

Oslo, 18th August 2016

Financial results Q2 2016

KLP Group



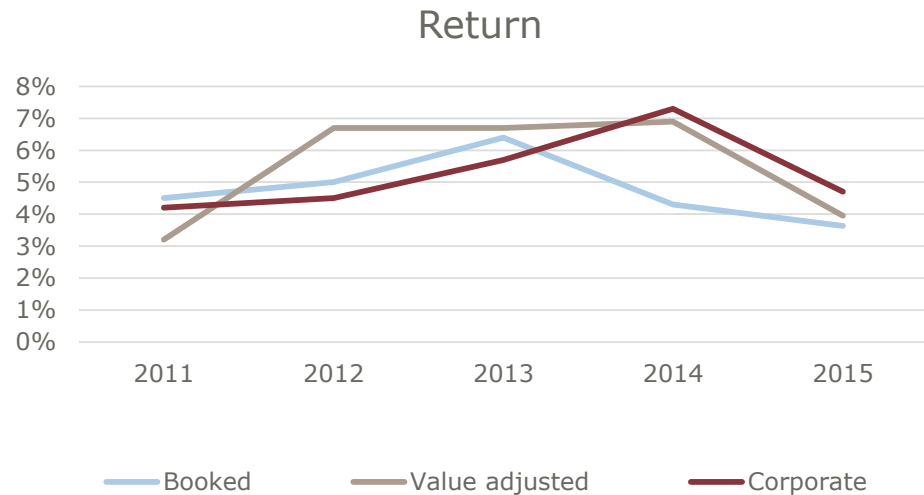
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Main features

- Total group assets: NOK 577 billion
- Common portfolio of life company:
 - Book return of 2.2 per cent
 - Value adjusted return of 2.7 per cent
- Corporate portfolio returned 2.7 per cent
- Solvency ratio: 189 per cent

	Q2 2016	Q1 2015	Q4 2015	Q3 2015
Common portfolio				
Booked return	1.1 %	1.1 %	1.0 %	0.6 %
Value adjusted return	1.7 %	1.0 %	2.0 %	-0.3 %
Value adjusted return incl. HTM bonds/bonds booked at amortised costs	1.8 %	1.6 %	1.6 %	0.1 %
Investment options portfolio	1.7 %	1.5 %	2.2 %	-0.8 %
Corporate portfolio	1.7 %	1.0 %	1.5 %	0.8 %



KLP Group – results by segment

NOK million	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Life insurance	688	513	3 093	420
Non-life insurance	66	50	137	31
Banking	38	20	15	17
Asset management	7	-5	1	18
Other	1			-1
Group result before tax	800	578	3 249	587

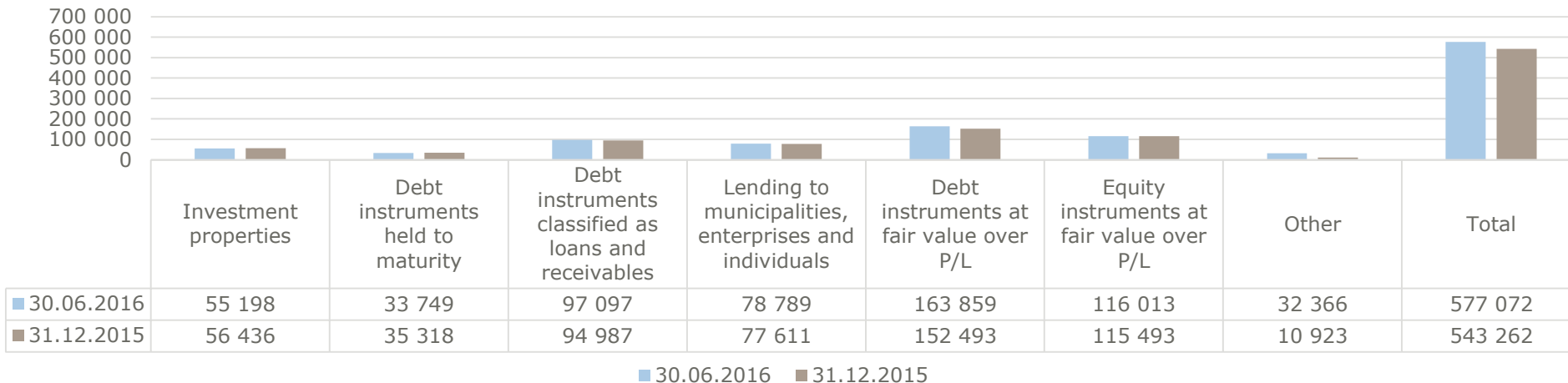
KLP Group – main figures - results

NOK million	30.06.2016	30.06.2015	31.12.2015
Pension premiums and incoming transfers	20 456	26 261	40 236
- of which premium reserves transferred from another company	1 801	10 070	9 397
Allocated investment income	13 168	11 354	17 599
Minority share of return of financial instruments	204	-1 598	-1 949
Claims f.o.a.	-8 548	-8 086	-16 161
Insurance provisions	-15 344	-21 848	-11 740
Operating cost	-759	-726	-1 429
Other income and cost	-10	37	43
Technical result	9 166	5 394	26 598
To/from value adjustment fund life insurance	-2 530	-1 393	-1 951
To/from supplementary reserves life insurance	7	57	-3 073
Surplus allocated Life insurance clients	-5 265	-2 756	-16 435
Group result pre-tax	1 378	1 302	5 138
Tax	22	-354	-927
Other profit/loss elements	-17	57	261
Group result pre-tax	1 383	1 005	4 472

