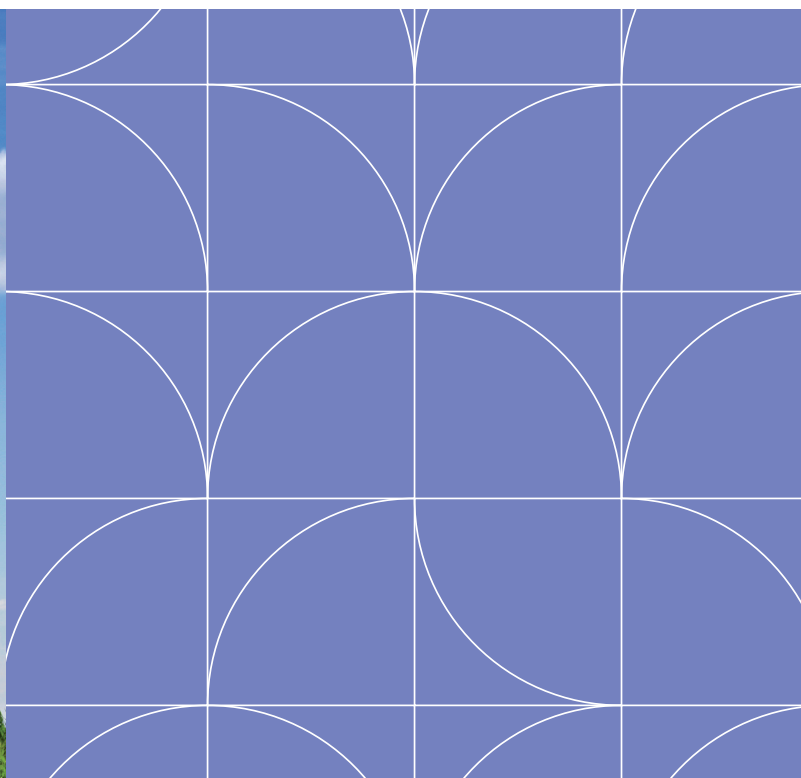


Storebrand Bank Group

3rd Quarter 2009

 storebrand



Storebrand Bank Group

- interim report for and as of 30 September 2009

(Figures for the corresponding period in 2008 shown in brackets)

- The result developed positively due to increased net interest income for Q3.
- The balance sheet strengthened due to a more robust financing structure.
- In October 2009, Storebrand Eiendomskreditt AS issued covered bonds secured by mortgages for commercial properties amounting to NOK 1.6 billion.
- Improved core (tier 1) capital ratio after Storebrand ASA decides to issue a NOK 200 million private placement on 27 October 2009, the internal target core (tier 1) capital ratio has been increased to 10%.
- Good portfolio quality and development in losses and defaults.
- Own costs programme established with goal of annual cost savings of NOK 50 million with full effect from 2011.

FINANCIAL PERFORMANCE – BANKING GROUP

The banking group's operating profit before losses amounts to NOK 22 million for Q3 and NOK 55 million (NOK 136 million) for the year-to-date.

Net interest income as a percentage of average total assets under management amounts to 0.95% (1.24%) for Q3 and 0.94% (1.23%) for the year-to-date, compared to 1.17% for the full year 2008. Net interest income amounts to NOK 105 million (NOK 149 million) for Q3 and NOK 319 million (NOK 403 million) for the year-to-date.

In the autumn of 2008, the bank secured financing with fixed-rate periods of 6 and 12 months without interest rate hedging. This has increased financing costs in the year-to-date due to falls in money market interest rates. The effect of increased funding costs is expected to decrease from Q4 and this will improve net interest income.

The bank has since the autumn of 2008 prioritised good liquidity, which is reflected in the increased liquidity portfolio. The banking group's liquidity situation was good at the close of the quarter.

The share of deposits is stable. Reduced deposit margins had a negative effect on net interest income compared to the same period last year. The bank's lending margin as measured against the 3-month NIBOR rate is improved in the quarter.

Net commission income improved by NOK 4 million in Q3 compared to the same period last year and mainly derives from commission from the sale of savings products in the second-hand market, portfolio commission and guarantee commission.

Other income is substantially higher than in the same period in 2008. The improved housing market is strengthening the development of Ring Eiendomsmegling. Changes in the fair value of financial instruments have a positive result effect of NOK 14 million (minus NOK 17 million) in Q3 and NOK 19 million (minus NOK 23 million) for the year-to-date.

The banking group's operating costs amount to NOK 142 million for Q3, compared to NOK 122 million for the same period last year. The bank has initiated its own costs programme aimed at reducing annual operating costs by NOK 50 million with full effect from 2011. NOK 12 million was allocated for restructuring costs in connection with this during the quarter. Storebrand Bank ASA took over the Bjørndalen Panorama real estate project in Q1 in connection with a bankruptcy. Following its takeover the real estate project has been written down by a further NOK 25 million, NOK 6 million of which was written down in Q3. The write-down increases operating costs in the consolidated financial statements and increases loss costs in the parent bank.

The positive development of the banking group's income during the quarter has helped it maintain a costs ratio of 83% (77%) for the year-to-date. The banking activities

had a costs ratio of 75% (66%) for the year-to-date. The banking activities' goal is to reach a costs ratio of 60%.

Balance sheet performance

Gross lending to customers has decreased from NOK 39 billion at year-end 2008 to NOK 37 billion at the close of the quarter. Total commercial lending has fallen by 4.7% from Q4 2007 to the close of Q3 2009. In 2009, mortgages for commercial properties fell by NOK 389 million in the parent bank, NOK 232 million of which occurred in Q3.

Access to long-term financing in the capital market is improving. Storebrand Bank has utilised the swap scheme administered by Norges Bank through its subsidiary Storebrand Boligkreditt AS, which has issued covered bonds secured by retail mortgages.

Storebrand Bank ASA established a subsidiary in Q2 2009, Storebrand Eiendoms-kreditt AS. In October, this company issued covered bonds secured by mortgages for commercial properties amounting to NOK 1.6 billion. Mortgages worth more than NOK 2 billion were transferred to the subsidiary in October.

The net write-down of lending amounts to NOK 4 million (NOK 27 million) for Q3 and NOK 33 million (NOK 36 million) for the year-to-date. Total write-downs at the close of Q3 amount to 0.12% of the lending portfolio on an annualised basis.

The reduction in the banking group's total volume of non-performing and loss-exposed loans continued in Q3 compared to year-end 2008. The volume of non-performing and loss-exposed loans amounted to NOK 522 million as per 30 September 2009 (NOK 624 million) and NOK 710 million as per 31 December 2008. Total non-performing and loss-exposed loans in the banking group amounted to 1.4% at the close of Q3, compared to 1.9% as per 31 December 2008. The reduction in non-performing and loss-exposed loans resulted from the commit-

ments in both the retail and corporate markets being monitored closely, and identifying and eliminating lending commitments taken over by the bank.

The development in risk has been taken into account when assessing actual losses, individual write-downs and group write-downs. Group write-downs have increased by NOK 2 million in the quarter and by NOK 19 million in the year-to-date.

At the end of the quarter the banking group's assets under management amounted to NOK 42.8 billion compared to NOK 45.6 billion at year-end 2008. Total lending has decreased by just under 5% to NOK 37.2 billion in the year-to-date. Storebrand Livsforsikring AS' lending, administered by Storebrand Bank ASA, has remained almost unchanged in 2009 and amounted to NOK 3.7 billion at the close of Q3.

At the end of the quarter, gross loans in the subsidiary Storebrand Boligkreditt AS totalled NOK 13.2 billion of a total loan volume in the retail market of NOK 25.8 billion.

Capital adequacy at the close of the quarter was 12.2% and the core (tier 1) capital ratio was 9.1%, compared to capital adequacy of 10.8% at the close of 2008. Profit for the year is not added to primary capital when calculating capital adequacy. On 27 October 2009 it was decided to carry out a NOK 200 million private placement from Storebrand ASA to increase the core (tier 1) capital ratio up to 10% pursuant to the new internal target.

