

November 12th, 2009

Financial results Q3 2009



A most satisfactory 3rd quarter for KLP

- Return Q2:
 - Common portfolio 2.5 per cent booked and 2.8 per cent value adjusted
 - Corporate portfolio 1.6 per cent
- Return first 9 months:
 - Common portfolio 5.5 per cent booked and 5.8 per cent value adjusted
 - Corporate portfolio 4.3 per cent
- Interest rate surplus per 30.09: NOK 5 874 million
- Total profits per 30.09: NOK 6 658 million
 - NOK 6 135 million to customers
 - NOK 523 million to owners
- Solvency strengthened:
 - Buffer capital NOK 15 266 million
 - Total solvency capital NOK 25 113 million
- Total assets:
 - Life company NOK 215 803 millionen
 - Group NOK 254 370 million
- KLP Skadeforsikring (Non-life), result NOK 179,0 million, financial return 5.8 prosent per 30.09



Key figures

	30.09. 2009	30.09. 2008	Q3 2009	Q3 2008
<i>All figures in per cent</i>				
Return common portfolio				
Return on capital I – book	5.5	0.4	2,5	-1,5
Return on capital II – value adjusted	5.8	-3.6	2,8	-1,4
Return on capital III – value adjusted including value adjustments HTM bonds	5.8	-3.8	2,8	-0,6
Return corporate portfolio	4.3	1.9	1,6	0,3
Capital adequacy	12.3	12.6		
Core capital adequacy	9.1	9.2		
Solvency capital in per cent of insurance liabilities with interest guarantee	13.2	8.1		

Presentation of accounts third quarter 2009

Income statement <i>NOK mill</i>	01.01. – 30.09.08	01.01. – 30.09.09	Q3 2009
Pension premiums and incoming transfers	19 003	15 841	9 693
Net revenues from investments in Common portfolio	-6 594	10 693	5 208
Claims paid and outgoing transfers	-8 050	-7 936	-2 149
Changes in technical provisions incl. changes in valuation reserves	-6 797	-11 892	-9 301
Allocations to insurance contracts	-330	-6 135	-3 255
Insurance related operating costs	-439	-456	-157
Other insurance related costs	-17	-10	-1
Technical result	-3 223	105	37
Net revenues from investments in Corporate portfolio	218	545	196
Other revenues and expenditures	-144	-128	-47
Total result	-3 148	523	187

Appropriation of results Q3 2009

Results <i>NOK mill</i>	To customers	To owners	30.09. 2009	30.09. 2008
Interest result	5 874	-	5 874	-3 400
Risk result	112	-5	108	294
Premium interest rate guarantee		129	129	117
Administration result		130	130	96
Net income corporate portfolio		417	417	75
Appropriated to customers	149	-149	-	-
Accumulated results	6 135	523	6 658	- 2 819

Main figures Balance Sheet

Assets <i>NOK mill</i>	31.12.08	Change	30.09. 2009
Immaterial assets	220	54	274
Investments in corporate portfolio	13 668	-141	13 527
Other assets	1 914	5 513	7 427
Total assets in corporate portfolio	15 802	5 426	21 228
Investments in common portfolio	186 094	8 246	194 340
Investments in portfolios with investment choice	-	236	236
Total assets	201 896	13 907	215 803

Main figures Balance Sheet

Capital and liabilities <i>NOK mill</i>	31.12.08	Change	30.09.09
Equity paid-in ¹⁾	4 633	6	4 639
Equity fund	3 804	0	3 804
Unappropriated earnings to owner		531	531
Interim result – incl profit to customers provisional interim allocation	5 022	-922	4 100
Tier 1 and subordinated capital	177 744	11 249	188 993
Insurance provisions	3 940	19	3 959
Supplementary reserve	0	620	620
Valuation reserve		6 135	6 135
Other insurance	2 420	-1 850	570
Other liabilities	4 334	-1 882	2 452
Capital and liabilities	201 896	13 907	215 803

1) Ordinary call for NOK 525 million in equity contribution was made ultimo September. NOK 56 million was paid-in by 30.09, the balance in October.

