

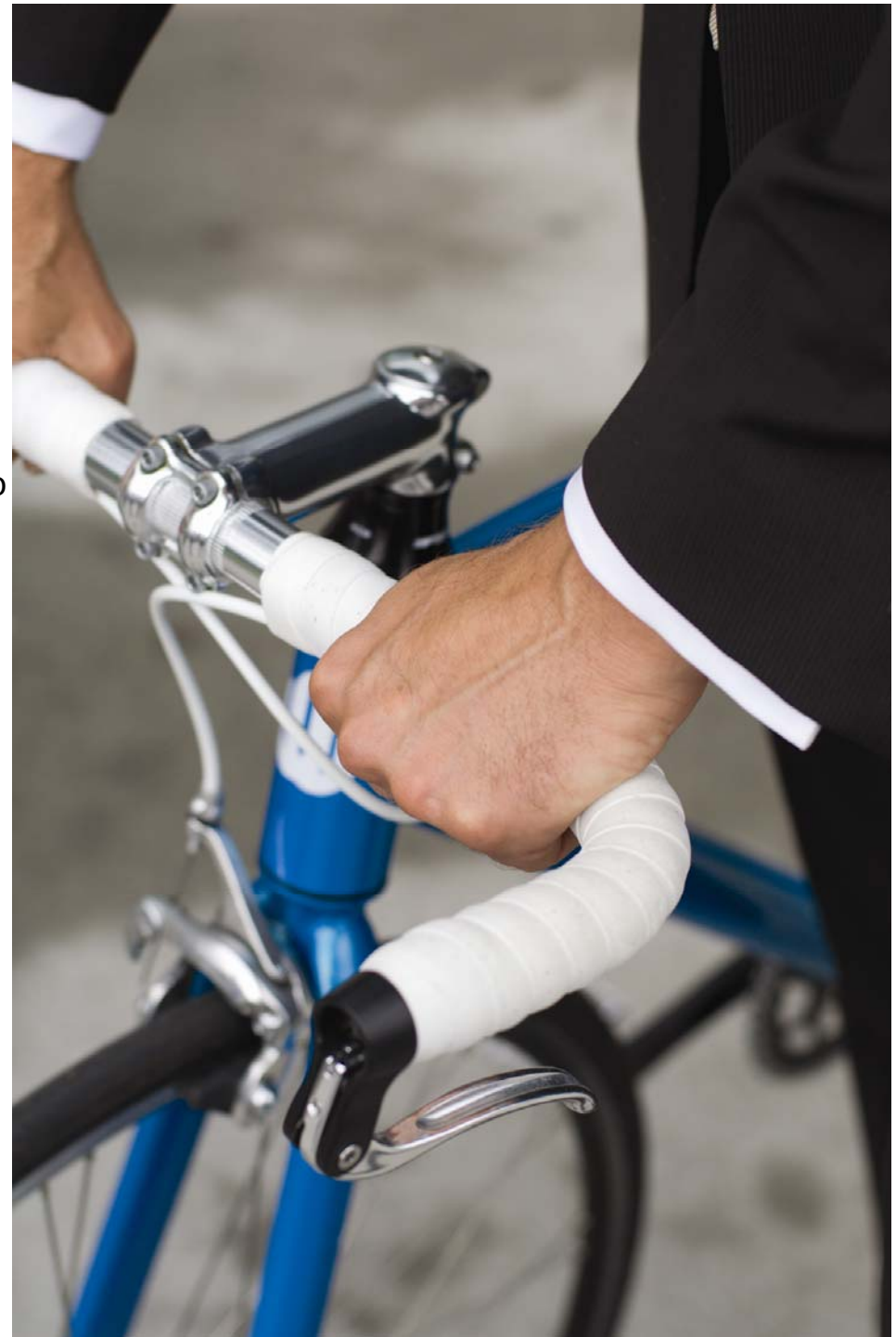
20th August 2008

Financial results second quarter 2008



Stable book return – positive interest return

- In financial markets characterized by continuing unrest the investments gave a break-even return:
 - Book return 0.0 per cent
 - Value adjusted return 0.1 per cent
 - For the six months book return came to 1.8 per cent and value adjusted return to -2.0 per cent.
- Net result for appropriation after the second quarter amounted to NOK 901 million, without provisionally drawing on supplementary reserves.
 - Interest result above guaranteed interest NOK 513 million
 - Risk result NOK 175 million
 - Administration result NOK 44 million
- Good solvency maintained with a capital adequacy ratio of 12.2 per cent and buffer capital of NOK 9 539 million.



