

Presentation of Financial Results Q1-2005

12 May 2005

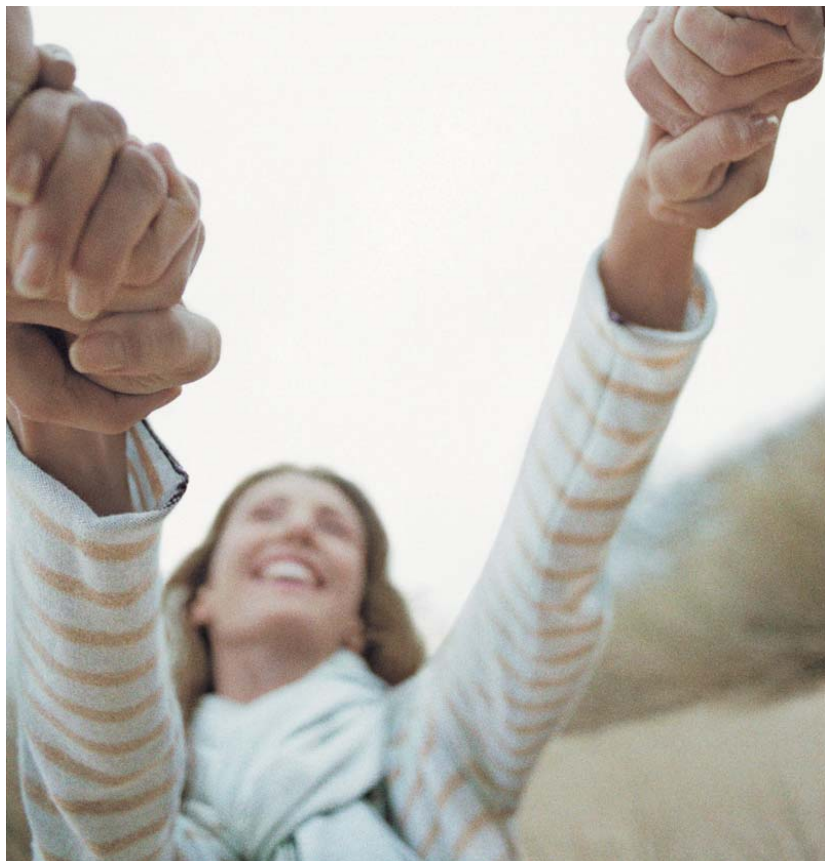
Main features of Q1-2005



- Good profit performance, results before allocations was NOK 0.8 billion (NOK 1.0 bn)
- Good return - assessed to the interest rate level and competitors
- Premiums attained NOK 2.3 billion (NOK 2.2 bn), net financial income NOK 1.6 billion (NOK 2.4 bn)
- Growth in total assets was 10 pct to NOK 143 billion (NOK 130 bn)
- Further strengthening of total financial solidity, total buffer capital increased by NOK 0.5 billion to NOK 8.9 billion during Q1

Figures in brackets show last year equivalents

Main features in Q1-2005 (cont.)



- KLP has solid margins between the company's guaranteed rate and interest rate in the market
- The Boards recommendation to demutualize KLP did not obtain the required majority. Conversion to PCC's also voted down
- KLP will continue with the present equity capital model
- The Board stresses that further growth and build-up of equity capital will be financed through the company's own profit
- The Board will ensure that it will be advantageous to be customer and owner in KLP

Figures in brackets show last year equivalents

Key figures - Profit and loss account

Result	NOK <i>mill</i>	1 st Quarter 2004	1 st Quarter 2005
Premiums		2 179	2 256
Net transfers		-935	-850
Net financial income		2 418	1 589
Claims		-1 288	-1 386
Changes in insurance provisions		-775	-911
<i>Of which : net transfers</i>		<i>935</i>	<i>850</i>
<i>premium reserves</i>		<i>-1710</i>	<i>-1761</i>
Other		0	7
Reinsurance		-137	0
Operating costs		-113	-119
Value adjusted result		1 349	586
To(-)/from(+) security reserve fund		-376	209
Result before allocations		973	795

