

Presentation of Financial Results Q3-2006

3. November 2006

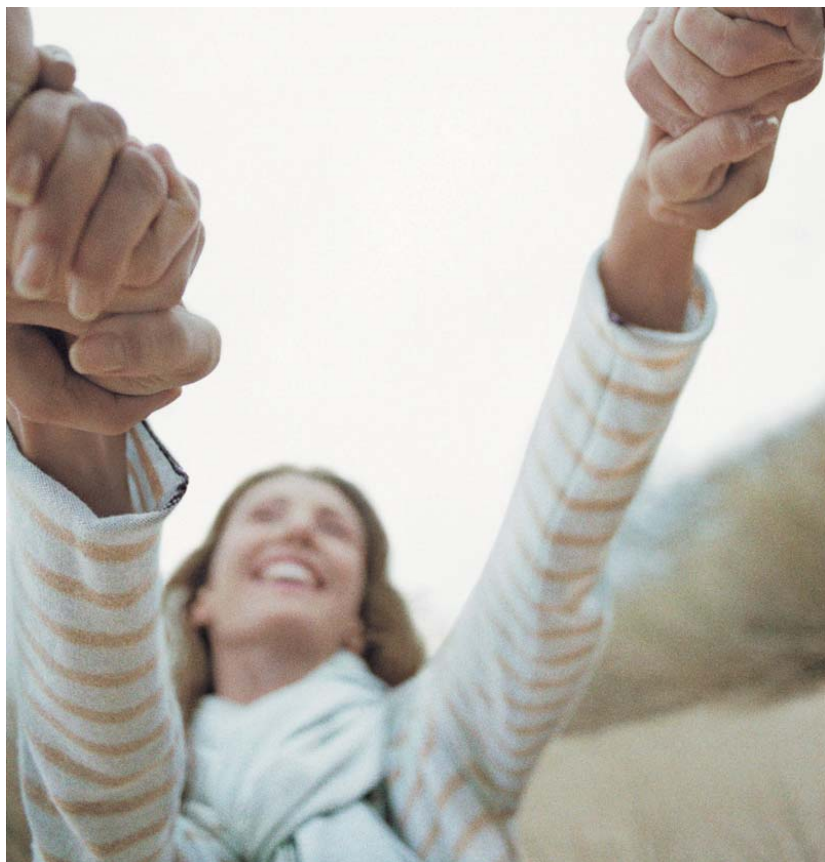
Highlights: Q3-2006



- The financial markets bounced back in the third quarter. Value adjusted return of 2.6 per cent for the quarter.
- Value adjusted return for the first three quarters of 4.4 per cent (5.4 per cent) and return to books of 3.9 per cent (3.9 per cent)
- Strong solidity, total buffer capital NOK 17.2 billion, and capital adequacy of 15.9 per cent.
- Total assets up to NOK 165.2 billion.
- Strong underlying growth will be brought to book during the fourth quarter.

Figures in brackets show last year equivalents

Main features in Q2-2006 (cont.)



- The competitive situation more stable than for many years, fewer municipalities evaluating their pension providers.
- 7 of KLPs 337 municipal clients are evaluating their provider, while 5 among our competitors 92 clients are in a similar process.
- KLP Pensionsforsikring fully staffed and marketing actively.
- KLP on track with the implementation of the new insurance act from January 1st 2008.

Return on capital

<i>Figures in per cent</i>	Return ytd 30/09/06	Return last 12 months
Return on capital I (booked)	3.9	5.7
Return on capital II (value-adjusted)	4.4	6.8
Return on capital III (value-adjusted including HTM-reserves)	3.2	5,2

Key figures - Profit and loss account

Result <i>NOK mill</i>	Period 01/07 - - 30/09/06	Period 01/01/ - 30/09/2006	Period 01/01/ - 30/09/2005
Premiums	2 573	6 986	10 416
Net transfers	-273	-1 916	-949
Net financial income	3 954	6 721	7 598
Claims	-1 551	-4 507	-4 296
Changes in insurance provisions	-1 775	-3 524	-7 904
<i>Of which : net transfers</i>	<i>213</i>	<i>1 856</i>	<i>933</i>
<i>premium reserves</i>	<i>-1 988</i>	<i>- 5 380</i>	<i>-8 837</i>
Other	0	-1	9
Operating expenses	-129	-412	-355
Value adjusted result	2 799	3 348	4 518
To(-)/from (+) security reserve fund	-1 837	-999	-2 284
Result before allocations	962	2 349	2 235