Key figures

<i>All figures in per cent</i>	Q2 2008	First half 2008	First half 2007
Return common portfolio			
Return on capital I – book	0.0	1.8	
Return on capital II – value adjusted	0.1	-2.2	
Return on capital III – value adjusted incl value adjustments HTM bonds	-1.2	-3.2	
Return corporate portfolio	0.5	1.7	
Total return			
Return on capital I – book	0.1	1.8	3.9
Return on capital II – value adjusted	0.1	-2.0	4.4
Return on capital III – value adjusted incl value adjustments HTM bonds	-1.1	-3.0	2.8
Capital adequacy		11.8	12.2
Core capital adequacy		8.6	8.6

Presentation of accounts second quarter 2008

Income statement <i>NOK mill</i>	01.01. – 30.06.08
Pension premiums and incoming transfers	5 602
Net revenues from investments in common portfolio	-4 042
Other insurance related income	267
Claims paid and outgoing transfers	-6 133
Changes in technical provisions incl. changes in valuation reserves	5 660
Allocations to insurance contracts	-727
Insurance related operating costs	-282
Other insurance related costs	-264
Technical result	81
Net revenues from investments in corporate portfolio	190
Other revenues and expenditures	-97
Result non-technical accounts	93
Other elements	0
Total result	174

Appropriation of results second quarter 2008

Results <i>NOK mill</i>	To customers	To owners	Total
Interest result	513		513
Risk result	180	-5	175
Premium interest rate guarantee		77	77
Administration result		44	44
Net income corporate portfolio		93	93
Appropriated to customers	34	-34	0
Accumulated results	727	174	901

Main figures Balance Sheet

Assets <i>NOK mill</i>	31.12.07	Change	30.06.08
Immaterial assets	157	25	182
Investments in corporate portfolio	11 522	68	11 590
Receivables	1 438	-799	639
Other assets	506	-32	474
Prepaid expenditures and earned, not due receivables	23	17	40
Total assets in corporate portfolio	13 647	-720	12 927
Investments in common portfolio	181 269	-2 013	179 256
Total assets	194 916	-2 733	192 183

Main figures Balance Sheet

Capital and liabilities <i>NOK mill</i>	31.03.08	Change	30.06.08
Equity paid-in	4 222	-65	4 157
Equity fund	3 193	91	3 284
Tier 1 and subordinated capital	3 610	-163	3 447
Insurance provisions	176 048	1 033	177 081
of which valuation reserve	60	-60	-
of which provisional allocation to customers	1 928	-1 201	727
Provision for claims	353	0	353
Claims	3 211	539	3 750
Incurred cost and revenues not due	50	61	111
Capital and liabilities	190 688	1 495	192 183

Financial assets in common portfolio

Assets <i>All figures in per cent</i>	Share 30.06.08	Return end Q2 2008
Trading portfolio equities *	22.1	-12.0
Trading portfolio bonds	19.2	-0.1
Liquidity/Money-market	5.3	2.3
Long term-/Held-to-maturity bonds	33.1	2.7
Lending	8.9	2.8
Property	11.4	-0.9
Total	100	

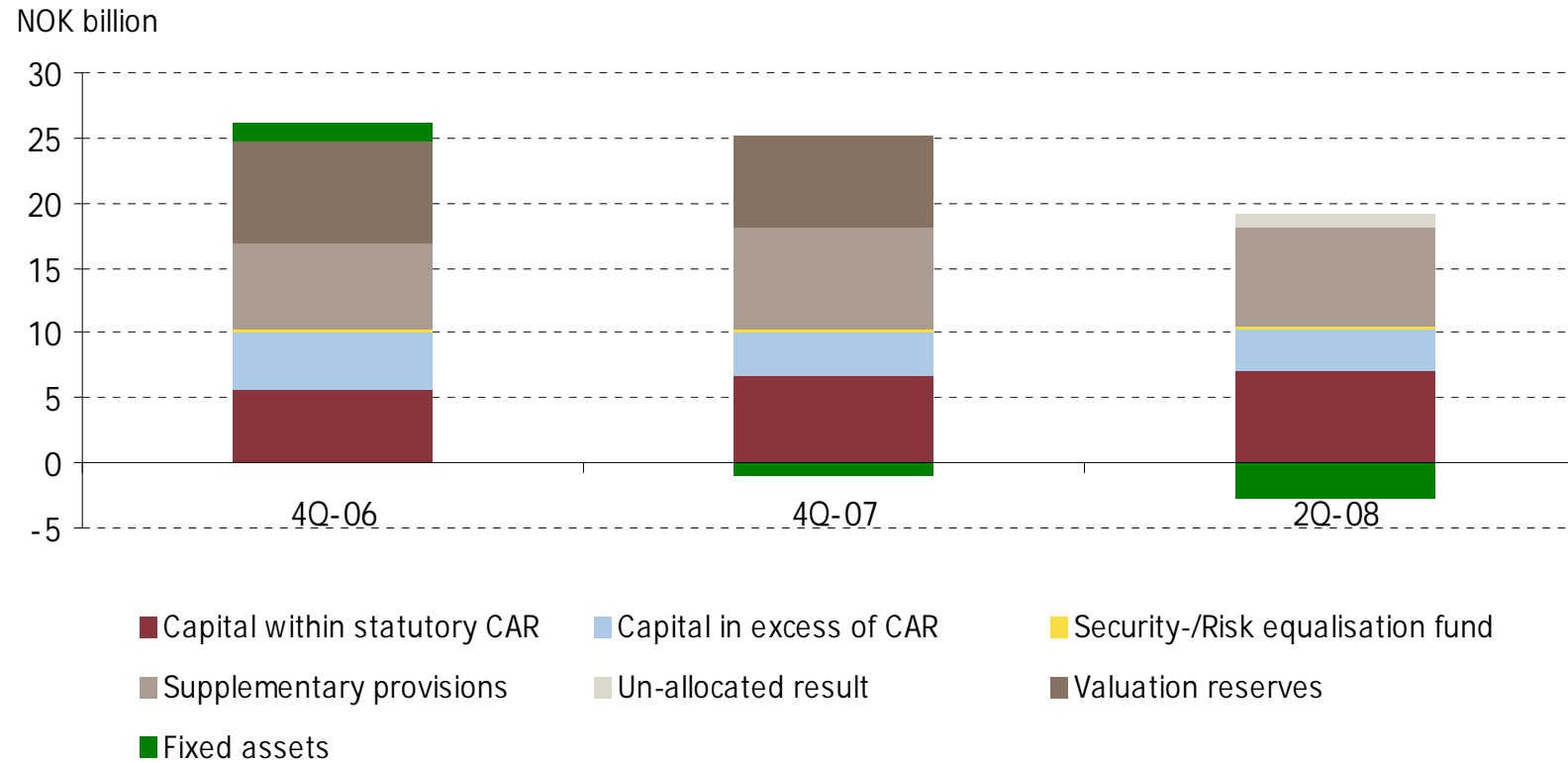
* Equity exposure accounting for derivatives 16.0 per cent