Financial assets in Common portfolio

- market exposure

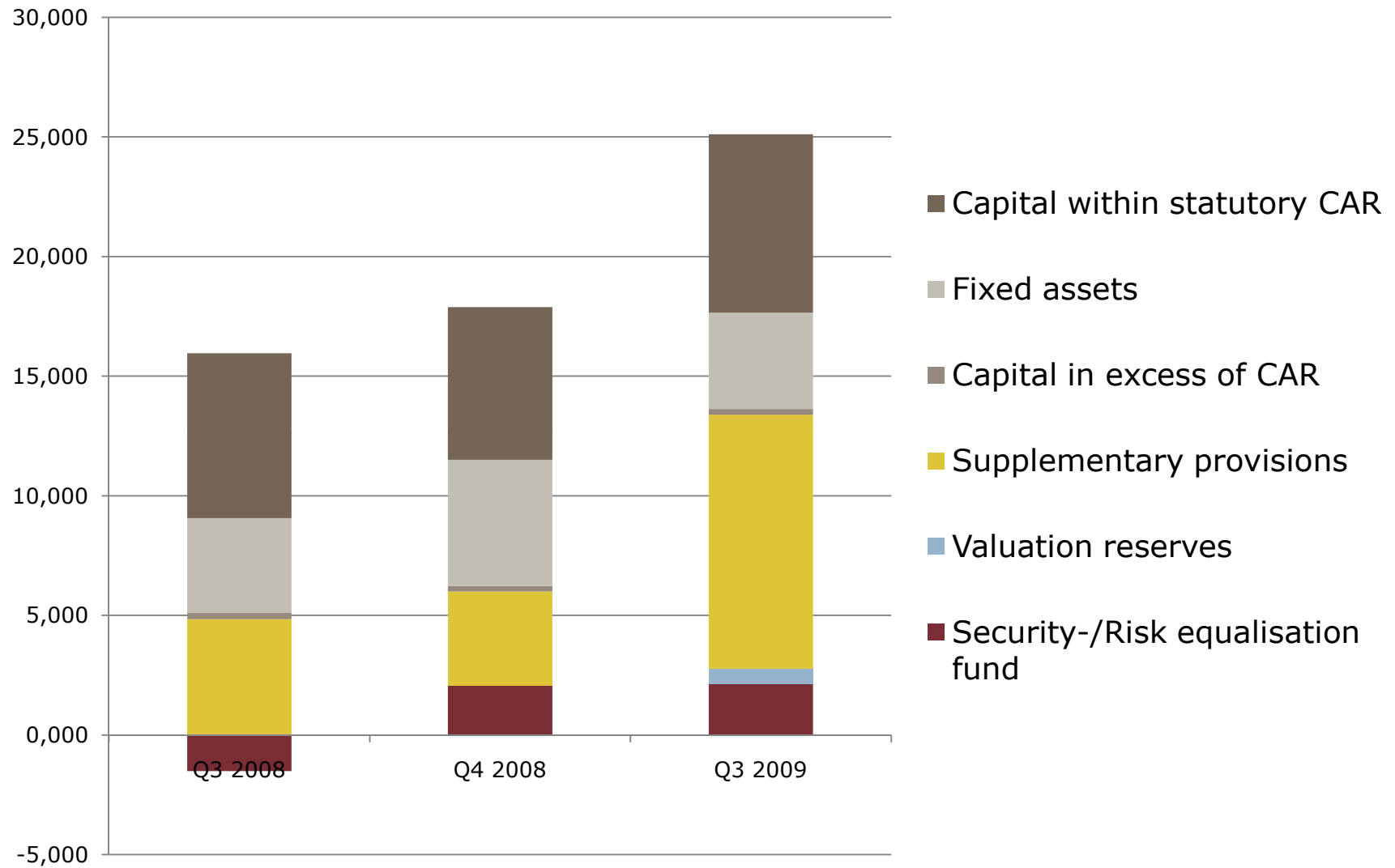
Assets	Share	Share	Return end
<i>All figures in per cent</i>	31.12.08	30.09.09	Q2 2009
Trading portfolio equities ¹⁾	5.6	10.8	26.7
Trading portfolio bonds	22.3	21.7	9.6
Liquidity/Money-Market	14.0	7.6	2.8
Long term-/Held-to-maturity bonds	35.7	35.7	4.0
Lending	11.4	13.3	3.2
Property	11.0	11.0	1.2
Total	100	100	

1) Measured by exposure.