STOREBRAND BANK ASA'S PERFORMANCE

The development in net interest income shows a reduction in Q3 and the year-to-date compared to the previous year, and net interest income amounts to NOK 241 million as of 30 September 2009, which corresponds to 0.82% of average total assets. Apart from what has already been mentioned under Storebrand Bank Group, the reduction compared to 2008 is a result of the bank, as part of the establishment of Storebrand Boligkreditt AS, selling parts of its retail loan portfolio to the subsidiary.

The development in other income for Storebrand Bank ASA (the parent bank) is affected by the development of the credit market. Changes in unrealised gains associated with the liquidity portfolio total NOK 33 million for the year-to-date, of which the net unrealised gain for Q3 totalled NOK 55 million. The parent bank's liquidity portfolio has grown compared to the corresponding period last year because it has invested in covered bonds issued by its subsidiary Storebrand Boligkreditt AS.

The liquidity portfolio decreased in Q3 from almost NOK 10 billion at the close of Q2 to NOK 9.2 billion at the close of Q3. The liquidity portfolio amounted to NOK 6.6 billion as per 31 December 2008. The effects related to the parent bank's holding of covered bonds issued by its subsidiary are eliminated in the banking group.

Q3 saw a net increase in write-downs of loans of NOK 10 million (NOK 26 million), and of NOK 57 million (NOK 36 million) for the year-to-date, which included write-downs linked to loan commitments relating to repossessed assets. Total write-downs at the close of Q3 amount to 0.3% of the lending portfolio on an annualised basis.

The costs ratio for Storebrand Bank ASA was 82% (66%) for Q3 and 95% (65%) for the year-to-date, an increase compared to H1 2009.

The deposit-to-loan ratio in the parent bank was 78% at the close of the quarter, compared to 60% last year. The development of the deposit-to-loan ratio in the parent company is primarily affected by the sales of loans from the parent company to Storebrand Boligkreditt AS.

General

No events have occurred since the balance sheet date that would be material to the interim accounts

Developments in the capital market, interest rate levels, unemployment and the housing market are considered the most significant risk factors that could affect the banking group's accounting figures over the next six months.

The interim report for the Storebrand Bank Group has been subject to limited auditing by Deloitte AS.

Oslo, 27 October 2009
The Board of Directors of Storebrand Bank ASA

Storebrand Bank ASA

PROFIT AND LOSS ACCOUNT

NOK MILLION	NOTE	Q3		01.01. - 30.09		FULL YEAR
		2009	2008	30.09.2009	30.09.2008	2008
Interest income		326.9	654.4	1 230.0	1 956.4	2 633.4
Interest expense		-240.1	-515.9	-988.7	-1 571.3	-2 146.4
Net interest income	4	86.8	138.4	241.3	385.0	486.9
Fee and commission income from banking services		25.4	25.1	73.4	71.3	98.1
Fee and commission expenses for banking services		-3.9	-8.7	-10.2	-18.0	-30.8
Net fee and commission income		21.5	16.4	63.2	53.4	67.2
Net income and gains from associated companies		-0.5		-1.5		-1.6
Net gains on financial instruments at fair value	5	51.1	-16.4	32.9	-21.4	-2.7
Other income		0.2	0.2	1.3	6.0	31.6
Total other operating income		50.8	-16.2	32.6	-15.4	27.3
Staff expenses		-48.0	-34.9	-118.4	-99.6	-134.3
General administration expenses		-4.0	-23.1	-16.6	-65.0	-97.8
Other operating costs		-78.3	-33.4	-184.3	-108.2	-145.4
Total operating costs		-130.3	-91.4	-319.3	-272.8	-377.6
Operating profit before losses and other items		28.7	47.3	17.8	150.2	203.9
Write-downs for the period	10	-10.4	-26.4	-57.3	-35.9	-121.2
Profit before tax		18.4	20.8	-39.5	114.3	82.7
Tax	6	-5.1	-5.9	11.1	-31.9	-24.8
Profit for the year		13.2	14.9	-28.4	82.4	57.9

STATEMENT OF COMPREHENSIVE INCOME

NOK MILLION	NOTE	Q3		01.01. - 30.09		FULL YEAR
		2009	2008	30.09.2009	30.09.2008	2008
Pension experience adjustments						-3.4
Profit for the period		13.2	14.9	-28.4	82.4	57.9
Total comprehensive income for the period		13.2	14.9	-28.4	82.4	54.5

Storebrand Bank ASA

BALANCE SHEET

NOK MILLION	NOTE	30.09.2009	31.12.2008
Cash and deposits with central banks		226.2	672.1
Loans to and deposits with credit institutions		2 874.8	1 306.9
Financial assets designated at fair value through profit and loss:			
Equity instruments		1.0	1.4
Bonds and other fixed-income securities	9	9 248.1	6 610.4
Derivatives		330.4	876.9
Other assets		1 768.6	1 025.6
Gross lending		24 244.1	27 463.7
- Write-downs of individual loans	10	-211.4	-262.4
- Write-downs of groups of loans		-106.1	-87.7
Net lending to customers		23 926.7	27 113.7
Investments in associated companies		26.1	27.6
Tangible assets	11	10.9	13.3
Intangible assets	11	47.5	54.1
Deferred tax assets		159.4	155.9
Total assets		38 619.7	37 858.1
Liabilities to credit institutions	12	9 551.4	6 517.1
Deposits from and due to customers		19 013.7	18 305.0
Other financial liabilities:			
Derivatives		393.7	467.1
Commercial paper and bonds issued	13	5 897.8	8 999.8
Other liabilities		657.0	433.1
Provision for accrued expenses and liabilities		20.6	19.9
Pension liabilities		80.1	80.1
Subordinated loan capital	13	959.9	962.0
Total liabilities		36 574.2	35 784.2
Paid in capital		1 316.8	1 316.8
Retained earnings		728.7	757.0
Total equity		2 045.5	2 073.9
Total equity and liabilities		38 619.7	37 858.1

Storebrand Bank Group

PROFIT AND LOSS ACCOUNT

NOK MILLION	NOTE	Q3		01.01. - 30.09		FULL YEAR 2008
		2009	2008	30.09.2009	30.09.2008	
Interest income		378.6	765.3	1 451.0	2 125.2	2 940.5
Interest expense		-273.1	-615.9	-1 131.9	-1 722.7	-2 428.0
Net interest income	4	105.4	149.4	319.2	402.5	512.5
Fee and commission income from banking services		23.1	23.7	66.5	67.8	92.8
Fee and commission expenses for banking services		-3.9	-8.7	-10.2	-18.0	-30.8
Net fee and commission income		19.1	15.0	56.2	49.9	62.0
Net income and gains from associated companies		-0.5		-1.5		-1.6
Net gains on financial instruments at fair value	5	13.5	-16.6	18.7	-22.8	1.1
Other income		26.5	20.5	73.4	70.1	89.4
Total other operating income		39.5	3.9	90.6	47.3	88.9
Staff expenses		-64.0	-50.3	-168.3	-144.7	-197.6
General administration expenses		-7.2	-26.7	-26.0	-77.4	-114.4
Other operating costs		-64.7	-45.4	-191.6	-141.2	-196.1
Unrealised loss real estate at fair value, assets repossessed	11	-6.3		-24.9		0.0
Total operating costs		-142.3	-122.4	-410.9	-363.3	-508.1
Operating profit before losses and other items		21.8	45.9	55.1	136.4	155.2
Write-downs for the period	10	-3.9	-26.8	-33.1	-36.4	-121.8
Profit before tax		17.8	19.2	22.0	100.0	33.3
Tax	6	-5.4	-5.2	-8.0	-27.7	-13.9
Profit for the year		12.4	13.9	14.0	72.3	19.5
Allocated to:						
Shareholders		12.6	15.9	15.1	74.9	23.1
Minority interests		-0.2	-2.0	-1.1	-2.6	-3.7