Financial buffer capital/capital adequacy

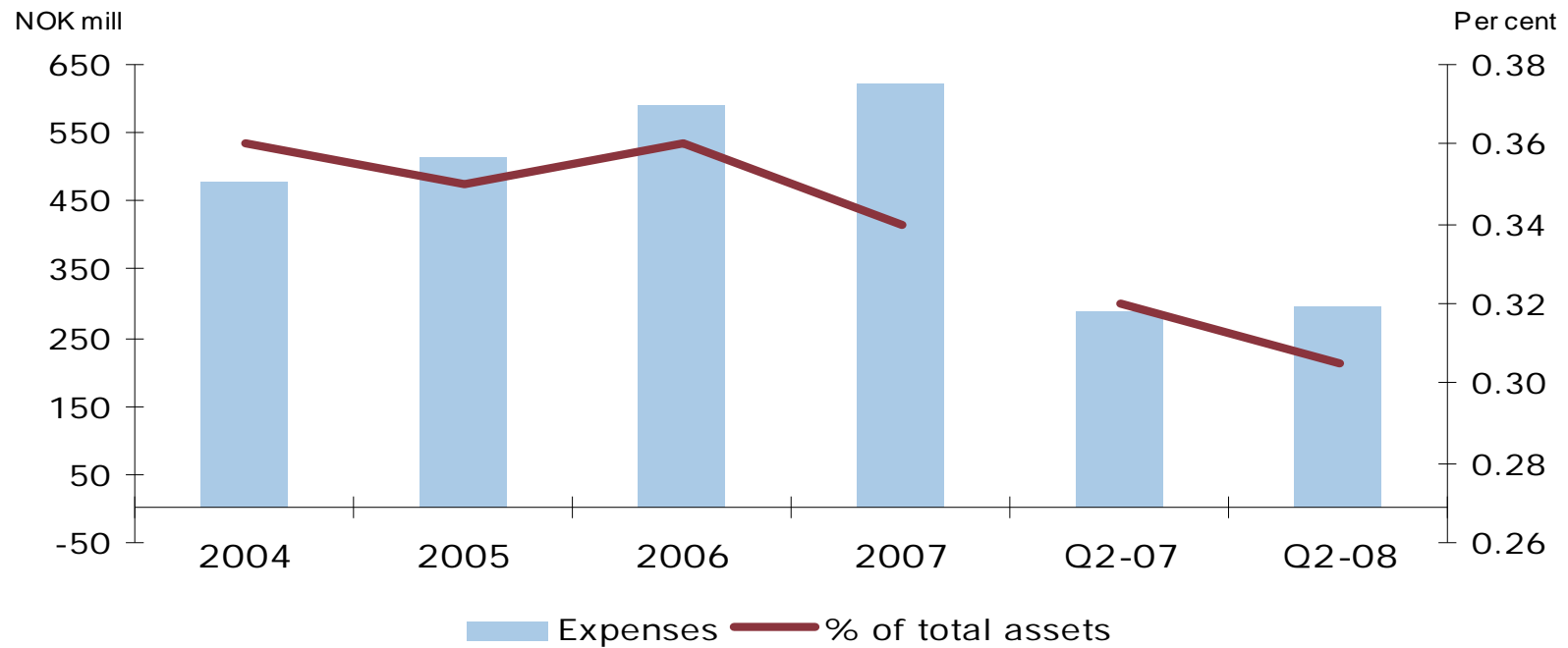
<i>NOK mill</i>	30.06.08	31.12.07
Valuation reserves	0	7 132
Income to date and supplementary reserves (up to one year's guaranteed return)	6 229	5 388
Core capital margin	3 310	3 398
Regulatory buffer capital	9 539	15 918
Buffer capital in per cent of market risk in investment portfolio (stresstest)	82	113
<i>Figures in per cent</i>	30.06.08	31.12.07
Capital adequacy ratio	11.8	12.1
Core-capital adequacy ratio	8.6	8.7
Solvency capital as percentage of technical reserves with interest rate guarantee ¹⁾	9.7	14.5