For days to come

Key figures - balance sheet

Assets	NOK mill	31/12/05	Change	30/06/06
Equities ¹		28,643	5 048	33 691
Bonds		28,696	3 517	32 213
Money market instruments		7,234	-4 430	2 804
Bonds held to maturity		52,767	6 341	59 108
Lending		15,331	-359	14 972
Property		12,478	784	13 262
Other financial assets ²		8,654	-2762	5892
Other assets ³		2,768	1 113	3 881
Total assets		156,571	9 252	165 823

¹ Equities including derivatives gave a total exposure to the equity market at NOK 38.8 b.

² Mainly short-term deposits

³ Incl. Premium receivables, interest earned, not due

Key figures - balance sheet

Equity and liabilities NOK <i>mill</i>	31/12/05	Change	30/06/06
Equity	5 094	573	5 667
Tier 1 capital	744	-80	664
Subordinated loan capital	1 344	2 484	3 828
Result before allocation		2 349	2 349
Securities adjustment fund	5 957	999	6 956
Insurance provisions	142 593	2 053	144 647
<i>of which: supplementary reserves</i>	<i>5 288</i>	<i>-65</i>	<i>5 223</i>
Other liabilities ¹	839	874	1 713
Total equity and liabilities	156 571	9 252	165 823

1 Composed of securities transactions in settlement, accruals, deferred costs, advance tax and pension obligations

For days to come



Financial assets - allocation and return

Financial assets1	Ratio	Ratio	Return ytd.
<i>Figures in per cent</i>	31.12.2005	30.09.2006	2006
Equities	18.6	20.7	8.0
Bonds	23.4	21.5	1.4
Bonds held to maturity	34.3	36.3	4.2
Lending	10.0	9.2	2.8
Property	8.1	8.1	7.1
Other financial assets	5.6	4.2	
Total	100	100	
Total exposure to equities incl. derivatives	22.6	24.4	

Valuation reserves, trading portfolios

Unrealised valuation reserves <i>NOK mill</i>	31.12.05	Change	30.09.06
Bonds	340	- 158	182
Equities	5 312	1 371	6 693
Derivatives	265	- 206	59
Total unrealised valuation reserves	5 918	-1 006	6 924
Bonds held-to-maturity	4 904	1 648	3 256