Key figures - balance sheet

Assets	NOK <i>mill</i>	31.12.2004	Change	31.03.2005
Equities ¹		18 036	490	18 526
Bonds		23 122	1 503	24 625
Money market instruments		7 298	805	8 103
Bonds held to maturity		52 766	-1 111	51 655
Mortgages		16 324	-146	16 178
Property		10 951	46	10 997
Other financial assets ²		8 081	2 241	10 322
Other assets ³		4 946	-1 940	3 006
Total assets		141 524	1 888	143 412

1. Overall exposure to the equity market including derivatives was NOK 21,8 billion.
2. Mainly short-term deposits
3. Incl premium receivables and interest earned

Key figures - balance sheet

Equity and liabilities	NOK mill	31.12.2004	Change	31.03.2005
Equity		4 408	-27	4 381
Tier 1 loan capital		675	43	718
Subordinated loan capital		1 385	-4	1 381
Result before allocation			795	795
Security reserve fund		2 595	-209	2 386
Insurance provisions		131 597	482	132 079
<i>Of which supplementary reserves</i>		<i>4 031</i>	<i>0</i>	<i>4 031</i>
Other liabilities		864	808	1 672
Total equity and liabilities		141 524	1 888	143 412

Return on capital as of 31.03.2005

<i>Figures in percent</i>	Return on capital as of 31.03.05
Return on capital I (booked)	1.3
Return on capital II (value adjusted)	1.1
Return om capital III (included HTM-reserves)	0.7

Return on capital I: The book financial income for the quarter after allocation to/transfer from the securities adjustment funds

Return on capital II: The book financial income for the quarter before allocation to/transfer from the securities adjustment fund

Return on capital III: As return on capital II with the addition of unrealised changes during the accounting period in the value of bonds held to maturity

Financial assets: Allocation and return

Financial assets ¹ Figures in percent	Share 31.12.2004	Share 31.03.2005	Return as of 31.03.2005
Equities	13.2	13.2	1.6
Bonds	22.3	23.3	0.5
Bonds held to maturity	38.6	36.8	1.4
Mortgages	12.0	11.5	1.0
Property	8.0	7.8	1.8
Other financial assets	5.9	7.4	
Total in percent	100	100	
Overall exposure to the equities market including derivatives	16.2	15.6	

¹ This table is an overview of financial assets. The statutory reported figures differ due to differences in classification.