KLP Group - Balance

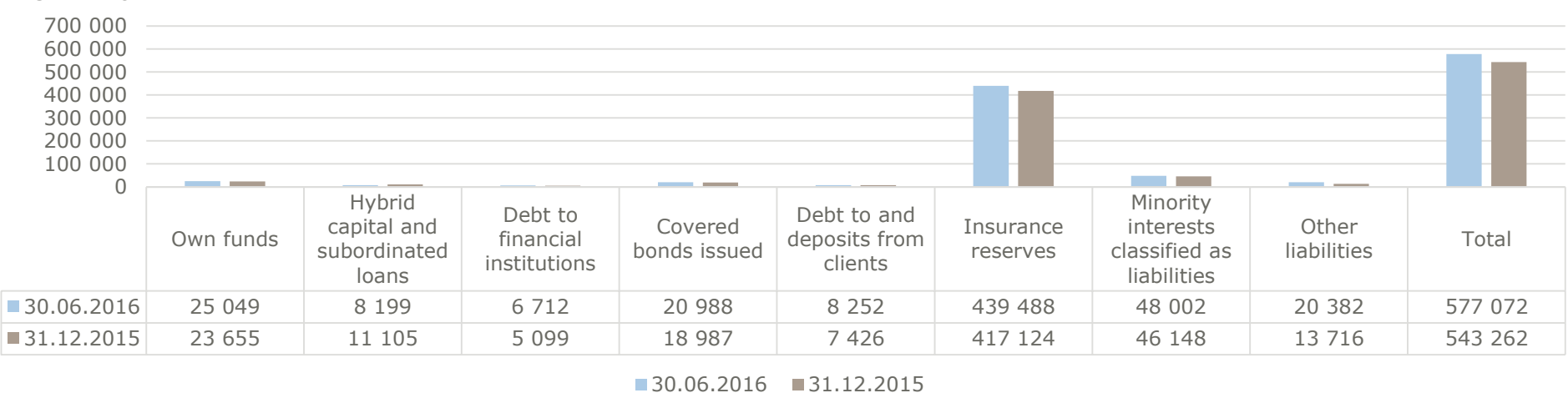
Assets

NOK million

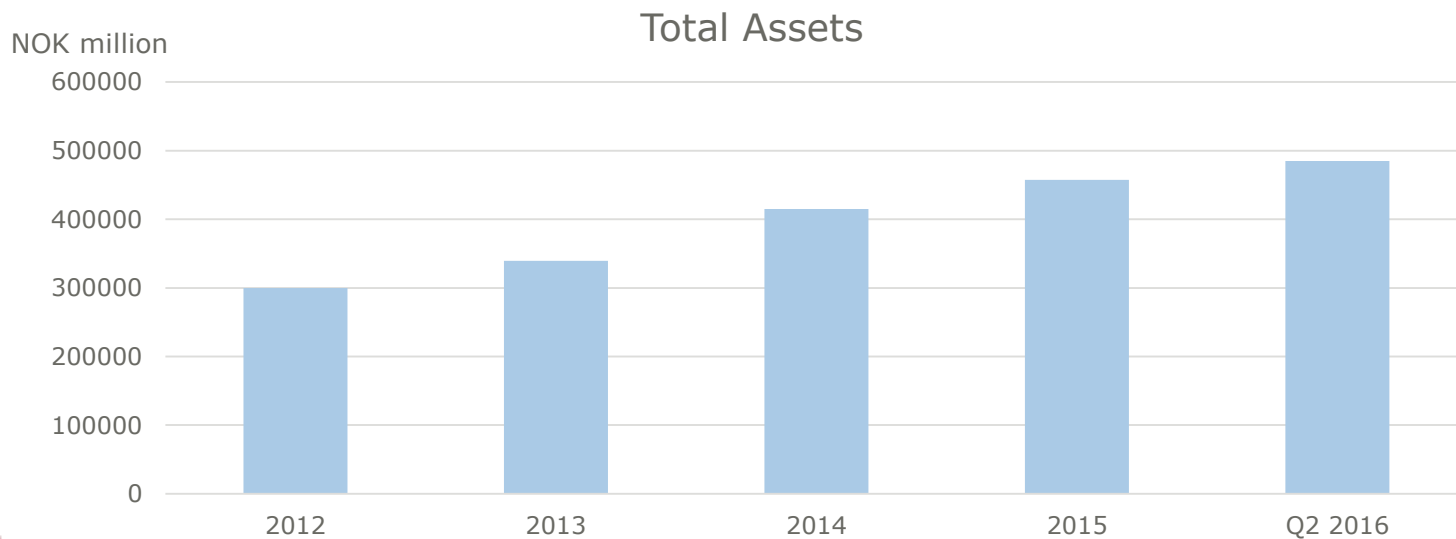
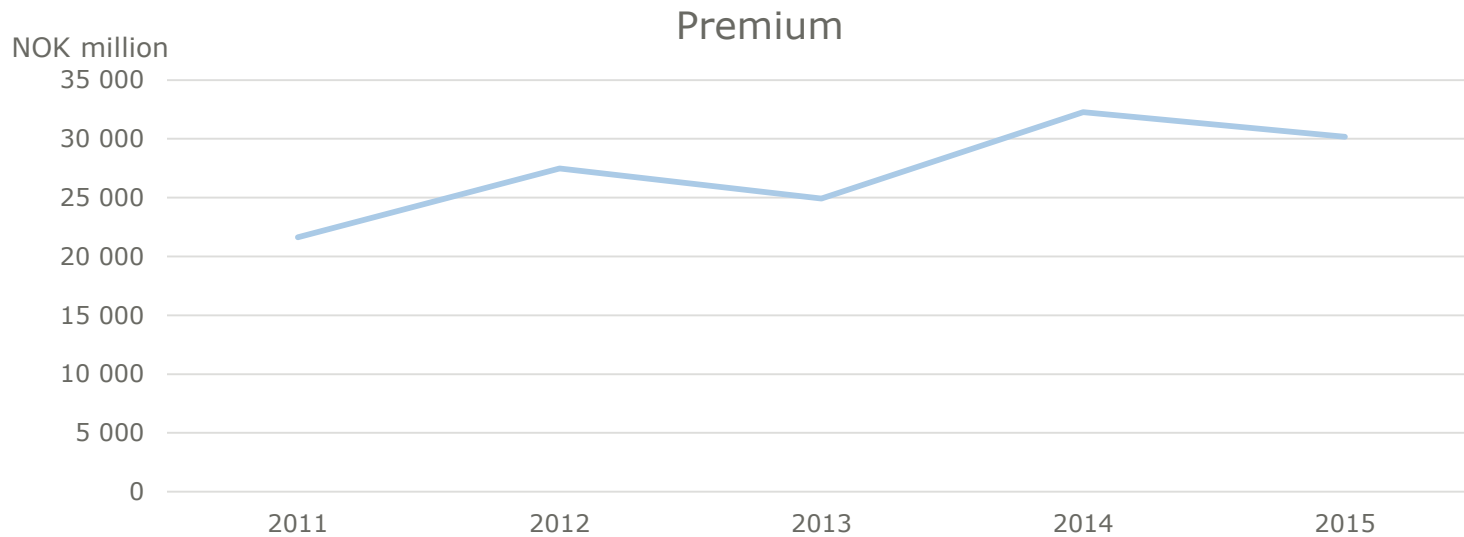