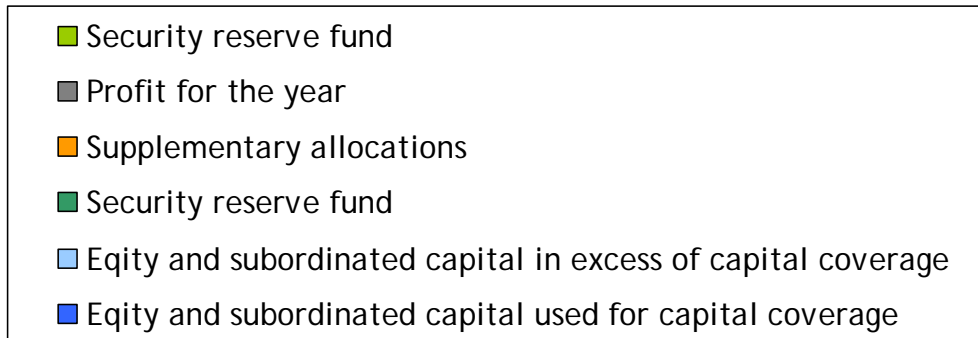
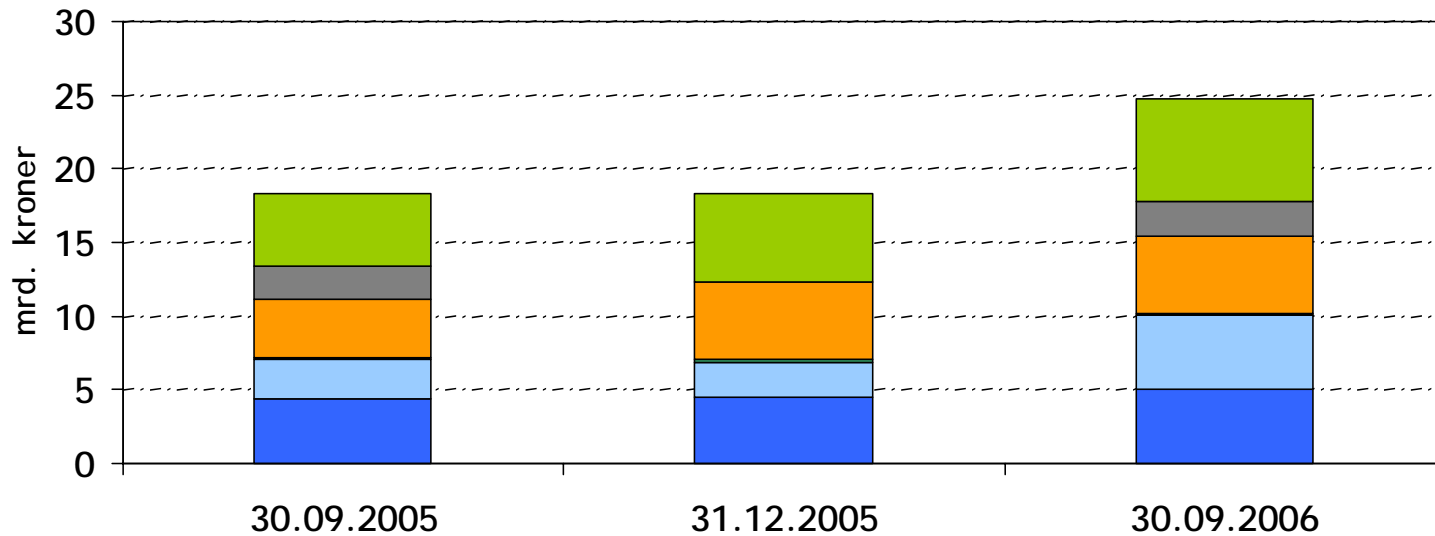
Financial buffer capital

<i>NOK mill</i>	31.12.05	30.09.06
Securities adjustment fund	5 957	6 956
Supplementary reserves (limited to one year guaranteed rate) and profit before allocation	4 437	6 902
Core capital margin according to solvency-regulations	1 743	3 375
Buffer capital, calculated by regulatory norm	12 137	17 233
Supplementary reserves (excess of one year guaranteed rate)	851	670
Valuation reserves - Bonds held-to-maturity	4 904	3 256