Financial buffer capital/capital adequacy

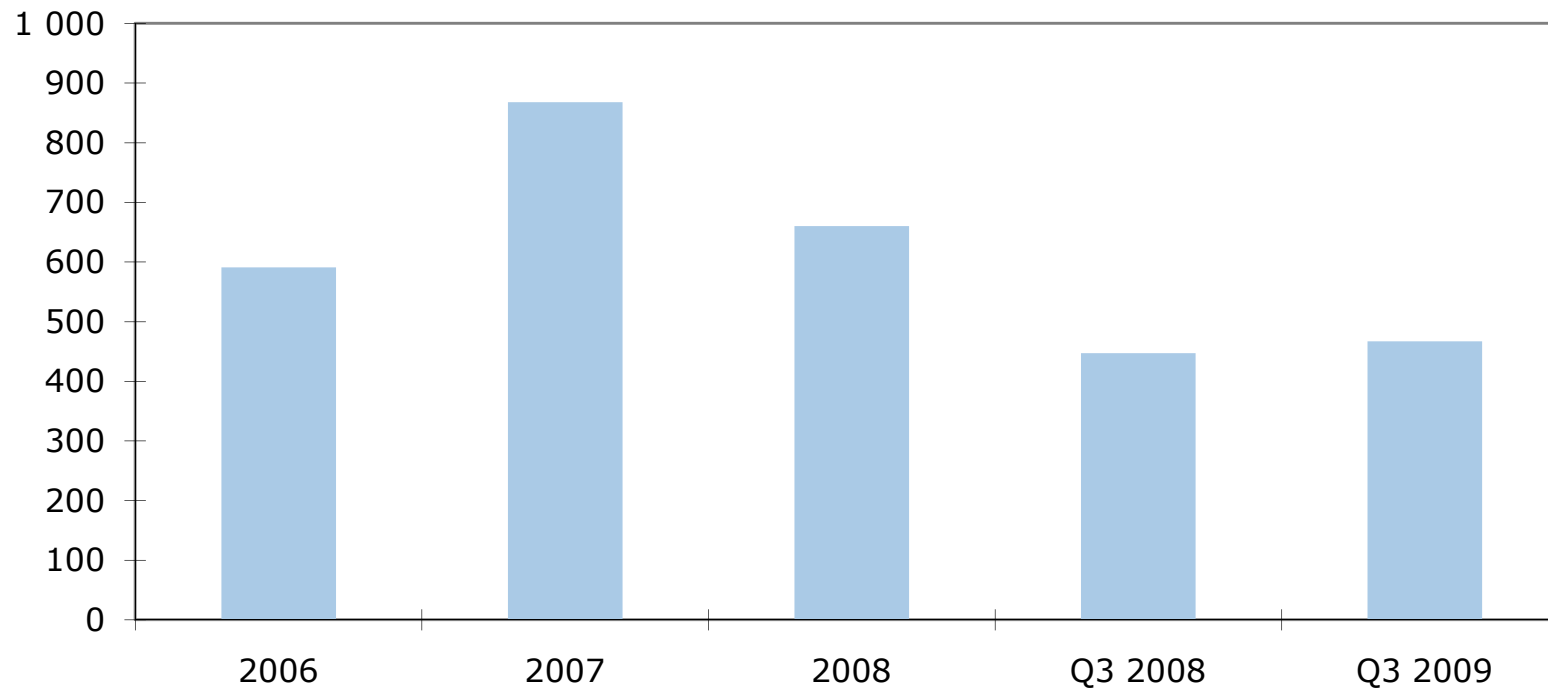
<i>NOK mill</i>	31.12.2008	30.09.2009
Valuation reserves	0	620
Income to date		6 658
Supplementary reserves	3 940	3 959
Core capital margin	4 740	4 030
Regulatory buffer capital	8 680	15 266
Valuation reserve/deficit HTM	2 056	2 154
Solvency capital	17 882	25 113
Solvency capital in per cent	9.9	13.3
<i>Figures in per cent</i>	31.12.2008	30.09.2009
Capital adequacy ratio	14.6	12.3
Core-capital adequacy ratio	10.7	9.1

