

CHFP000

This form should be completed in black.

**Return delivered for registration of a branch of
an overseas company**

(Pursuant to Schedule 21A, paragraph 1 of the Companies Act 1985)

Corporate name
(See note 5) (name in parent state)

Business name
(if different to corporate name)

Country of Incorporation

Identity of register
(if applicable)

Legal form
(See note 3)

For office
use only

CN

FC22461

BN

BR5487

STOREBAAND KAPITALFORVALTNING ASA

STOREBRAND INVESTMENTS UK

NORWAY

BRÖNNÖYSUNDREGISTRENE (Register of
Business Enterprises) and registration no. 960 755 316

PUBLIC LIMITED COMPANY

¹ See note 2

PART A - COMPANY DETAILS

¹

* State whether the company is
a credit or financial institution

* Is the company subject to Section 699A of the Companies Act 1985?

YES ☒

NO ☐

(1) These boxes need not be completed by companies formed in EC member states

Governing law
(See note 4)

ACT ON PUBLIC COMPANIES (NORWAY)
13 JUNE 1997 No. 45

Accounting
requirements

Period for which the company is required to prepare accounts by
parent law. from 1 JANUARY to 31 DECEMBER

Period allowed for the preparation and public disclosure of accounts
for the above period SIX months



ED6
COMPANIES HOUSE

E30PMQFL

0085
12/05/00

(2) This box need NOT be completed by companies from EC member states, OR where the constitutional documents of the company already show this information.

Address of principal place of business in home country

FILIPSTAD BRYGGE

0250 OSLO

Objects of company

TO CONDUCT TRADE IN SECURITIES FOR CLIENTS

Issued share capital

12,000,000

Currency NOK

Company Secretary(ies)

(See note 10)

Name

* Style / Title

Forenames ELLEN CATHRINE

Surname SOLBERG

* Honours etc.

Previous Forenames

Previous surname

Address

LINHUSVEIEN 4A

0755

Post town OSLO

County / Region

Postcode

Country NORWAY

* Voluntary details

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

Company Secretary(ies)

(See note 10)

Name

* Style / Title

Forenames

Surname

* Honours etc.

Previous Forenames

Previous surname

* Voluntary details

Address

Post town

County / Region

Postcode

Country

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

(You may photocopy this page if required)

(See note 10)

*Style/Title CHAIRMAN
Forenames AGE
Surname KORSVOLD

*Honours etc. _____

Previous forenames _____

Previous surname _____

HAFRSFJORDGATEN 18
0268 OSLO

Post town

County/Region

Postcode _____ Country NORWAY

Date of Birth 0,8 0,4 4,6 Nationality NORWEGIAN

Business Occupation CHIEF EXECUTIVE OFFICER STOREBRAND ASA
Other Directorships STOREBRAND SKADEFORSIKRING AS, STOREBRAND LUVFORSIKRING AS, FINANSBANKEN ASA, STOREBRAND NYBYGG AS

Give brief particulars of the extent of the powers exercised (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations).

Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

The extent of the authority to represent the company is:- (give details)

SIGNATURE, POWER CONFERRED BY
THE CERTIFICATE OF REGISTRATION

These powers:—

Mark box(es) as applicable.

☒ May be exercised alone
OR

☐ Must be exercised with:—

(Give name(s) of co-authorised person(s))

(You may photocopy this page as required.)

Directors

(See note 10)

Name*** Voluntary details****Address**

Usual residential address must be given.
In the case of a corporation, give the
registered or principal office address.

SCOPE OF AUTHORITY

Give brief particulars of the extent of the
powers exercised (e.g. whether they are
limited to powers expressly conferred by
the instrument of appointment; or
whether they are subject to express
limitations).

Where the powers are exercised jointly
give the name(s) of the person(s)
concerned. You may cross refer to the
details of person(s) disclosed elsewhere
on the form.

Mark box(es) as applicable.

Style/Title*Forenames****Surname*****Honours etc.****Previous forenames****Previous surname****Post town****County/Region****Postcode****Country****Date of Birth****Nationality****Business Occupation****Other Directorships****The extent of the authority to represent the company is:- (give details)**

SIGNATURE - POWER CONFERRED BY
THE CERTIFICATE OF REGISTRATION

These powers:-

☐ May be exercised alone
OR

☒ Must be exercised with:-

(Give name(s) of co-authorised person(s))

HANS HENRIK KLOUMAN

ESPEN KLITZING OR

IDAR KREUTZER

(You may photocopy this page as
required.)

Directors

(See note 10)

Name

* Voluntary details

Address

Usual residential address must be given.
In the case of a corporation, give the
registered or principal office address.

SCOPE OF AUTHORITY

Give brief particulars of the extent of the
powers exercised (e.g. whether they are
limited to powers expressly conferred by
the instrument of appointment; or
whether they are subject to express
limitations).

Where the powers are exercised jointly
give the name(s) of the person(s)
concerned. You may cross refer to the
details of person(s) disclosed elsewhere
on the form.

Mark box(es) as applicable.

*Style/Title

Forenames

IDAR

Surname

KREUTZER

*Honours etc.

Previous forenames

Previous surname

PRINSESSEALLEEN 32 A

0275 0520

Post town

County/Region

Postcode

Country

NORWAY

Date of Birth

2,9 | 0,8 | 6,2

Nationality

NORWEGIAN

Business Occupation

CHIEF FINANCIAL OFFICER STOREBRAND ASA

Other Directorships

IF... SKADEFORSIKRING HOLDING AB, IF... SKADEFORSIK

RING AB, STOREBRAND BANK AS, STOREBRAND EIENDOM AS, EURO-

PEISKE REISEFORSIKRING AS, STOREBRAND INVESTMENT
MANAGEMENT AS

The extent of the authority to represent the company is:- (give details)

SIGNATURE - POWER CONFERRED

BY THE CERTIFICATE OF REGISTRATION

These powers:-

☐ May be exercised alone
OR# ☒ Must be exercised with:-

(Give name(s) of co-authorised person(s))

HANS HENRIK KLOUMAN

KNOT WILHELM FRANKLE OR

ESPEN KLITZING

(You may photocopy this page as
required.)

Directors

(See note 10)

Name*** Voluntary details****Address**

Usual residential address must be given.
In the case of a corporation, give the
registered or principal office address.

SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations).

Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

Mark box(es) as applicable.

***Style/Title**

Forenames

ESPEN

Surname

KLITZING

***Honours etc.**

Previous forenames

Previous surname

NILS COLLETT VOGTS VEI 11

0765 0800

Post town

County/Region

Postcode

Country NORWAY

Date of Birth

2,3 1,2 6,3

Nationality

NORWEGIAN

Business Occupation

MANAGING DIRECTOR STOREBRAND LIVSFORSIKRING AS

Other Directorships

STOREBRAND BANK AS, STOREBRAND FONDENE AS, FAIR FORSIKRING AS, FAIR FINANCIAL IRELAND, STOREBRAND HELSE FORSIKRING AS, STOREBRAND FONDSFORSIKRING AS, BERTEL O. STEEN FINANS AS

The extent of the authority to represent the company is:- (give details)

SIGNATURE - POWER CONFERRED
BY THE CERTIFICATE OF REGISTRATION

These powers:-

☐ May be exercised alone
OR# ☒ Must be exercised with:-

(Give name(s) of co-authorised person(s))

HANS HENRIK KLOUMAN

IDAR KREUTZER OR

KNUT WILHELM FRANKKE

(You may photocopy this page as
required.)

Directors

(See note 10)

Name*** Voluntary details****Address**

Usual residential address must be given.
In the case of a corporation, give the
registered or principal office address.

SCOPE OF AUTHORITY

Give brief particulars of the extent of the
powers exercised (e.g. whether they are
limited to powers expressly conferred by
the instrument of appointment; or
whether they are subject to express
limitations).