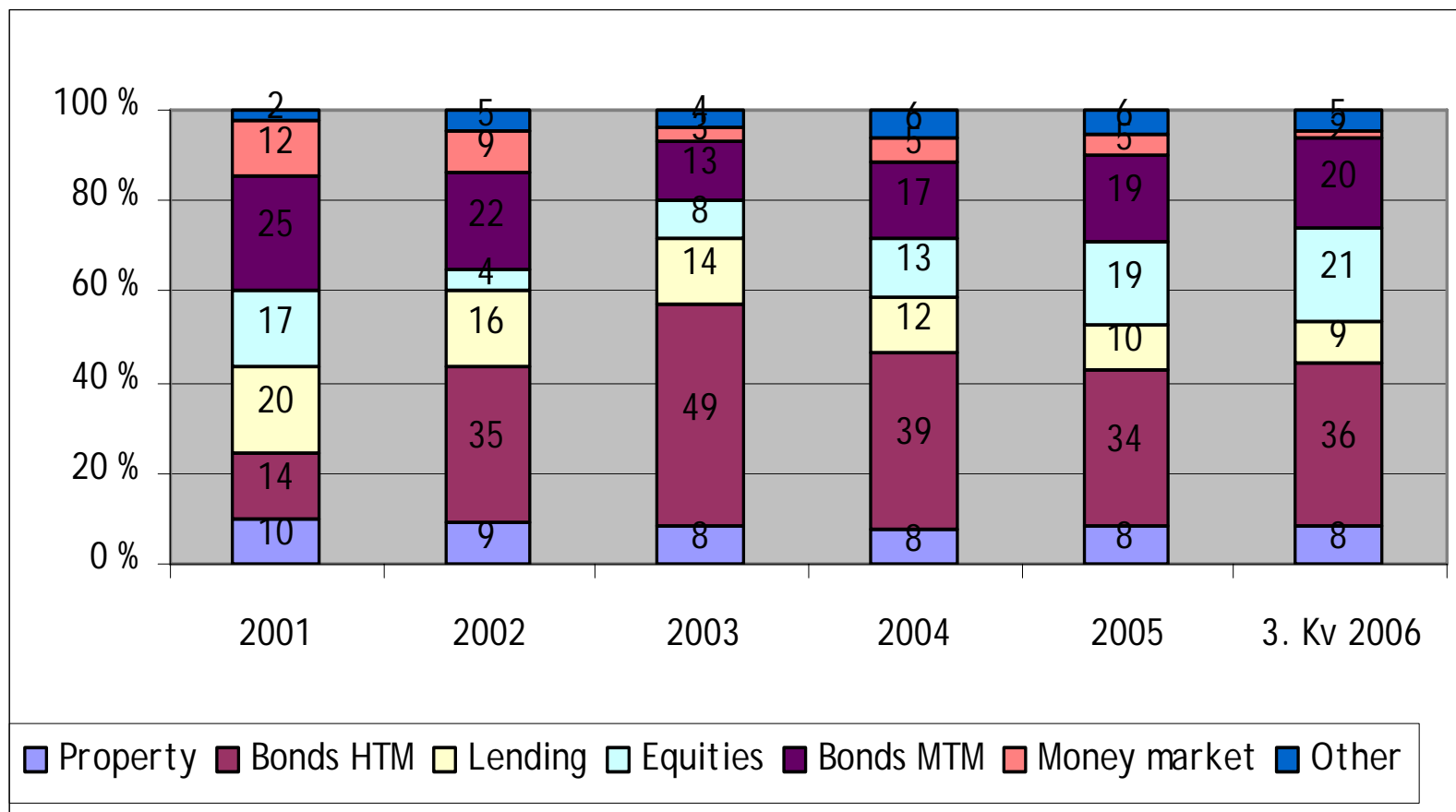
<i>Figures in pct</i>	31.12.05	30.06.06
Capital adequacy ratio	12.1	15.9
Core capital adequacy ratio	10.3	10.1

For days to come

Financial solidity



Allocation of Financial Assets



Trading portfolios - equities and bonds

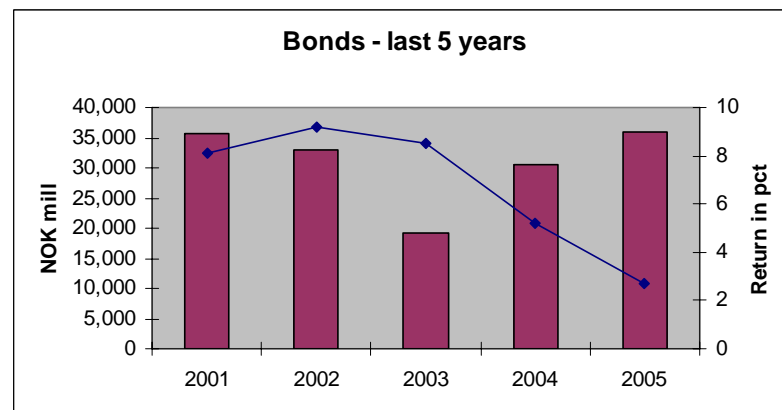
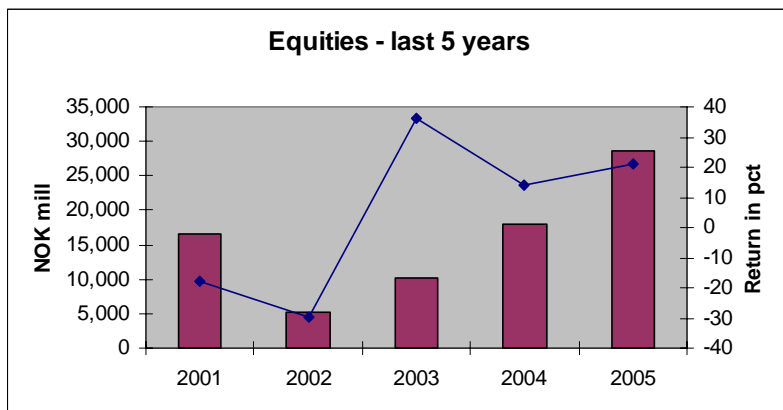
Trading portfolios - equities bonds (Incl. derivatives) *) 30/09/2006 31/03/2006 30/09/2006