Valuation reserves, trading portfolios

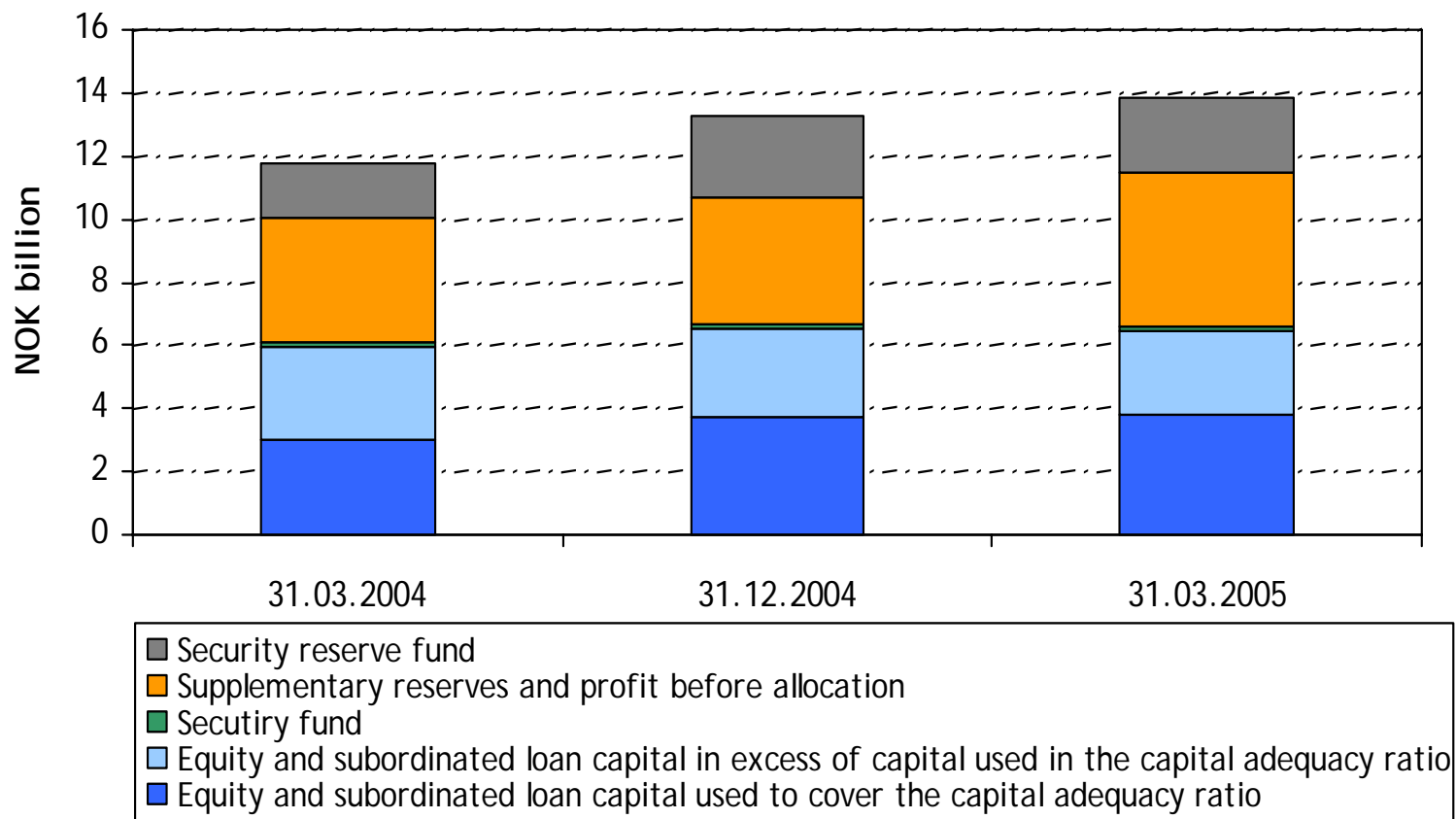
Unrealised valuation reserves <i>NOK mill</i>	31.12.2004	Change	31.03.2005
Bonds	414	-156	258
Equities	1 695	218	1 913
Derivatives	468	-272	196
Total unrealised reserves, trading portfolio	2 577	-210	2 367
Bonds held to maturity	5 187	-604	4 583