STATEMENT OF COMPREHENSIVE INCOME

NOK MILLION	NOTE	Q3		01.01. - 30.09		FULL YEAR 2008
		2009	2008	30.09.2009	30.09.2008	
Pension experience adjustments						-3.4
Profit for the period		12.4	13.9	14.0	72.3	19.5
Total comprehensive income for the period		12.4	13.9	14.0	72.3	16.1
Allocated to:						
Shareholders		12.6	15.9	15.1	74.9	19.7
Minority interests		-0.2	-2.0	-1.1	-2.6	-3.7
Total		12.4	13.9	14.0	72.3	16.1

Storebrand Bank Group

BALANCE SHEET

NOK MILLION	NOTE	30.09.2009	31.12.2008
Cash and deposits with central banks		226.2	672.1
Loans to and deposits with credit institutions		420.3	333.7
Financial assets designated at fair value through profit and loss:			
Equity instruments		1.1	1.5
Bonds and other fixed-income securities	9	3 880.4	3 439.5
Derivatives		467.4	1 791.7
Other assets		324.9	367.6
Gross lending		37 222.3	39 034.7
- Write-downs of individual loans	10	-173.5	-262.4
- Write-downs of groups of loans		-107.5	-88.3
Net lending to customers		36 941.3	38 684.0
Investments in associated companies		25.6	27.1
Tangible assets	11	15.4	18.5
Real estate at fair value	11	146.1	0.0
Intangible assets and goodwill	11	135.7	142.8
Deferred tax assets		172.3	166.6
Total assets		42 756.6	45 645.0
Liabilities to credit institutions	12	8 800.7	6 517.1
Deposits from and due to customers		18 997.4	18 291.5
Other financial liabilities:			
Derivatives		393.7	467.1
Commercial paper and bonds issued	13	10 803.9	16 824.0
Other liabilities		629.9	422.7
Provision for accrued expenses and liabilities		20.6	19.9
Pension liabilities		80.1	80.1
Subordinated loan capital	13	959.9	962.0
Total liabilities		40 686.2	43 584.5
Paid in capital		1 316.8	1 316.8
Retained earnings		749.9	737.5
Minority interests		3.7	6.1
Total equity		2 070.4	2 060.5
Total equity liabilities		42 756.6	45 645.0

Key figures

STOREBRAND BANK ASA

NOK MILLION	Q3			FULL YEAR
	2009	2008	30.09.2009	2008
Profit and loss account: (as % of avg. total assets)				
Net interest income ³⁾	0.87 %	1.31 %	0.82 %	1.24 %
Other operating income ⁴⁾	0.73 %	0.00 %	0.32 %	0.24 %
Main balance sheet figures:				
Total assets			38 619.7	37 858.1
Average total assets ¹⁾	39 506.7	40 074.9	39 426.9	39 404.7
Total lending to customers			24 244.1	27 463.7
Deposits from and due to customers as % of gross lending			78.4 %	66.7 %
Equity			2 045.5	2 073.9
Other key figures:				
Total non-interest income as % of total income	45.45 %	0.15 %	28.42 %	16.25 %
Loan losses and provisions as % of average total lending	0.16 %	0.34 %	0.29 %	0.38 %
Individual impairment loss as % of gross defaulted loans ⁵⁾			40.79 %	50.46 %
Non-performing and loss-exposed loans as% of total lending			2.53 %	2.21 %
Costs as % of operating income	81.94 %	65.91 %	94.72 %	64.93 %
Costs as % of avg. total assets	1.32%	0.91 %	1.08 %	0.96 %
Return on equity after tax ²⁾	2.35%	1.46 %	-1.83 %	2.78 %
Capital ratio			13.4 %	13.1 %

STOREBRAND BANK GROUP

NOK MILLION	Q3			FULL YEAR
	2009	2008	30.09.2009	2008
Profit and loss account: (as % of avg. total assets)				
Net interest income ³⁾	0.95 %	1.24 %	0.94 %	1.17 %
Other operating income ⁴⁾	0.53 %	0.17 %	0.44 %	0.34 %
Main balance sheet figures:				
Total assets			42 756.6	45 645.0
Average total assets ¹⁾	44 355.9	44 437.6	44 766.6	43 723.9
Total lending to customers			37 222.3	39 034.7
Deposits from and due to customers as % of gross lending			51.0 %	46.9 %
Equity			2 070.4	2 060.5
Other key figures:				
Total non-interest income as % of total income	35.73 %	11.23 %	31.51 %	22.74 %
Loan losses and provisions as % of average total lending	0.04 %	0.28 %	0.12 %	0.32 %
Individual impairment loss as % of gross defaulted loans ⁵⁾			48.67 %	50.46 %
Non-performing and loss-exposed loans as% of total lending			1.40 %	1.86 %
Costs as % of operating income ⁶⁾	82.89 %	72.70 %	82.83 %	76.61 %
Costs as % of operating income banking activities	76.98 %	61.38 %	75.32 %	63.13 %
Costs as % of avg. total assets	1.23 %	1.10 %	1.15 %	1.16 %
Return on equity after tax ²⁾	2.40 %	0.37 %	0.77 %	0.94 %
Capital ratio			12.2 %	10.8 %

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) Annualised profit after tax adjusted for hedging ineffectiveness as % of average equity.
- 3) Annualised net interest income adjusted for hedging ineffectiveness.
- 4) Other operating income includes net fee and commission income.
- 5) Gross defaulted loans with identified loss of value.
- 6) Costs excluded unrealised loss real estate at fair value, assets repossessed.

Reconciliation of changes in equity

STOREBRAND BANK ASA

BELOP I MILLION KRONER	SHARE CAPITAL	SHAARE PREMIUM RESERVE	TOTAL PAID-IN EQUITY	REVENUE	OTHER EQUITY	TOTAL	TOTAL EQUITY
				AND COSTS APPLIED TO EQUITY		OTHER EQUITY	
Equity at 31.12.2007	916.6	400.3	1 316.8	27.1	688.3	715.4	2 032.3
Total comprehensive income for the period				-3.4	57.9	54.6	54.6
Equity transactions with owners:							
Provisions for group contribution					-13.0	-13.0	-13.0
Equity at 31.12.2008	916.6	400.3	1 316.8	23.8	733.3	757.0	2 073.9
Total comprehensive income for the period					-28.4	-28.4	-28.4
Equity at 30.09.2009	916.6	400.3	1 316.8	23.8	704.9	728.7	2 045.5

The share capital is made up of 64,037,183 shares of nominal value NOK 14.313.

STOREBRAND BANK GROUP

NOK MILLION	MAJORITY'S SHARE OF EQUITY							MINORITY INTERESTS	TOTAL EQUITY
	SHARE CAPITAL	SHARE PREMIUM RESERVE	TOTAL PAID-IN EQUITY	REVENUE	OTHER EQUITY				
				AND COSTS APPLIED TO EQUITY	OTHER EQUITY	TOTAL OTHER EQUITY			
Equity at 31.12.2007	916.6	200.0	1 116.6	29.1	887.0	916.1	7.1	2 039.8	
Total comprehensive income for the period				-3.4	23.1	19.8	-3.7	16.1	
Equity transactions with owners:									
Acquisitions							4.1	4.1	
Purchase of minority interests							-3.9	-3.9	
Dividend paid							2.7	2.7	
Receipts of group contribution		200.3	200.3					200.3	
Group contributin paid					-200.3	-200.3		-200.3	
Other changes / changes in minority interests					2.1	2.1	-0.2	1.8	
Equity at 31.12.2008	916.6	400.3	1 316.8	25.7	711.9	737.6	6.1	2 060.5	
Total comprehensive income for the period						15.1	-1.1	14.0	
Equity transactions with owners:									
Acquisitions					-2.4	-2.4		-2.4	
Purchase of minority interests							-1.4	-1.4	
Other changes					-0.4	-0.4	0.1	-0.3	
Equity at 30.09.2009	916.6	400.3	1 316.8	25.7	724.1	749.9	3.7	2 070.4	