Where the powers are exercised jointly
give the name(s) of the person(s)
concerned. You may cross refer to the
details of person(s) disclosed elsewhere
on the form.

Mark box(es) as applicable.

(You may photocopy this page as
required.)

Style/Title**Forenames HANS HENRIKSurname KLOUMANHonours etc.**

Previous forenames

Previous surname

SMESTADVEIEN 3 B0376 OSLO

Post town

County/Region

Postcode

Country NORWAY

Date of Birth

1,2,0,9,6,1

Nationality

NORWEGIAN

Business Occupation

VICE PRESIDENT LEGAL DEPARTMENTSTORE-
BRAND AS

Other Directorships

STOREBRAND SKADEFORSIKRING AS, STOREBRAND
LIVSFORSIKRING AS, STOREBRAND EIENDOM AS, STOREBRANDFLIPSTAD AS, STOREBRAND KJØPESENTEK HOLDING AS, STOREBRAND
BANK AS, STOREBRAND INVESTMENT MANAGEMENT

The extent of the authority to represent the company is:- (give details)

SIGNATURE, POWER CONFERRED BYTHE CERTIFICATE OF REGISTRATION

These powers:-

☐ May be exercised alone
OR# ☒ Must be exercised with:-

(Give name(s) of co-authorised person(s))

KNUT WILHELM FRANCKEIDAR KREUTZER ORESPEN KLITZING

PART B - BRANCH DETAILS

Persons authorised to represent the company or accept service of process

Give details of all persons who are authorised to represent the company as permanent representatives of the company in respect of the business of the branch.

Give details also of all persons resident in Great Britain, who are authorised to accept service or process on the company's behalf.

* Delete as appropriate

SCOPE OF AUTHORITY

(This part does not apply to a person only authorised to accept service on behalf of the company)

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

Mark box(es) as appropriate

* Style / Title _____

Forenames TERJE

Surname SONMER

Address BUGGE ARENTZ-HANSEN RASMUSSEN

4 CREED COURT, 5 LUDGATE HILL

Post town _____

County / Region LONDON Postcode EC4M 7AA

Is # ☒ Authorised to accept service of process on the company's behalf

* AND/OR

Is # ☒ Authorised to represent the company in relation to that business

The extent of the authority to represent the company is :- (give details)

THE PERSON AUTHORISED TO REPRESENT
THE COMPANY IS VESTED WITH THE POWER
TO PERFORM ALL ACTS OF ADMINISTRATION IN
RELATION TO THE BUSINESS OF THE COMPANY'S
BRANCH IN LONDON.

These powers :-

☒ May be exercised alone

OR

☐ Must be exercised with :-
(Give name(s) of co-authorised person(s))

PART B - BRANCH DETAILS

Persons authorised to represent the company or accept service of process

Give details of all persons who are authorised to represent the company as permanent representatives of the company in respect of the business of the branch.

Give details also of all persons resident in Great Britain, who are authorised to accept service of process on the company's behalf.

* Delete as appropriate

SCOPE OF AUTHORITY

(This part does not apply to a person only authorised to accept service on behalf of the company)

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

Mark box(es) as appropriate

* Style / Title _____

Forenames TERJE

Surname SOHMER

Address 'HIGHPOINT', 3 FAIRBOURNE

COBHAM SURREY

Post town _____

County / Region _____

Postcode KT11 2BT

Is ~~✓~~ ☒ Authorised to accept service of process on the company's behalf

* AND/OR

Is ☒ Authorised to represent the company in relation to that business

The extent of the authority to represent the company is :- (give details)

THE PERSON AUTHORISED TO REPRESENT
THE COMPANY IS VESTED WITH THE POWER
TO PERFORM ALL ACTS OF ADMINISTRATION IN
RELATION TO THE BUSINESS OF THE COMPANY'S
BRANCH IN LONDON.

These powers :-

☒ May be exercised alone

OR

☐ Must be exercised with :-

(Give name(s) of co-authorised person(s))

Constitution of company

(See notes 6 to 9)

Mark box(es)
as applicable.

(See note 9)

- # ☒ A certified copy of the instrument constituting or defining the constitution of the company
AND
☒ *A certified translation
*/are delivered for registration

* Delete as applicable.

*AND/OR

A certified copy of the constitutional documents and latest accounts of the company, together with a certified translation of them if they are not in the English language, must accompany this form.

- # ☒ A copy of the latest accounts of the company
AND
☒ *A certified translation
*/are delivered for registration

*AND/OR

The company may rely on constitutional and accounting documents previously filed in respect of another branch registered in the United Kingdom.

- # ☐ The constitutional documents (*and certified translations)
*AND/OR
☐ The latest accounts (*and certified translations)

of the company were previously delivered on the registration of the branch of the company at:-

Cardiff ☐

Edinburgh ☐

Belfast ☐

Registration no.

*AND/OR

The company may also rely on particulars about the company previously filed in respect of another branch in that part of Great Britain, provided that any alterations have been notified to the Registrar.

- ☐ the particulars about the company were previously delivered in respect of a branch of the company registered at THIS registry.

Registration no.

*AND/OR

The company may also rely on constitutional documents and particulars about the company officers previously filed in respect of a former Place of Business of that company, provided that any alterations have been notified to the Registrar.

- ☐ The constitutional documents (*and certified translations)
*AND/OR
☐ Particulars of the current directors and secretary(s)

were previously delivered in respect of a place of business of the company registered at THIS registry.

Registration no.

NOTE:- In all cases, the registration number of the branch or place of business relied upon must be given.

Address of branch

(See note 11)

Address	<u>46 QUEEN ANNE'S GATE</u>	
Post town	<u>LONDON</u>	
County/ Region		Postcode <u>SW1H 9AU</u>

Branch Details

(See note 12)

Date branch opened	<u>01/05/00</u>	EXPECTED COMMENCEMENT OF OPERATIONS
Business carried on at branch <u>ACTIVE MANAGEMENT OF INVESTORS' PORTFOLIOS OF FINANCIAL INSTRUMENTS, INVESTMENT ADVISORY AND CURRENCY RELATED SERVICES WHEN CONNECTED TO THE PERFORMANCE OF THE INVESTMENT SERVICES</u>		

SIGNATURE

Signed	<u>Allen C. Selby</u> (*Director/Secretary/Permanent representative)	
Date	<u>01/05/00, 22 March 2000</u>	
This form contains <u>8</u> continuation sheets.		

To whom should Companies House direct any enquiries about the information on this form?

Name	<u>BARRY LAU</u>	
Address	<u>CLIFFORD CHANCE LLP</u> <u>200 ALDERSGATE STREET</u> <u>LONDON</u>	
	Postcode	<u>EC1A 4JJ</u>
Telephone	<u>0171 282 7478</u>	Extension <u></u>

When completed, this form together with any enclosures should be delivered to the Registrar of Companies at:-
for branches established in England and Wales for branches established in Scotland

Companies House
Crown Way
Cardiff
CF4 3UZ

Companies House
100-102 George Street
Edinburgh
EN2 3DJ



**CERTIFICATE OF REGISTRATION
OF AN OVERSEA COMPANY**

(Establishment of a branch)

Company No. FC022461

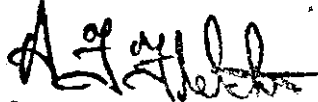
Branch No. BR005487

The Registrar of Companies for England and Wales hereby certifies that

STOREBRAND KAPITALFORVALTNING ASA

has this day been registered under Schedule 21A to the Companies Act 1985 as
having established a branch in England and Wales

Given at Companies House, Cardiff, the 12th May 2000


A. F. FLETCHER

For The Registrar of Companies



C O M P A N I E S H O U S E

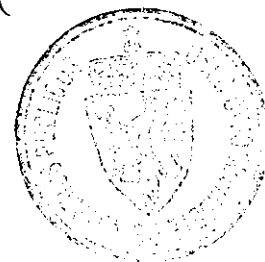
Translation from Norwegian

11 December 1998

This document is filed
in the public register.