Financial buffers

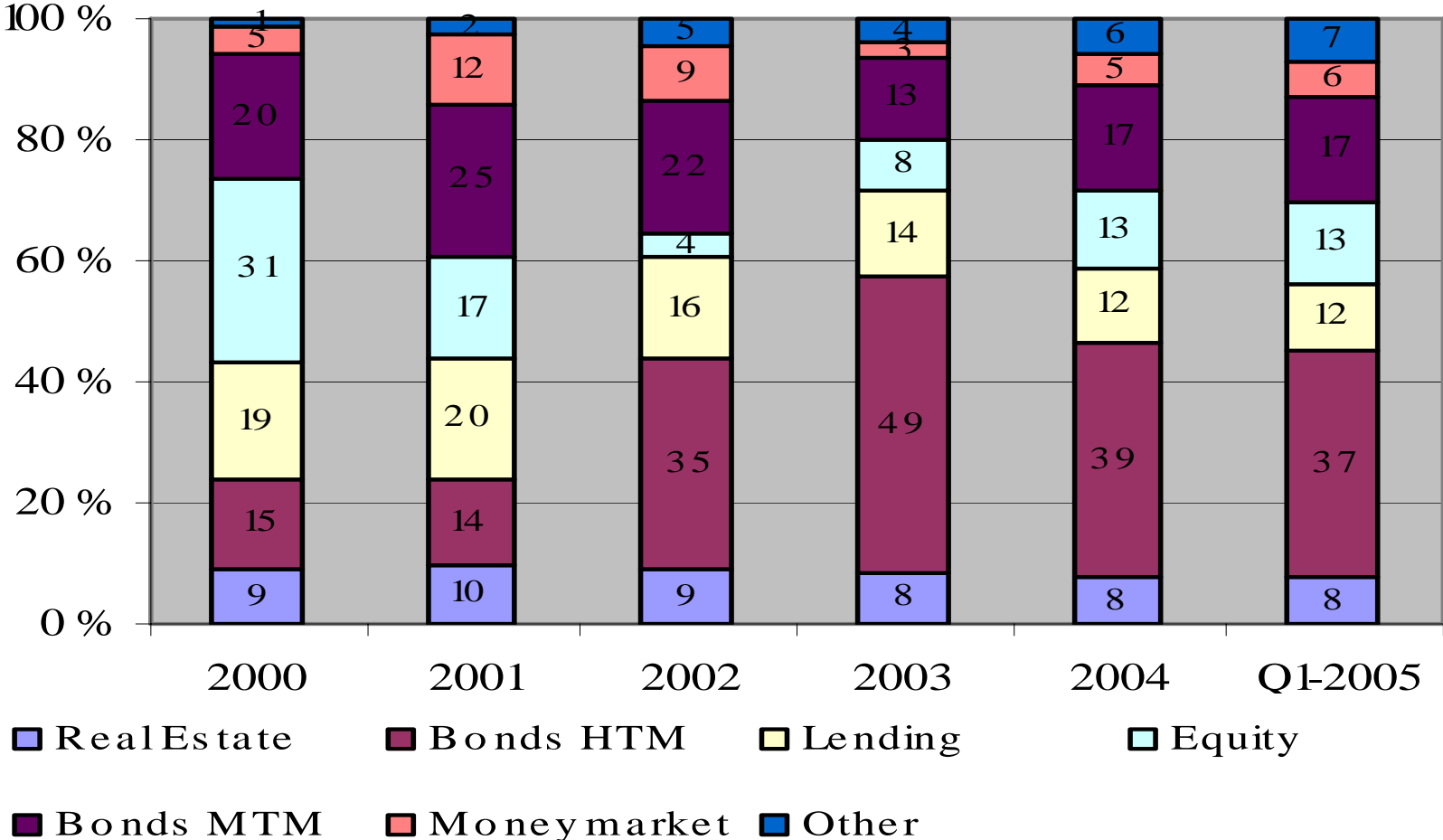
<i>NOK mill</i>	31.12.2004	31.03.2005
Security reserve fund	2 595	2 386
Supplementary reserves and profit before allocation	4 031	4 826
Tier 1 margin	1 752	1 690
Buffer capital according to regulators definition	8 378	8 902
Valuation reserves - Bonds held to maturity	5 187	4 583

<i>Figures in percent</i>	31.12.2004	31.03.2005
Capital adequacy ratio	14.0	13.6
Tier 1 ratio	10.9	10.5

Solidity Buffers



Evolution of Asset Allocation



For days to come



Trading portfolios - equities and bonds

Omløpsportefølje aksjer og renter

31.03.2005

Bokført verdi omløpsaksjer (mill kroner)	18 526
Bokført verdi omløpsrenter (mill kroner)	32 728
Aksjeandel inkludert derivater (i pst) *)	15,6 %
Avkastning omløpsaksjer hittil i år (i pst) *)	1,6 %
Avkastning omløpsrenter hittil i år (i pst) *)	0,5 %

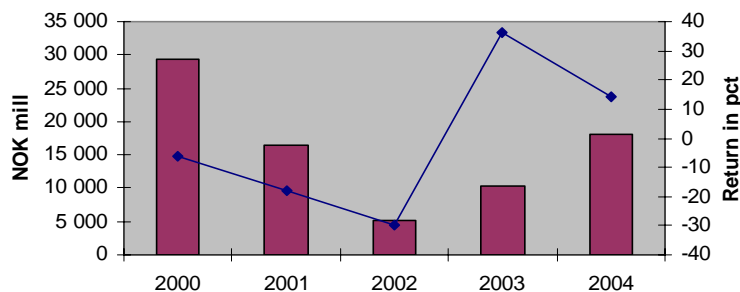
*) Beregnet etter forvaltningsmessige normer. Denne avviker noe fra regnskapsmessige verdi