Cash flow statement

STOREBRAND BANK ASA			STOREBRAND BANK GROUP	
31.12.2008	30.09.2009	NOK MILLION	30.09.2009	31.12.2008
		Cash flow from operations		
748.1	398.3	Net receipts/payments of interest, commissions and fees from customers	561.0	820.5
9 569.7	3 129.5	Net disbursement/payments on customer loans	1 709.4	-2 001.5
-213.1	702.9	Net receipts/payments of deposits from banking customers	700.1	854.7
-4 088.7	-2 690.9	Net receipts/payments - securities trading portfolio	-494.2	-921.5
467.0	-97.9	Net receipts/payments on other operating activities	-193.7	-657.2
6 483.0	1 441.9	Net cash flow from operating activities	2 286.6	-1 904.9
		Cash flow from investment activities		
2.0		Net receipts from sale of subsidiaries and associated companies		2.0
-520.5	-749.9	Payments on purchase and establish of subsidiaries		
-16.3	-7.7	Net payments on purchase/sale of fixed assets etc.	-8.9	-40.1
- 534.7	-757.6	Net cash flow from investment activities	-8.9	-38.0
		Cash flow from financing activities		
2 488.3	1 434.6	Net receipts/payments loans to and liabilities to credit institutions	2 165.2	3 477.2
-8 759.5	-2 571.9	Net receipts/payment from borrowing	-4 884.8	-1 846.3
-279.1	-0.7	Dividend/group contribution payments		-278.2
212.1	7.8	Group contribution received		200.3
-6 338.2	-1 130.2	Net cash flow from financing activities	-2 719.6	-1 553.1
-389.9	-445.9	Net cash flow in period	-445.9	-389.9
1 062.0	672.1	Cash and bank deposits at the start of the period	672.1	1 062.0
672.1	226.2	Cash and bank deposits at the end of the period	226.2	672.1

There has been a reclassification regarding loans to and liabilities to credit institutions from operating activities to financing activities.

Notes to the account

NOTE 1 ACCOUNTING PRINCIPLES

The consolidated interim accounts for the group include Storebrand Bank ASA together with subsidiaries, joint ventures and associated companies. The interim accounts for first nine months 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 all the current IFRS standards.

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.

The annual report and accounts of Storebrand Bank ASA and the Storebrand Bank ASA group for 2008 is available on request from the company's registered office at Filipstad Brygge 1, Oslo, and is also available at www.storebrand.no. Information on the accounting principles used in the interim accounts can be found in the accounting principles note to the 2008 accounts with exception of the changes described below.

NEW STANDARDS AND CHANGES IN STANDARDS

IAS 1 Presentation of Financial Statements

The revised standard entails some changes to the layout of the equity statement and the statement of non-owner transactions. Storebrand has amended the statements with respect to these changes in accordance with IAS 34, which has been changed in lines with the revised IAS 1 Presentation of Financial Statements. The changes to IAS 1 have no effect on the reporting of the group's financial position.

IFRS 8 Operating Segments

IFRS 8 Operating Segments, which replaces IAS 14 Segment Reporting, is based to a greater degree on the management's internal monitoring. Storebrand Bank's segment reporting was previously also based on the management's internal monitoring and the transition to IFRS 8 therefore entails no changes in segment reporting. Nor have any changes been made to the measurement of the segment results, which is based on principles used in IFRS in the financial statements.

The changes to IAS 1 and IFRS 8 came into force on 1 January 2009. Both standards relate to notes to the accounts and their implementation therefore has no effect on the measurement or periodising of the items in the financial statements for the accounting period.

NOTE 2 ESTIMATES

The preparation of the interim accounts involves the use of estimates and assumptions that have an effect on assets, liabilities, revenue, costs, the notes to the accounts and information on potential liabilities. There will be uncertainty related to estimates and assumptions. In the future, actual experience may deviate from the estimates used. Please refer to note 1 and 2 in the annual report and accounts for 2008.

As far as losses on loans are concerned the uncertainty in the markets' future development has resulted in uncertainty in the calculation of losses having increased somewhat. No changes have been made to routines and assumptions associated with the assessment of non-performance and the need for write-downs compared with earlier periods.

The risk of experiencing a loss in the portfolio has increased somewhat due to the recent financial instability and the uncertainty in the real estate and housing markets, which means increased uncertainty in the assessment of the size of individual and group write-downs.

NOTE 3 CHANGES IN THE COMPOSITION OF THE GROUP

The subsidiary Storebrand Eiendomskreditt AS' (Formerly Start Up 104 AS) capital has been increased by NOK 700 million. The company will purchase commercial mortgages from Storebrand Bank ASA and issue covered bonds from and including October 2009.

Notes to the account

NOTE 4 NET INTEREST INCOME

STOREBRAND BANK ASA			NOK MILLION	STOREBRAND BANK GROUP		
31.12.2008	30.09.2008	30.09.2009		30.09.2009	30.09.2008	31.12.2008
172.1	125.2	55.8	Interest and other income on loans to and deposits with credit institutions	55.1	47.2	66.8
2 255.1	1 717.8	947.9	Interest and other income on loans to and due from customers	1 294.1	1 960.2	2 686.9
197.1	108.5	215.9	Interest on commercial paper, bonds and other interest-bearing securities	90.2	112.1	175.5
9.1	4.8	10.4	Other interest income and related income	11.7	5.7	11.2
2 633.4	1 956.4	1 230.0	Total interest income	1 451.0	2 125.2	2 940.5
-180.2	-108.0	-209.3	Interest and other expenses on debt to credit institutions	-209.7	-108.1	-180.3
-1 004.3	-734.7	-498.6	Interest and other expenses on deposits from and due to customers	-497.3	-728.7	-1 003.6
-790.1	-599.3	-197.5	Interest and other expenses on securities issued	-337.5	-748.9	-1 070.9
-68.2	-49.5	-31.4	Interest and expenses on subordinated loan capital	-31.4	-49.5	-68.2
-103.6	-79.8	-52.0	Other interest expenses and related expenses	-56.1	-87.4	-105.0
-2 146.4	-1 571.3	-988.7	Total interest expenses	-1 131.9	-1 722.7	-2 428.0
486.9	385.0	241.3	Net interest income	319.2	402.5	512.5

NOTE 5 NET INCOME AND GAINS FROM FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

STOREBRAND BANK ASA			NOK MILLION	STOREBRAND BANK GROUP		
31.12.2008	30.09.2008	30.09.2009		30.09.2009	30.09.2008	31.12.2008
	0.1		<i>Aksjer og andeler</i>			
		-0.2	Dividends received from equity investments		0.1	
-0.5	-0.3	-0.2	Net gains/losses on realisation of equity investments	-0.2		
			Net change in fair value of equity investments	-0.2	-0.3	-0.5
-0.5	-0.2	-0.4	Total equity investments	-0.4	-0.2	-0.5
			<i>Commercial paper and bonds</i>			
-2.5	-1.9	2.3	Realised gain/loss on commercial paper and bonds	2.3	-2.4	-3.7
-13.2	-28.5	33.5	Unrealised gain/loss on commercial paper and bonds	18.2	-29.5	-6.4
-15.7	-30.4	35.7	Total gain/loss on commercial paper and bonds	20.5	-31.9	-10.1
			<i>Financial derivatives and foreign exchange</i>			
13.5	9.3	-2.4	Gain/loss on exchange related to bonds issued			
			Financial derivatives, held for trading	-1.3	9.4	11.7
13.5	9.3	-2.4	Total financial derivatives	-1.3	9.4	11.7
-2.7	-21.4	32.9	Net income and gains from financial assets and liabilities at fair value	18.7	-22.8	1.1

Notes to the account

NOTE 6 TAX

Tax cost is based on an expected average tax rate of 28% of company's profit and group profit before tax adjusted for permanent differences.

NOTE 7 CLOSE ASSOCIATES

Covered bonds issued by Storebrand Boligkreditt AS

Storebrand Bank ASA has invested a total of NOK 5 billion in covered bonds issued by Storebrand Boligkreditt AS as of 30 September 2009. The investments are included in the liquidity portfolio in the parent company and are classified at fair value option. The investment has been eliminated in the consolidated accounts against bond issued by Storebrand Boligkreditt AS.