3 May 2000

Ricki Gundersen
Ricki Gundersen
førstekonsulent



**ARTICLES OF ASSOCIATION
FOR
STOREBRAND KAPITALFORVALTNING ASA**

§ 1

Company

The company is a public limited company. The company's name is Storebrand Kapitalforvaltning ASA.

§ 2

Object

The object of the company shall be securities management for an unlimited range of clients.

§ 3

Share capital

The company's share capital shall be NOK 12,000,000 divided between 6,000 shares each with a nominal value of NOK 2,000, registered and fully paid up.

§ 4

Head Office

The company's head office shall be in Oslo.

§ 5

Transfer of shares

The acquisition by transfer shall be conditional on the consent of the Board.

True translation certified



Dennis Kelli
Government Authorised Translator

§ 6

The Board

The Board of the Company shall consist of a minimum of 3 and a maximum of 6 Directors to be elected by the General Meeting.

The Chairman of the Board shall be elected by the General Meeting.

The right to sign for the company shall be vested in the Chairman of the Board or the Managing Director alone, or two of the Directors jointly. The Board shall be entitled to confer procuration.

§ 7

General Meeting

The Annual General Meeting shall be held every year by the end of April.

Extraordinary General Meetings shall be held when decided by the Board or demanded in writing by the company's auditor or by shareholders representing at least a tenth of the share capital.

General Meetings shall be convoked by giving a minimum of seven days written notice to all shareholders with a known domicile.

§ 8

The responsibilities of the Annual General Meeting

The Annual General Meeting shall:

1. adopt the audited income statement and balance sheet the previous accounting year closing on 31 December.
2. pass resolutions regarding application of the distributable profit or coverage of the loss in accordance with the adopted balance sheet, and regarding the payment of dividends.
3. elect directors to the Board.
4. determine directors' fees and approve the auditor's fee.
5. consider other matters that by law or pursuant to the Articles of Association are the business of the General Meeting.



11. desember 1998

VEDTEKTER
FOR
STOREBRAND KAPITALFORVALTNING ASA

§ 1

Firma

Selskapet er et allment aksjeselskap. Selskapets navn er Storebrand Kapitalforvaltning ASA.

§ 2

Formål

Selskapets formål er å forestå verdipapirforvaltning for en ubegrenset krets av oppdragsgivere.

§ 3

Aksjekapital

Selskapets aksjekapital er NOK 12.000.000 fordelt på 6.000 aksjer pålydende NOK 2.000 fullt innbetalt og lydene på navn.

§ 4

Hovedkontor

Selskapets hovedkontor er i Oslo.

§ 5

Overdragelse av aksjer

Erverv av aksjer ved overdragelse er betinget av styrets samtykke.

§ 6

Styret

Selskapets styre skal bestå av minst 3 og maksimalt 6 medlemmer valgt av generalforsamlingen.

Styrets formann velges av generalforsamlingen.

Selskapets firma tegnes av styrets formann eller administrerende direktør alene, eller av to styremedlemmer i fellesskap. Styret kan meddele prokura.

§ 7

Generalforsamling

Ordinær generalforsamling holdes hvert år innen utgangen av april måned.

Ekstraordinær generalforsamling holdes når det besluttes av styret eller det skriftlig forlanges av selskapets revisor eller av aksjeeiere som representerer minst en tiendedel av aksjekapitalen.

Generalforsamlingen innkalles med minst syv dagers varsel ved skriftlig henvendelse til alle aksjeeiere med kjent oppholdssted.

§ 8

Ordinære generalforsamlingsoppgaver

Den ordinære generalforsamling skal:

1. fastsette revidert resultatregnskap og balanse for foregående regnskapsår, avsluttet pr 31.12
2. treffe bestemmelse om anvendelse av disponibelt overskudd eller dekning av underskudd i henhold til den fastsatte balanse, og om utdeling av utbytte
3. velge styremedlemmer
4. fastsette godtgjørelse til styrets medlemmer og godkjenne godtgjørelse til revisor
5. behandle andre saker som etter lov eller vedtekter hører inn under generalforsamlingen

I confirm that these are as of today Stæbrand Kapitalforvaltning ASA's Articles of Association.

Siv B. Sejersted
Siv B. Sejersted
Advokat



KPMG AS

P.O. Box 150 Bryn
N-0611 Oslo

Brynsveien 12
N-0667 Oslo

Telephone +47 22 07 22 07
Telefax +47 22 72 42 82
Enterprise NO 935 174 627

Til generalforsamlingen i Storebrand Kapitalforvaltning ASA.

REVISJONSBERETNING FOR 1999

Ledelsens ansvar og revisors oppgave

Vi har revidert årsregnskapet for Storebrand Kapitalforvaltning ASA for regnskapsåret 1999, som viser et overskudd kr 16.405.769. Vi har også revidert opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til anvendelse av overskuddet. Årsregnskapet består av resultatregnskap, balanse, kontantstrømoppstilling og noteopplysninger. Årsregnskapet og årsberetningen er avgitt av selskapets styre og administrerende direktør. Vår oppgave er å uttale oss om årsregnskapet og øvrige forhold i henhold til revisorlovens krav.

Grunnlag for vår uttalelse

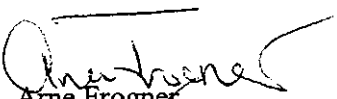
Vi har utført revisjonen i samsvar med revisorloven og god revisjonsskikk i Norge. God revisjonsskikk krever at vi planlegger og utfører revisjonen for å oppnå betryggende sikkerhet for at årsregnskapet ikke inneholder vesentlig feilinformasjon. Revisjon omfatter kontroll av utvalgte deler av materialet som underbygger informasjonen i årsregnskapet, vurdering av de benyttede regnskapsprinsipper og vesentlige regnskapsestimater, samt vurdering av innholdet i og presentasjonen av årsregnskapet. I den grad det følger av god revisjonsskikk, omfatter revisjon også en gjennomgåelse av selskapets formuesforvaltning og regnskaps- og intern kontrollsystemer. Vi mener at vår revisjon gir et forsvarlig grunnlag for vår uttalelse.

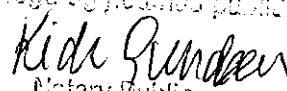
Uttalelse

Vi mener at

- årsregnskapet er avgitt i samsvar med lov og forskrifter og gir et uttrykk for selskapets økonomiske stilling 31. desember 1999 og for resultatet og kontantstrømmene i regnskapsåret i overensstemmelse med god regnskapsskikk i Norge
- ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av regnskapsopplysninger i samsvar med lov og god regnskapsskikk
- opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til anvendelse av overskuddet er konsistente med årsregnskapet og er i samsvar med lov og forskrifter.

Oslo, 14. februar 2000
KPMG AS


Arne Frogner
Statsautorisert revisor

True copy certified.
Oslo byfogd og notarius publicus. 3 May 2000

Kide Gundersen
Notary Public

Kontorer i:

Oslo
Alta
Arendal
Bergen
Elverum
Hamar
Kristiansand

Lillehammer
Molde
Røros
Sandefjord
Sandvika
Stavanger

Stord
Trondheim
Tønsberg
Ålesund



KPMG AS is a member of KPMG International,
Swiss association

Statsautoriserte revisorer -
medlemmer av Den norske
Revisorforening



Storebrand Kapitalforvaltning ASA

Styrets beretning for 1999

This copy certified.

Oslo byfogd og notarius publicus. 8 May 2000

Kicki Gundersen
Notary Public

Kicki Gundersen
førstekonsulent

Selskapets virksomhet

Storebrand Kapitalforvaltning ASA er, med sine leveranser av kapitalforvaltningsprodukter i bred forstand, en sentral enhet i Storebrands posisjonering som et ledende norsk spare- og forvaltningskonsern.