¹⁾ As defined in FNH statistics

Financial solidity



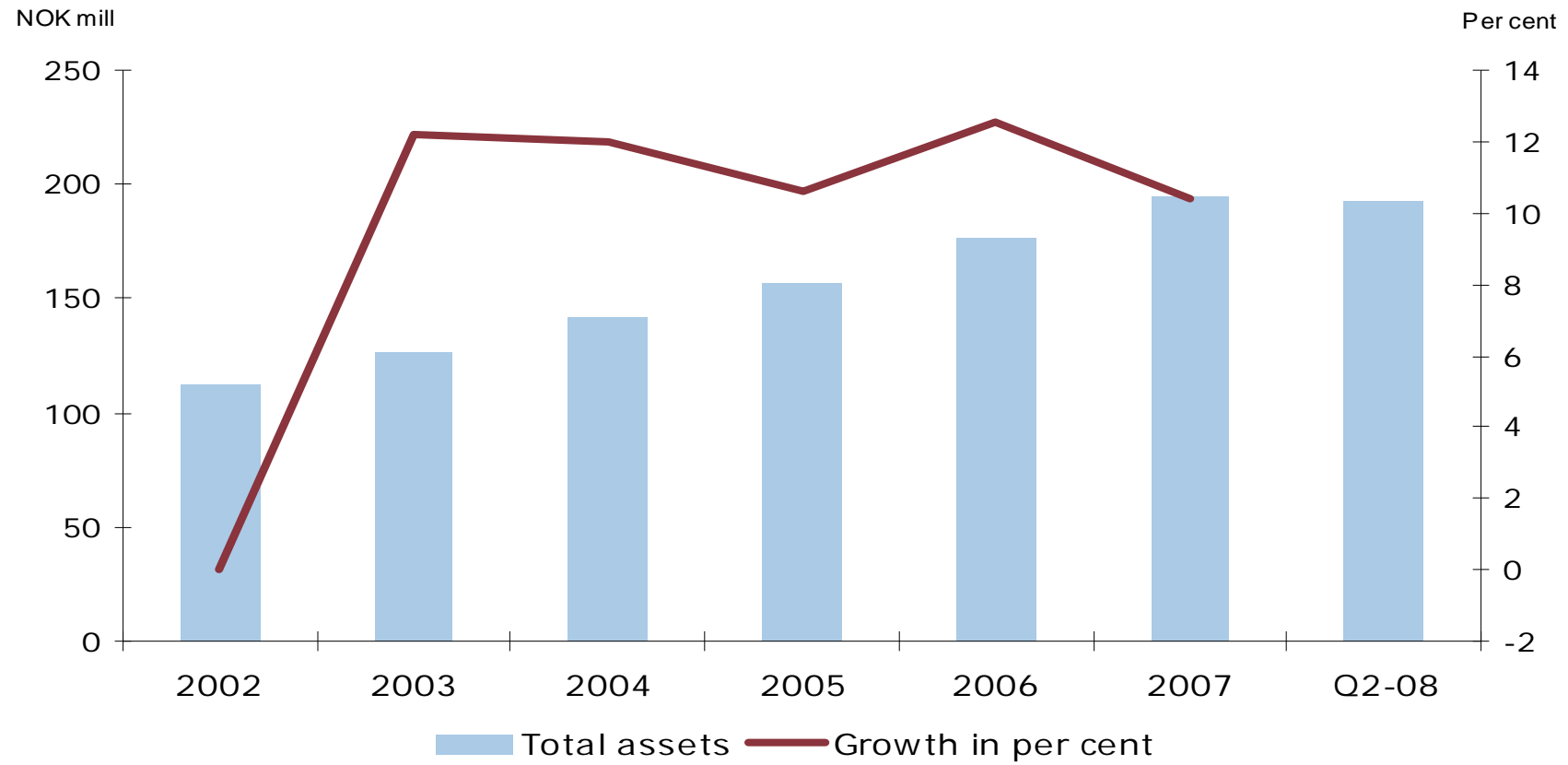
Stable cost ratio