Indeksforvaltning

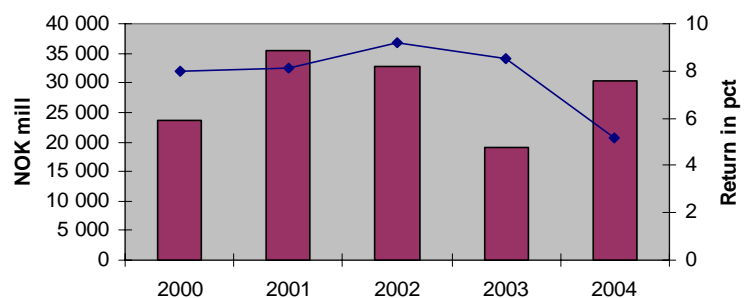
31.03.2005

Andel indeksforvaltning aksjer	82,6 %
Andel indeksforvaltning renter	15,7 %

Equities - last 5 years



Bonds - last 5 years



Trading portfolios - geographic diversification

Trading portfolios of equities - geographic diversification Incl derivatives	31.03.2005
Trading portfolios of equities - Total	100 %
Norway	10,7 %
Nordic excl Norway	3,0 %
Other foreign	86,0 %
Other portfolios	0,3 %

Trading portfolios of bonds - geographic diversification Incl derivatives	31.03.2005
Trading portfolios of bonds - Total	100 %
Norway - money market instruments	40,6 %
Norway - bonds	12,5 %
Foreign - bonds	45,8 %
Other portfolios	1,1 %

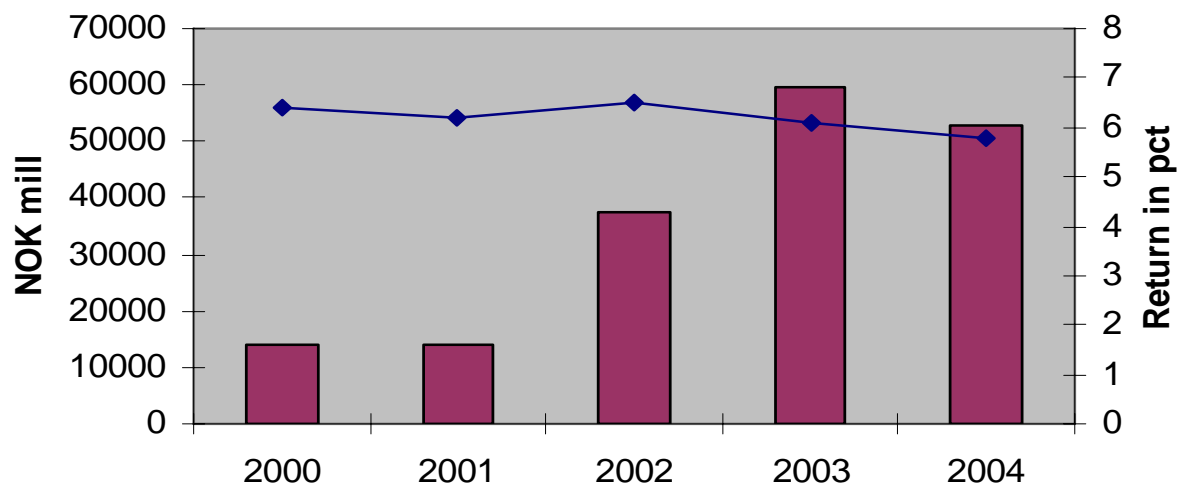
Bonds held to maturity

Bonds held-to-maturity portfolio

31.03.2005

Book value (NOK mill)	51 655
Yield (percent)	5,5
Duration (year)	5,7
Valuation reserves (NOK mill)	4 583
Return year to date (percent)	1,4