Own funds and liabilities

NOK million

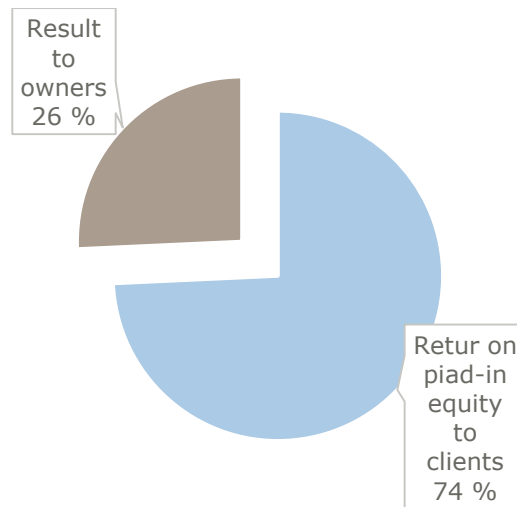


KLP Life



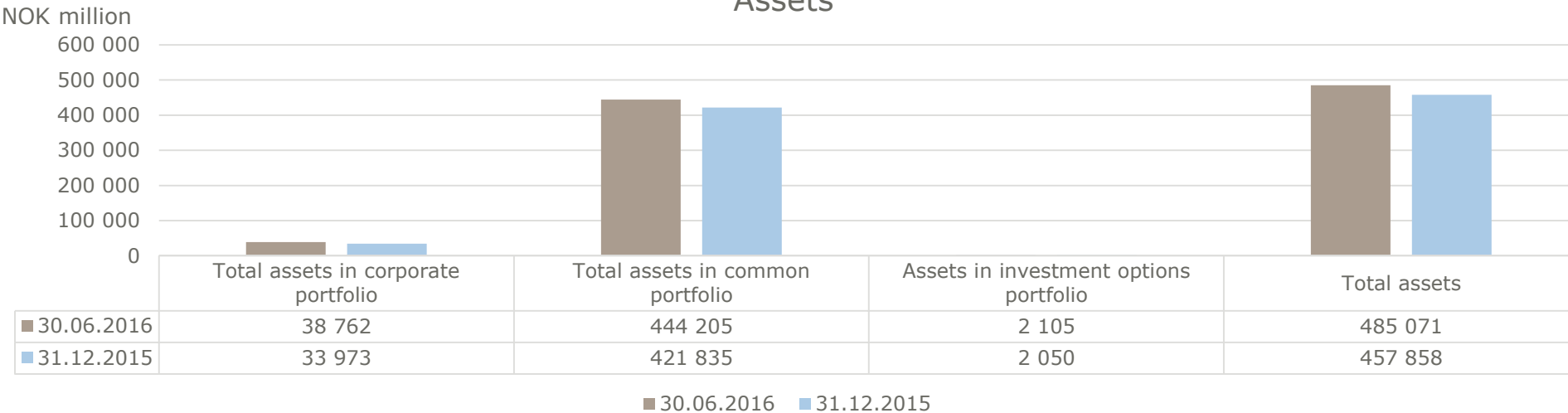
KLP – Appropriation of results

Nok million	Result Customers	Result Company	30.06.2016	30.06.2015
Interest result	3 878	75	3 952	2 607
Risk result	142	136	278	294
Premium interest rate guarantee		340	340	398
Administration result		65	65	132
Net income corporate portfolio		581	581	388
Tax		256	256	-102
Other result elements		-59	-59	-
Total	4 019	1 392	5 412	3 717