Financial solidity



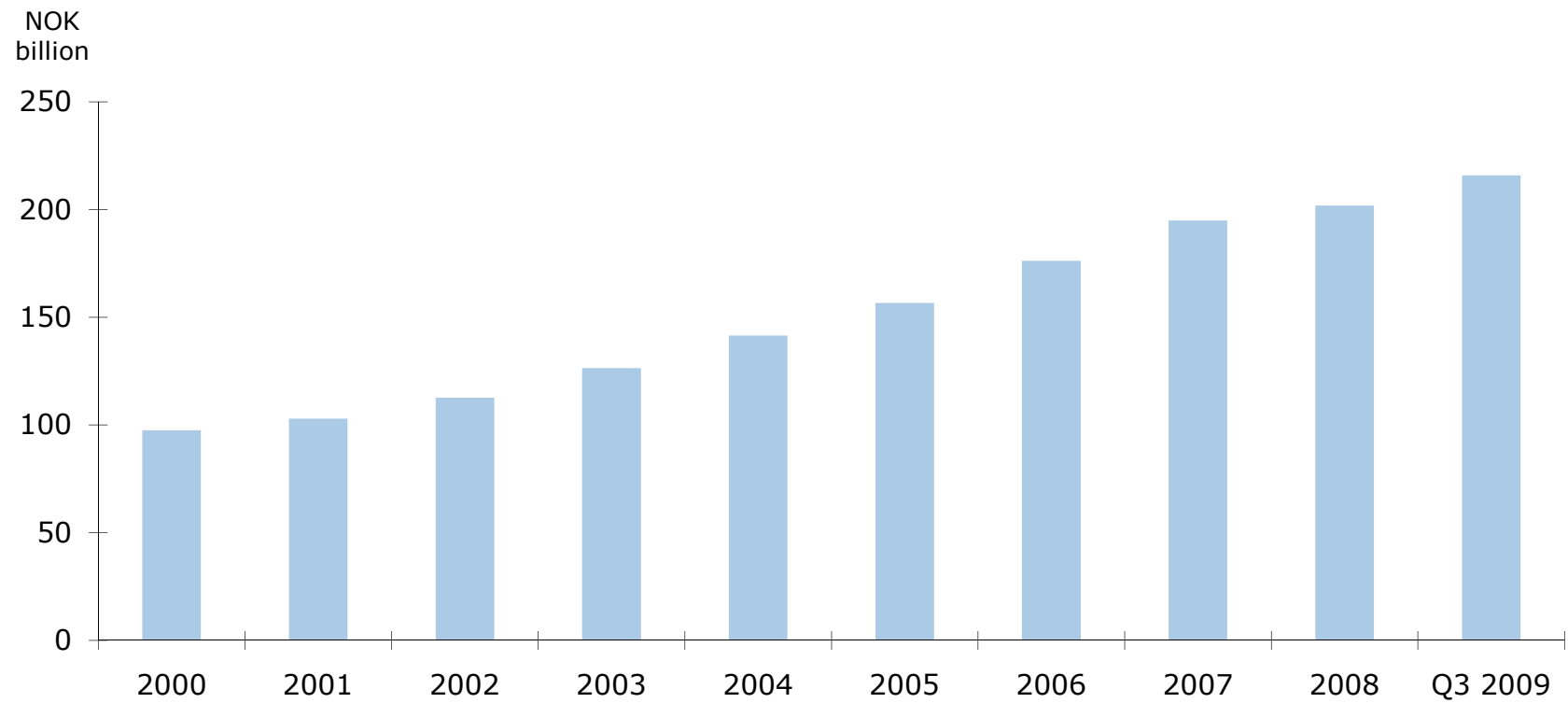
Operating expenses

NOK billion

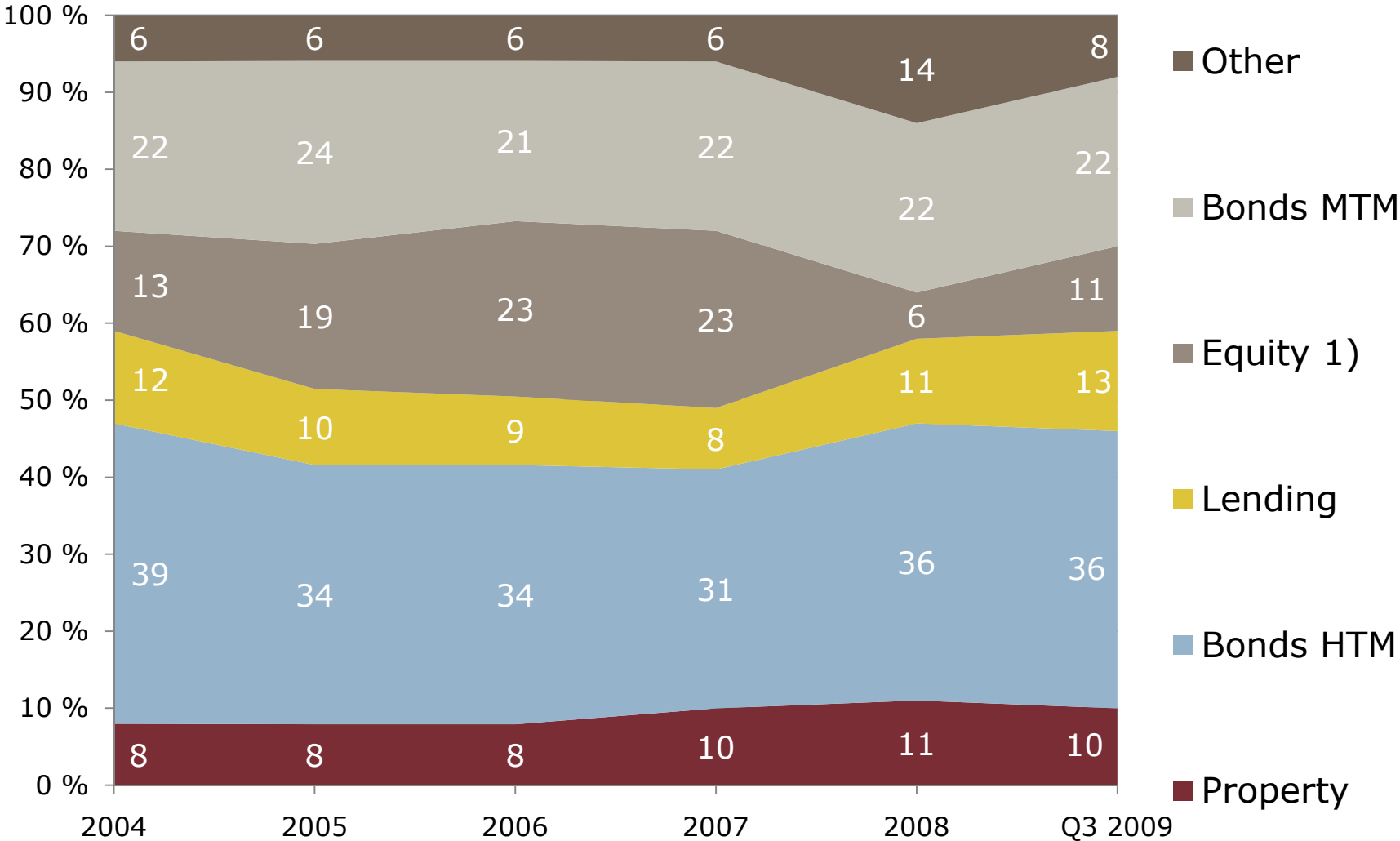


Costs in 2007 excluding NOK 244 million in connection with extraordinary bringing pension corridor to zero.