Transferred financial assets - Norwegian Government's Swap arrangement

Transferred financial assets consist of swap agreements with the state through the Ministry of Finance concerning the posting of financial collateral. The swap agreements are entered into through auctions that are administrated by Norges Bank. In the swap agreement, the state sells state treasury bills to the bank through a time/restricted swap for covered bonds. The bank can either keep the state treasury bill and receive payment from the state when the swap falls due for repayment, or it may sell the treasury bill in the market. When the bills become due within the term of the swap agreement, the bank must purchase new bills from the state at the price that is determined by the market price for treasury bills. This roll/over will be on-going throughout the entire term of the agreement. Upon expiry of the swap agreement, the bank is obligated to purchase the covered bonds back from the state at the same price that the state purchased them for. Storebrand Bank ASA will receive the returns on the transferred covered bonds. All risk concerning the covered bonds continues to lie with Storebrand Bank ASA.

Lending transferred to Storebrand Boligkreditt AS

Storebrand Bank ASA shall arrange the transfer and return of loans when changes have to be made, i.e. if there is a need to increase borrowing, change from variable to fixed interest, convert to employee loan or convert to a mortgage loan. The costs form part of the contractual administration fees. The mortgages will be transferred on commercial terms. Non-performing loans in Storebrand Boligkreditt AS remain in the undertaking. 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 non-performance reports are prepared for non-performing loans in Storebrand Boligkreditt AS. These loans do not form part of the credit undertaking's total collateral.

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

Storebrand Bank AS 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.

Transactions with other related parties

Storebrand Bank ASA defines Storebrand Optimér ASA as a related party as the company's objective is to offer alternative savings products to the bank's customers. Storebrand Optimér ASA has no employees and the company has entered into an agreement with Storebrand Bank ASA to carry out the day-to-day operation of the company. The bank also acts as a Manager for issues of shares carried out by Storebrand Optimér ASA. The bank has recognized NOK 5.8 million to profit in the accounts for first half and the bank has a receivable due from the company of NOK 1.4 million as of 30.09.09. The fees paid to the bank are based on the arm's length principle.

Storebrand Bank ASA also defines Storebrand Infrastruktur ASA as a related party since the general manager of Storebrand Infrastruktur ASA is an employee of Storebrand Bank ASA and the company's objective is to offer alternative savings products to the bank's customers. Storebrand Infrastruktur ASA has no employees and the company has entered into an agreement with Storebrand Bank ASA to carry out the day-to-day operation of the company. The bank also acts as a Manager for issues of shares carried out by Storebrand Infrastruktur ASA.

The bank has recognized NOK 0.2 million to profit in the accounts for third quarter and the bank has a receivable due from the company of NOK 0.2 million as of 30.09.09. The fees paid to the bank are based on the arm's length principle.

Notes to the account

NOTE 8 SEGMENT INFORMATION

Storebrand Bank Group

Analysis of profit and loss account by activity:

NOK MILLION	CORPORATE					RETAILS				
	2009	Q3 2008	1.1. - 30.09. 2009	2008	FULL YEAR 2008	2009	Q3 2008	1.1. - 30.09. 2009	2008	FULL YEAR 2008
Profit and loss items:										
Net interest income	50.0	66.4	131.9	194.4	264.1	65.6	71.2	226.0	186.5	262.8
Net fee and commission income	2.8	2.6	8.6	8.0	12.0	9.5	3.4	24.0	18.3	22.1
Other income	1.5	2.1	6.8	4.1	12.4	0.9	0.7	3.6	2.8	4.2
Total operating costs	-17.3	-21.6	-48.3	-67.7	-92.6	-79.6	-53.2	-206.4	-157.1	-215.8
Operating profit before loan losses	37.0	49.5	99.0	138.8	195.9	-3.6	22.1	47.2	50.5	73.3
Net write-back in loan losses	-5.8	-17.2	-44.3	-25.8	-113.5	-4.6	-5.1	-13.9	-5.1	-8.3
Ordinary profit from continuing operations	31.2	32.3	54.7	113.0	82.4	-8.2	17.0	33.3	45.4	65.0
Ordinary profit from businesses discounted	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Balance sheet items:										
Gross lending to customers			11 584.0	12 497.2	11 973.4			25 786.0	25 746.9	27 032.1
Deposits from and due to customers			6 947.3	7 100.2	5 998.5			12 071.3	11 092.0	11 946.4
Key figures:										
Cost as of % of income	32 %	30 %	33 %	33 %	32 %	105 %	71 %	81 %	76 %	75 %
Deposits from and due to customers as % of gross lending			60 %	57 %	50 %			47 %	43 %	44 %
MARKETS										
REAL ESTATE BROKING										
NOK MILLION	2009	Q3 2008	1.1. - 30.09. 2009	2008	FULL YEAR 2008	2009	Q3 2008	1.1. - 30.09. 2009	2008	FULL YEAR 2008
Profit and loss items:										
Net interest income	1.4	2.5	6.0	9.2	11.8	-0.7	-2.3	-1.8	-0.3	0.8
Net fee and commission income	7.2	7.2	21.4	22.3	26.4	0.0	0.0	0.0	0.0	0.0
Other income	-0.5	7.8	18.9	25.5	39.4	21.9	18.2	63.5	54.1	71.8
Total operating costs	-14.6	-19.8	-49.8	-61.4	-82.5	-24.8	-28.4	-77.1	-77.1	-117.2
Operating profit before loan losses	-6.5	-2.3	-3.5	-4.4	-4.9	-3.5	-12.5	-15.3	-23.3	-44.6
Net write-back in loan losses										
Ordinary profit from continuing operations	-6.5	-2.3	-3.5	-4.4	-4.9	-3.5	-12.5	-15.3	-23.3	-44.6
Ordinary profit from businesses discounted	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Balance sheet items:										
Gross lending to customers										
Deposits from and due to customers										
Key figures:										
Cost as of % of income	180 %	113 %	108 %	108 %	106 %	117 %	179 %	125 %	143 %	162 %
Deposits from and due to customers as % of gross lending										

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Notes to the account

NOK MILLION	TREASURY/OTHERS					TOTAL				
	2009	Q3 2008	1.1. - 30.09. 2009	2008	FULL YEAR 2008	2009	Q3 2008	1.1. - 30.09. 2009	2008	FULL YEAR 2008
Profit and loss items:										
Net interest income	-10.9	11.6	-42.9	12.7	-27.0	105.4	149.4	319.2	402.5	512.5
Net fee and commission income	-0.3	1.8	2.2	1.3	1.5	19.1	15.0	56.2	49.9	62.0
Other income	15.7	-24.8	-2.2	-39.2	-38.9	39.5	3.9	90.6	47.3	88.9
Total operating costs	-6.0	0.6	-29.4	0.0		-142.3	-122.4	-410.9	-363.3	-508.1
Operating profit before loan losses	-1.6	-10.8	-72.3	-25.2	-64.5	21.8	45.9	55.1	136.4	155.2
Net write-back in loan losses	6.5	-4.4	25.1	-5.5		-3.9	-26.8	-33.1	-36.4	-121.8
Ordinary profit from continuing operations	4.9	-15.2	-47.2	-30.7	-64.5	17.8	19.2	22.0	100.0	33.3
Ordinary profit from businesses discounted	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Balance sheet items:										
Gross lending to customers			-147.7		29.2			37 222.3	38 244.1	39 034.7
Deposits from and due to customers			-21.2		346.6			18 997.4	18 192.2	18 291.5
Key figures:										
Cost as of % of income						87 %	73 %	88 %	73 %	77 %
Deposits from and due to customers as % of gross lending								51 %	48 %	47 %

Business segments are the company's primary reporting segments.

Description of the segments:

Commercial Banking: This segment comprises deposits from and lending to commercial customers, principally real estate investors/developers. The segment includes the affiliated company Seilduksgaten 25/31 AS. The bank's share is 50% and net profit as of 30 September is minus NOK 1.5 million. Changes in value of repossessed assets are presented in the profit and loss account by item. In the note on segment changes are reported under provision of losses in accordance with internal procedure. The reclassification is adjusted for under the segment treasury/other.