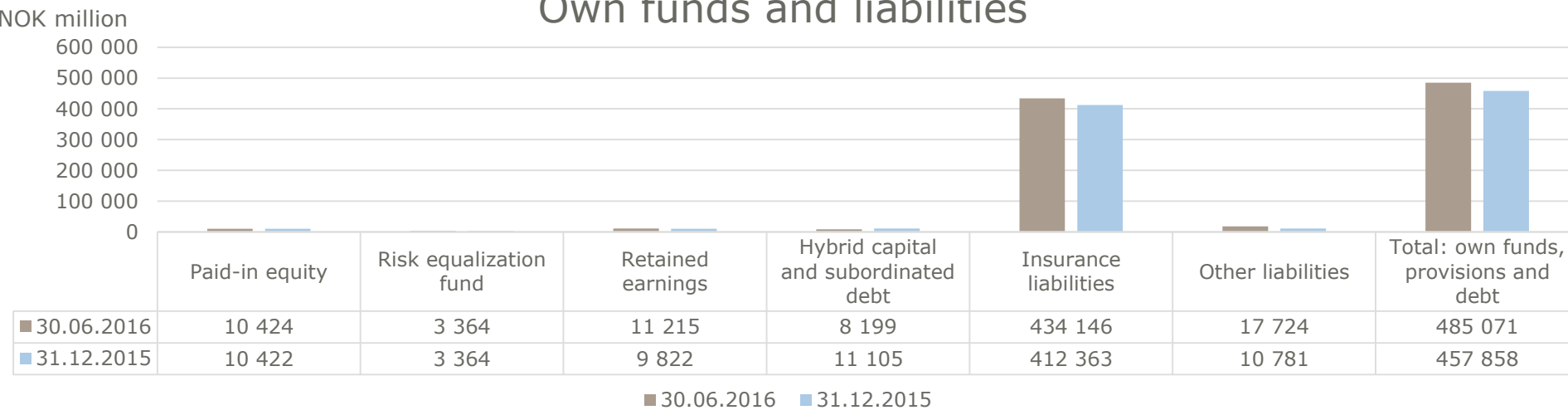


KLP Life - Balance

Assets



Own funds and liabilities

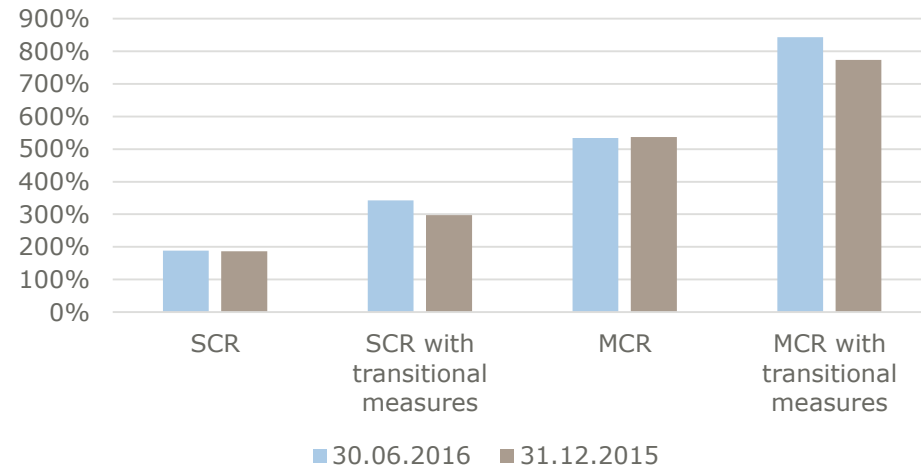


KLP Life - Solvency

- Solvency ratio Q2: 189* per cent
- Minimum solvency ratio Q2: 534* per cent
- *without transitional measures

	30.06.2016	31.03.2016	31.12.2015
Solvency ratio (SCR)	189 %	187 %	189 %
Kapitaldekning (SCR) with transitional measures	343 %	334 %	298 %
Minimum solvency ratio (MCR)	534 %	488 %	537 %
Minimum solvency ratio (MCR) with transitional measures	843 %	758 %	773 %