Hovedfokus i Storebrand Kapitalforvaltning ASA er institusjonell kapitalforvaltning både nasjonalt og globalt, med indeksrelative forvaltningsløsninger som grunnstamme i produktspekteret. Selskapet har etablert et bredt sammensatt og internasjonalt orientert forvaltningsmiljø både med hensyn til utdanning og erfaring.

Den grunnleggende investeringsfilosofien er å oppnå investeringsmålsetningen for de ulike investeringsprodukter gjennom aktiv porteføljeforvaltning, der analyse, systematikk og investeringsdisiplin er satt i sentrum.

I porteføljestyringen legges det vekt på at risikotagningen er fokusert på et begrenset antall avvik fra indeksporteføljens sammensetning og risiko, mens alle andre former for risiko som påvirker den relative risikoen (tracking error), hensyntas i den kvantitative porteføljeoptimeringen.

I 1999 ble produktspekteret utvidet i retning av mer spesialiserte produkter bl.a teknologiinvesteringer og Private Equity.

Kompleksiteten når det gjelder valg mellom ulike kapitalforvaltningsløsninger blir stadig større og erfarne investeringsrådgivere er således et viktig ledd i selskapets verdikjede ut mot kunden. I institusjons- og storkundemarkedet har selskapet med dette utgangspunkt en egen enhet med kundeansvarlige, som i tillegg til å gi råd om valg av investeringsløsninger, koordinerer selskapets kommunikasjon og løpende leveranser til institusjonelle kunder.

For øvrig distribueres selskapets produkter gjennom konsernets egne kanaler som sorterer under hhv. Storebrand Livsforsikring AS og Storebrand Bank.

Selskapet er helt i startfasen når det gjelder etableringen av internasjonal distribusjon. Som et første steg ble det i denne sammenheng i løpet av 1999 etablert en salgs- og markedsføringsavdeling i Sverige.

Risiko

Selskapet tilbyr kun aktiv forvaltning for kunders regning og risiko og har således ikke finansiell risiko knyttet virksomheten, utover normal forretningsmessige og operasjonell risiko. Risikokontrollområdet er inndelt i separate kontrollenheter for investeringsrisiko, operasjonell risiko og IT - risiko. I tillegg til sitt spesialiserte

kontrollansvar har kontrollenhetene et tverrgående ansvar for kvalitetssikring av posisjons- og transaksjonsdata. Tidsriktige og korrekte data er en helt grunnleggende forutsetning for risikostyringen i alle ledd i organisasjonen, samt i den løpende oppfølging av investeringsrisiko, avkastningsmåling mv. Selskapet var godt forberedt i forbindelse overgangen til år 2000 og driften forløp normalt.

I årsregnskapet er fortsatt drift lagt til grunn da det etter styrets oppfatning ikke er forhold som tilsier noe annet.

Arbeidsmiljø

Selskapet hadde ved årets utgang 83 ansatte, mens det gjennomsnittlig for året har vært 81 personer knyttet til virksomheten.

Selskapet er lokalisert i Storebrandkonsernets hovedkontor på Filipstad Brygge i Oslo og det fysiske arbeidsmiljøet er meget tilfredsstillende, både når det gjelder den enkelte medarbeiders arbeidsplass og inneklima. Samarbeidet mellom ledelsen og de ansatte har vært godt. Sterk vekst i forretningsvolum og gjennomføringen av flere store forretningskritiske prosjekter har krevet stor arbeidsinnsats i alle enheter. Styret takker alle ansatte for en entusiastisk holdning og pågangsmot, og et godt samarbeid i året som gikk. Sykefraværet har vært normalt. Det var i 1999 ingen personskader og eller skader/ulykker knyttet til selskapets virksomhet i 1999.

Ytre miljø

Styret anser at selskapets virksomhet ikke forurensar det ytre miljøet

Regjørelse for årsregnskapet:

Selskapets årsresultat ble 16,4 mill. kroner mot minus 8,6 mill. kroner året før. Årets resultat før skatt ble 22,9 mill. kroner. 1999 var selskapets første fulle driftsår med både konserninterne og eksterne kunder, slik at det ikke gir et korrekt bilde av resultatutviklingen å sammenligne årets resultater med fjoråret. .

Etter styrets oppfatning gir årsregnskapet en tilfredsstillende beskrivelse av selskapets stilling pr. årsskiftet.

Selskapets revisor er KPMG AS.

Utviklingen fremover

Markedet for kapitalforvaltningsprodukter i Norge og internasjonalt forventes å vokse videre i årene som kommer. Kundene kan velge mellom stadig flere produkter fra stadig flere forvaltere fra hele verden. Kravene til profesjonalitet kombinert med evnen til å forklare på en enkel måte hvordan vi kan hjelpe kundene øker for hver dag. En profesjonalisering også av kundene vil innebære at kvalitet blir like viktig som pris i valget av forvalter.

Årsoppgjørdisposisjoner

Selskapets hadde et årsresultat på 16,4 mill. kroner, som foreslås disponert ;

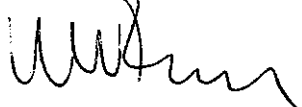
Konsernbidrag: 12,3 mill. kroner

Annen egenkapital: 4,1 mill. kroner

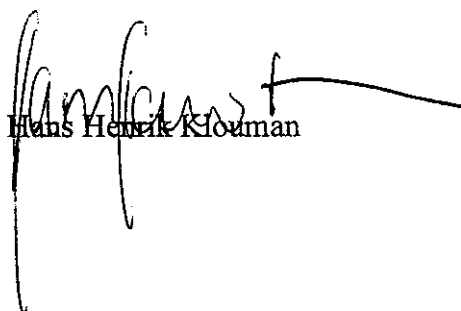
Oslo den 14. februar 1999

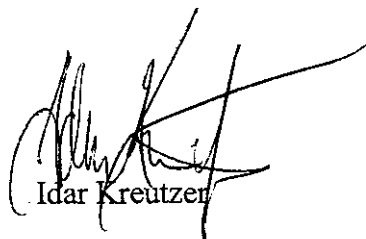
I Styret for Storebrand Kapitalforvaltning ASA


Åge Korsvold


Knut W. Francke


Espen Klitzing


Hans Henrik Klouman


Idar Kreutzer

Storebrand Kapitalforvaltning ASA

Balanse 31. desember

Mill.kroner	Note	1999	1998
Eiendeler			
Utsatt skattefordel	4	0,5	4,2
Sum finansielle eiendeler		0,5	4,2
Tilgode innen konsernet	4	24,3	9,0
Andre fordringer og eiendeler		11,5	2,9
Varige driftsmidler unntatt fast eiendom	10	10,2	11,6
Kasse, bank		36,0	31,3
Forskuddsbetalt pensjon			0,5
Sum eiendeler		82,5	59,5
Egenkapital og gjeld			
Aksjekapital		12,0	12,0
Overkursfond		7,8	7,8
Annen egenkapital		8,3	4,2
Sum egenkapital	5	28,1	24,0
Pensjonsforpliktelser	11	4,0	1,4
Avsetning for andre risiki og kostnader		0,5	0,3
Gjeld innen konsernet	7	15,3	1,4
Annen gjeld		14,3	2,5
Andre påløpne kostnader og forskuddsbetalte inntekter		20,3	29,9
Sum egenkapital og gjeld		82,5	59,5

Sammenligningstallene for 1998 er omarbeidet etter ny regnskapslov.

Oslo, 14. Februar 2000


Åge Korsvold
Formann


Hans H. Klouman Knut W. Francke Espen Klitzing Idar Kreutzer Allan Åkerstedt
Adm. dir.