Retail Banking: Deposits from and lending to retail customers, including credit cards. Lending is principally mortgage lending secured against residential real estate. The segment include deposits from and lending to retail customers in Storebrand Boligkreditt AS. The segment also includes the bank's share in Storebrand Baltic UAB in Lithuania on 50%. The ownership interest is classified as a jointly venture. Net profit as of 30 September is NOK 0,5 million.

Markets: This business area includes all the bank's activities in structured products, real estate funds, Storebrand Optimér ASA, Storebrand Infrastruktur ASA and stockbroking activities. The subsidiaries Hadrian Eiendom AS and Hadrian Utvikling AS are also included in this area, where the bank respectively had a 90.9% ownership interest and 86.15% ownership interest at the close of the third quarter 2009. Net profit for Hadrian Eiendom AS and Hadrian Utvikling AS are respectively NOK 1.0 million and minus NOK 0.6 million as of 30 September.

Real estate broking: This segment solely comprises Ring Eiendomsmedling AS with subsidiaries in which the bank had a 99.6% ownership interest at the close of the third quarter 2009.

The allocation of commission costs recognised in net interest income was changed in Q3. This weakens the retail market result in treasury/other correspondingly for the year-to-date. The segment result for H1 have not changed. The reallocation thus only affects the segments results in Q3 alone. The reported retail market results in Q3 is therefore weaker than the real underlying operations. Indirect income and indirect costs have been allocated on the basis of estimated use of resources.

Elimination of double counting applies principally to customer transactions carried out in collaboration between Markets and the relevant customer segment. The effects of financial hedging and the investment portfolio

Notes to the account

NOTE 9 OFF BALANCE SHEET LIABILITIES AND CONTINGENT LIABILITIES

STOREBRAND BANK ASA		NOK MILLION	STOREBRAND BANK GROUP	
31.12.2008	30.09.2009		30.09.2009	31.12.2008
366.4	283.6	Guarantees	283.6	366.4
11 593.7	13 236.2	Undrawn credit limits	3 053.2	3 345.0
11 960.1	13 519.8	Total contingent liabilities	3 336.8	3 711.4
2 116.9	3 131.3	Booked value of bonds pledged as security for the bank's D-loan and F-loan facility with the Norwegian central bank	3 079.2	2 116.9
2 002.3	5 328.4	Booked value of securities pledged as collateral for the government securities for covered bonds swap scheme	5 328.4	2 002.3
4 119.3	8 459.7	Total book value of off balance sheet liabilities	8 407.6	4 119.3

Undrawn credit limits reported in Storebrand Bank ASA as of 30.09.09 includes NOK 11.4 billion to the subsidiaries Storebrand Boligkreditt AS and Storebrand Eiendoms-kreditt AS.

NOTE 10 LOSSES AND PROVISIONS FOR NON-PERFORMING AND LOSS-EXPOSED LOANS, GUARANTEES ETC.

STOREBRAND BANK ASA		NOK MILLION	STOREBRAND BANK GROUP	
31.12.2008	30.09.2009		30.09.2009	31.12.2008
		Non-performing and loss-exposed loans		
184.4	146.1	Non-performing loans without evidence of impairment	166.0	190.2
519.9	518.1	Non-performing and loss-exposed loans with evidence of impairment	356.4	519.9
704.3	664.2	Gross defaulted and loss-exposed loans	522.4	710.1
-262.4	-211.4	Provisions for individual impairment losses	-173.5	-262.4
442.0	452.8	Net defaulted and loss-exposed loans	349.0	447.8

Loans in default are defined as loans where payments are more than 90 days past due.

Key figures

50 %	41 %	Level of provisioning individual write-downs	49 %	50 %
-87.7	-106.1	Write-downs of groups of loans	-107.5	-88.3
-350.0	-317.5	Total write-downs	-280.9	-350.7
50 %	48 %	Total level of provisioning	54 %	49 %

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Notes to the account

NOTE 10 LOSSES AND PROVISIONS FOR NON-PERFORMING AND LOSS-EXPOSED LOANS, GUARANTEES ETC. (continued)

STOREBRAND BANK ASA				STOREBRAND BANK GROUP		
FULL YEAR	1.1. - 30.09.		NOK MILLION	1.1. - 30.09.		FULL YEAR
2008	2008	2009		2009	2008	2008
			Losses on loans and guarantees etc. during period			
-15.3	42.7	51.0	Change in individual impairment loss provisions	89.0	42.7	-15.3
			Change in individual impairment loss provisions, assets repossessed	-13.0		
-29.6	-6.4	-18.4	Change in grouped impairment loss provisions	-19.2	-6.9	-30.3
0.7	2.9	-7.5	Other write-down effects	-7.5	2.9	0.7
-79.9	-77.8	-90.1	Realised losses specifically provided for previously	-90.1	-77.8	-79.9
-0.6	-0.6	-0.2	Realised losses not specifically provided for previously	-0.2	-0.6	-0.6
3.5	3.3	7.9	Recoveries on previous realised losses	7.9	3.3	3.5
-121.2	-35.9	-57.3	Write-downs for the period	-33.1	-36.4	-121.8

Lending commitments that are continued after collateral is taken over are classified in the financial statements according to their type. Lending commitments, including individual write-downs against debt in the taken over company are eliminated in the consolidated financial statements. The volume of non-performing and loss-exposed loans is similarly eliminated.

A separate assessment is made in the consolidated financial statements in relation to any write-down/value adjustment of the assets that have been taken over.

The value of taken over investment properties was adjusted with a negative amount in the consolidated financial statements as of 30 September by an amount equal to the individual write-downs associated with the pertinent lending commitment in the parent bank of NOK 25 million.

NOTE 11 INTANGIBLE ASSETS AND FIXED ASSETS

Costs of NOK 8.1 million were capitalised as of 30 September 2009 as intangible assets and fixed assets in Storebrand Bank ASA and Storebrand Bank Group. Accordingly costs of NOK 2.2 million were capitalised in Q3. This relates principally to costs incurred on systems development, data warehouse, systems licenses and similar costs. In connection with the take over of collateral associated with a loss exposed commitment in the corporate market, Storebrand Bank activated real estate under development amounting to NOK 94 million. The building project was sold to a subsidiary of the bank, Bjørndalen Panorama AS, which will complete the project. Following this takeover NOK 47 million relating to development in the project was activated. In addition Storebrand Bank has taken over the shares in Bjørndalen Tomteselskap AS, which owns the site associated with the property project in Bjørndalen Panorama AS. The building project is classified as real estate at fair value. The value of the building project in Bjørndalen Panorama AS was written down by NOK 6 million in Q3. This is presented on a separate line in the profit and loss account. In connection with the takeover of collateral associated with another loss exposed commitment in the corporate market, Storebrand Bank activated real estate under development amounting to a total of NOK 24 million as of 30 September 2009.

Notes to the account

NOTE 12 LIABILITES TO CREDIT INSTITUTIONS

NOK MILLION	30.09.2009	31.12.2008
Total liabilities to credit institutions without fixed maturity at amortised cost	46.0	40.2
F-loan:		
Maturity 2009		1 000.0
Maturity 2010	521.3	505.3
Maturity 2012	1 003.1	
Loan with fixed interest rate:		
Maturity 2009	562.1	275.0
Loan with floating interest rate:		
Maturity 2010	634.5	2 022.3
Maturity 2011	84.6	98.7
Maturity 2012	350.0	350.0
Maturity 2013	250.0	250.0
Total liabilities to credit institutions with fixed maturity at amortised cost	3 405.6	4 501.3
Borrowings under the Norwegian Government's Swap arrangement:		
Maturity 2010	986.6	994.1
Maturity 2011	2 378.7	981.5
Maturity 2013	989.2	
Maturity 2014	994.6	
Total liabilities to credit institutions with fixed maturity at fair value (FVO)	5 349.1	1 975.6
Total liabilities to credit institutions	8 800.7	6 517.1

Undrawn credit facilities totalled EUR 220 million at 30.09.2009

The loan agreements contain standard covenants.