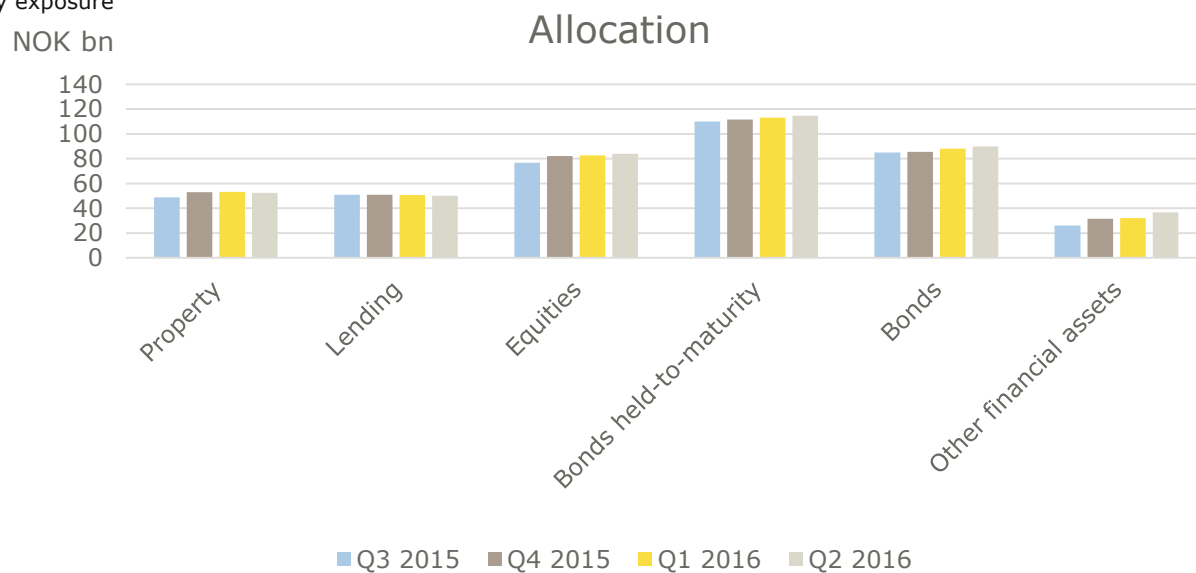
Solvency Ratio



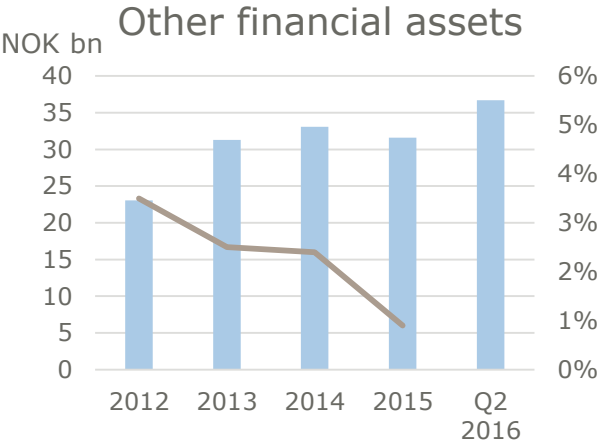
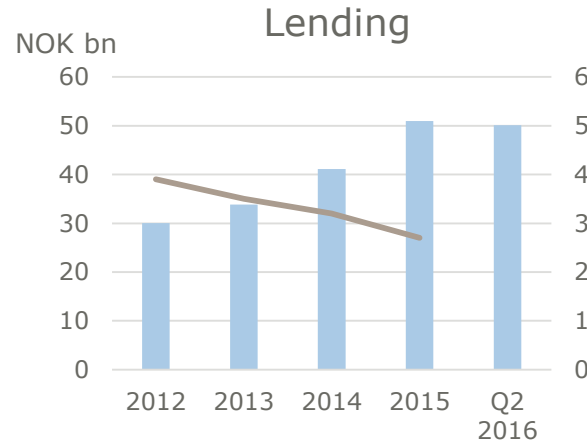
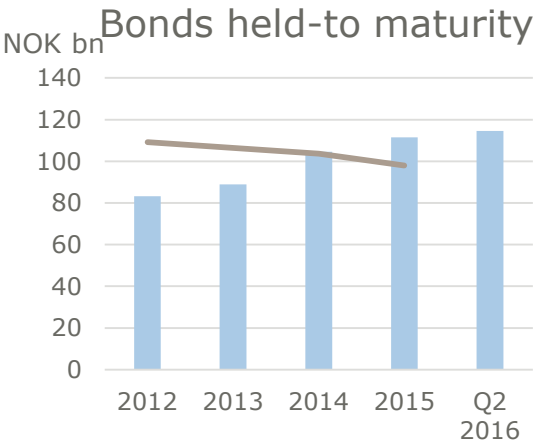
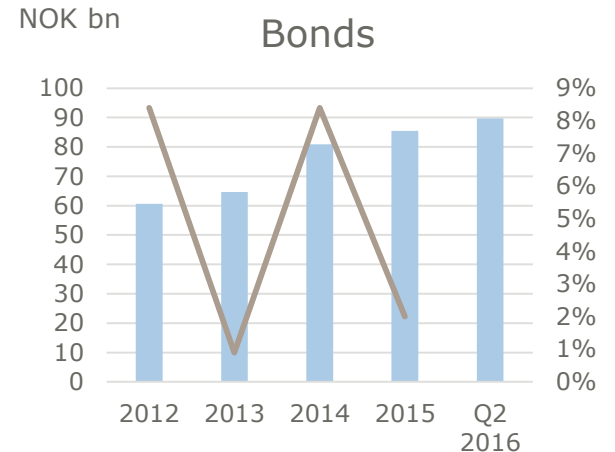
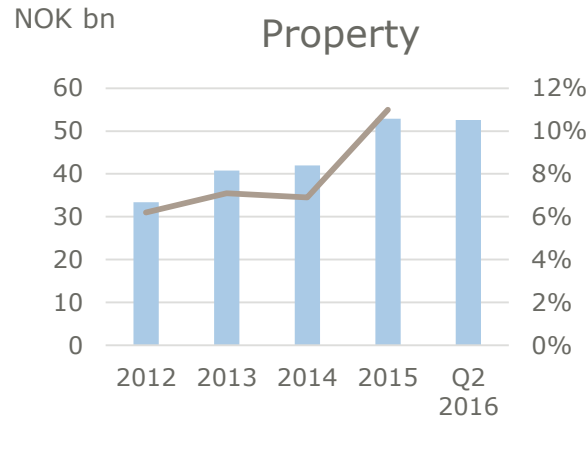
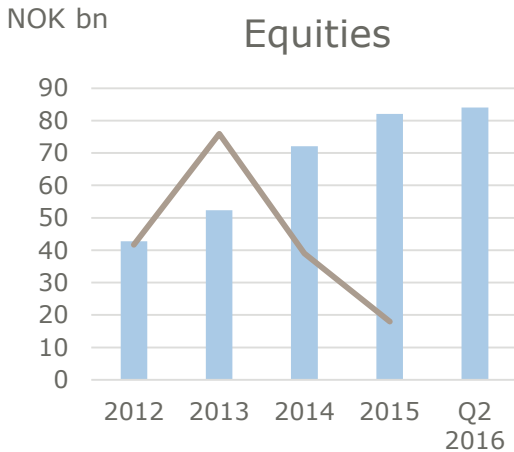
KLP Life - Common Portfolio