Total assets



Asset allocation in KLP



1) Exposure value of equities, may differ from book value

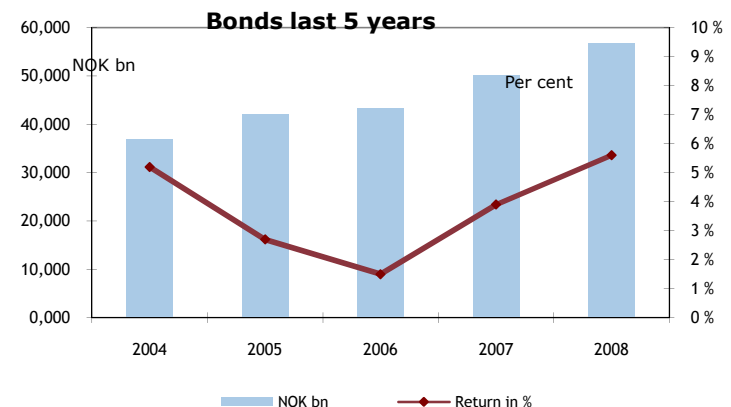
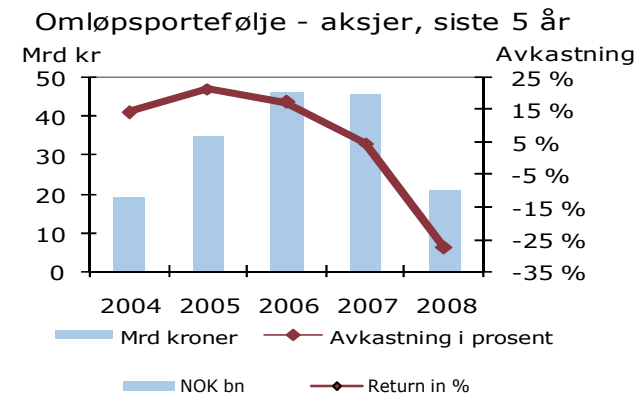