Bonds held-to-maturity - last 5 years



For days to come

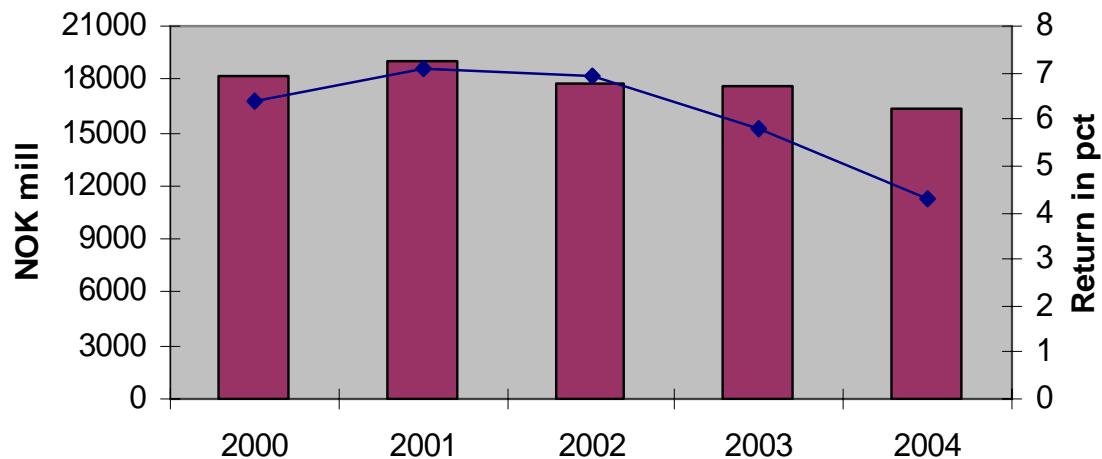
Lending portfolio

Lending portfolio

31.03.2005

Book value (NOK mill)	16 178
Of this: Fixed rate loans	8 621
Return year to date (in percent)	1,0
Specific and general credit loss provisions (NOK mill)	7

Lending portfolio, last 5 years



For days to come

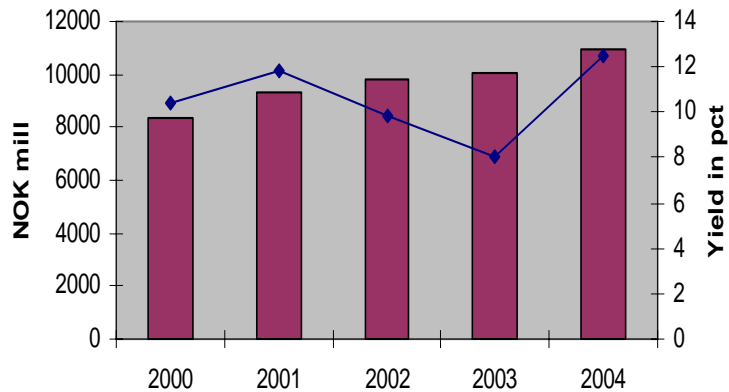
Property portfolio

Property portfolio

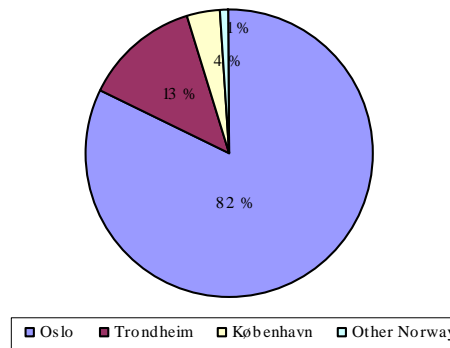
31.03.2005

Book value (value-adjusted, NOK mill)	10 997
Total space occupied incl sites (square metres)	1 123 149
Occupancy rate (percent)	95,4
Average duration (years)	7,2
Yield year to date (percent)	1,8