	Share*	Return	Share*	Return
	30.06.2016	30.06.2016	31.12.2015	31.12.2015
Equities	19.6 %	-1.6 %	19.8 %	6.0 %
Bonds	21.0 %	4.9 %	20.6 %	2.0 %
Bonds held-to-maturity	26.8 %	2.1 %	26.9 %	4.5 %
Lending	11.7 %	1.2 %	12.3 %	2.7 %
Property	12.3 %	5.1 %	12.8 %	11.0 %
Other financial assets	8.6 %	0.9 %	7.6 %	0.9 %

*) Measured by exposure



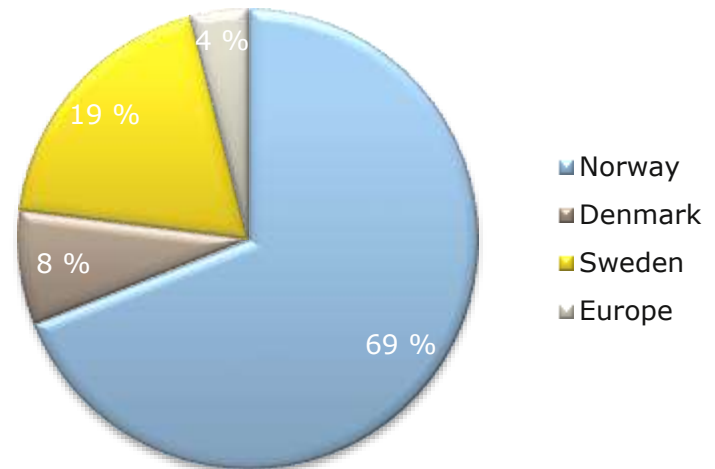
KLP Life - Allocation



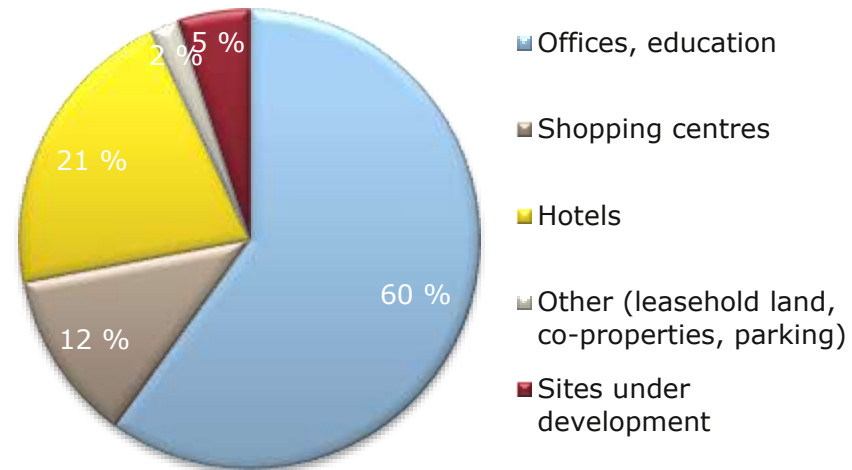
KLP Life - Property

- The portfolio written up by NOK 1 185 millioner (2.2%) in Q2
- New investments / sales in 2016:
 - Sold Krambukvartalet in Trondheim
 - Sold Munkedamsveien 53B in Oslo
 - Sold Fløisbonnveien 2-4 utenfor Oslo
 - Sold parts of Bergerveien 12 i Asker
 - Sold Solna Haga outside Stockholm

Property value - by country



Property value - by sector



KLP Life - Property

NOK million	30.06.2016	31.03.2016	31.12.2015	30.09.2015