Trading portfolios – equities and bonds

Trading portfolios equities and fixed income*	30.09.09
Value equities (NOK mill)	21 475
Value fixed income (NOK mill)	56 382
Equities incl. derivatives (in per cent of fin. assets)	10.8 %
Reurn equity portfolios	15.7 %
Return trading portfolios fixed income	8.0 %

* This table is an overview of financial assets. The statutory reported figures differ due to difference in classification.

Index-tracking portfolios	30.09.09
Share index-tracking equities	77 %
Share index-tracking fixed-income	33 %



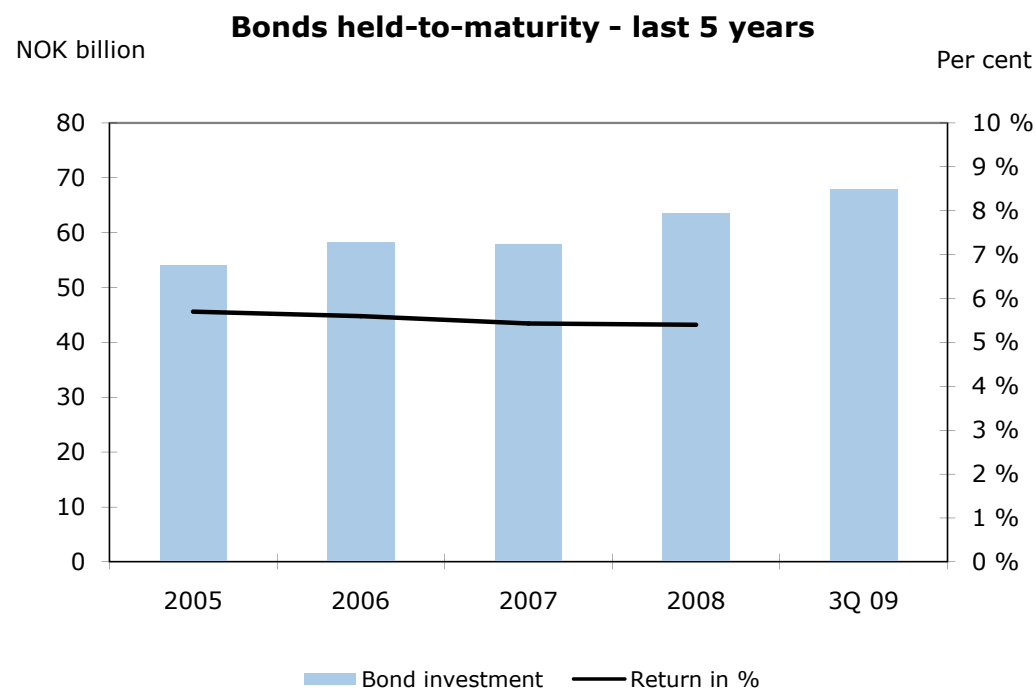
Trading portfolios – geographic split

Trading portfolio equities – Geographic distribution incl. derivatives	30.09.08	31.12.08	30.09.09
Trading portfolio equities total	100 %	100 %	100 %
Norway	12.8 %	13.2 %	20.5 %
Other Nordic countries	4.6 %	6.1 %	6.4 %
Other International	80.3 %	76.6 %	69.5 %
Misc. portfolios	2.3 %	4.1 %	3.6 %

Trading portfolio fixed-income – Geographic distribution incl. derivatives	30.09.08	31.12.08	30.09.09
Fixed income – total trading portfolios	100 %	100 %	100 %
Norway – money market	22.4 %	26.8 %	23.3 %
Norway – bonds	15.5 %	17.9 %	25.0 %
International bonds	61.5 %	55.3 %	51.7 %
Other portfolios	0.6 %	0.0 %	0.0 %