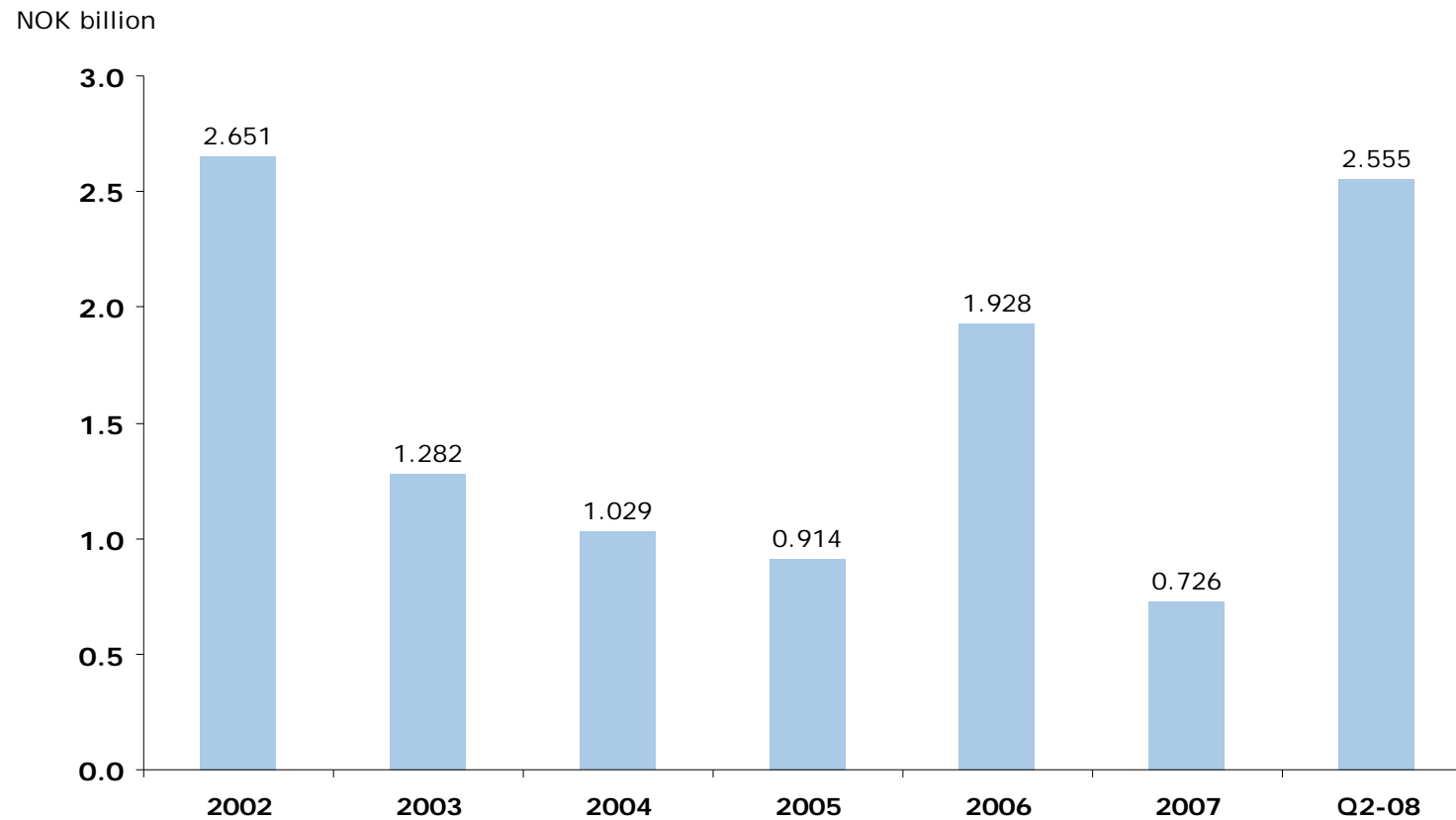
Costs in 2007 excluding NOK 244 million in connection with extraordinary bringing pension corridor to zero.