Fair value total portfolio*	55 016	55 686	55 353	51 491
Fair value common portfolio*	51 587	52 458	52 126	48 387

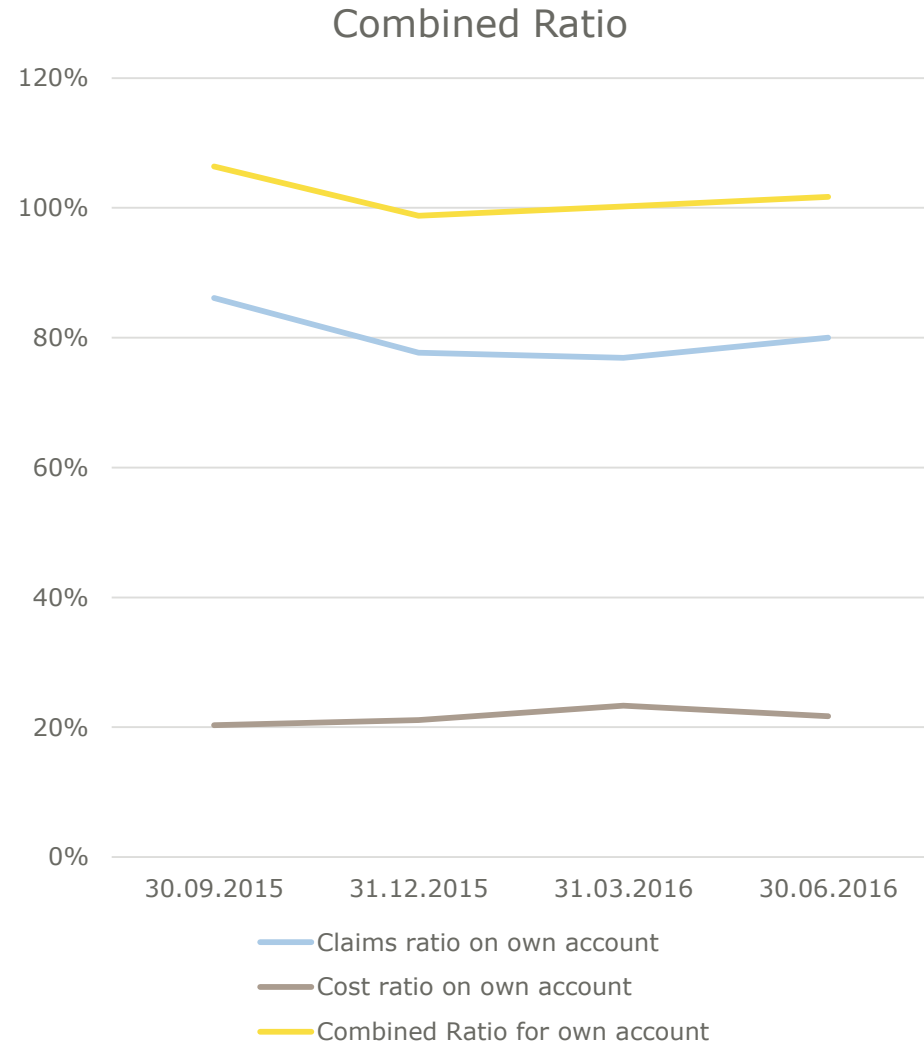
*Incl exchange-rate hedged and excl. property fund

	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Value adjustment in per cent	2.2 %	0.6 %	2.8 %	0.0 %
Value adjustment in per cent common portfolio	1.9 %	0.6 %	2.7 %	0.0 %
Total return common portfolio**	3.2 %	1.8 %	4.2 %	1.3 %

**Incl exchange-rate hedged and property fund

KLP Skadeforsikring (non-life insurance)

- Operating result Q2 NOK 66.8 million, first half NOK 116.3 million
- Total premium: 1 210 millioner (+8.3%)
- Financial result 1.8 per cent for Q2, and 3.1 per cent first half.
- Two injuries over 10 million
- Effect of resolution of prior years' reserves, NOK 39.6 million
- Security provisions increased by 8.4 per cent



KLP Skadeforsikring (non-life insurance)

