PERFORMANCE

The bank group achieved pre-tax profits of NOK 63 million (NOK 59 million) in the second quarter and a pre-tax profit of NOK 130 (NOK 89 million) year to date.

Net interest income was NOK 106 million (NOK 88 million) in the second quarter and NOK 203 million (NOK 181 million) year to date. The interest margin has been improved by increased margins on customer deposits. Net interest income as a percentage of average total assets was 1.22 per cent (1.11 per cent) in the second quarter and 1.19 per cent (1.13 per cent) year to date.

Net commission revenues represented NOK 26 million (NOK 28 million) in the second quarter and NOK 51 million (NOK 50 million) year to date. In the second quarter of 2018, the net commission revenues was enhanced by a sale of a non-performing loan portfolio, but in 2019 no such sale has taken place.

Other revenues amounted to NOK 3 million (NOK 10 million) in the second quarter and NOK 12 million (NOK 4 million) year to date. This development is primarily due to changes in value of derivatives and other financial instruments.

Operating costs increased marginally and totalled NOK 67 million (NOK 66 million) in the second quarter. Year to date the operating costs decreased and totalled NOK 130 million (NOK 132 million), the decrease was mainly due to reduced staff expenses.

NOK 5 million was recognised as expenses (NOK 2 million) for write-downs on lending in the second quarter and NOK 7 million recognised as expenses (NOK 14 million recognised as expenses) year to date.

BALANCE SHEET PERFORMANCE

The loan portfolio, including loans managed on behalf of Storebrand Livsforsikring AS, amounted to NOK 46.2 billion (NOK 46.7 billion) at the end of the half-year, of which the share to Storebrand Livsforsikring AS was NOK 17.9 billion (NOK 18.2 billion). Lending to customers in the bank group totalled NOK 28.3 billion (NOK 28.5 billion) at the end of the half-year.

The bank group's portfolio mainly consists of low risk home mortgages. The weighted average loan-to-value ratio in the bank group is approximately 57 per cent for home mortgages, compared with 56 per cent at the end of 2018.

The total volume of non-performing loans decreased by NOK 2 million in the first half-year and accounts for 0.4 per cent (0.4 per cent) of gross lending at the end of the first half-year. The bank considers the portfolio quality to be good. Non-performing loans without impairment amounted to NOK 70 million (NOK 71 million) at the end of the half-year. Non-performing impaired loans amounted to NOK 54 million (NOK 55 million) at the end of the half-year, where impairment gives loan loss provisions of NOK 20 million (NOK 21 million).

LIQUIDITY RISK AND FUNDING

The bank has established solid liquidity buffers and puts great importance on a balanced funding structure with varying time to maturity and issuances in various markets. The volume of deposits from customers was NOK 15.1 billion (NOK 14.4 billion) at the end of the half-year, which represents a deposit-to-loan ratio of 53.4 per cent (50.6 per cent).

Storebrand Bank ASA and Storebrand Boligkreditt AS have not issued any new debt in the quarter. In the first quarter of 2019 Storebrand Bank ASA issued senior bonds of NOK 0.55 billion (maturity 2022), new additional tier 1 capital of NOK 0.125 billion (call 2024) and tier 2 capital of NOK 0.125 billion (call 2025). The long term counterparty credit rating is unchanged A- (stable) from S&P Global.

The liquidity coverage requirement (LCR) measures the size of the company's liquid assets, in relation to the net liquidity outflow 30 days in the future, given a stress situation in the money and capital markets. The bank group must comply with an LCR of 100 per cent. The bank group's LCR was 194 per cent at the end of half-year.

CAPITAL ADEQUACY

The bank group has had an increase in the risk-weighted balance sheet of NOK 0.4 billion in the year to date. The Storebrand Bank Group had a net capital base of NOK 2.3 billion at the end of the half-year. The capital adequacy ratio was 18.4 per cent and the Core Equity Tier 1 (CET1) ratio was 14.5 per cent at the end of the half-year, compared with 18.9 per cent and 15.2 per cent, respectively, at the end of 2018. The combined requirements for capital and CET1 were 17.3 per cent and 13.8 per cent respectively at the end of the second quarter. The countercyclical capital buffer requirement will increase by 0.5 percentage points from 31 December 2019.

The bank group aims to comply with the applicable buffer capital requirements at any given time. The bank group has satisfactory financial strength and liquidity based on its operations. The bank group, parent bank and Storebrand Boligkreditt AS satisfied the combined capital and capital buffer requirements by a good margin as of 30 June 2019.

PERFORMANCE OF STOREBRAND BANK ASA

In the second quarter, Storebrand Bank ASA achieved a pre-tax profit of NOK 45 million (NOK 43 million) and NOK 103 million (NOK 56 million) for the year to date.

Net interest income for Storebrand Bank ASA totalled NOK 66 million (NOK 54 million) in the second quarter and NOK 126 million (NOK 105 million) year to date.

NOK 5 million (NOK 2 million) was expensed for write-downs on loans for the second quarter and NOK 7 million recognised as expenses (NOK 13 million) year to date.

STRATEGY AND FUTURE PROSPECTS

In 2019, the Storebrand Bank group will continue to support Storebrand's focus on savings and sustainability. Storebrand Bank, through savings and deposit accounts, customer's down payment of mortgages together with frequent customer interaction, is an integral part of Storebrand's ambition to build a world class savings business. Storebrand Bank will continue developing attractive products and digital services, and exploiting open banking opportunities. Improving profitability and competitiveness through higher efficiency is prioritized, and the bank will continue to reduce costs and increase the degree of automation in customer and work processes.

The development in the housing market in different parts of the country is closely monitored. The bank will also maintain a moderate to low risk profile with a strong balance sheet and funding composition.

Sound management of the bank's credit and liquidity risk, and control of the operational risk in key processes, will be maintained. The bank will continue monitoring closely the developments in non-performing loans and loan losses. Developments in the Norwegian and international capital markets, interest rates, unemployment and the property market, particularly in Oslo, are regarded as key risk factors that can affect future results of Storebrand Bank group.

The Board of Directors are not aware of any events of material importance to the preparation of the interim financial statements that have occurred since the balance sheet date.

Lysaker, 11 July 2019
The Board of Directors of Storebrand Bank ASA

Storebrand Bank Group

Income statement

NOK million	note	Q2		Full Year		
		2019	2018	30.06.2019	30.06.2018	2018
Interest income from financial instruments valued at amortised cost		17.7	8.5	33.0	33.8	55.3
Interest income from financial instruments valued at fair value		198.4	152.1	385.6	313.8	660.3
Interest expense		-109.9	-72.1	-215.4	-166.2	-340.0
Net interest income	11	106.2	88.4	203.1	181.4	375.6
Fee and commission income from banking services		30.5	31.2	59.7	55.9	121.8
Fee and commission expenses for banking services		-4.5	-3.4	-8.3	-6.1	-11.3
Net fee and commission income		26.0	27.8	51.4	49.7	110.5
Net gains on financial instruments valued at amortised cost		-1.5	-0.6	-8.5	-2.3	-3.1
Net gains on other financial instruments		4.1	11.0	20.0	5.8	8.8
Total other operating income		2.6	10.5	11.5	3.5	5.7
Staff expenses		-22.1	-24.1	-38.8	-42.9	-94.4
General administration expenses		-14.7	-12.6	-31.5	-28.2	-60.4
Other operating costs		-29.8	-29.2	-59.7	-60.8	-109.5
Total operating costs		-66.6	-65.9	-130.0	-131.9	-264.2
Operating profit before loan losses		68.2	60.7	136.1	102.8	227.5
Loan losses for the period	13	-5.2	-1.6	-6.5	-13.8	-28.7
Profit before tax		63.0	59.1	129.6	89.0	198.7
Tax	3	-20.6	-13.1	-37.3	-20.8	-51.3
Result after tax sold/discontinued operations				-0.1	-0.1	-0.1
Profit for the period		42.4	46.0	92.2	68.2	147.3
Profit for the period is attributable to:						
Portion attributable to shareholders		39.1	43.2	86.5	62.7	138.0
Portion attributable to additional Tier 1 capital holders		3.3	2.8	5.7	5.5	9.3
Profit for the period		42.4	46.0	92.2	68.2	147.3

Consolidated statement of comprehensive income

(NOK million)	Q2		Full Year		
	2019	2018	30.06.2019	30.06.2018	2018
Profit for the period	42.4	46.0	92.2	68.2	147.3
Pension experience adjustments					-0.2
Tax on pension experience adjustments					0.1
Total other result elements not to be classified to profit/loss	0.0	0.0	0.0	0.0	-0.2
Change unrealised gain/loss financial instruments at fair value through OCI	0.8		0.8	19.6	19.6
Total other result elements that may be classified to profit/loss	0.8	0.0	0.8	19.6	19.6
Total comprehensive income for the period	43.2	46.0	93.0	87.7	166.7
Total comprehensive income for the period is attributable to:					
Portion attributable to shareholders	39.9	43.2	87.3	82.2	157.5
Portion attributable to additional Tier 1 capital holders	3.3	2.8	5.7	5.5	9.3
Total comprehensive income for the period	43.2	46.0	93.0	87.7	166.7