Støbebrand Kapitalforvaltning ASA

Resultatregnskap 1. januar - 31. desember

Mill. kroner	Note	1999	1998	1997
Driftsinntekter				
Forvaltninghonorarer eksterne kunder		27.0	7.3	5.2
Forvaltninghonorarer konsernselskaper	7	138.9	30.7	6.0
Driftsinntekter		165.9	38.0	11.2
Driftskostnader				
Lønn og lønnsavhengige kostnader	2	-96.7	-37.9	-8.5
Avskrivninger	10	-4.5	-1.1	
Andre driftskostnader	7	-43.4	-10.9	-6.1
Driftskostnader		-144.6	-49.9	-14.6
Finansinntekter og finanskostnader				
Andre renteinntekter		2.4	0.3	0.1
Finansinntekter		2.4	0.3	0.1
Andre finanskostnader		-0.1	-0.2	
Rentekostnader annen gjeld		-0.7		
Finanskostnader		-0.8	-0.2	0.0
Netto finansinntekter og finanskostnader		1.6	0.1	0.1
Resultat før skattekostnad		22.9	-11.8	-3.4
Betalbar skatt	3,4	-2.8	3.2	1.0
Endring utsatt skatt	3,4	-3.7		
Sum skattekostnad		-6.5	3.2	1.0
Årsresultat		16.4	-5.4	-1.4

Disponeringer				
Annen egenkapital		-4.1	7.3	2.4
Konsernbidrag	3	-12.3		
Sum disponeringer		-16.4	7.3	2.4

Sammenligningstallene for 1998 og 1997 er omarbeidet etter ny regnskapslov.

1. Regnskapsprinsipper

Nye Regnskapsprinsipper 1999

Årsregnskapet 1999 for Storebrand Kapitalforvaltning ASA er satt opp i samsvar med ny regnskapslov og nye årsregnskapsforskrifter for verdipapirforetak, som alle trådte i kraft 1. januar 1999. Viktige endringer, netto utsatt skattefordel kan føres i balansen. Regnskapsmessig virkning ved innføring av nye regnskapsregler, er ført mot egenkapitalen pr. 01.01.1999. Endringene er vist i note 5. og medførte en økning i egenkapitalen i selskapet pr. 01.01.1999 med 4,2 mill. kroner.

Periodisering.

Inntekter og kostnader periodiseres i samsvar med de grunnleggende regnskapsprinsipper.

Pensjonskostnader.

Periodens netto kostnader er inkludert i "lønn og lønnsavhengige kostnader" og består av summen av periodens pensjonsopptjening, rentekostnad på den beregnede forpliktelse samt forventet avkastning av pensjonsmidler.

Forskuddsbetalt pensjon er differansen mellom virkelig verdi av pensjonsmidlene og nåverdien av de beregnede pensjonsforpliktelser, og føres som langsiktig eiendel i balansen. Tilsvarende fremkommer en langsiktig gjeld i regnskapet når pensjonsforpliktelsen er større enn pensjonsmidlene. Det skilles mellom forsikret og uforsikret ordning. Den uforsikrede ordning vil alltid bli ført som gjeld, da denne ordning ikke omfatter pensjonsmidler.

Akkumulert virkning av endrede forutsetninger og estimatavvik for beregning av pensjonsforpliktelsen og forskjellen mellom forventet og faktisk avkastning på pensjonsmidlene, blir resultatført når den overstiger 10% av det høyeste av henholdsvis pensjonsforpliktelse eller pensjonsmidler ved årets begynnelse ("korridor-løsningen").

Utsatt skatt

Skattekostnaden i resultatregnskapet består av betalbar skatt og endring i utsatt skatt/skattefordel.

Betalbar skatt beregnes på grunnlag av årets skattemessige resultat. Utsatt skatt/skattefordel beregnes på grunnlag av midlertidige forskjeller mellom regnskapsmessig og skattemessig verdi, samt skattevirkninger av underskudd til fremføring.

Netto utsatt skattefordel oppføres i balansen dersom det er sannsynlig at fordelene kan benyttes.

Valuta.

Likvide midler, fordringer og gjeld omregnes etter balansedagens valutakurs.

2. Godtgjørelse til tillitsvalgte

Hele kroner	1999	1998
Administrerende direktør *	2,934,769	1,395,201
Kostnadsført honorar revisjon og andre kontrolloppgaver	43,880	90,250
Kostnadsført konsulenthonorar til revisor	35,810	55,156

Det utbetales ikke godtgjørelse til styret

* Lønn og godtgjørelse er oppgitt inklusive "egenavgift" til Sverige.

3. Skattekostnad

Tall i mill. kroner	1999	1998	1997
Resultat før skattekostnad	22.9	-11.8	-3.4
+/- Permanente forskjeller	0.2	0.1	0.2
+/- Endring i midlertidige forskjeller	4.6	-2.7	-0.1
Årets skattegrunnlag	27.7	-14.4	-3.3
- Anvendelse av fremførbart underskudd	-17.8		
Årets skattegrunnlag for betalbar skatt	9.9		
Betalbar skatt	-2.8		
Endring utsatt skatt	-3.7	3.2	1.0
Skattekostnad	-6.5	3.2	1.0

Konsernbidrag

Tall i mill. kroner	
Konsernbidrag ført i balansen	15.1
Konsernbidrag disponert i resultatregnskapet	-12.3
Skatt på konsernbidrag	2.8

4. Utsatt skattefordel og utsatt skatt

Midlertidige forskjeller <i>Tall i mill. kroner</i>	1999		1998		Netto endring
	Positive	Negative	Positive	Negative	
Driftsmidler	2.7		4.0		1.3
Avsetninger				0.2	-0.2
Forskuddsbetalt pensjon		0.5	0.5		1.0
Påløpt pensjonsforpliktelse		4.0		1.4	2.6
Sum midlertidige forskjeller	2.7	4.5	4.5	1.6	4.7
Fremførbare underskudd				17.8	-17.8
Utligning	-2.7	-2.7	-4.5	-4.5	0.0
Netto midlertidige forskjeller		1.8		14.9	-13.1
Grunnlag balanseføring		1.8		14.9	-13.1
Skattesats		28%		28%	
Utsatt skatt/skattefordel		0.5		4.2	-3.7

5. Egenkapitalendring

<i>Tall i mill. kroner</i>	1999	1998
Egenkapital 1.1.	19.8	1.6
Endring pga. nytt regnskapsprinsipp	4.2	1.0
Omarbeidet egenkapital pr. 1.1	24.0	2.6
Årets resultat	16.4	-8.6
Ny egenkapital		30.0
Avgitt konsernbidrag	-12.3	
Egenkapital 31.12.	28.1	24.0

6. Lån og garantier til tillitsvalgte og ansatte

<i>Tall i mill. kroner</i>	
Lån og garantier til administrerende direktør	0
Lån og garantier til styret	5.5

7. Transaksjoner med nærstående parter

Transaksjoner mellom konsernselskaper

Tall i mill. kroner	Beløp
Resultatposter:	
Kjøpte tjenester	-18.1
Solgte tjenester	150.3
Rentekostnader	-0.8
Balanseposter:	
Tilgode	24.3
Gjeld	15.3

Beløp i mill. kroner	Eier antall Aksjer **
Administrerende direktør	150
Styret	3,199
Kontrollkomite *	

* Godtgjørelse til felles kontrollkomite, inngår i kjøpte tjenester fra Storebrand ASA

** Aksjer i Storebrand ASA

Det foreligger ingen forpliktelse overfor styrets leder eller adm. direktør om særskilt vederlag ved opphør eller endring av vervet.

Storebrand konsernet har en kontantbonusordning for sentrale ledere som er knyttet til børskursutviklingen for Storebrand-aksjen. Form let er gi sentrale ledere et insentiv til arbeide for langsiktig verdiskapning til egenkapitalen.