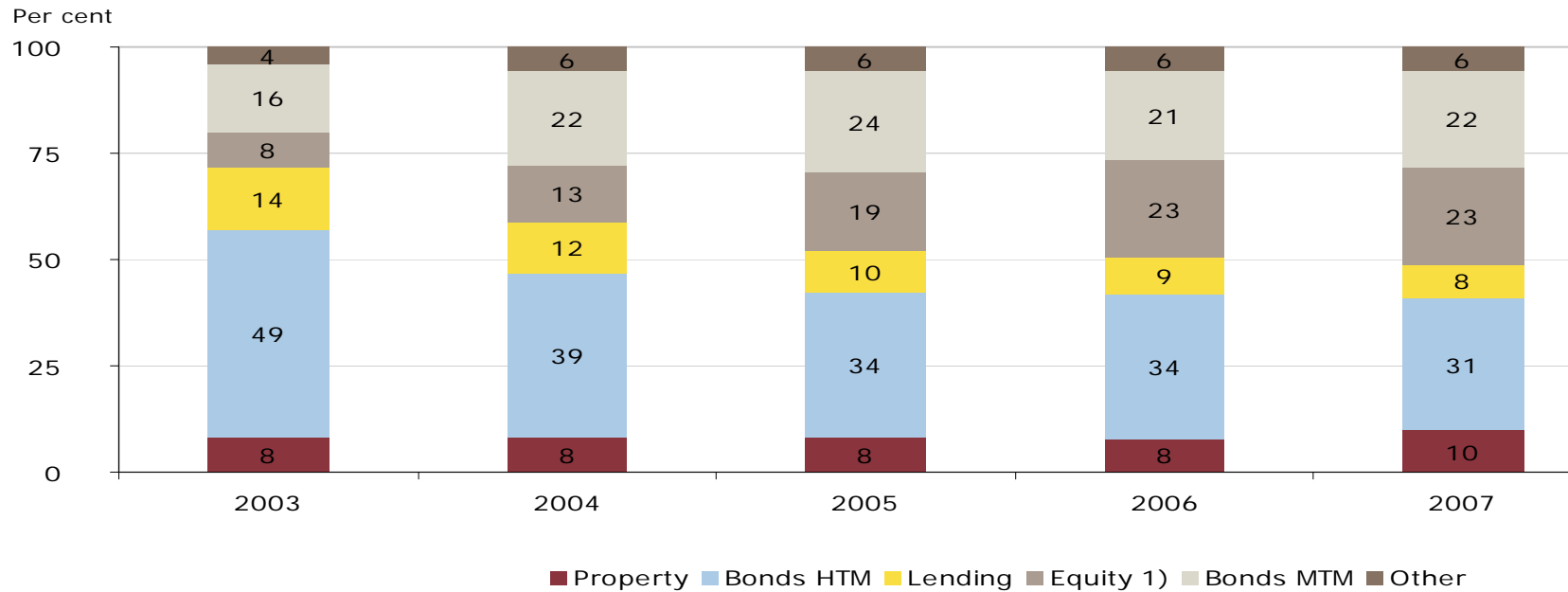
Total assets and growth



Net transfers from KLP



Asset allocation in KLP



1) Book value of equities, may differ from exposure figure.

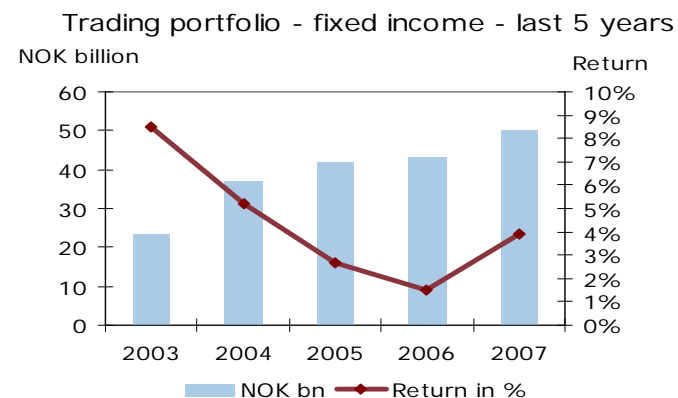
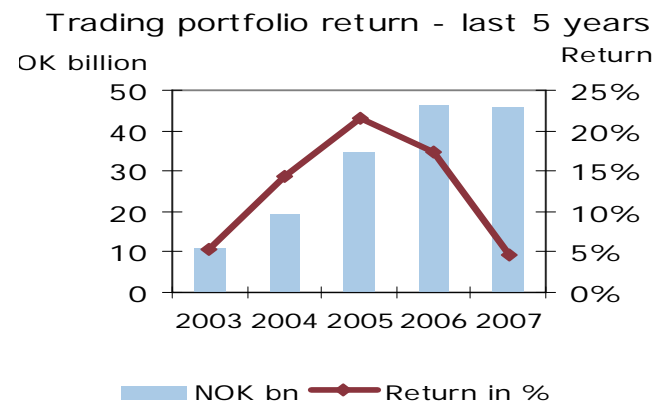


Trading portfolios – equities and bonds

Trading portfolios equities and fixed income*	30.06.08
Value equities (NOK mill)	39 055
Value fixed income (NOK mill)	43 356
Equities incl. derivatives (in per cent of fin. assets)	16.3 %
Return equity portfolios ytd.	- 12.0 %
Return trading portfolios fixed income ytd.	0.8 %

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

Index-tracking portfolios	30.06.08
Share index-tracking equities	80 %
Share index-tracking fixed-income	44 %