Storebrand Bank Group

Statement of financial position

NOK million	note	30.06.2019	30.06.2018	31.12.2018
Cash and deposits with central banks		474.0	335.2	376.0
Loans to and deposits with credit institutions	6	1 443.0	120.7	318.1
Loans to customers	6. 13	28,301.9	26,978.4	28,459.7
Financial assets designated at fair value through profit and loss:				
Equity instruments	6	43.0	41.2	41.7
Bonds and other fixed-income securities	6. 12	3,834.4	2,951.7	2,697.9
Derivatives	6	109.7	158.0	95.1
Bonds at amortised cost	6. 12	989.7	495.4	694.0
Intangible assets and goodwill		93.7	74.7	76.3
Deferred tax assets	3		5.8	5.1
Other current assets	6	21.0	227.0	42.2
Total assets		35,310.5	31,388.1	32,806.2
Liabilities to credit institutions	6	152.4	203.2	2.4
Deposits from and due to customers	6	15,133.5	15,154.7	14,419.4
Other financial liabilities:				
Derivatives	6	79.2	88.1	72.0
Commercial papers and bonds issued	6. 8	16,882.8	13,464.3	15,715.4
Other liabilities	6	363.9	58.3	110.4
Provision for accrued expenses and liabilities	13	7.5	11.9	8.1
Deferred tax		18.9		0.3
Pension liabilities		6.0	11.6	6.0
Subordinated loan capital	6. 8	331.8	276.3	276.3
Total liabilities		32,976.1	29,268.3	30,610.3
Paid in capital		1,660.6	1,590.9	1,590.9
Retained earnings		402.4	352.9	429.1
Additional Tier 1 capital		271.5	176.0	176.0
Total equity	9	2,334.5	2,119.8	2,196.0
Total equity and liabilities		35,310.5	31,388.1	32,806.2

Lysaker, 11 July 2019
 The Board of Directors of Storebrand Bank ASA

Storebrand Bank ASA

Income statement

NOK million	note	Q2			Full Year	
		2019	2018	30.06.2019	30.06.2018	2018
Interest income from financial instruments valued at amortised cost		21.2	21.4	42.1	54.7	103.4
Interest income from financial instruments valued at fair value		90.6	60.1	173.9	131.4	285.4
Interest expense		-45.9	-27.7	-89.9	-81.5	-164.6
Net interest income	11	65.9	53.8	126.0	104.6	224.2
Fee and commission income from banking services		49.1	48.6	96.8	89.0	189.9
Fee and commission expenses for banking services		-4.4	-3.4	-8.2	-6.1	-11.2
Net fee and commission income		44.7	45.3	88.6	83.0	178.7
Net gains on financial instruments valued at amortised cost				-2.0	-0.5	-1.4
Net gains on other financial instruments		6.0	11.5	26.3	12.7	15.0
Other income		-0.7		-0.7		64.4
Total other operating income		5.2	11.5	23.6	12.2	78.0
Staff expenses		-22.1	-24.1	-38.7	-42.8	-94.0
General administration expenses		-14.7	-12.6	-31.5	-28.1	-60.2
Other operating costs		-29.0	-28.7	-58.1	-59.7	-106.2
Total operating costs		-65.7	-65.4	-128.2	-130.7	-260.5
Operating profit before loan losses		50.1	45.1	110.0	69.1	220.4
Loan losses for the period	13	-5.0	-2.4	-6.6	-13.3	-28.2
Profit before tax		45.1	42.8	103.4	55.8	192.2
Tax	3	-16.9	-9.3	-32.1	-13.3	-49.3
Profit for the period		28.3	33.4	71.4	42.5	142.9
Profit for the period is attributable to:						
Portion attributable to shareholders		25.0	30.6	65.7	37.0	133.6
Portion attributable to additional Tier 1 capital holders		3.3	2.8	5.7	5.5	9.3
Profit for the period		28.3	33.4	71.4	42.5	142.9

Statement of comprehensive income

NOK mill.		Q2			Full Year	
		2019	2018	30.06.2019	30.06.2018	2018
Profit for the period		28.3	33.4	71.4	42.5	142.9
Pension experience adjustments						-0.2
Tax on pension experience adjustments						0.1
Total other result elements not to be classified to profit/loss		0.0	0.0	0.0	0.0	-0.2
Change unrealised gain/loss financial instruments at fair value through OCI		0.8		0.8	19.6	19.6
Total other result elements that may be classified to profit/loss		0.8	0.0	0.8	19.6	19.6
Total comprehensive income for the period		29.1	33.4	72.2	62.1	162.3
Total comprehensive income for the period is attributable to:						
Portion attributable to shareholders		25.8	30.6	66.5	56.6	153.0
Portion attributable to additional Tier 1 capital holders		3.3	2.8	5.7	5.5	9.3
Total comprehensive income for the period		29.1	33.4	72.2	62.1	162.3

Storebrand Bank ASA

Statement of financial position

NOK million	note	30.06.2019	30.06.2018	31.12.2018
Cash and deposits with central banks		474.0	335.2	376.0
Loans to and deposits with credit institutions	6	1 616.2	4 276.7	3 071.8
Loans to customers	6, 13	11 190.9	10 010.3	9 975.0
Financial assets designated at fair value through profit and loss:				
Equity instruments	6	43.0	41.2	41.7
Bonds and other fixed-income securities	6, 12	5,518.4	4,417.0	4,167.1
Derivatives	6	68.1	65.9	55.6
Bonds at amortised cost	6, 12	947.0	495.4	694.0
Intangible assets		93.7	74.7	76.3
Deferred tax assets	3		1.8	4.5
Other current assets		1,413.5	1,257.2	1,571.1
Total assets		21,364.9	20,975.3	20,033.0
Liabilities to credit institutions	6	152.4	203.2	2.4
Deposits from and due to customers	6	15,133.5	15,156.6	14,421.1
Other financial liabilities:				
Derivatives	6	79.2	88.1	72.0
Commercial papers and bonds issued	6, 8	3,014.3	3,112.4	2,887.4
Other liabilities	6	378.7	91.2	283.9
Provision for accrued expenses and liabilities	13	7.5	11.9	8.1
Deferred tax		22.3		
Pension liabilities		6.0	11.6	6.0
Subordinated loan capital	6, 8	331.8	276.3	276.3
Total liabilities		19,125.8	18,951.2	17,957.3
Paid in capital		1,832.2	1,762.4	1,832.2
Retained earnings		135.5	85.7	67.6
Additional Tier 1 capital		271.5	176.0	176.0
Total equity	9	2,239.2	2,024.1	2,075.8
Total equity and liabilities		21,364.9	20,975.3	20,033.0

Lysaker, 11 July 2019
 The Board of Directors of Storebrand Bank ASA

Storebrand Bank Group

Statement of changes in equity

	Share capital	Share premium	Other paid-in equity	Total paid-in equity	Other equity	Total retained earnings	Additional Tier 1 capital	Total equity
NOK million								
Equity at 31.12.2017	960.6	156.0	474.3	1,590.9	536.0	536.0	226.0	2,352.9
Effect of implementing IFRS 9 in equity 01.01.2018					-12.7	-12.7		-12.7
Profit for the period					138.0	138.0	9.3	147.3
Total other result elements not to be classified to profit/loss					-0.2	-0.2		-0.2
Total other result elements that may be classified to profit/loss					19.6	19.6		19.6
Total comprehensive income for the period	0.0	0.0	0.0	0.0	157.5	157.5	9.3	166.7
Equity transactions with owners:								
Additional Tier 1 capital classified as equity					2.3	2.3	-50.0	-47.7
Payment to additional Tier 1 holders						0.0	-9.2	-9.2
Provision for group contribution					-254.0	-254.0		-254.0
Equity at 31.12.2018	960.6	156.0	474.3	1,590.9	429.1	429.1	176.0	2,196.0
Profit for the period					86.5	86.5	5.7	92.2
Total other result elements not to be classified to profit/loss						0.0		0.0
Total other result elements that may be classified to profit/loss					0.8	0.8		0.8
Total comprehensive income for the period	0.0	0.0	0.0	0.0	87.3	87.3	5.7	93.0
Equity transactions with owners:								
Additional Tier 1 capital classified as equity					1.4	1.4	95.1	96.5
Payment to additional Tier 1 holders						0.0	-5.3	-5.3
Group contribution received			69.8	69.8				69.8
Provision for group contribution					-115.5	-115.5		-115.5
Equity at 30.06.2019	960.6	156.0	544.1	1,660.6	402.4	402.4	271.5	2,334.5

Storebrand Bank Group

Statement of changes in equity

	Share capital	Share premium	Other paid-in equity	Total paid-in equity	Other equity	retained earnings	Additional Tier 1 capital	Total equity
NOK million								
Equity at 31.12.2017	960.6	156.0	474.3	1,590.9	536.0	536.0	226.0	2,352.9
Effect of implementing IFRS 9 in equity								
01.01.2018					-12.7	-12.7		-12.7
Profit for the period					62.7	62.7	5.5	68.2
Total other result elements not to be classified to profit/loss					0.0			0.0
Total other result elements that may be classified to profit/loss					19.6	19.6		19.6
Total comprehensive income for the period	0.0	0.0	0.0	0.0	82.2	82.2	5.5	87.7
Equity transactions with owners:								
Additional Tier 1 capital classified as equity					1.4	1.4	-50.0	-48.6
Payment to additional Tier 1 holders							-5.5	-5.5
Provision for group contribution					-254.0	-254.0		-254.0
Equity at 30.06.2018	960.6	156.0	474.3	1,590.9	352.9	352.9	176.0	2,119.8