8. Kapitaldekning

Tall i mill. kroner	1999	1998
Risikovektet beregningsgrunnlag	26.3	21.0
Kjernekapital	27.6	19.3
Goodwill/immatrielle eiendeler	-0.5	
E fradrag		
F fradrag		
Netto ansvarlig kapital	27.6	19.3
Kapitaldekning i %	104.9	91.9

9. Avstemming kjernekapital

Tall i mill. kroner	1999	1998
Egenkapital i finansregnskapet	28.1	24.0
Forklaringer:		
Pensjonsmidler		-0.5
Utsatt skatt	-0.5	-4.2
Kjernekapital 31.12.	27.6	19.3

10. Fast eiendom og driftsmidler

	Maskiner, biler, inventar
Tall i mill. kroner	
Anskaffelseskost pr. 1.1.	
Oppskrevet i år	
Oppskrevet tidligere	
Tilgang	12.7
Avgang til anskaffelseskost	3.1
Samlede av-og nedskrivninger pr. 31.12.	-5.6
Bokført verdi pr. 31.12.	10.2
Årets ordinære avskrivninger	-4.5
Avskrivningssats	25%

11. Pensjonskostnader og pensjonsforpliktelser

Pensjoner til ansatte er sikret gjennom kollektiv pensjonsordning, hovedsakelig i Storebrand Livsforsikring AS, innenfor «Regler om private tjenstepensjonsordninger». Dette gjelder etter oppnådd pensjonsalder, som er 67 år for funksjonærer og 65 år for assurandører. Ordinær fratreddesalder er 65 år, og det ytes alderspensjon tilsvarende 70% av pensjonsgrunnlaget på fratreddesetidspunktet. Pensjonsbetingelsene er en del av en konsernavtale knyttet til ansettelsesforholdet i Storebrand ASA. Med førtidspensjonister menes personer som blir pensjonert før de fyller 65 år.

Pensjonskostnader og pensjonsforpliktelser er behandlet etter NRS's regnskapsstandard for pensjonskostnader (jfr. Regnskapsprinsipper). Både forsikret og ikke forsikret ordning behandles som ytelsesplan. Beregningene er basert på følgende forutsetninger:

Økonomiske forutsetninger:

-Avkastning pensjonsmidler	8.0 %
-Diskonteringsrente	7.0 %
-Årlig lønnsvekst	3.0 %
-Forventet regulering av Folketrygdens grunnbeløp (G)	3.0 %
-Årlig regulering av pensjonene	2.5 %
-Gjennomsnittlig arbeidsgiveravgift	13.5 %

Aktuarielle forutsetninger:

- Standardiserte forutsetninger om døds-/uføreutvikling samt andre demografiske faktorer utarbeidet av Norges Forsikringsforbund
- Gjennomsnittlig fratreddeshyppighet på 2-3% for hele arbeidsstokken sett under ett
- Lineær opptjening

Beregningene omfatter 73 ansatte.

Netto periodisert pensjonskostnad fremgår av tabellen nedenunder.

Netto pensjonskostnader	1999	1999		1999	1998	1997
	Forsikret ordning	Uforsikret ordning		Sum	Sum	Sum *
Tall i mill. kroner		Ordinær	Førtid			
Årets pensjonsopptjening	-3.2	-0.6	0.0	-3.8	-1.8	-0.2
Rentekostnader	-0.7	-0.2	0.0	-0.9	-3.3	-0.5
Forventet avkastning pensjonsmidler	1.0			1.0	3.8	0.5
Netto pensjonskostnad	-3.0	-0.8	0.0	-3.8	-1.3	-0.2

Beregnet forpliktelse

Nedenfor følger en avstemming av beregnede pensjonsforpliktelser og pensjonsmidler mot forpliktelse bokført i balansen:

Netto pensjonsforpliktelse	1999	1999		1999	1998	1997
	Forsikret ordning	Uforsikret ordning		Sum	Sum	Sum
Tall i mill. kroner		Ordinær	Førtid			
Opptjent pensjonsforpliktelse	-7.6	-1.3	0.0	-8.9	-5.2	-0.4
Beregnet effekt av fremtidig lønnsvekst	-0.4	-0.2	0.0	-0.6	-0.3	0.5
Beregnet pensjonsforpliktelse	-8.0	-1.5	0.0	-9.5	-5.5	0.1
Pensjonsmidler til markedsverdi	5.3			5.3	4.6	
Netto beregnet pensjonsforpliktelse/midler	-2.7	-1.5	0.0	-4.2	-0.9	0.1
Estimatavvik pr. 1.1.99*						
Pensjonsmidler	0.2			0.2		
Pensjonsforpliktelser	0.0	-0.1	0.0	0.0		
Netto pensjonsforpliktelse bokført i balansen	-2.5	-1.6	0.0	-4.0	-0.9	0.1

*) Estimatavvikene er i henhold til norsk regnskapsstandard for pensjonskostnader ført mot «korridoren» og ikke i regnskapet (jfr. Regnskapsprinsipper).

Beregnet arbeidsgiveravgift av balanseført pensjonsforpliktelse utgjør 0,5 mill. kroner og medtatt i balansen under "avsetning for andre risiki og kos

KONTANTSTRØMANALYSE

Storebrand Kapitalforvaltning ASA

Mill. kroner	1999	1998
Kontantstrømmer fra operasjonelle aktiviteter		
Utbetalinger til andre leverandører for varer og tjenester	98.6	59.8
Utbetalinger til ansatte, pensjonsinnretninger, arbeidsgiveravgift m.v.	-92.4	-48.7
Utbetalinger av renter	-0.8	-0.2
Innbetalinger av renter	2.4	0.3
Netto kontantstrøm fra operasjonelle aktiviteter	7.8	11.2
Kontantstrømmer fra investeringsaktiviteter		
Utbetalinger ved kjøp av driftsmidler mv.	-3.1	-12.7
Netto kontantstrøm fra investeringsaktiviteter	-3.1	-12.7
Kontantstrømmer fra finansieringsaktiviteter		
Innbetaling ved utstedelse av aksjekapital		30.0
Netto kontantstrømmer fra finansieringsaktiviteter	-	30.0
Netto kontantstrøm i perioden	4.7	28.5
Netto endring i kontanter og kontantekvivalenter		
Beholdning av kontanter og kontantekvivalenter ved periodens begynnelse	31.3	2.8
Beholdning av kontanter og kontantekvivalenter ved periodens slutt	36.0	31.3

Avstemming

Resultat før skattekostnad	22.9	-11.8
Periodens betalte skatt	-6.4	3.2
Tap/gevinst ved salg av anleggsmidler		
Ordinære avskrivninger	-4.5	-1.1
Nedskrivning anleggsmidler		
Andre ikke-kontantposter		-0.1
Forskjell mellom kostnadsført pensjon og inn/utbet. i pensjonsordninger	-4.0	-1.4
Poster klassifisert som investerings- eller finansieringsaktivitet		
Endring i tidsavgrensninger	-0.2	22.4
Netto kontantstrøm fra årets operasjonelle aktivitet	7.8	11.2

KPMG

KPMG AS

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Enterprise No. 935 174 827

To the Annual General Meeting of Storebrand Kapitalforvaltning ASA

AUDITOR'S REPORT FOR 1999

Management's duty and the Auditor's responsibility:

We have audited the financial statements of Storebrand Kapitalforvaltning ASA for the financial year 1999, which show a profit of NOK 16,405,769. We have also audited the information about the financial statements given in the Annual Report, the going concern assumption and the proposal for application of the profit. The financial statements for the year consist of the income statement, the balance sheet, the cash flow statement and notes. The financial statements and the annual report have been submitted by the company's Board of Directors and Chief Executive Officer. Our responsibility is to give our opinion of the financial statements and other matters pursuant to the requirements of the (Norwegian) Auditors' Act.