Bonds held-to-maturity

	30.09.08	31.12.08	30.09.09
Book value (NOK mill)	61 858	63 599	67 945
Valuation reserves (NOK mill)	-1 218	1 573	1 668
Return year to date (per cent)	4.0	5.4	4.0



Property portfolio

	30.09.08	31.12.08	30.09.09
Book value (value-adjusted NOK mill)	21 944	22 201	23 361
Total space occupied incl. sites (1 000 sq m)	1 365	1 358	1 416
Occupancy rate (per cent)	96.3	94.2	93.4
Average lease duration (year)	6.3	5.8	6.4
Yield year to date (per cent)	-0.4	2.6	1.5

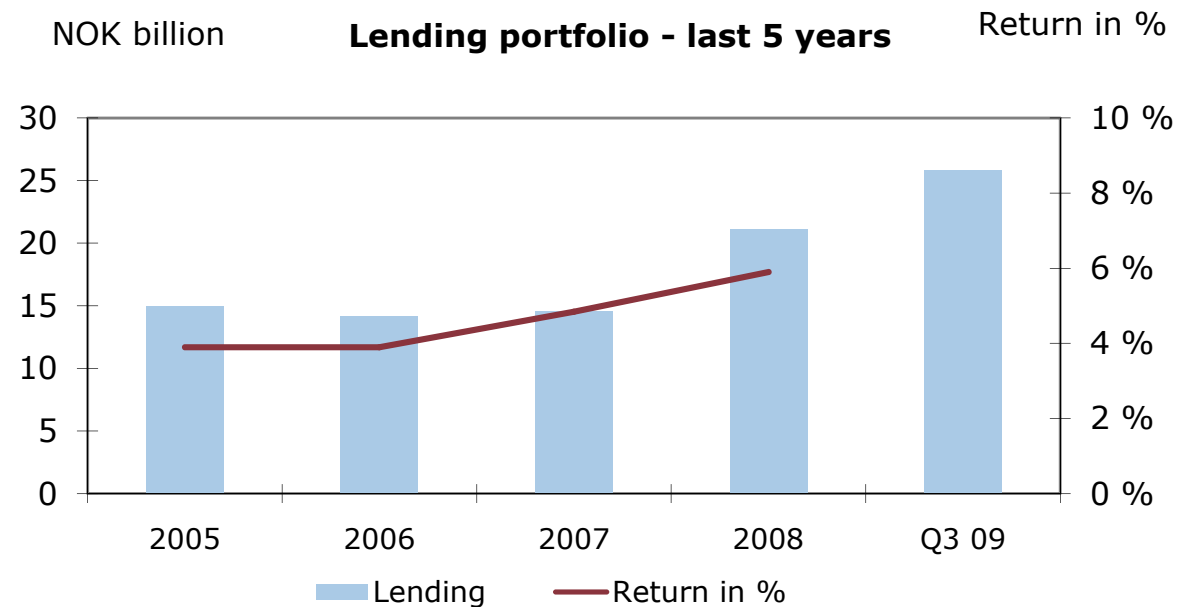
Property ownership by portfolio;

- Common portfolio 91.8 %
- Corporate portfolio 7.5 %
- KLP Skadeforsikring 0.6 %
(Non-life insurance)
- KLP Bedriftspensjon 0.1 %
(Private sector pensions)

- Geographic split of the portfolio;
75 % Oslo, 8 % Trondheim,
8 % Copenhagen, 3 % Fund, 6 % Sweden
- Sector diversification of the portfolio;
57 % office, 17 % hotels,
9 % shopping centres, 4 % real estate,
8 % under construction, 5 % other

Lending portfolio

	30.09.08	31.12.08	30.09.09
Book value (NOK mill)	16 854	21 106	25 846
Of this: fixed rate loans (NOK mill)	5 647	8 404	9 744
Return year to date (in per cent)	4.4	5.9	3.2
Specific and general credit loss provisions (NOK mill)	1.0	1.2	0.6



KLP Kommunekreditt

- Sale of Kommunekreditt Norge AS from Eksportfinans to KLP concluded on June 24
- Public sector loans in KLP under common branding: KLP Kommunekreditt
- Lending portfolio of KLP Kommunekreditt adds up to NOK 51 billion kroner, a market share of around 21 per cent
- KLP's commitment to the public sector lending market helped promote renewed competition in this sector, thus assuring the best borrowing terms for the public sector