Value Equities (NOK mill)	30 884	36,978	38 805
Value Bonds (NOK mill)	41 487	41,718	41,958
Equities incl derivatives (in pct of total financial assets)	21.0 %	23.5 %	24.4 %
Total return, trading portfolio equities year to date	15.1%	3.0 %	8.0 %
Total return, trading portfolio bonds year to date	2.4 %	-1.0 %	1.4 %

*) Calculated in accordance with classification in the management of the portfolios.
The statutory reported figures differ due to differences in classification.

Index portfolios 30/09/2006 31/03/2006 30/09/2006

Index portfolio (passive mandate) as % of equity portfolios	80.6%	85.1 %	85.7 %
Index portfolio (passive mandate) as % of total bond portfolios	21.7%	34.4%	34.7%



For days to come

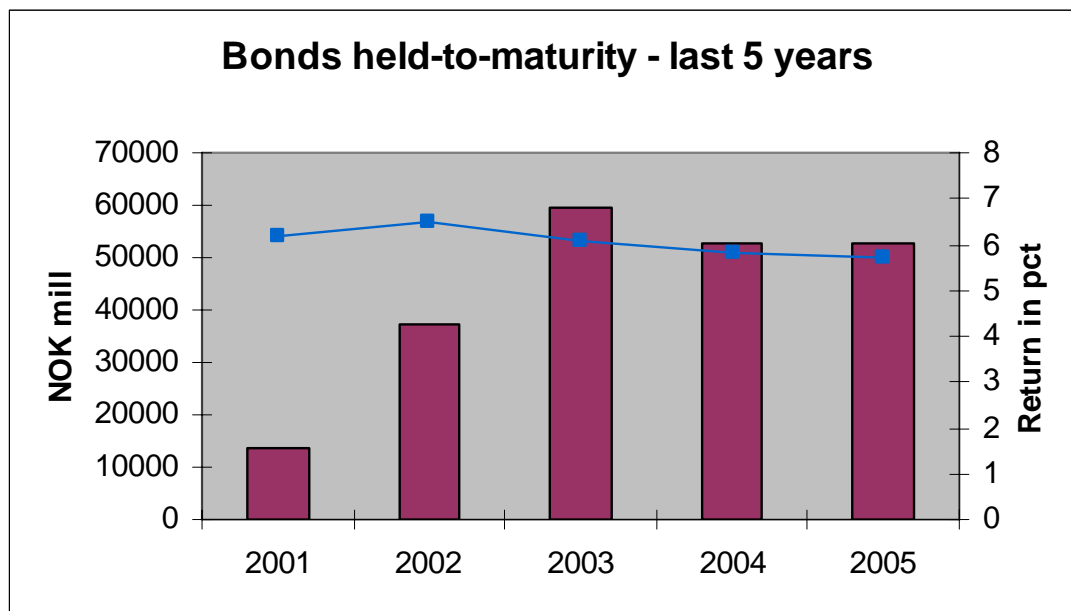
Trading portfolios - geographic diversification

Trading portfolios of equities - geographic diversification Incl derivatives	30/09/2005	30/06/2006	30/09/2006
Trading portfolios of equities - Total	100 %	100%	100%
Norway	9.8 %	10.9 %	10.2 %
Nordic excl Norway	2.5 %	2.5 %	2.5 %
Other foreign	87.5 %	86.1 %	86.7 %
Other portfolios	0.2 %	0.5 %	0.6 %

Trading portfolios of bonds - geographic diversification Incl derivatives	30/09/2005	30/06/2006	30/09/2006
Trading portfolios of bonds - Total	100%	100%	100%
Norway - money market instruments	29.1 %	15.9 %	13.7 %
Norway - bonds	14.8 %	15.2 %	15.4 %
Foreign - bonds	54.8 %	67.3 %	69.3 %
Other portfolios	1.3%	1.6 %	1.6 %