Storebrand Bank ASA

Statement of changes in equity

	Share capital	Share premium	Other paid-in equity	Total paid-in equity	Other equity	Retained earnings	Additional Tier 1 capital	Total equity
NOK million								
Equity at 31.12.2017	960.6	156.0	645.9	1,762.4	43.2	43.2	226.0	2,031.6
Effect of implementing IFRS 9 in equity								
01.01.2018					-15.5	-15.5		-15.5
Profit for the period					133.6	133.6	9.3	142.9
Total other result elements not to be classified to profit/loss					-0.2	-0.2		-0.2
Total other result elements that may be classified to profit/loss					19.6	19.6		19.6
Total comprehensive income for the period	0.0	0.0	0.0	0.0	153.0	153.0	9.3	162.3
Equity transactions with owners:								
Additional Tier 1 capital classified as equity					2.3	2.3	-50.0	-47.7
Payment to additional Tier 1 holders					0.0	0.0	-9.2	-9.2
Group contribution received			69.8	69.8	0.0	0.0		69.8
Provision for group contribution					-115.5	-115.5		-115.5
Equity at 31.12.2018	960.6	156.0	715.6	1,832.2	67.6	67.6	176.0	2,075.8
Profit for the period					65.7	65.7	5.5	71.4
Total other result elements not to be classified to profit/loss					0.0	0.0		0.0
Total other result elements that may be classified to profit/loss					0.8	0.8		0.8
Total comprehensive income for the period	0.0	0.0	0.0	0.0	66.5	66.5	5.7	72.2
Equity transactions with owners:								
Additional Tier 1 capital classified as equity					1.4	1.4	95.1	96.5
Payment to additional Tier 1 holders					0.0	0.0	-5.3	-5.3
Equity at 30.06.2019	960.6	156.0	715.6	1,832.2	135.5	135.5	271.5	2,239.2

Storebrand Bank ASA

Statement of changes in equity

	Share capital	Share premium	Other paid-in equity	Total paid-in equity	Other equity	Retained earnings	Additional Tier 1 capital	Total equity
NOK million								
Equity at 31.12.2017	960.6	156.0	645.9	1,762.4	43.2	43.2	226.0	2,031.6
Effect of implementing IFRS 9 in equity								
01.01.2018					-15.5	-15.5		-15.5
Profit for the period					37.0	37.0	5.5	42.5
Total other result elements not to be classified to profit/loss					0.0			0.0
Total other result elements that may be classified to profit/loss					19.6	19.6		19.6
Total comprehensive income for the period	0.0	0.0	0.0	0.0	56.6	56.6	5.5	62.1
Equity transactions with owners:								
Additional Tier 1 capital classified as equity					1.4	1.4	-50.0	-48.6
Payment to additional Tier 1 holders					0.0	-5.5		-5.5
Equity at 30.06.2018	960.6	156.0	645.9	1,762.4	85.7	85.7	176.0	2,024.1

The share capital is made up of 64 037 183 shares of nominal value NOK 15.

Statement of cash flow

Storebrand Bank ASA			Storebrand Bank Group	
30.06.2018	30.06.2019	NOK million	30.06.2019	30.06.2018
		Cash flow from operations		
242.7	261.7	Receipts of interest, commissions and fees from customers	479.2	412.2
-16.3	-23.6	Payments of interest, commissions and fees to customers	-23.6	-16.3
2,729.0	-1,196.2	Net disbursements/payments on customer loans	160.9	263.3
459.8	681.0	Net receipts/payments of deposits from banking customers	682.8	459.8
-1,250.2	-1,291.9	Net receipts/payments - securities	-1,134.8	-1,259.3
-107.5	-76.8	Payments of operating costs	-113.0	-136.0
2,057.5	-1,645.8	Net cash flow from operating activities	51.6	-276.2
		Cash flow from investment activities		
1.9	Net receipts from sale of subsidiaries and associated companies			
-9.7	-25.5	Net payments on purchase/sale of fixed assets etc.	-25.5	-9.7
-9.7	-23.6	Net cash flow from investment activities	-25.5	-9.7
		Cash flow from financing activities		
-424.0	Payments - repayments of loans and issuing of bond debt		-898.8	-2,125.5
550.0	Receipts - new loans and issuing of bond debt		2,050.0	2,507.5
-39.4	-35.5	Payments - interest on loans	-161.2	-123.1
125.0	Receipts - subordinated loan capital		125.0	
-69.5	Payments - repayments of subordinated loan capital		-69.5	
-3.4	-5.1	Payments - interest on subordinated loan capital	-5.1	-3.4
100.0	125.0	Receipts - new additional Tier 1 capital	125.0	100.0
-150.0	-29.9	Payments of additional Tier 1 capital	-29.9	-150.0
-5.5	-5.3	Payments - interest on additional Tier 1 capital	-5.3	-5.5
48.2	150.0	Net receipts/payments of liabilities to credit institutions	150.0	48.2
		Receipts - issuing of share capital and other equity		
		Payments - repayment of share capital		
81.9	134.1	Receipts - group contribution	69.8	
-297.8	-202.9	Payments - group contribution / dividends	-153.0	-292.0
-266.1	311.9	Net cash flow from financing activities	1,196.9	-43.8
1,781.7	-1,357.5	Net cash flow in the period	1,223.0	-329.7
2,830.2	3,447.7	Cash and bank deposits at the start of the period	694.0	785.6
4,611.9	2,090.2	Cash and bank deposits at the end of the period	1,917.0	455.9
		Cash and bank deposits consist of:	,	
335.2	474.0	Cash and deposits with central banks	474.0	335.2
4,276.7	1,616.2	Loans to and deposits with credit institutions	1,443.0	120.7
4,611.9	2,090.2	Total cash and bank deposits in the balance sheet	1,917.0	455.9

Notes Storebrand Bank Group

Note 01 Accounting principles

The Group's financial statements include Storebrand Bank ASA together with subsidiaries. The financial statements are prepared 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.

The interim accounts of Storebrand Bank ASA are prepared in accordance with Section 1-5 of the Norwegian regulations for the annual accounts of banks and finance companies etc. that provides for simplified application of international accounting standards, (hereinafter termed simplified IFRS), and with IAS 34 Interim Financial Reporting. Simplified IFRS permits recognition to profit and loss of provisions for dividend and group contribution, and allows the Board of Director's proposal for dividend and group contribution to be recognized as a liability on the balance sheet date. The full application of IFRS stipulates that dividend and group contribution must remain part of equity until approved by the company's general meeting. Other than this, simplified IFRS requires the use of the same accounting principles as the full application of IFRS.

A description of the accounting policies applied in the preparation of the financial statements is provided in the 2018 annual report, and the interim financial statements are prepared with respect to these accounting policies.

There are new accounting standards that entered into effect in 2019.

IFRS 16

IFRS 16 Leases replaces the current standard IAS 17, and entered into force from 1 January 2019. IFRS 16 sets out principles for recognition, measurement, presentation and publication of leases. The new leasing standard do not entail any major changes for lessors, but significantly change lessees' accounting. IFRS 16 requires that lessees must, as a starting point, recognise all lease contracts in the balance sheet according to a simplified model that resembles accounting of financial leases under IAS 17. The present value of total lease payments must be recognised as a lease liability and an asset that reflect a right of use of the asset during the lease period. The recognised asset is amortised over the lease period, and the depreciation cost is recognised in the income statement on an ongoing basis as an operating cost. Interest charges on the lease commitment are recognised as a financial cost.

IFRS 16 can be implemented either in accordance with the full retrospective method or modified retrospective method, and Storebrand has selected the modified retrospective method. This means that comparable figures are not restated and the effect is entered in the balance sheet for the implementation year of 2019. Upon implementation, the 'right of use' asset and liability is the same amount and have no effect on equity. Storebrand Bank ASA did not have any lease agreements according to IFRS 16 as of 1 January 2019.

Storebrand Bank ASA has no lease agreements according to IFRS 16 at the end of the first half of 2019.

Note 02 Estimates

Critical accounting estimates and judgements are described in the 2018 annual financial statements in note 2 and valuation of financial instruments at fair value are described in note 8.

In preparing the group's financial statements the management are requiring 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 Tax

In December 2018, the Norwegian Parliament (Stortinget) agreed to reduce the company tax rate from 23 to 22 per cent with effect from 1 January 2019. It was also agreed to maintain the tax rate at 25 per cent for companies subject to the financial tax. The Storebrand Bank Group includes companies that are both subject to and not subject to the financial tax. Therefore, when capitalizing deferred tax/deferred tax assets in the consolidated financial statements, the company tax rate that applies for the individual Group companies is used.

Note
04

Related Parties

Covered bonds issued by Storebrand Boligkreditt AS

Storebrand Bank ASA has invested a total of NOK 1.7 billion in covered bonds issued by Storebrand Boligkreditt AS as of 30 June 2019. The investments are included in the liquidity portfolio in the parent company and are classified at fair value through profit or loss. The investment has been eliminated in the consolidated accounts against bonds issued by Storebrand Boligkreditt AS.