Storebrand Bank ASA and Storebrand Boligkreditt AS were in compliance with all relevant terms in 2009.

Notes to the account

NOTE 13 SECURITIES ISSUED AND SUBORDINATED LOAN CAPITAL

NOK MILLION	STOREBRAND BANK GROUP	
	30.09.2009	31.12.2008
Commercial paper	197.4	1 907.9
Bond loans	10 054.8	14 058.3
Structured bond loans	551.7	857.8
Subordinated loan capital	959.9	962.0
Total securities issued and subordinated loan capital	11 763.8	17 786.0

Specification of bonds issued and subordinated loan capital as of 30 September 2009 - Storebrand Bank Group

ISIN NUMBER	ISSUER	NET NOMINAL VALUE	CURRENCY	INTEREST	MATURITY	BOOK VALUE
						30.09.2009
Bond loans						
NO001029117	Storebrand Bank ASA	624.5	NOK	Fixed	22.11.2010	622.0
NO001035009	Storebrand Bank ASA	275.0	NOK	Fixed	16.06.2010	274.5
NO001043982	Storebrand Bank ASA	310.0	NOK	Fixed	04.06.2015	308.4
NO001045553	Storebrand Bank ASA	327.0	NOK	Fixed	03.09.2012	325.1
NO001051323	Storebrand Bank ASA	300.0	NOK	Fixed	25.05.2016	301.8
NO001025224	Storebrand Bank ASA	811.0	NOK	Floating	14.01.2010	811.9
NO001047340	Storebrand Bank ASA	408.0	NOK	Floating	21.11.2013	417.2
NO001049263	Storebrand Bank ASA	790.0	NOK	Floating	22.02.2012	788.3
NO001036439	Storebrand Bank ASA	900.0	SEK	Floating	26.10.2009	744.1
NO001050277	Storebrand Bank ASA	548.0	NOK	Floating	30.04.2014	553.1
Accrued interest expenses						2.3
Total bond loans						5 148.6
Covered bonds						
XS0366475662	Storebrand Boligkreditt AS	236.2	EUR	Fixed	28.05.2010	2 003.4
NO0010428584	Storebrand Boligkreditt AS	1 000.0	NOK	Fixed	06.05.2015	998.9
NO0010428592	Storebrand Boligkreditt AS	640.0	NOK	Floating	02.05.2011	639.3
NO0010466071	Storebrand Boligkreditt AS	1 250.0	NOK	Fixed	24.04.2014	1 249.2
Accrued interest expenses						15.3
Total covered bonds						4 906.1
Total bond loans excl. structured bond loans						10 054.8

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Notes to the account

NOTE 13 NOTE 13 SECURITIES ISSUED AND SUBORDINATED LOAN CAPITAL (continued)

Specification of bonds issued and subordinated loan capital as of 30 September 2009 - Storebrand Bank Group

NOK MILLION							BOOK VALUE
ISIN NUMBER	ISSUER	NET NOMINAL VALUE	CURRENCY	INTEREST	MATURITY		30.09.2009
Structured bond loans							
NO001026219	Storebrand Bank ASA	51.4	NOK	Zero coupon	10.12.2009		46.7
NO001027993	Storebrand Bank ASA	97.6	NOK	Zero coupon	14.12.2009		92.0
NO001028788	Storebrand Bank ASA	61.4	NOK	Zero coupon	27.10.2009		61.2
NO001029838	Storebrand Bank ASA	86.8	NOK	Zero coupon	25.03.2010		83.7
NO001030481	Storebrand Bank ASA	34.3	NOK	Zero coupon	26.11.2010		31.3
NO001032252	Storebrand Bank ASA	20.2	NOK	Zero coupon	06.09.2010		19.7
NO001032930	Storebrand Bank ASA	79.8	NOK	Zero coupon	27.10.2010		76.2
NO001034110	Storebrand Bank ASA	61.1	NOK	Zero coupon	16.12.2010		59.1
NO001034675	Storebrand Bank ASA	77.2	NOK	Zero coupon	22.12.2010		74.4
NO001035920	Storebrand Bank ASA	17.0	NOK	Zero coupon	23.05.2011		16.1
Accrued interest expenses							-8.6
Total structured bond loans							551.7

NOK MILLION							BOOK VALUE
ISIN NUMBER	ISSUER	NET NOMINAL VALUE	CURRENCY	INTEREST	CALL DATE		30.09.2009
Dated subordinated loan capital							
NO001027568	Storebrand Bank ASA	175.0	NOK	Floating	15.07.2010		175.0
NO001034566	Storebrand Bank ASA	100.0	NOK	Floating	21.12.2011		99.9
NO001036427	Storebrand Bank ASA	250.0	NOK	Floating	08.05.2012		249.7
NO001040278	Storebrand Bank ASA	150.0	NOK	Floating	19.12.2012		150.0
Other subordinated loan capital							
NO001771168	Storebrand Bank ASA	9.3	NOK	Fixed			9.3
Tier 1 hybrid capital							
NO001024206	Storebrand Bank ASA	107.0	NOK	Fixed	29.10.2014		107.3
NO001024207	Storebrand Bank ASA	168.0	NOK	Floating	29.10.2014		167.1
Accrued interest expenses							1.6
Total subordinated loan capital incl. Tier 1 hybrid capital							959.9
Total securities issued and subordinated loan capital							11 566.4

The loan agreements contain standard covenants.

Storebrand Bank ASA and Storebrand Boligkreditt AS were in compliance with all relevant terms in 2009.

Notes to the account

NOTE 14 RISK MANAGEMENT

Storebrand Bank ASA's and Storebrand Bank group's objectives and principles for the management of financial risk are as described in the 2008 annual report.

NOTE 15 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. The valuation rules used in the company's accounts form the basis for consolidation. Consolidation is, in the main, carried out in accordance with the same principles as used in the accounts, with all internal transactions eliminated, including shares, loans and deposits as well as other receivables and liabilities. Companies in which the group has a minority interest are included on a proportional basis applying the percentage interest held by the group at 30 September 2009. The figure for primary capital used in calculation of capital adequacy will differ from the figure shown in the accounts since the calculation does not include accrued profit for the year or minority interests.

Net primary capital

STOREBRAND BANK ASA			STOREBRAND BANK GROUP	
31.12.2008	30.09.2009	NOK MILLION	30.09.2009	31.12.2008
916.6	916.6	Share capital	916.6	916.6
1 157.3	1 128.9	Other equity	1 153.9	1 143.9
2 073.9	2 045.5	Total equity	2 070.4	2 060.5
		Deductions:		
		Profit not included in the calculation of net primary capital	-14.0	
		Minority's share of equity	-3.7	-6.1
		Goodwill	-56.3	-54.7
-54.1	-47.5	Intangible assets	-79.4	-88.1
-155.9	-159.4	Deferred tax asset	-172.3	-166.6
		Addition:		
275.9	275.9	Perpetual subordinated bonds	275.9	275.9
13.0		Proportion of pension experience adjustments not amortised		13.0
2 152.7	2 114.5	Core capital	2 020.8	2 033.8
683.9	684.0	Supplementary capital	684.0	683.9
		Deductions		
2 836.5	2 798.5	Net primary capital	2 704.8	2 717.7

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Notes to the account

NOTE 15 CAPITAL ADEQUACY (continued)

Minimum capital requirement

STOREBRAND BANK ASA		NOK MILLION	STOREBRAND BANK GROUP	
31.12.2008	30.09.2009		30.09.2009	31.12.2008
1 662.7	1 599.8	Credit risk	1 700.8	1 935.8
		Of which:		
1.6	1.6	Local and regional authorities	1.6	1.6
120.5	277.4	Institutions	49.0	50.8
836.5	602.1	Corporates	596.6	838.0
453.8	480.7	Loans secured on real estate	868.5	777.0
133.6	78.4	Retail market	78.4	133.6
32.2	59.3	Loans past-due	51.1	32.9
31.9	49.6	Covered bonds	4.5	4.0
52.5	50.6	Other	51.1	97.8
1 662.7	1 599.8	Total minimum requirement for credit risk	1 700.8	1 935.8
0.0	0.0	Total minimum requirement for market risk	0.0	0.0
76.9	76.9	Operational risk	84.0	84.0
		Deductions		
-7.0	-8.5	Write-downs of groups of loans	-8.6	-7.0
1 732.6	1 668.2	Minimum requirement for capital base	1 776.2	2 012.8

Capital adequacy

STOREBRAND BANK ASA		NOK MILLION	STOREBRAND BANK GROUP	
31.12.2008	30.09.2009		30.09.2009	31.12.2008
13.1 %	13.4 %	Capital ratio	12.2 %	10.8 %
9.9 %	10.1 %	Core capital ratio	9.1 %	8.1 %

Capital adequacy is calculated in accordance with the new capital adequacy regulation (Basel II). The company uses the standard method for credit risk and market risk, and the basic method for operational risk. The minimum requirement for the capital ratio is 8%.