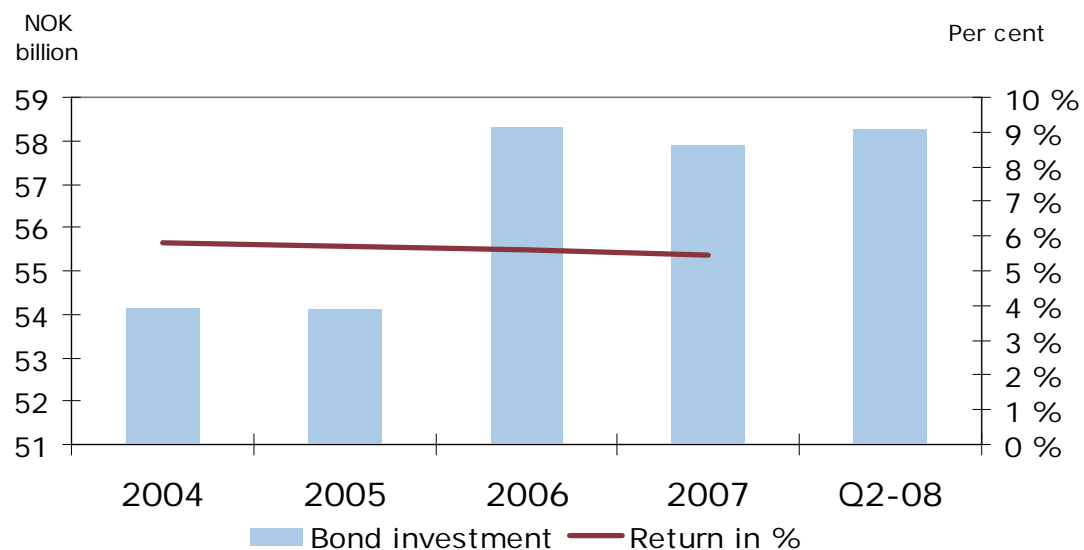
Trading portfolios – geographic split

Trading portfolio equities – Geographic distribution incl. derivatives	30.06.07	31.12.07	30.06.08
Trading portfolio equities total	100	100	100
Norway	14.1	15.1	19.4
Other Nordic countries	3.8	3.7	5.0
Other International	81.4	80.1	74.8
Misc. portfolios	0.7	1.1	0.8

Trading portfolio fixed-income – Geographic distribution incl. derivatives	30.06.07	31.12.07	30.06.08
Fixed income – total trading portfolios	100	100	100
Norway – money market	18.7	25.4	21.6
Norway – bonds	16.9	16.8	12.2
International bonds	62.9	57.0	65.6
Other portfolios	1.5	1.0	0.6

Bonds held-to-maturity

<i>Common portfolio</i>	30.06.07	31.12.07	30.06.08
Book value (NOK mill)	59 061	57 898	57 081
Valuation reserves (NOK mill)	-1 265	-894	-2 695
Return year to date (per cent)	2.7	5.4	2.7



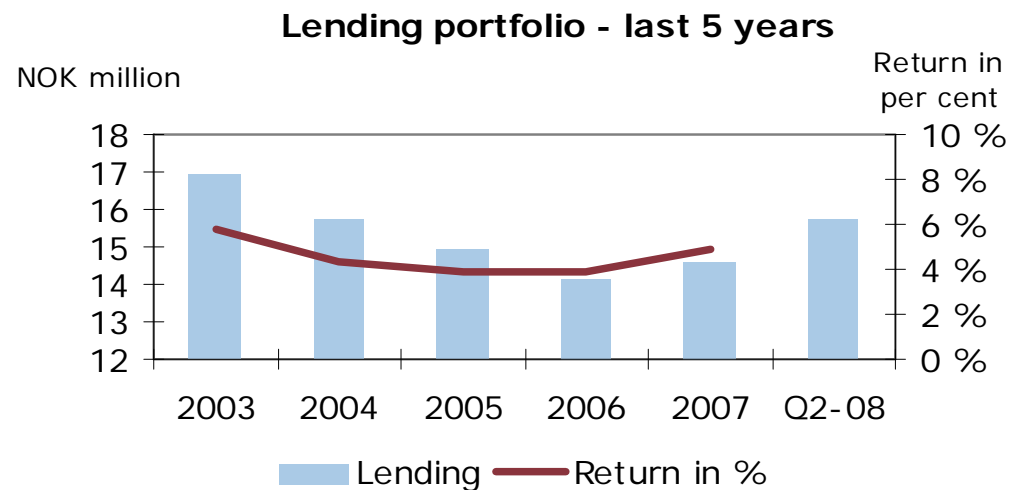
Credit policy

- Hold-To-Maturity Bonds
 - International bonds bought to be held to maturity limited to sovereign risk or rated AA- or better ⁽¹⁾, or bonds rated A or better with maturity of less than 10 years.
Bonds downgraded to be reviewed for reclassification
- Global bond portfolios divided into
 - International bonds in trading portfolio limited to sovereign risk or rated AA or better
 - International Credit Portfolio "investment grade" bonds, limited to 20 per cent of total assets
- Norwegian bonds
 - Within specific credit limits given by Credit committee
 - Lines subject to annual renewal and quarterly review.