Bonds held to maturity

Bonds held-to-maturity portfolio	30/09/2005	30/06/2006	30/09/2006
Book value (NOK mill)	52 259	59,445	59 108
Yield (percent)	5.5	5.2	5.2
Duration (year)	5.8	6.1	6.2
Valuation reserves (NOK mill)	5 564	2,419	3 256
Return year to date (percent)	4.3	2.8	4.2

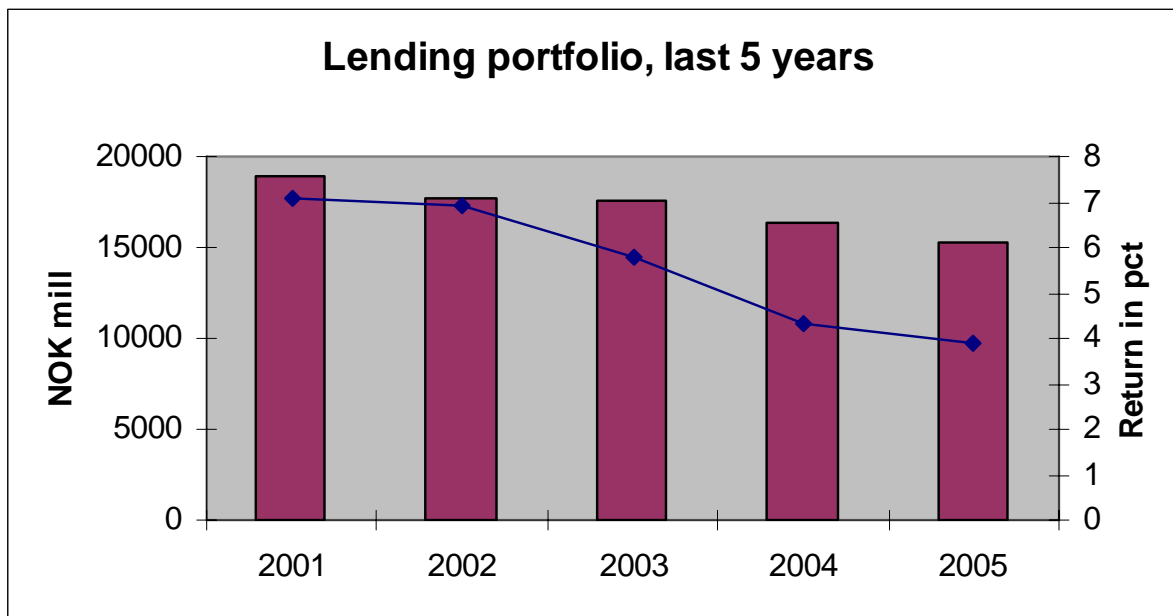


Lending portfolio

Lending portfolio 30/09/2005 30/06/2006 30/09/2006

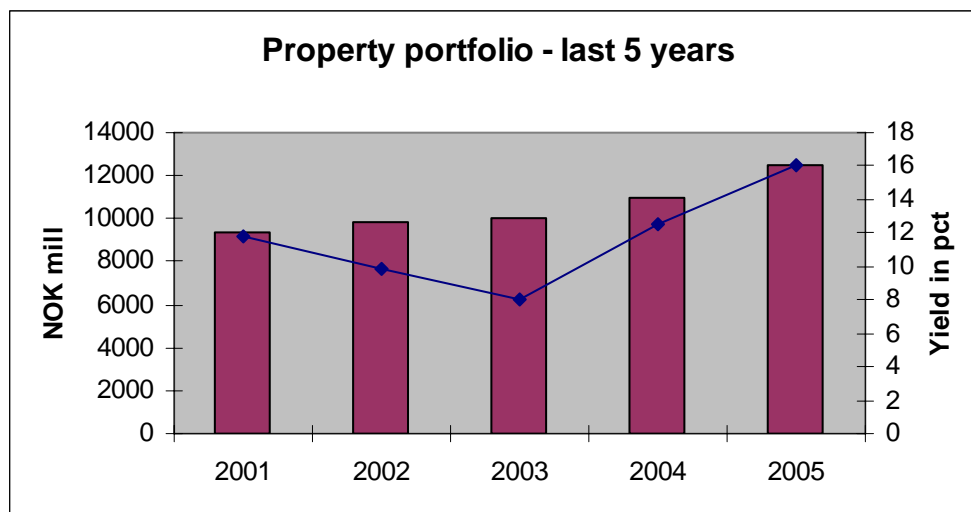
Book value (NOK mill)	15 073	15,233	14 972
Of this: Fixed rate loans (NOK mill)	7 629	7,204	6 926
Return year to date (in percent)	2.9	1.9	2.8
Specific and general credit loss provisions (NOK mill)	2	2	2