Loans sold to Storebrand Boligkreditt AS

Storebrand Bank ASA sells loans to the mortgage company Storebrand Boligkreditt AS. Once the loans are sold, Storebrand Boligkreditt AS assumes all the risks and benefits of owning the loan portfolio. It is Storebrand Boligkreditt AS that receives all the cash flows from the loan customer. Storebrand Bank ASA shall arrange the transfer and return of loans when changes have to be made, i.e. if there is a request to increase the loan amount, change from variable to fixed interest, conversion to employee loan or conversion to a flexible mortgage. The costs are included in the contractual administration fee. Non-performing loans in Storebrand Boligkreditt AS remain in the company. These loans will, pursuant to the service agreement with Storebrand Bank ASA, be treated in the same way as non-performing loans in the bank. Specific reports are prepared for non-performing loans in Storebrand Boligkreditt AS. These loans are not included in the cover pool. Loans to employees can be transferred to Storebrand Boligkreditt AS. The difference between the market interest rate and the subsidised interest rate is covered monthly by the company in which the debtor is employed.

Storebrand Bank ASA has not pledged any guarantees in connection with loans to Storebrand Boligkreditt AS.

Storebrand Bank ASA and Storebrand Boligkreditt AS have signed a management agreement pursuant to which Storebrand Boligkreditt AS will purchase administrative services from the bank. Storebrand Boligkreditt AS also purchases administrative services from Storebrand Livsforsikring AS.

Loans sold to Storebrand Livsforsikring AS

Storebrand Bank ASA has sold mortgages to sister company Storebrand Livsforsikring AS. In 2019, there has been sold loans of total NOK 2.9 billion. The total portfolio of loans sold as of 30 June 2019 is NOK 31.7 billion. As the buyer, Storebrand Livsforsikring AS has acquired both cash flows and most of the risk and control. The loans were therefore derecognised in the bank's balance sheet in accordance with IFRS 9. Storebrand Bank ASA receives management fees for the work being done with the sold portfolio. The bank has recognised NOK 35.1 million as revenue in the accounts for the first half of 2019.

Credit facilities with Storebrand Boligkreditt AS

The bank has issued two credit facilities to Storebrand Boligkreditt AS. One of these facilities is a normal overdraft facility, with a commitment of NOK 6 billion. This has no expiry date, but can be terminated by the bank on 15 months' notice. The amount of the other facility is the payment obligations of Storebrand Boligkreditt the following 31 days on interest and principal amounts regarding Covered Bonds, including any connected derivatives. This facility may not be terminated by Storebrand Bank ASA until at least 3 months after the maturity date of the covered bond and the associated derivatives with the longest period to maturity. In 2019 all covenant requirements are fulfilled.

Other related parties

Storebrand Bank ASA conducts transactions with related parties as part of its normal business activities. The terms for transactions with senior employees and related parties are stipulated in notes 37 and 38 in the 2018 annual report for Storebrand Bank ASA.

Note
05

Financial risk

Storebrand Bank ASA's financial assets and liabilities fluctuate in value due to the risk in the financial markets. Notes 4 to 8 in the 2018 annual report provide a more detailed overview of the bank group's financial risk which is also applicable for the financial risk as at 30 June 2019. The bank's corporate market portfolio has declined since the end of 2018, and this has significantly changed the risk in the remaining portfolio.

Note
06

Valuation of financial instruments

The Storebrand group categorises financial instruments on three different levels. Criteria for the categorisation and processes associated with valuing are described in more detail in note 8 in the 2018 annual report for Storebrand Bank ASA.

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

STOREBRAND BANK GROUP

VALUATION OF FINANCIAL INSTRUMENTS AT AMORTISED COST

NOK million	Fair value 30.06.2019	Fair value 31.12.2018	Book value 30.06.2019	Book value 31.12.2018
Financial assets				
Loans to and deposits with credit institutions	1 443.0	318.1	1 443.0	318.1
Loans to customers - corporate market				
Loans to customers - retail market	286.2	315.8	286.2	315.8
Bonds classified as loans and receivables	994.0	695.3	989.7	694.0
Total financial assets 30.06.2019	2 723.2		2 718.9	
Total financial assets 31.12.2018		1 329.2		1 327.9
Financial liabilities				
Liabilities to credit institutions	152.4	2.4	152.4	2.4
Deposits from and due to customers	15 133.5	14 419.4	15 133.5	14 419.4
Commercial papers and bonds issued	17 019.5	15 735.5	16 882.8	15 715.4
Subordinated loan capital	334.3	277.4	331.8	276.3
Total financial liabilities 30.06.2019	32 639.7		32 500.5	
Total financial liabilities 31.12.2018		30 434.7		30 413.5

STOREBRAND BANK GROUP

VALUATION OF FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS (FVTPL)

NOK million	Level 1 Quoted prices	Level 2 Observable assumptions	Level 3 Non-observable assumptions	Book value 30.06.2019	Book value 31.12.2018
Assets:					
Equities		26.3	16.7	43.0	41.7
Total equities 30.06.2019	0.0	26.3	16.7	43.0	
Total equities 31.12.2018	0.0	26.4	15.3		41.7
Loans to customers - Corporate Market				0.0	0.0
Loans to customers - Retail Market			384.8	384.8	220.2
Total loans to customers 30.06.2019	0.0	0.0	384.8	384.8	
Total loans to customers 31.12.2018	0.0	0.0	220.2		220.2
Government and government guaranteed bonds		875.6		875.6	760.9
Credit bonds		541.5		541.5	
Mortgage and asset backed bonds		2 417.3		2 417.3	1 937.0
Total bonds 30.06.2019	0.0	3 834.4	0.0	3 834.4	
Total bonds 31.12.2018	0.0	2 697.9			2 697.9
Interest derivatives		30.5		30.5	23.1
Currency derivatives		0.0		0.0	0.0
Total derivatives 30.06.2019	0.0	30.5	0.0	30.5	
Derivatives with a positive fair value		109.7		109.7	95.1
Derivatives with a negative fair value		-79.2		-79.2	-72.0
Total derivatives 31.12.2018					23.1

There have not been any changes between quoted prices and observable assumptions on the various financial instruments in the quarter.

VALUATION OF FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI)

NOK million	Quoted prices	Level 1	Level 2	Level 3	Book value 30.06.2019	Book value 31.12.2018
		Observable assumptions	Non-observable assumptions			
Loans to customers - corporate market			9.3	9.3	9.3	17.3
Loans to customers - retail market			27 621.6	27 621.6	27 621.6	27 906.3
Total loans to customers 30.06.2019			27 631.0	27 631.0		
Total loans to customers 31.12.2018			27 923.6	27 923.6	27 923.6	

SPECIFICATION OF SECURITIES PURSUANT TO VALUATION TECHNIQUES (NON-OBSERVABLE ASSUMPTIONS)

NOK million	Equities	Loans to customers at faire value through profit and loss	Loans to customers at fair value through other comprehensive income
Book value 01.01.2019	15.3	220.2	27 923.6
Net gains/losses on financial instruments	1.4	-1.4	1.7
Supply / disposal		199.7	5 618.0
Sales / due settlements		-33.7	-5 912.3
Transferred from observable assumptions to non-observable assumptions			
Translation differences			
Other			
Book value 30.06.2019	16.7	384.8	27 631.0

SENSITIVITY ANALYSIS

LOANS TO CUSTOMERS

The value of fixed-rate loans is determined by discounting the agreed cash flows over the remaining maturity by the current discount rate adjusted for market spread. The discount rate that is used is based on a swap interest rate (mid swap) with a maturity that corresponds to the remaining lock-in period for the underlying loans. The market spread that is used on the date of the balance sheet is determined by assessing the market conditions, market price and the associated swap interest rate.

EQUITIES

This item consist of shares in VN Norge AS which the bank have received in connection with a taxfree conversion of VISA Norge FLI. At the end of the quarter, the value of the shares were changed according to changes in share price of C-shares in VISA Inc. The shares are valued at fair value through profit and loss and changes in value are included in profit and loss.

(NOK million)	Floating loans to customers	Floating loans to customers	Equities
	Fair value through other comprehensive income (OCI)	Fair value through other comprehensive income (OCI)	
	Changes in market spread	Changes in market spread	Change in value
	+ 10 BP	- 10 BP	+ 25 bp
Increase/reduction in fair value at 30.06.2019	-3.2	3.2	7.9
			- 25 bp
Increase/reduction in fair value at 31.12.2018	-3.2	3.2	8.0
			+ 25 bp
			-0.3
			0.3

Note
07 | Segment information

PROFIT AND LOSS BY SEGMENT:

NOK million	Corporate				Retail				Full Year	
	Q2	2018	30.06.2019	30.06.2018	Full Year	Q2	2018	30.06.2019	30.06.2018	
Profit and loss items:										
Net interest income		0.6		2.2	3.7		92.9		190.6	382.5
Net fee and commission income				0.2	0.3		27.7		49.6	110.2
Other income				-13.5	-13.5					0.0
Total operating costs		-1.9		-4.1	-7.2		-64.0		-127.8	-257.0
Operating profit before loan losses	0.0	-1.3	0.0	-15.2	-16.8	0.0	56.6	0.0	112.4	235.8
Loan losses		0.9		-6.6	-3.5	-17.9	-1.4		-6.0	-23.0
Ordinary profit from continuing operations	0.0	-0.4	0.0	-21.9	-20.3	-17.9	55.3	0.0	106.4	212.8
Ordinary profit from discontinued businesses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Balance sheet items:										
Gross loans to customers		62.1		62.1	29.0		26.954.2		26.954.2	28.477.4
Deposits from and due to customers		43.2		43.2	7.6		14.868.4		14.868.4	14.345.8
Key figures:										
Net interest income as % of total assets		1.47 %		2.31 %	2.76 %		1.20 %		1.24 %	1.22 %
Cost/income ratio		308 %		-36 %	-76 %		53 %		53 %	52 %
Deposits from customers as % of gross loans		70 %		70 %	26 %		55 %		55 %	50 %
Total level of provisioning		89 %		89 %	48 %		22 %		22 %	41 %