Basis for our opinion

We have conducted our audit in accordance with the Auditors' Act and Norwegian GAAP. Generally accepted auditing standards require that we plan and conduct the audit to provide adequate assurance that the information set out in the financial statements is free of material misstatements. The audit includes an examination of selected parts of the evidence supporting the financial information for the year, an assessment of the accounting principles applied and the most important financial estimates, and of the content and presentation of the financial statements. To the extent required by generally accepted accounting principles we have also reviewed the company's asset management and accounting and internal control systems. In our view the audit provides a fair basis for our opinion.

Opinion

In our opinion

- the financial statements have been prepared in accordance with the Auditors' Act and the relevant legislation and regulations and give a true picture of the company's financial position at 31 December 1999 and of the results of the cash flows in the financial year, in accordance with generally accepted Norwegian accounting principles,
- management has complied with its duty to ensure clear and proper recording and documentation of financial information in accordance with legislation and generally accepted accounting principles, and
- the information contained in the annual report about the financial statements, the going concern assumption and the proposal for application of the profit is consistent with the year's financial statements and in accordance with relevant legislation and regulations.

Oslo 14 February 2000

KPMG AS

(signature)

Arne Frogner

State Authorised Public Accountant

True copy certified.

Certified by notaries public. 8 May 2000

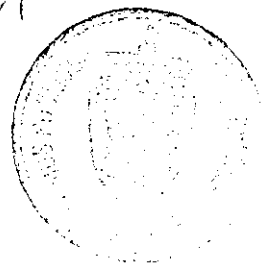
Kicki Gundersen
Notary Public

Kicki Gundersen
førstekonsulent



Certified true translation from fax copy

R Waage
Government Authorised Translator



Translation from Norwegian

Storebrand Kapitalforvaltning ASA

Balance sheet at 31 December

NOK million	Note	1999	1998
Assets			
Deferred tax benefit	4	0.5	4.2
Total financial assets		0.5	4.2
Intercompany receivables	4	24.3	9.0
Other receivables and assets		11.5	2.9
Tangible fixed assets excl. real estate	10	10.2	11.6
Cash and cash equivalents		36.0	31.3
Pre-paid pensions			0.5
Total assets		82.5	59.5
Equity and liabilities			
Share capital		12.0	12.0
Premium fund		7.8	7.8
Other equity		8.3	4.2
Total equity	5	28.1	24.0
Pension commitments	11	4.0	1.4
Provision for other risks and expenses		0.5	0.3
Intercompany liabilities	7	15.3	4
Other liabilities		14.3	3
Other accrued expenses and pre-paid income		20.3	29.9
Total assets and liabilities		82.5	59.5

The comparable figures for 1998 have been adjusted in compliance with the new (Norwegian) Accounting Act.

Oslo, 14 February 2000

(signature)
Åge Korsvold
Chairman

(signatures)

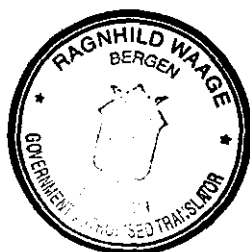
Hans H Klouman

Knut W. Francke

Espen Klitzing

Idar Kreutzer

Allan Åkerstedt
Chief Exec.



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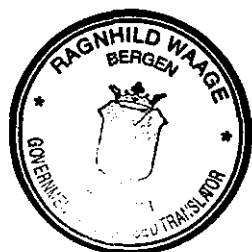
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Storebrand Kapitalforvaltning ASA
Income statement 1 January - 31 December

NOK million	Note	1999	1998	1997
Operating revenues				
Management fees, external clients		27.0	7.3	5.2
Management fees, group companies	7	138.9	30.7	6.0
Operating revenues		165.9	38.0	11.2
Operating expenses				
Payroll expenses	2	-96.7	-37.9	-8.5
Depreciation	10	-4.5	-1.1	
Other operating expenses	7	-43.4	-10.9	-6.1
Operating expenses		-144.6	-49.9	-14.6
Financial income and financial expenses				
Other interest income		2.4	0.3	0.1
Financial income		2.4	0.3	0.1
Other financial expenses		-0.1	-0.2	
Interest expenses, other debt		-0.7		
Financial expenses		-0.8	-0.2	0.0
Net financial income and expenses		1.6	0.1	0.1
Profit before tax		22.9	-11.8	4
Tax payable	3, 4	-2.8	3.2	1.0
Change in deferred tax	3, 4	-3.7		
Total tax		-6.5	3.2	1.0
Profit for year		16.4	-5.4	-1.4
Allocations				
Other equity		-4.1	7.3	2.4
Group contribution	3	-12.3		
Total allocations		-16.4	7.3	2.4

The comparable figures for 1998 and 1997 have been adjusted in compliance with the new (Norwegian) Accounting Act.



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1. Accounting principles

New accounting principles 1999

The financial statements of Storebrand Kapitalforvaltning ASA for 1999 have been prepared in accordance with the new Norwegian Accounting Act and new (Norwegian) annual accounting regulations for enterprises dealing in securities, all of which entered into force 1 January 1999. Important change: Net deferred tax benefit can be carried in the balance sheet. The financial impact of the new accounting rules has been set off against equity at 1 January 1999. The change is shown in note 5, and resulted in an increase in the company's equity at 1 January 1999 of NOK 4.2 million.

Accruals

Income and expenses are accrued in accordance with basic accounting principles.

Pension expenses

Net pension expenses for the period are included in "pay-roll expenses" and consist of total pension benefits earned during the period, interest expenses relating to the estimated pension commitment and the expected return on the pension funds.

Pre-paid pensions is the difference between the real value of the pension funds and the present value of the estimated pension commitment and is carried as a long-term asset.

Correspondingly the balance sheet will include a long-term liability where the pension commitment is greater than the pension premium funds. A distinction is made between insured and non-insured schemes. An uninsured scheme will always be carried as a liability, since it does not include pension funds.

The accumulated effect of changes in the preconditions and deviation from the estimated pension commitment, and the difference between the expected and actual return on pension funds will be included in the income statement when it exceeds 10 % of the pension commitment or the pension funds at the beginning of the year, whichever is the highest (the "corridor solution").

Deferred tax

Tax in the income statement consists of tax payable and any changes in deferred tax/ tax benefit.

Tax payable is computed on the basis of taxable profit for the year. Deferred tax/ tax advantage is computed on the basis of temporary differences between financial and tax-related values and the effect on tax of any loss carried forward.

Net deferred tax benefit is included in the balance sheet if it is probable that the benefit can be utilised.

Currency translation

Liquid assets, receivables and liabilities are translated at the balance-sheet date exchange rate.



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2. Remuneration to appointed officers

Whole NOK	1999	1998
Chief executive officer*	2,934,769	1,395,201
Expensed fees for auditing and other control functions	43,880	90,250
Expensed auditor's consultancy fees	35,810	55,156

No remuneration to the Board of Directors is paid.

* Salary and remuneration has been entered excl. "own charge" (egenavgift) to Sweden.