Lending portfolio, last 5 years



Property portfolio

Property portfolio	30/09/2005	30/06/2006	30/09/2006
Book value (value-adjusted, NOK mill)	10 876	12 444	12 726
Total space occupied incl sites (square metres)	1 123 149	1 144 425	1 156 721
Occupancy rate (percent)	96.0	95.8	96.0
Average duration (years)	7.6	6.9	6.6
Yield year to date (percent)	5,6	3.5	7.1



Geographic diversification of the portfolio:

- 80 pct Oslo, Norway
- 11 pct Trondheim, Norway
- 4 pct Stavanger, Norway
- 5 pct Copenhagen, Denmark

Sector diversification of the portfolio:

- 53 pct office
- 14 pct hotels
- 14 pct shopping centres
- 11 pct education
- 8 pct other

KLP - Asset Management and Unit Trust activities

Asset under management 30. sept 2006			NOK	152 billion
Total fee income ytd 2006			NOK	115 million
	Mrd kr	Avkastning	Indeks	Differanse
Total equities, measured to indexes	35.1	7.57%	7.51%	0.06%
Total bonds, measured to indexes *	32.8	1.27%	1.41%	-0.14%

** Return includes implementation cost related to a new bond fund.*

KLP non-life insurance - main features ytd 2006

- Result ytd 2006 was NO46.6 million (NOK 58.8 million)¹
- Combined Ratio at 96.1 pct at the end of the quarter (90.3 pct)
- The insurance business provided a good result, whereas the income from investments is lower than last year, however, third quarter was good.
- Claims Ratio 79.3 pct (76.7 pct)
- Cost Ratio 16.8 pct (13.6 pct)
- Return on capital 2.8 pct for the first half year (3.6 pct)
- Equalisation reserves make an satisfactory buffer against adverse run off and negative risk development

¹ Figures in brackets show last year equivalents

KLP non-life insurance

Key ratios in %	30/09/2005	30/09/2006	2005
Claims ratio on own account	76.7 %	79.3 %	70.7 %
Cost ratio on own account	13.6 %	16.8 %	15.5 %
Combined ratio on own account	90.3 %	96.1 %	86.2 %
Return on capital	3.6 %	2.7 %	4.6 %
Capital adequacy ratio	38.7 %	48.8 %	55.5 %

Key figures Profit and loss account, NOK mill	30/09/2005	30/09/2006	2005
Gross premium written	600	563	621
Premium income on own account	423	407	551
Claims cost on own account	324	325	389
Insurance-related operating expenses on own account	58	68	90
Result	59	47	70

Key figures balance sheet, NOK mill	30/09/2005	30/09/2006	2005
Financial assets	2 205	2 434	2,179
Total assets	2 368	2 578	2,314
Equity	255	312	266
Provisions in insurance fund on own account	2 059	2 224	1,984

KLP Pensjonsforsikring AS

- Establishd and fully operational from 01.10.2006.
- A pure sales- and marketing organisation.
- Administrative services and support sourced from the mother company.
- Will serve existing clients with supplementary needs and new clients.
- Will provide:
 - Cost efficient contribution plans.
 - Group pension plans under private sector rules.

Return on capital end of Q 3 - 2006

KLP versus peer group

<i>All figures in per cent</i>	Return to book	Value adjusted	Value adjusted including held-to-maturity
KLP	3,9	4,4	3,2
Vital	4,9	4,5	3,6
Storebrand	4,8	4,7	3,8
Sparebank 1	4,4	4,5	3,9

KLP versus peers

Value adjusted return per quarter and year to date

<i>All figures in per cent</i>	Q 1	Q 2	Q 3	Y.T.D. 30.09.06
KLP	2,1	-0,3	2,6	4,4
Vital	2,8	-0,2	1,9	4,5
Storebrand	2,8	-0,4	2,3	4,7
Sparebank 1	2,4	0,5	1,6	4,5