(NOK million)	Treasury/Other				Total				Full Year 2018	
	Q2		Full Year		Q2		Full Year			
	2019	2018	30.06.2019	30.06.2018	2019	2018	30.06.2019	30.06.2018		
Profit and loss items:										
Net interest income		-5.2		-11.4	-10.7	106.2	88.4	203.1	181.4	375.6
Net fee and commission income		0.1				26.0	27.8	51.4	49.7	110.5
Other income		10.5		17.0	19.2	2.6	10.5	11.5	3.5	5.7
Total operating costs						-66.6	-65.9	-130.0	-131.9	-264.2
Operating profit before loan losses	0.0	5.4	0.0	5.6	8.5	68.2	60.7	136.1	102.8	227.5
Loan losses		-1.1		-1.1	-2.2	-5.2	-1.6	-6.5	-13.8	-28.7
Ordinary profit from continuing operations	0.0	4.3	0.0	4.5	6.2	63.0	59.1	129.6	89.0	198.7
Ordinary profit from discontinued businesses	0.0	0.0		-0.1	-0.1	0.0	0.0	-0.1	-0.1	-0.1
Balance sheet items:										
Gross loans to customers		19.3		19.3		28,345.1	27,035.6	28,345.1	27,035.6	28,506.4
Deposits from and due to customers		243.2		243.2	66.0	15,133.5	15,154.7	15,133.5	15,154.7	14,419.4
Key figures:										
Net interest income as % of total assets						1.22 %	1.11 %	1.19 %	1.14 %	1.16 %
Cost/income ratio						49 %	52 %	49 %	56 %	54 %
Deposits from customers as % of gross loans						53 %	56 %	53 %	56 %	51 %
Total level of provisioning						41 %	42 %	41 %	42 %	42 %

DESCRIPTION OF THE SEGMENTS:

Storebrand Bank ASA decided in 2013 to wind up the corporate market at the bank. By the end of 2018, the remaining corporate market portfolio was insignificant. Therefore, from 2019, the Storebrand Bank Group no longer distinguishes between different segments in its reporting.

DESCRIPTION OF THE SEGMENTS IN 2019:

CORPORATE MARKET

The segment includes corporate customers' deposits and loans, mainly property owners and developers. All capital market business for customers within the bank's corporate market segment is presented under the corporate market segment. Storebrand Bank ASA decided in 2013 to wind up the corporate market at the bank.

RETAIL MARKET

Deposits from and loans to retail market customers, including credit cards, and deposits from corporate customers without property interests. Loans primarily comprise home mortgages. The segment includes loans in Storebrand Boligkredit AS. All capital market business for customers within the bank's retail market segment is presented under the retail market segment.

TREASURY / OTHER

Income and expenses that are not directly attributable are allocated to the segments on the basis of the assumed resource use. The elimination of double entries refers primarily to customer transactions that are carried out across the segments. The effects of financial risk management and the liquidity portfolio have not been allocated to the business areas and are reported under Treasury / Other.

Note
08

Securities issued and subordinated loan capital

		Storebrand Bank Group	
(NOK million)		30.06.2019	31.12.2018
Bond loans		16,882.8	15,715.4
Subordinated loan capital		331.8	276.3
Total securities issued and subordinated loan capital		17,214.6	15,991.7

SPECIFICATION OF COMMERCIAL PAPERS, BONDS ISSUED AND SUBORDINATED LOAN CAPITAL AS OF 30 JUNE 2019 STOREBRAND BANK GROUP

		Net				Book
ISIN code	Issuer	nominal value	Currency	Interest	Maturity 1)	value
						30.06.2019
Bond loans						
NO0010660806	Storebrand Bank ASA	240.0	NOK	Fixed	08.10.2019	248.5
NO0010762891	Storebrand Bank ASA	500.0	NOK	Fixed	19.04.2021	494.1
NO0010787963	Storebrand Bank ASA	315.0	NOK	Floating	26.09.2019	315.1
NO0010729387	Storebrand Bank ASA	600.0	NOK	Floating	14.01.2020	602.5
NO0010794217	Storebrand Bank ASA	400.0	NOK	Floating	29.05.2020	400.7
NO0010831571	Storebrand Bank ASA	400.0	NOK	Floating	06.09.2021	400.1
NO0010841562	Storebrand Bank ASA	550.0	NOK	Floating	18.01.2022	553.4
Total bond loans		3,005.0				3,014.3

		Net				Book
ISIN code	Issuer	nominal value	Currency	Interest	Maturity 1)	value
						30.06.2019
Covered bonds						
NO0010548373	Storebrand Boligkredit AS	935.5	NOK	Fixed	28.10.2019	995.1
NO0010736903	Storebrand Boligkredit AS	2,330.0	NOK	Floating	17.06.2020	2,329.2
NO0010760192	Storebrand Boligkredit AS	4,000.0	NOK	Floating	16.06.2021	4,019.6
NO0010786726	Storebrand Boligkredit AS	4,000.0	NOK	Floating	15.06.2022	4,016.4
NO0010813959	Storebrand Boligkredit AS	2,500.0	NOK	Floating	20.06.2023	2,508.1
Total covered bonds ²⁾		13,765.5				13,868.5
Total commercial papers and bonds issued 30.06.2019		16,770.5				16,882.8
Total commercial papers and bonds issued 31.12.2018		15,629.0				15,715.4

1) Maturity date in this summary is the first possible maturity date (Call date).

2) For issued covered bonds, a regulatory requirement for over-collateralisation of 102 per cent and an over-collateralisation requirement of 109.5 per cent for bonds issued before 21 June 2017 apply. In 2019 all covenants are fulfilled

(NOK million)	ISIN code	Issuer	Net nominal value	Currency	Interest	Maturity 1)	Book value 30.06.2019
Dated subordinated loan capital							
NO0010714314		Storebrand Bank ASA	55.5	NOK	Floating	09.07.2019	55.9
NO0010786510		Storebrand Bank ASA	150.0	NOK	Floating	22.02.2022	150.5
NO0010843519		Storebrand Bank ASA	125.0	NOK	Floating	27.02.2025	125.4
Total subordinated loan capital 30.06.2019			330.5				331.8
Total subordinated loan capital 31.12.2018			275.0				276.3
Total securities issued and subordinated loan capital 30.06.2019							17,214.6
Total securities issued and subordinated loan capital 31.12.2018							15,991.7

**Note
09**

Capital adequacy

Capital adequacy calculations are subject to special consolidation rules in accordance with the regulation on consolidated application of the capital adequacy rules etc. (the "Consolidation Regulation"). The Storebrand Bank group is defined pursuant to Section 5 of the Consolidation Regulation as a financial group comprising solely or mainly undertakings other than insurance companies. According to the capital requirement regulations, the valuation rules used in the company's accounts form the basis for consolidation. Consolidation is mainly carried out in accordance with the same principles as those used in the accounts, with all internal transactions eliminated, including shares, loans and deposits as well as other receivables and liabilities.

The standard method is used for credit risk and market risk and the basis method is used for operational risk. Total requirement to Core Equity Tier 1 (CET1) and eligible capital (Tier 1 capital + Tier 2 capital) are 12 per cent and 15.5 per cent. The countercyclical capital buffer requirement will be increased by 0.5 percentage points from 31 December 2019.

ELIGIBLE CAPITAL

STOREBRAND BANK ASA			Storebrand Bank Group	
31.12.2018	30.06.2019	NOK million	30.06.2019	31.12.2018
960.6	960.6	Share capital	960.6	960.6
1,115.2	1,278.6	Other equity	1,373.9	1,235.4
2,075.8	2,239.2	Total equity	2,334.5	2,196.0
-175.0	-270.1	Additional Tier 1 capital included in total equity	-270.1	-175.0
-1.0	-1.4	Accrued interest on capital instruments included in total equity	-1.4	-1.0
1,899.8	1,967.7	Total equity included in Core Equity Tier 1 (CET1)	2,063.0	2,020.0
		Deductions		
	-71.4	Profit not included in the calculation of eligible capital	-92.2	
-14.0	-16.6	AVA adjustments	-32.1	-31.1
-76.3	-93.7	Intangible assets	-93.7	-76.3
		Deferred tax asset		
		Provision for group contribution		-114.8
		Addition		
		Group contribution received		69.8
1,809.4	1,785.9	Core Equity Tier 1 (CET1)	1,844.9	1,867.5
		Other Tier 1 capital		
175.0	270.1	Capital instruments eligible as Additional Tier 1 capital	270.1	175.0
	-45.1	Capital instruments not eligible as Additional Tier 1 capital	-45.1	
		Addition		
1,984.4	2,010.9	Tier 1 capital	2,069.9	2,042.5
		Tier 2 capital		
275.0	330.5	Subordinated loans	330.5	275.0
	-55.5	Subordinated loans not eligible as Tier 2 capital	-55.5	
		Tier 2 capital deductions		
2,259.4	2,285.9	Eligible capital (Tier 1 capital + Tier 2 capital)	2,344.9	2,317.5