¹⁾ Or equivalent by other leading rating agency

Lending portfolio

	30.06.07	31.12.07	30.06.08
Book value (NOK mill)	13 880	14 603	15 701
Of this: fixed rate loans (NOK mill)	4 350	4 990	5 039
Return year to date (in per cent)	2.2	4.8	2.8
Specific and general credit loss provisions (NOK mill)	1.4	1.3	1.1



Property portfolio

	30.06.07	31.12.07	30.06.08
Book value (value-adjusted NOK mill)	17 001	18 723	21 759
Total space occupied incl. sites (1 000 sq m)	1 221	1 230	1 328
Occupancy rate (per cent)	97.0	97.5	97.5
Average lease duration (year)	6.5	6.4	6.2
Yield year to date (per cent)	6.5	6.9	-0.8

Property ownership by portfolio;

- Common portfolio 90.7 %
- Corporate portfolio 8.3 %
- KLP Skadeforsikring (Non-life insurance) 0.8 %
- KLP Bedriftspensjon (Private sector pensions) 0.2 %

- Geographic split of the portfolio;
 - 84 % Oslo
 - 9 % Trondheim
 - 7 % Copenhagen
- Sector diversification of the portfolio;
 - 61 % office
 - 13 % hotels
 - 10 % shopping centres
 - 4 % real estate
 - 7 % under construction
 - 4 % other

Real estate

- Valuation of the real estate portfolio per 30.06.2008 gave a write-down of NOK 750 million (3.5 per cent) summing up the effects of increased risk premium and interest rates on the one hand, and improved yields in certain sectors as well as successful renegotiation of leases/reletting on the other hand.
- Regular independent and qualified external valuations of parts of the portfolio confirm the internal valuation models.
- KLP's property holdings reorganized into single purpose vehicles in 2007.
- KLP's real-estate investment valued on "clean" basis, i.e. ex. Transfer taxes.
- Total transfer taxes on properties owned through single purpose vehicles estimated at NOK 404 million.

Asset management

KLP Kapitalforvaltning & KLP Fondsforvaltning

- Net external subscriptions from institutional investors exceeding NOK 2 billion through the first 6 months – the market as a whole registered net redemption.
- Continued demand for our index-tracking equity funds as well as for our global credit fund.
- Total return in excess of benchmark indices NOK 214 million.
- Index tracking funds achieved benchmark.

Non-life insurance:

KLP Skadeforsikring AS

- Net return first 6 months NOK 28.3 million (28.7 million)
- Good technical results, both for this year's business and previous year's gave a total cost percentage of 89.1 per cent for the quarter (120.9 per cent).
- Claims percentage all business 69.0 per cent (98.4 per cent)
- Cost percentage all business 20.1 per cent (22.5 per cent)
- Return on financial assets 0.2 per cent for the 6 months (2.1 per cent), return for the 2. quarter 0.4 per cent (1.0 per cent)
- The security provisions constitute a satisfactory buffer against possible unwinding-losses and unfavourable risk evolution
- Comparative figures for 2007 adjusted for new GAAP, however:
 - Certain issues relating to accounting for statutory earmarked equity items remain unresolved.

Profit & Loss, second quarter 2008

	Results	Results	Budget
	31.03–	31.03–	31.03–
<i>1 000 kr</i>	30.06.07	30.06.08	30.06.08
Premium written f.o.a.	255 433	257 143	269 284
Allocated investment income	51 531	52 048	52 048
Claims f.o.a.	-251 248	-177 445	-234 804
Insurance related expenses	-57 543	-51 659	-62 580
Other insurance related income	28 920	3 352	500
Changes in security reserves etc.	-343	-11 275	-6 100
Result from technical activities	26 752	72 164	18 348
Result from investment activities	53 460	8 220	57 900
Allocated investment income	-51 531	-52 048	-52 048
Result from ordinary operation	28 681	28 336	24 200

KLP non-life insurance

Key figures, <i>per cent</i>	30.06.07	31.12.07	30.06.08
Claims ratio on own account	98.4 %	82.2 %	69.0 %
Cost ratio on own account	22.5 %	23.1 %	20.1 %
Combined Ratio for own account	120.9 %	105.3 %	89.1 %
Return on capital	2.0 %	4.0 %	0.2 %
Capital adequacy ratio	35.1 %	27.4 %	32.1 %

Revenues, <i>NOK mill</i>	30.06.07	31.12.07	30.06.08
Gross premiums written	499	555	494
Premium income for own account	255	521	257
Claims paid for own account	251	428	177
Insurance related costs for own account	57	118	52
Results	29	71	28

Key figure balance sheet, <i>NOK mill</i>	30.06.07	31.12.07	30.06.08
Financial assets	2 768	2 630	2 805
Total assets	2 949	2 778	3 116
Equity	607	586	682
Provisions in insurance funds for own account	2 250	2 052	2 354

Key points

- Satisfactory surplus for clients and owners maintained in uneasy financial markets
- Satisfactory solvency
- Efficient cost base as well as transparent and competitive pricing
- Client relations and service levels strengthened.



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