Basel II is divided into three pillars (areas). Pillar 1 deals with the minimum requirement for capital adequacy and represents a continuation of the former regulations pursuant to Basel I. Pillar 2 deals with supervisory evaluation of capital requirement and supervisory monitoring (ICAAP), while Pillar 3 deals with the requirements for publication of financial information. The introduction of the new regulatory framework has caused changes to the calculation base for capital adequacy. Calculation of operational risk is a new element of the Basel II regulations. Management of market risk is only affected by the transition to the Basel II regulations to a minor extent.

Notes to the account

NOTE 16 QUARTERLY PROFIT AND LOSS

Storebrand Bank ASA

NOK MILLION	Q3 2009	Q2 2009	Q1 2008	Q4 2008	Q3 2008	Q2 2008	Q1 2007	Q4 2007
Interest income	326.9	388.8	514.4	677.0	654.4	647.4	654.6	626.4
Interest expense	-240.1	-331.9	-416.8	-575.1	-515.9	-519.9	-535.4	-516.5
Net interest income	86.8	56.9	97.6	101.9	138.4	127.4	119.2	109.9
Fee and commission income from banking services	25.4	24.2	23.8	26.8	25.1	27.7	18.5	31.8
Fee and commission expenses for banking services	-3.9	-4.9	-1.4	-12.9	-8.7	-8.8	-0.5	-16.6
Net fee and commission income	21.5	19.3	22.4	13.9	16.4	18.9	18.1	15.2
Net income and gains from associated companies	-0.5	-0.5	-0.5	-1.6	0.0	0.0	0.0	-0.5
Net gains on financial instruments at fair value	51.1	49.8	-68.1	43.6	-16.4	0.0	-5.0	13.6
Other income	0.2	0.3	0.8	0.8	0.2	2.2	3.6	3.1
Total other operating income	50.8	49.6	-67.8	42.7	-16.2	2.2	-1.5	16.2
Staff expenses	-48.0	-33.6	-36.8	-34.7	-34.9	-32.9	-31.8	-34.4
General administration expenses	-4.0	-4.4	-8.2	-32.7	-23.1	-18.8	-23.1	-26.9
Other operating cost	-78.3	-50.8	-55.2	-37.3	-33.4	-34.0	-40.7	-48.1
Total operating costs	-130.3	-88.8	-100.1	-104.8	-91.4	-85.7	-95.7	-109.4
Operating profit before losses and other items	28.7	37.0	-48.0	53.7	47.3	62.8	40.1	31.9
Write-downs for the period/net write-back in loan losses	-10.4	-18.5	-28.4	-85.3	-26.4	-10.9	1.5	18.2
Profit before tax	18.4	18.5	-76.3	-31.6	20.8	51.9	41.6	50.1
Tax	-5.1	-5.2	21.4	7.1	-5.9	-14.4	-11.6	-17.2
Profit for the year	13.2	13.3	-54.9	-24.5	14.9	37.5	30.0	32.9

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Notes to the account

NOTE 16 QUARTERLY PROFIT AND LOSS (continued)

Storebrand Bank Group

NOK MILLION	Q3 2009	Q2 2009	Q1 2008	Q4 2008	Q3 2008	Q2 2008	Q1 2007	Q4 2007
Interest income	378.6	433.1	639.4	815.3	765.3	700.8	659.1	626.5
Interest expense	-273.1	-340.5	-518.3	-705.3	-615.9	-573.4	-533.3	-515.9
Net interest income	105.4	92.6	121.1	109.9	149.4	127.4	125.7	110.7
Fee and commission income from banking services	23.1	21.9	21.5	25.0	23.7	26.0	18.1	31.8
Fee and commission expenses for banking services	-3.9	-4.9	-1.4	-12.9	-8.7	-8.8	-0.5	-16.6
Net fee and commission income	19.1	17.0	20.1	12.1	15.0	17.3	17.6	15.2
Net income and gains from associated companies	-0.5	-0.5	-0.5	-1.6	0.0	0.0	0.0	-0.8
Net gains on financial instruments at fair value	13.5	8.4	-3.2	23.9	-16.6	-1.1	-5.1	9.7
Other income	26.5	24.4	22.5	19.3	20.5	27.5	22.1	7.8
Total other operating income	39.5	32.4	18.8	41.6	3.9	26.4	17.0	16.7
Staff expenses	-64.0	-51.3	-53.0	-53.0	-50.3	-49.7	-44.7	-38.0
General administration expenses	-7.2	-7.5	-11.4	-37.0	-26.7	-23.7	-27.0	-30.6
Other operating cost	-64.7	-63.2	-63.7	-54.9	-45.4	-49.5	-46.3	-45.0
Unrealised loss real estate at fair value, assets repossessed	-6.3	-18.6	0.0	0.0	0.0	0.0	0.0	0.0
Total operating costs	-142.3	-140.6	-128.0	-144.9	-122.4	-122.9	-118.0	-113.5
Operating profit before losses and other itmes	21.8	1.4	32.0	18.7	45.9	48.1	42.4	29.1
Write-downs for the period/net write-back in loan losses	-3.9	-0.4	-28.7	-85.4	-26.8	-11.1	1.5	18.2
Profit before tax	17.8	0.9	3.2	-66.7	19.2	37.0	43.9	47.3
Tax	-5.4	-1.9	-0.7	13.8	-5.2	-10.7	-11.7	-16.4
Profit for the year	12.4	-0.9	2.5	-52.9	13.9	26.2	32.2	30.8

Translation from the original Norwegian version

To the board of Storebrand Bank ASA

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

We have reviewed the condensed consolidated financial statement of Storebrand Bank ASA as of September 30, 2009, showing a profit for the period of MNOK 12,4. The condensed consolidated financial Statement comprises the balance sheet, the statements of income, cash flow, the consolidated statement of comprehensive income, the statement of changes in equity and selected explanatory notes by September 30, 2009. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Accounting Standard No 34 adopted by EU. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information does not give a true and fair view of the financial position of the entity as at September 30, 2009, and of its financial performance and its cash flows for the nine-month period then ended in accordance with International Accounting Standard no 34 as adopted by EU.

Oslo, October 27, 2009
Deloitte AS

Ingebret G. Hisdal (signed)
State Authorized Public Accountant (Norway)

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 E-mail address: bank@storebrand.no

Company registration number: 953 299 216

Senior Management:

Klaus-Anders Nysteen	Managing Director
Lars Syse Christiansen	Finance Director
Robert Fjelli	Head of Markets
Trond Fladvad	Head of Retail Banking
Truls Nergaard	Head of Corporate Banking
Anne Grete T. Wardeberg	Head of Staff Functions

Board of Directors:

Idar Kreutzer	Chairman
Stein Wessel-Aas	Deputy chairman
Kristine Schei	Board Member
Ida Helliesen	Board Member
Roar Thoresen	Board Member
Odd Arild Grefstad	Board Member
Heidi Storruste	Board Member

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Other sources of information:

Annual Reports and interim reports of Storebrand Bank ASA are published on www.storebrand.no.