MINIMUM CAPITAL REQUIREMENT

STOREBRAND BANK ASA			Storebrand Bank Group	
31.12.2018	30.06.2019	NOK million	30.06.2019	31.12.2018
663.9	707.4	Credit risk	927.9	910.9
		Of which:		
		States and centralbanks		
0.9	8.7	Local and regional authorities	8.7	1.0
		Public sector owned corporates		
		Multilateral development banks		
		International organisations		
206.9	211.5	Institutions	15.8	6.8
		Corporates		
277.0	318.2	Loans secured in residential real estate	793.0	788.1
45.4	42.1	Retail market	46.6	52.4
9.2	10.0	Loans past-due	16.1	17.0
108.0	110.0	Covered bonds	27.3	17.9
16.4	6.9	Other	20.5	27.8
663.9	707.4	Total minimum requirement for credit risk	927.9	910.9
		Settlement risk		
0.0	0.0	Total minimum requirement for market risk	0.0	0.0
55.5	64.5	Operational risk	75.0	70.3
0.2	14.2	CVA risk ¹⁾	14.4	0.8
		Deductions		
719.5	786.1	Minimum requirement for net primary capital	1,017.3	982.0

CAPITAL ADEQUACY

Storebrand Bank ASA			Storebrand Bank Group	
31.12.2018	30.06.2019	NOK million	30.06.2019	31.12.2018
25.1 %	23.3 %	Capital ratio	18.4 %	18.9 %
22.1 %	20.5 %	Tier 1 capital ratio	16.3 %	16.6 %
20.1 %	18.2 %	Core equity Tier 1 (CET1) capital ratio	14.5 %	15.2 %

1) Regulation on own funds requirements for credit valuation adjustment risk.

BASIS OF CALCULATION (RISK-WEIGHTED VOLUME)

Storebrand Bank ASA			Storebrand Bank Group	
31.12.2018	30.06.2019	NOK million	30.06.2019	31.12.2018
8,298.7	8,843.0	Credit risk	11,598.8	11,386.6
		Of which:		
		States and centralbanks		
11.3	108.2	Local and regional authorities	108.2	12.8
		Public sector owned corporates		
		Multilateral development banks		
		International organisations		
2,586.8	2,644.3	Institutions	197.0	84.7
		Corporates		
3,463.1	3,977.4	Loans secured in residential real estate	9,912.8	9,851.2
567.5	526.7	Retail market	582.0	654.9
115.0	125.2	Loans past-due	200.6	212.1
1,349.5	1,374.9	Covered bonds	341.8	223.5
205.0	86.2	Other	256.3	347.4
8,298.7	8,843.0	Total basis of calculation credit risk	11,598.8	11,386.6
		Settlement risk		
0.0	0.0	Total basis of calculation market risk	0.0	0.0
693.9	806.3	Operational risk	937.5	878.6
2.1	177.6	CVA risk	179.9	9.8
		Deductions		
8,994.8	9,826.8	Total basis of calculation of minimum requirements for capital base	12,716.1	12,274.9

Note 10 | Key figures

Storebrand Bank Group

NOK million and percentage	Q2		Full Year		
	2019	2018	30.06.2019	30.06.2018	2018
Profit and Loss account: (as % of avg. total assets)					
Net interest income					
Net interest income	1.22 %	1.11 %	1.19 %	1.13 %	1.16 %
Other operating income ²⁾	0.33 %	0.35 %	0.37 %	0.33 %	0.36 %
Main balance sheet figures:					
Total assets			35,310.5	31,388.1	32,806.2
Average total assets ¹⁾	34,797.0	32,011.6	34,326.2	32,248.8	32,476.5
Gross loans to customers			28,345.1	27,035.6	28,506.4
Deposits from customers			15,133.5	15 154.7	14,419.4
Deposits from customers as % of gross loans			53.4 %	56.1 %	50.6 %
Equity			2,334.5	2,119.8	2,196.0
Other key figures:					
Loan losses and provisions as % of average total loans ⁴⁾	0.07 %	0.02 %	0.05 %	0.10 %	0.10 %
Gross non-performing and loss-exposed loans as % of total loans			0.4 %	0.6 %	0.4 %
Cost/income ratio ³⁾	49.4 %	52.1 %	48.8 %	56.2 %	53.7 %
Adjusted return on equity ⁶⁾	9.2 %	8.9 %	9.6 %	6.7 %	7.5 %
Core equity Tier 1 (CET1) capital ratio			14.5 %	15.0 %	15.2 %
LCR ⁵⁾			194.0 %	153.0 %	198.0 %

(NOK million)	Storebrand Bank ASA				
	Q2 2019	2018	30.06.2019	30.06.2018	Full Year 2018
Profit and Loss account: (as % of avg. total assets)					
Net interest income	1.27 %	1.04 %	1.23 %	1.05 %	1.07 %
Other operating income ²⁾	0.96 %	1.10 %	1.10 %	0.92 %	1.23 %
Main balance sheet figures:					
Total assets			21,364.9	20,975.3	20,033.0
Average total assets ¹⁾	20,846.2	20,683.7	20,659.7	20,762.4	20,880.0
Gross lending to customers			11,232.9	10,065.5	10,020.4
Deposits from customers			15,133.5	15,156.6	14,421.1
Deposits from customers as % of gross loans			134.7 %	150.6 %	143.9 %
Equity			2,239.2	2,024.1	2,075.8
Other key figures:					
Loan losses and provisions as % of average total loans ⁴⁾	0.18 %	0.09 %	0.12 %	0.24 %	0.26 %
Gross non-performing and loss-exposed loans as % of total loans			0.9 %	1.3 %	0.9 %
Cost/income ratio ³⁾	56.7 %	59.2 %	53.8 %	65.4 %	54.2 %
Core equity Tier 1 (CET1) capital ratio			18.2 %	20.1 %	20.1 %
LCR ⁵⁾			179.0 %	128.0%	171.0 %

Definitions:

- 1) Average total assets is calculated on the basis of monthly total assets for the quarter and for the year to date respectively.
- 2) Other operating income includes net fee and commission income.
- 3) Total operating expenses as % of total income.
- 4) Loan losses and provisions for Storebrand Bank Group includes the items loan losses for the period and losses real estate at fair value, assets repossessed, in the profit & loss account.
- 5) Liquidity coverage requirement.
- 6) There is a change in the calculation method from June 30, 2019. Comparative figures have been restated accordingly. Please see the description in the document "Guide to Alternative Performance Measures" on our website www.storebrand.no/en/investor-relations/reporting-changes-and-special-effects.

Note
11

Net interest income

STOREBRAND BANK GROUP

(NOK million)	Q2		Full Year		
	2019	2018	30.06.2019	30.06.2018	2018
<i>Interest on financial assets valued at amortised cost</i>					
Interest on loans to credit institutions	2.9	1.8	4.2	3.7	6.4
Interest on loans to customer	10.6	5.5	21.4	27.6	42.8
Interest on commercial papers, bonds and other interest-bearing securities	4.2	1.1	7.4	2.5	6.0
Total interest on financial assets valued at amortised cost	17.7	8.5	33.0	33.8	55.3
<i>Interest on financial assets valued at fair value through other comprehensive income (OCI)</i>					
Interest on loans to customer	181.4	139.5	356.6	289.9	608.8
Total interest on financial assets valued at fair value through other comprehensive income (OCI)	181.4	139.5	356.6	289.9	608.8
<i>Interest on financial assets valued at fair value through profit and loss</i>					
Interest on commercial papers, bonds and other interest-bearing securities	14.2	9.7	26.1	19.7	38.7
Interest on loans to customer	2.8	2.8	2.8	2.8	11.1
Other interest income	0.1	0.1	0.1	1.5	1.6
Total interest on financial assets valued at fair value through profit and loss	17.0	12.6	28.9	23.9	51.4
Total interest income	216.1	160.5	418.5	347.6	715.5
<i>Interest on financial liabilities valued at amortised cost</i>					
Interest on debt to credit institutions	-0.6	-0.3	-1.0	-0.4	-0.7
Interest on deposits from customers	-23.8	-20.4	-46.8	-42.6	-84.1
Interest on securities issued	-79.9	-46.5	-156.4	-113.8	-235.9
Interest on subordinated loan capital	-2.6	-1.9	-5.1	-3.6	-7.5
Other interest expenses	-3.1	-2.9	-6.2	-5.8	-11.6
Total interest on financial liabilities valued at amortised cost	-109.9	-72.1	-215.4	-166.2	-339.8
<i>Interest on financial liabilities valued at fair value through profit and loss</i>					
Interest on debt to credit institutions					-0.1
Total interest on financial liabilities valued at fair value through profit and loss	0.0	0.0	0.0	0.0	-0.1
Total interest expenses	-109.9	-72.1	-215.4	-166.2	-340.0
Net interest income	106.2	88.4	203.1	181.4	375.6