KLP Banken

- KLP Banken to be a direct access bank with offering advantageous terms for KLP's members and retirees
- KLP Banken today manages KLP's portfolio of home mortgage loans totalling NOK 9 billion
- KLP Bankens will launch its deposit products, debit cards and WEB-bank in the first quarter of 2010



Core targets for KLP Banken

Core targets

13 000 existing loan clients

480 000 members and retirees
plus their families

Nationwide retail clients

Strategies

- KLP has approx. 13 000 home mortgage clients
- A strategic goal for KLP Banken is to succeed in selling supplementary products to the existing client base and their families.
- KLP has all-together 335 000 members and 145 000 old age pensioners registered.
- These already have an established relationship with KLP and thus constitute a natural target group for the banking products
- KLP Banken will offer products and services to the whole market based on competitive products, competence and confidence

KLP Skadeforsikring AS – Q3 2009

(non-life insurance)

- Excellent results for Q3. 2009: operating profit NOK 83,5 for the quarter and NOK 179,0 million for the year to date
- Positive winding-up results for the quarter and the half-year
- Good financial results in Q3
- High level of sales activity in wholesale-market
- High level of tender activity towards public sector clients
- Net initial sales more than double the periodized budget
- Continued high level of sales activity by sales representatives
- 767 new retail clients in Q3. bringing in total premium of NOK 6,5 million
- As at Q3. approximately 3.700 retail clients with total premium volume of NOK 33 millioner kroner

KLP Skadeforsikring AS (non-life insurance)

- Improved insurance results gave a combined ratio of 95.4 per cent pr 30.09.2009 (99.9 per cent)
- Claims percentage all branches 67.7 per cent (79.6 per cent)
- Cost percentage all branches 27.7 per cent (21.3 per cent)
 - Due to low premium volume in combination with elevated IT related expenditures
 - Cost percentage stemming from ordinary 25.0 per cent
- Return on financial assets 2.9 per cent for Q3 (-0.4 per cent) and 6.6 per cent 30.09.2009 (-0.3 per cent)
- The security provisions constitute a satisfactory buffer against possible unwinding-losses and unfavourable risk evolution

KLP Skadeforsikring - Profit & Loss, Q3 2009

Result in NOK '000	Results	
	01.01.-30.09.08	01.01.- 30.09.09
Premium written f.o.a.	400 230	421 326
Allocated investment income	80 906	43 645
Claims f.o.a.	-314 671	-285 318
Insurance related expenses	-85 208	-116 566
Other insurance related income	3 456	1 749
Changes in security reserves etc.	-4 984	-27 427
Result from technical activities	79 731	37 408
Result from investment activities	-11 956	185 196
Allocated investment income	-80 906	-43 645
Result from ordinary operation	-13 132	178 959
Estimated tax expense	0	-43 097
Provisions for equity fund	-23 688	-25 041
Result after provisions for equity fund	-36 820	110 822

KLP Skadeforsikring (non-life insurance)

Key figures, <i>per cent</i>	30.09.08	2008	30.09.09
Claims ratio on own account	78.6 %	70.6 %	67.7 %
Cost ratio on own account	21.3 %	26.7 %	27.7 %
Combined Ratio for own account	99.9 %	97.3 %	95.4 %
Return on capital	-0.3 %	0.4 %	6.6 %
Capital adequacy ratio	29.2 %	39.4 %	30.5 %

Revenues, <i>NOK mill</i>	30.09.08	2008	30.09.09
Gross premiums written	541	574	547
Premium income for own account	400	526	421
Claims paid for own account	315	371	285
Insurance related costs for own account	85	144	117
Results	-13	35	179

Key figure balance sheet, <i>NOK mill</i>	30.09.08	2008	30.09.09
Financial assets	2 870	2 786	3 026
Total assets	3 063	2 942	3 336
Equity	634	679	815
Provisions in insurance funds for own account	2 311	2 163	2 365

Key notes

- KLP again delivers strong quarterly results enabling to both distribute generous surpluses to the clients and to further strengthen the Group's solvency
- The strong solvency lays the ground for continuing to deliver strong results also in the years to come
- KLP Skadeforsikring – non life insurance – delivers its strongest results ever and emerges with strengthened competitive powers
- Good progress in establishing the KLP Banken and in the integration of KLP Kommunekreditt in the Group
- KLP achieves excellent score in client satisfaction



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