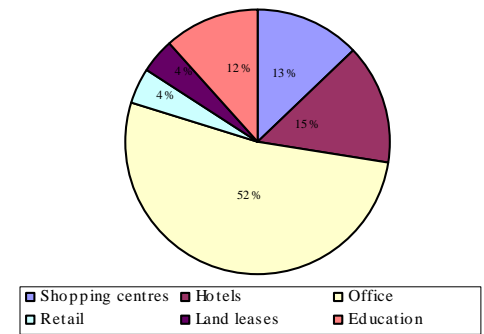
Property portfolio - last 5 years



Geographic diversification

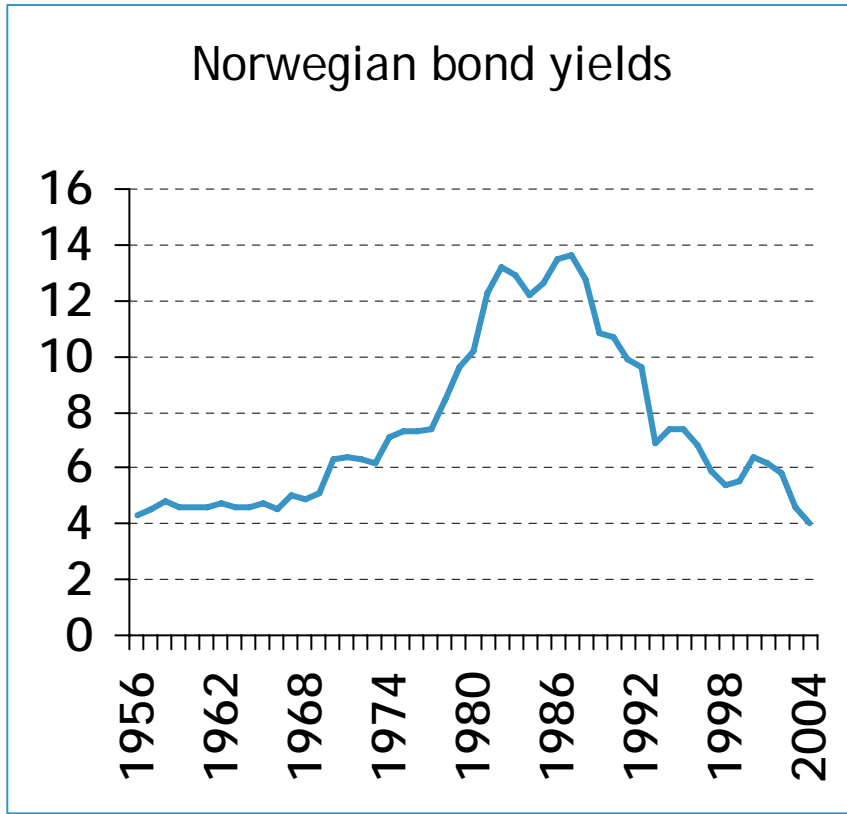


Sector diversification



For days to come

KLP is well positioned for a low interest rate scenario



- Large portfolio of bonds held to maturity, booked at amortised cost. Totals approx NOK 52 bn. Duration 5.7 years
- Average guaranteed interest rate 3.3 pct, well below market yields. Also lower than peers
- Low allocation to money market instruments
- Well capitalised and increased risk capacity in investment management
- The equity portfolio has grown in line with increased risk capacity and improves diversification
- New regulatory regime will increase profit potential in low interest rate periods

KLP non-life insurance Q1-2005

- Results Q1- 2005 NOK 16.5 mill (NOK 8.9 mill)
- Net premium earned NOK 140.2 million kroner (NOK 143.6 mill)
 - The reduction of premium is caused by a substantial reduction in premiumrate for natural perils (40%) and the restructuring of value added tax in the municipal sector.
- Combined Ratio 87.1% (92.5%)
- Claims Ratio 73.4% (79.7%)
- Cost Ratio 13.7% (12.8%)
- Return on investments 0,95%
- The companies equalisation reserves is strengthen through Q1, and make an satisfactory buffer against adverse run off and negative risk development.

KLP non-life insurance Q1-2005

Key figures / * NOK 1000 kroner	Q1-2005	2004	2003	2002
Claims Ratio	73.4%	75.33%	78.5%	86.5%
Cost Ratio	13.7%	13.2%	18.1%	16.6%
Combined Ratio	87.1%	88.5%	96.6%	103.1%
Return on capital	1.0%	4.6%	5.9%	6.6%
Capital adequacy Rate	41.5%	59.3%	65.9%	75.2%
Gross premium written	479 925	615 269	583 685	510 917
Equity capital	212 625	196 100	171 530	155 329
Total assets	2 357 303	1 966 049	1 644 566	1 336 486

Portfolio / * NOK 1000 kroner	Q1-2005	2004	2003	2002
Equity	82 328	73 681	74 195	0
Bond, included fixed income bond	1 860 744	1 384 030	1 229 809	1 026 635
Certificate	included above	355 887	174 381	179 958
Bank deposit	59 505	19 548	11 901	8 102
Financial intermediary	93 798	34 637	81 262	27 274
	2 096 375	1 867 783	1 571 548	1 241 969

For days to come