3. Tax

Figures in NOK million	1999	1998	1997
Profit before tax	22.9	-11.8	-3.4
+/- Permanent differences	0.2	0.1	0.2
+/- Change in temporary differences	4.6	-2.7	-0.1
Tax base for the year	27.7	-14.4	-3.3
Application of loss carried forward	-17.8		
Tax base/ tax payable for the year	9.9		
Tax payable	-2.8		
Change in deferred tax	-3.7	3.2	1.0
Tax	-6.5	3.2	1.0

Group contribution

Figures in NOK million	
Group contribution recorded in the balance sheet	15.1
Group contribution allocated in the income statement	-12.3
Tax on group contribution	2.8

4. Deferred tax benefit and deferred tax

Figures in NOK million	1999		1998		Net change
	Positive	Negative	Positive	Negative	
Operating assets	2.7		4.0		1.3
Provisions				0.2	-0.2
Pre-paid pensions		0.5	0.5		1.0
Accrued pension commitment		4.0		1.4	2.6
Total temporary differences	2.7	4.5	4.5	1.6	4.7
Loss carried forward				17.8	-17.8
Assessment	-2.7	-2.7	-4.5	-4.5	0.0
Net temporary differences		1.8		14.9	-13.1
Basis for balance-sheet entry		1.8		14.9	-13.1
Tax rate		28 %		28 %	
Deferred tax/ tax benefit		0.5		4.2	-3.7



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5. Change in equity

<i>Figures in NOK million</i>	1999	1998
Equity at 1 January	19.8	1.6
Change due to new accounting principle	4.2	1.0
Adjusted equity at 1 January	24.0	2.6
Profit/loss for the year	16.4	-8.6
New equity		30.0
Paid group contribution	-12.3	
Equity at 31 December	28.1	24.0

6. Loans and guarantees to appointed officers and employees

<i>Figures in NOK million</i>	
Loans and guarantees to the Chief Executive Officer	0
Loans and guarantees to the Board of Directors	5.5

7. Transactions with companies in the same group

Intercompany transactions

<i>Figures in NOK million</i>	Amount
<i>Income statement items:</i>	
<i>Services purchased</i>	-18.1
<i>Services sold</i>	150.3
<i>Interest expenses</i>	-0.8
<i>Balance-sheet items:</i>	
<i>Receivables</i>	24.3
<i>Liabilities</i>	15.3

<i>Amounts in NOK million</i>	No. of shares owned**
Chief Executive Officer	150
Board of Directors	3.199
Audit Committee*	

* Remuneration to the joint Audit Committee is included in services purchased from Storebrand ASA.

** Shares in Storebrand ASA.

No commitments exist vis-à-vis the Board's Chairman or the Chief Executive Officer relating to special remuneration on termination or change of office.

The Storebrand Group has a cash bonus scheme for top management, linked to price developments for the Storebrand share. The object is to provide top management with an incentive to strive for long-term value creation that increases equity.



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8. Capital adequacy

<i>Figures in NOK million</i>	1999	1998
Risk-weighted calculation base	26.3	21.0
Core capital	27.6	19.3
Goodwill/ immaterial assets	-0.5	
"E" deduction*		
"F" deduction*		
Net subordinated loan capital	27.6	19.3
Capital adequacy in per cent	104.9	91.9

9. Reconciliation of core capital

<i>Figures in NOK million</i>	1999	1998
Equity in the financial statements	28.1	24.0
Explanations:		
Pension funds		-0.5
Deferred tax	-0.5	-4.2
Core capital at 31 December	27.6	19.3

10. Real estate and operating assets

<i>Figures in NOK million</i>	Plant, vehicles, fixtures and fittings
Acquisition costs at 1 January	
This year's write-ups	
Previous write-ups	
Additions	12.7
Disposals at acquisition cost	3.1
Total depreciation and write-downs at 31 December	-5.6
Book value at 31 December	10.2
Ordinary depreciation for the year	-4.5
Depreciation rate	25 %

* Translator's note: "E" and "F" refer to sections of previously valid Norwegian regulations for subordinated loan capital accounting.



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11. Pension expenses and pension commitment

Staff pensions are ensured through a group pension scheme, mainly with Storebrand Livsforsikring AS, in accordance with the "Rules relating to private occupational pension schemes". This applies after reaching the pension age of 67 for white-collar staff and 65 years for insurance brokers. The normal age of retirement is 65, and the benefits extended correspond to 70 % of the pension base at the date of retirement. The terms and conditions relating to pensions are part of a collective group agreement pertaining to employment in Storebrand ASA. By early retirement is meant retirement before the age of 65.

Pension expenses and pension commitments are treated in accordance with the Norwegian Accounting Standard (NRS) relating to pension expenses (see Accounting principles). Both insured and non-insured schemes are treated as a benefits scheme. The calculations are based on the following assumptions:

Financial assumptions:

Return on pension funds	8.0 %
Discount rate	7.0 %
Annual salary increase	3.0 %
Expected adjustment to the national insurance multiplier ("G")	3.0 %
Annual pension adjustment	2.5 %
Average employer's insurance contribution	13.5 %

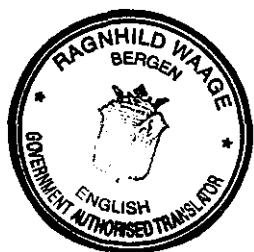
Actuarial assumptions:

- Standardised assumptions relating to developments in fatality/ disablement and other demographic factors drawn up by the Norwegian Insurance Association
- Average retirement rate of 2-3 % for the workforce as a whole
- Straight-line earning of pension rights

The calculations comprise 73 employees.

Net accrued pension expenses are shown in the following table:

Net pension expenses	1999	1999		1999	1998	1997
Figures in NOK million	Insured scheme	Uninsured scheme		Total	Total	Total*
		Ordinary	Previous			
Pension benefits earned during the year	-3.2	-0.6	0.0	-3.8	-1.8	-0.2
Interest expenses	-0.7	-0.2	0.0	-0.9	-3.3	-0.5
Expected return on pension funds	1.0			1.0	3.8	0.5
Net pension expenses	-3.0	-0.8	0.0	-3.8	-0.9	-0.2



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Estimated commitment

A reconciliation of the estimated pension commitment and pension funds with the commitment carried in the balance-sheet is shown below:

Net pension expenses	1999	1999		1999	1998	1997
Figures in NOK million	Insured scheme	Uninsured scheme		Total	Total	Total
		Ordinary	Previous			
Accrued pension commitment	-7.6	-1.3	0.0	-8.9	-5.2	-0.4
Estimated effect of future salary increases	-0.4	-0.2	0.0	-0.6	-0.3	0.5
Estimated pension commitment	-8.0	-1.5	0.0	-9.5	-5.5	0.1
Pension funds at market value	5.3			5.3	4.6	
Net estimated pension commitment/ pension funds	-2.7	-1.5	0.0	-4.2	-0.9	0.1
Estimate deviation at 1 Jan. 1999*						
Pension funds	0.2			0.2		
Pension commitments	0.0	-0.1	0.0	0.0		
Net balance-sheet pension commitment	-2.5	-1.6	0.0	-4.0	-0.9	0.1

*) In accordance with Norwegian Accounting Standards for pension expenses estimate deviations are set off against the "corridor" and not in the accounts (see Accounting Principles).

Estimated employer's insurance contribution of the balance-sheet pension commitment is NOK 0.5 million and included in the balance sheet under "provision for other risks and expenses".



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CASH FLOW STATEMENT

Storebrand Kapitalforvaltning ASA

NOK million	1999	1998
Cash flow from operating activities		
Cash paid to suppliers of goods and services	98.6	59.8
Cash paid to employees, pension benefits, nat. insurance contributions etc.	-92.4	-48.7
Interest payments	-0.8	-0.2
Interest receipts	2.4	0.3
Net cash flow from operating activities	7.8	11.2
Cash flow from investing activities		
Purchase of property, plant and equipment	-3.1	-12.7
Net cash flow from investing activities	-3.1	-12.7
Cash flow from financing activities		
Proceeds from issuance of share capital		30.0
Net cash flow from financing activities		30.0
Net cash flow in period	4.7	28.5
Net increase in cash and cash equivalents		
Cash and cash equivalents at beginning of period	32.3	2.8
Cash and cash equivalents at end of period	36.0	31.3

Reconciliation

Profit before tax	22.9	1.8
Taxes paid during the period	-6.4	1.2
Gains/losses from sale of fixed assets		
Ordinary depreciation	-4.5	1
Write-down fixed assets		
Other non-cash items		-0.1
Diff. between expensed pensions and pension-scheme payments/receipts	-4.0	1.4
Items classified as investing or financing activities		
Changes in accruals	-0.2	22.4
Net cash flow from the year's operating activities	7.8	11.2



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