STOREBRAND BANK ASA

(NOK million)	Q2		Full Year		
	2019	2018	30.06.2019	30.06.2018	2018
<i>Interest on financial assets valued at amortised cost</i>					
Interest on loans to credit institutions	6.5	14.7	13.5	24.6	54.5
Interest on loans to customer	10.6	5.6	21.4	27.6	42.8
Interest on commercial papers, bonds and other interest-bearing securities	4.0	1.1	7.3	2.5	6.0
Total interest on financial assets valued at amortised cost	21.2	21.4	42.1	54.7	103.4
<i>Interest on financial assets valued at fair value through other comprehensive income (OCI)</i>					
Interest on loans to customer	66.5	41.8	129.0	97.9	215.4
Total interest on financial assets valued at fair value through other comprehensive income (OCI)	66.5	41.8	129.0	97.9	215.4
<i>Interest on financial assets valued at fair value through profit and loss</i>					
Interest on commercial papers, bonds and other interest-bearing securities	21.3	15.5	42.0	29.3	57.3
Interest on loans to customer	2.8	2.8	2.8	2.8	11.1
Other interest income	0.1	0.1	0.1	1.5	1.6
Total interest on financial assets valued at fair value through profit and loss	24.1	18.3	44.9	33.5	70.0
Total interest income	111.8	81.5	215.9	186.1	388.8
<i>Interest on financial liabilities valued at amortised cost</i>					
Interest on debt to credit institutions	-0.6	-0.3	-1.0	-0.4	-0.7
Interest on deposits from customers	-23.8	-20.4	-46.8	-42.6	-84.1
Interest on securities issued	-15.8	-2.1	-30.9	-29.1	-60.5
Interest on subordinated loan capital	-2.6	-1.9	-5.1	-3.6	-7.5
Other interest expenses	-3.1	-2.9	-6.2	-5.8	-11.6
Total interest on financial liabilities valued at amortised cost	-45.9	-27.7	-89.9	-81.5	-164.4
<i>Interest on financial liabilities valued at fair value through profit and loss</i>					
Interest on debt to credit institutions					-0.1
Total interest on financial liabilities valued at fair value through profit and loss	0.0	0.0	0.0	0.0	-0.1
Total interest expenses	-45.9	-27.7	-89.9	-81.5	-164.6
Net interest income	65.9	53.8	126.0	104.6	224.2

Note 12 Off balance sheet liabilities and contingent liabilities

Storebrand Bank ASA			Storebrand Bank Group	
31.12.2018	30.06.2019	NOK million	30.06.2019	31.12.2018
1.4	2.3	Guarantees	2.3	1.4
4,958.8	7,143.4	Unused credit limits	3,393.8	3,361.7
1,671.8	2,468.9	Loan commitments retail market	2,468.9	1,671.8
6,632.0	9,614.6	Total contingent liabilities	5,865.0	5,034.9
		Booked value of bonds pledged as security for the bank's D-loan and F-loan		
1,204.6	956.9	facility with the Norwegian central bank	553.3	803.7
150.5	151.3	Booked value of bonds pledged as security with other credit institutions	50.4	50.3
1,355.1	1,108.2	Total book value of off balance sheet liabilities	603.7	854.0

Guarantees essentially encompass payment guarantees and contract guarantees. Unused credit facilities encompass granted and any unused credit accounts and credit cards, as well as, any unused flexible mortgage facilities.

Unused credit facilities reported in Storebrand Bank ASA as of 30 June 2019 includes NOK 5.1 billion to the subsidiary Storebrand Boligkreditt AS (see note 4).

Note 13 Non-performing loans and loan losses

Storebrand Bank ASA			Storebrand Bank Group	
31.12.2018	30.06.2019	NOK million	30.06.2019	31.12.2018
		Non-performing loans		
45.5	54.6	Non-performing loans without evidence of impairment	69.9	70.6
49.7	41.7	Loss-exposed loans with evidence of impairment	54.1	55.3
95.2	96.4	Gross non-performing and loss-exposed loans	123.9	125.9
-21.0	-19.4	Loan loss provisions on individual loans excl. statistical provisions (IFRS9)	-19.8	-21.2
74.1	77.0	Net non-performing and loss-exposed loans	104.1	104.6
		Key figures		
-45.5	-42.0	Total loan loss provisions (NOK million)	-43.2	-46.7
42 %	47 %	Level of provisioning for individual loss-exposed loans ¹⁾	37 %	38 %
48 %	44 %	Total level of provisioning ²⁾	35 %	37 %

1) Provisions for individual loan losses excl. statistical provisions in percent of loss-exposed loans with evidence of impairment.

2) Total loan loss provisions in per cent of gross non-performing and loss-exposed loans.

Loans are regarded as non-performing and loss-exposed:

- when a credit facility has been overdrawn for more than 90 days and the overdrawn amount minimum is NOK 2,000
- when an ordinary mortgage has arrears older than 90 days and the arrears minimum is NOK 2,000
- when a credit card has arrears older than 90 days

When one of the three situations described above occurs, the specific loan is considered as non-performing.

without taking into account the customers other engagements. This is a change in the definition of non-performing loans compared to earlier periods and therefore the comparable figures are restated in the note.

LOSSES ON LOANS, GUARANTEES AND UNUSED CREDITS

Storebrand Bank ASA			Storebrand Bank Group	
31.12.2018	30.06.2019	NOK million	30.06.2019	31.12.2018
0.2	-0.2	The periods change in impairment losses stage 1		
-4.0	1.2	The periods change in impairment losses stage 2	1.3	-4.4
6.8	2.8	The periods change in impairment losses stage 3	2.6	8.1
-34.5	-10.4	Realised losses	-10.4	-35.7
2.8	0.6	Recoveries on previously realised losses	0.6	2.8
-0.1		Credit loss on interest-bearing securities		-0.1
0.5	-0.5	Other changes	-0.5	0.6
-28.2	-6.6	Loss expense for the period	-6.5	-28.7

LOAN PORTFOLIO AND GUARANTEES

(NOK million)	Storebrand Bank ASA		Storebrand Bank Group	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Loans to customers at amortised cost	307.2	338.7	307.2	338.7
Loans to customers at fair value through profit and loss	384.8	220.2	384.8	220.2
Loans to customers at fair value through other comprehensive income (OCI)	10,540.9	9,461.4	27,653.1	27,947.4
Total gross loans to customers	11,232.9	10,020.4	28,345.1	28,506.4
Provision for expected loss Stage 1	-2.5	-2.6	-2.7	-3.0
Provision for expected loss Stage 2	-2.5	-3.0	-3.0	-3.7
Provision for expected loss Stage 3	-37.1	-39.8	-37.5	-40.1
Net loans to customers	11,190.9	9,975.0	28,301.9	28,459.7

CHANGE IN GROSS LOANS TO CUSTOMERS VALUED AT AMORTISED COST

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2019	262.4	46.2	30.1	338.7
Transfer to stage 1	7.1	-6.6	-0.5	0.0
Transfer to stage 2	-9.5	9.6	-0.1	0.0
Transfer to stage 3	-5.2	-3.7	8.8	0.0
New loans	20.2	1.1	0.6	21.8
Derecognition	-20.7	-8.1	-11.4	-40.1
Other changes	-12.3	-1.1	0.2	-13.2
Gross loans 30.06.2019	241.9	37.5	27.8	307.2

STOREBRAND BANK ASA

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2019	262.4	46.2	30.1	338.7
Transfer to stage 1	7.1	-6.6	-0.5	0.0
Transfer to stage 2	-9.5	9.6	-0.1	0.0
Transfer to stage 3	-5.2	-3.7	8.8	0.0
New loans	20.2	1.1	0.6	21.8
Derecognition	-20.7	-8.1	-11.4	-40.1
Other changes	-12.3	-1.1	0.2	-13.2
Gross loans 30.06.2019	241.9	37.5	27.8	307.2

CHANGE IN GROSS LOANS TO CUSTOMERS VALUED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (OCI)
STOREBRAND BANK GROUP

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2019	26,322.4	1,529.3	95.8	27,947.4
Transfer to stage 1	226.0	-221.9	-4.0	0.0
Transfer to stage 2	-379.4	390.0	-10.6	0.0
Transfer to stage 3	-4.9	-26.2	31.1	0.0
New loans	5,502.1	115.9		5,618.0
Derecognition	-5,156.6	-265.9	-15.3	-5,437.8
Other changes	-441.1	-32.7	-0.7	-474.5
Gross loans 30.06.2019	26,068.4	1,488.5	96.2	27,653.1

STOREBRAND BANK ASA

Gross loans 01.01.2019	8,906.1	490.3	65.1	9,461.4
Transfer to stage 1	55.8	-55.8		0.0
Transfer to stage 2	-104.9	105.9	-1.0	0.0
Transfer to stage 3	-2.0	-18.9	20.9	0.0
New loans	4,548.7	65.8	0.0	4,614.5
Derecognition	-3,197.3	-126.2	-15.3	-3,338.7
Other changes	-181.9	-13.4	-1.0	-196.4
Gross loans 30.06.2019	10,024.5	447.8	68.6	10,540.9

CHANGE IN GROSS LOANS TO CUSTOMERS VALUED AT FAIR VALUE THROUGH PROFIT AND LOSS (PL)
STOREBRAND BANK GROUP

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2019	193.3	26.9		220.2
Transfer to stage 1	1.1	-1.1		0.0
Transfer to stage 2	-0.7	0.7		0.0
Transfer to stage 3	0.0	0.0		0.0
New loans	200.4	3.9		204.3
Derecognition	-35.4	-3.1		-38.5
Other changes	-1.0	-0.2		-1.2
Gross loans 30.06.2019	357.6	27.2	0.0	384.8

STOREBRAND BANK ASA

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2018	193.3	26.9		220.2
Transfer to stage 1	1.1	-1.1		0.0
Transfer to stage 2	-0.7	0.7		0.0
Transfer to stage 3	0.0	0.0		0.0
New loans	200.4	3.9		204.3
Derecognition	-35.4	-3.1		-38.5
Other changes	-1.0	-0.2		-1.2
Gross loans 30.06.2019	357.6	27.2	0.0	384.8

CHANGE IN MAXIMUM EXPOSURE FOR GUARANTEES AND UNUSED CREDITS

STOREBRAND BANK GROUP

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2019	3,252.2	110.8	0.1	3,363.1
Transfer to stage 1	19.5	-19.5		0.0
Transfer to stage 2	-12.4	12.4		0.0
Transfer to stage 3	-0.4	-0.2	0.5	0.0
New loans	93.8	1.2		95.1
Derecognition	-206.2	-10.8		-217.0
Other changes	67.9	-0.7	-0.5	66.7
Gross loans 30.06.2019	3,214.5	93.2	0.1	3,307.8

STOREBRAND BANK ASA

Gross loans 01.01.2019	1,855.0	107.0	0.1	1,962.0
Transfer to stage 1	18.4	-18.4		0.0
Transfer to stage 2	-8.5	8.5		0.0
Transfer to stage 3	-0.4	-0.2	0.5	0.0
New loans	84.4	1.2		85.6
Derecognition	-133.9	-10.3		-144.1
Other changes	18.2	0.6	-0.5	18.3
Gross loans 30.06.2019	1,833.3	88.4	0.1	1,921.8

CHANGE IN LOAN LOSS PROVISIONS

STOREBRAND BANK GROUP (NOK million)	12-month ECL	Stage 1	Stage 2	Stage 3	Total
		Lifetime ECL	Lifetime ECL	Lifetime ECL	
		- no objective evidence of impairment	- objective evidence of impairment	- objective evidence of impairment	
Loan loss provisions 01.01.2019	7.6	6.9	40.1	54.6	
Transfer to stage 1 (12-month ECL)	0.7	-0.7	-0.1	0.0	
Transfer to stage 2 (lifetime ECL - no objective evidence of impairment)	-0.1	0.2	-0.1	0.0	
Transfer to stage 3 (lifetime ECL - objective evidence of impairment)	-0.1	-0.3	0.4	0.0	
Net remeasurement of loan losses	-0.5	0.5	5.2	5.2	
New financial assets originated or purchased	0.5	0.2	0.1	0.7	
Financial assets that have been derecognised	-0.5	-0.6	-1.0	-2.0	
ECL changes of balances on financial assets without changes in stage in the period	-0.2	-0.4		-0.6	
ECL allowance on written-off (financial) assets			-7.1	-7.2	
Changes in models/risk parameters				0.0	
Foreign exchange and other changes				0.0	
Loan loss provisions 30.06.2019	7.6	5.7	37.5	50.7	
Loan loss provisions on loans to customers valued at amortised cost	1.7	1.7	17.6	21.1	
Loan loss provisions on loans to customers valued at fair value through other comprehensive income (OCI)	0.9	1.3	19.9	22.1	
Loan loss provisions on guarantees and unused credit limits	4.9	2.6	0.0	7.5	
Total loans loss provisions	7.6	5.7	37.5	50.7	

STOREBRAND BANK ASA (NOK million)	12-month ECL	Stage 1	Stage 2	Stage 3	Total
		Lifetime ECL - no objective evidence of impairment	Lifetime ECL - objective evidence of impairment	Lifetime ECL - objective evidence of impairment	
Loan loss provisions 01.01.2019	7.2	6.3	39.9	53.4	
Transfer to stage 1 (12-month ECL)	0.7	-0.6	-0.1	0.0	
Transfer to stage 2 (lifetime ECL - no objective evidence of impairment)	-0.1	0.1	-0.1	0.0	
Transfer to stage 3 (lifetime ECL - objective evidence of impairment)	-0.1	-0.3	0.4	0.0	
Net remeasurement of loan losses	-0.4	0.4	5.2	5.2	
New financial assets originated or purchased	0.5	0.1	0.1	0.7	
Financial assets that have been derecognised	-0.4	-0.5	-1.0	-1.9	
ECL changes of balances on financial assets without changes in stage in the period		-0.4	-0.2	-0.6	
ECL allowance on written-off (financial) assets			-7.1	-7.2	
Changes in models/risk parameters				0.0	
Foreign exchange and other changes				0.0	
Loan loss provisions 30.06.2019	7.4	5.1	37.1	49.6	
Loan loss provisions on loans to customers valued at amortised cost	1.7	1.7	17.6	21.1	
Loan loss provisions on loans to customers valued at fair value through other comprehensive income (OCI)	0.8	0.7	19.5	21.0	
Loan loss provisions on guarantees and unused credit limits	4.9	2.6	0.0	7.5	
Total loans loss provisions	7.4	5.1	37.1	49.6	

Periodic changes in individual write-downs, expected losses on loans (ECL), loan obligations and guarantees are listed above. Booked losses in the period are not included in overview above.

Storebrand Bank Group does not have any expected write-downs (ECL) related to loans given to Norges Bank, credit institutions, certificates and bonds.

Note
14 | Quarterly income statement

STOREBRAND BANK GROUP

	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018
NOK million					
Interest income	216.1	202.4	191.0	176.9	160.5
Interest expense	-109.9	-105.5	-91.3	-82.4	-72.1
Net interest income	106.2	96.9	99.6	94.5	88.4
Fee and commission income from banking services	30.5	29.2	33.9	32.1	31.2
Fee and commission expenses for banking services	-4.5	-3.8	-2.6	-2.6	-3.4
Net fee and commission income	26.0	25.4	31.3	29.5	27.8
Net gains/losses on financial instruments	2.6	8.9	-2.2	4.4	10.5
Total other operating income	2.6	8.9	-2.2	4.4	10.5
Staff expenses	-22.1	-16.6	-26.4	-25.1	-24.1
General administration expenses	-14.7	-16.9	-17.9	-14.3	-12.6
Other operating cost	-29.8	-29.9	-18.2	-30.4	-29.2
Total operating costs	-66.6	-63.4	-62.5	-69.8	-65.9
Operating profit before loan losses	68.2	67.9	66.2	58.5	60.7
Loan losses for the period	-5.2	-1.2	-16.0	1.0	-1.6
Profit before tax	63.0	66.6	50.2	59.6	59.1
Tax	-20.6	-16.7	-12.7	-17.7	-13.1
Result after tax sold/discontinued operations		-0.1			
Profit for the year	42.4	49.8	37.4	41.8	46.0

STOREBRAND BANK ASA

	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018
NOK million					
Interest income	111.8	104.1	102.9	99.8	81.5
Interest expense	-45.9	-44.1	-42.4	-40.6	-27.7
Net interest income	65.9	60.1	60.5	59.1	53.8
Fee and commission income from banking services	49.1	47.7	51.6	49.3	48.6
Fee and commission expenses for banking services	-4.4	-3.8	-2.5	-2.6	-3.4
Net fee and commission income	44.7	44.0	49.1	46.7	45.3
Net gains/losses on financial instruments	6.0	18.4	-3.8	5.2	11.5
Other income	-0.7		64.4		
Total other operating income	5.2	18.4	60.6	5.2	11.5
Staff expenses	-22.1	-16.6	-26.3	-24.9	-24.1
General administration expenses	-14.7	-16.8	-17.9	-14.3	-12.6
Other operating cost	-29.0	-29.1	-17.1	-29.4	-28.7
Total operating costs	-65.7	-62.5	-61.3	-68.5	-65.4
Operating profit before loan losses	50.1	59.9	108.9	42.5	45.1
Loan losses for the period	-5.0	-1.6	-15.6	0.7	-2.4
Profit before tax	45.1	58.3	93.2	43.2	42.8
Tax	-16.9	-15.2	-22.7	-13.3	-9.3
Profit for the year	28.3	43.1	70.5	29.9	33.4

Storebrand Bank ASA and Storebrand Bank Group

Declaration by the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer have today considered and approved the interim report and interim financial statements for Storebrand Bank ASA and the Storebrand Bank Group for the first six months of 2019 (the 2019 half-yearly report).

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

In the best judgement of the Board and the CEO, the financial statements for the first six months of 2019 have been prepared in accordance with applicable accounting standards, and the information in the financial statements provides a fair and true picture of the parent company's and Group's assets, liabilities, financial standing and results as a whole as at 30 June 2019. In the best judgement of the Board and the CEO, the half-yearly report provides a fair and true overview of important events during the accounting period and their effects on the financial statements for the first six months for Storebrand Bank ASA and the Storebrand Bank Group. In the best judgement of the Board and the CEO, the descriptions of the most important elements of risk and uncertainty that the Group faces in the remaining six months, and a description of related parties' material transactions, also provide a true and fair view.

Lysaker, 11 July 2019
The Board of Directors of Storebrand Bank ASA

Heidi Skaaret
- Chairman of the Board -

Jostein Christian Dalland
- Deputy Chairman of the Board -

Karin Greve-Isdahl Flaa

Leif Helmich Pedersen

Maria Skotnes

Jan Birger Penne

Bernt Uppstad
- Chief Executive Officer -

Financial Calender 2019



23 October Results 3Q 2019
February 2020 Results 4Q 2019

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