NOK million	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Premium written f.o.a.	284.1	276.4	266.6	265.0
Claims f.o.a.	-235.8	-212.4	-142.5	-190.0
Insurance related expenses	-57.2	-64.5	-62.0	-53.5
Other insurance related income	0.4	0.2	0.2	0.2
Result from technical activities	-8.6	-0.2	62.3	21.7
Result from investment activities	75.3	49.5	74.0	4.9
Other income	0.1	0.2	0.4	0.1
Result from ordinary operation	66.8	49.5	136.7	26.8
Estimated tax expense	-14.1	-13	-27.1	-7.8
Other elements	0	-6.1	13.3	5.7
Provisions for equity fund	-10.3	2.5	1.6	2.0
Result after provisions for equity fund	42.4	32.9	124.6	26.6

KLP Skadeforsikring (non-life insurance)

Revenues, NOK million	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Gross premium written	284	276	267	265
Premium income for own account	-236	-212	-1465	1133
Claims paid for own account	-57	-64	-374	259
Insurance related costs for own account	75	-64	-374	259
Results	116	49,5	136,7	26,8

Key figure balance sheet, NOK million	30.06.2016	31.03.2016	31.12.2015	30.09.2015
Financial assets	4 189	4 228	3 835	3 878
Total assets	4 567	4 567	4 128	4 172
Equity	1 755	1 703	1 267	1 154
Provisions in insurance funds for own account	2 359	2 439	2 597	2 753

KLP Bedriftspensjon – main figures

NOK million	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Interest result	2.5	2.5	9.8	3.1
Risk result	0.6	0.6	-0.4	-4.5
Administration result	-7.6	-7.6	-8.2	-5.8
Interest rate guarantee and profit element	1.8	1.8	1.8	1.9
Non-technical result	2.6	2.6	0.3	-0.2
Other profit elements	-1.1	-1.1	-0.5	0.9
Total result	-1.2	-1.2	2.7	-4.5
Of which result to clients	3.1	3.1	9.7	2.9
Result to owner	-5.8	-5.8	-9	-7.9
Reserve Management	1.5	1.5	2	0.5

KLP Bedriftspensjon – return and solvency

	30.06.2016	31.03.2016	31.12.2015	30.09.2015
Common portfolio				
Book	2.2 %	1.0 %	4.8 %	3.4 %
Value adjusted	2.8 %	1.1 %	4.7 %	2.8 %
Investment options portfolio	1.8 %	-0.2 %	2.1 %	-0.9 %
Corporate portfolio	1.7 %	1.1 %	0.9 %	0.5 %

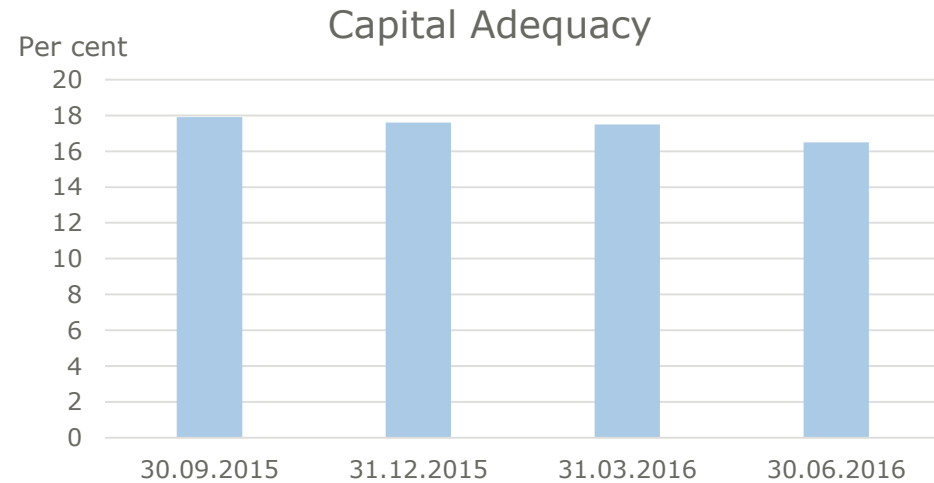
	30.06.2016	31.03.2016	31.12.2015
Solvency ratio (scr)	69 %	57 %	100 %
Kapitaldekning (scr) with transitional measures	319 %	302 %	319 %
Minimum solvency ratio (mcr)	134 %	106 %	227 %
Minimum solvency ratio (mcr) with transitional measures	804 %	773 %	855 %

NOK million	30.06.2016	31.03.2016	31.12.2015	30.09.2015
Value adjustment fund	67.3	60.2	56.6	48.6
Supplementary reserves	37.5	38.0	37.7	30.0
Solvency capital	516.3	480.0	461.0	254.0

KLP Bank-group – main figures

- Retail market: 43 600 clients
- KLP Boligkreditt AS has issued new covered bonds and had a loan balance at 4.2 billion at 30. June

NOK million	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Net interest revenues	49.4	50.9	54.0	51.6
Net fee – and commissions income	2.4	1.2	2.4	2.6
Management fees	14.2	14.3	14.4	14.4
Operating cost	-36.1	-53.0	-48.0	-37.6
Value changes financial instruments	8.1	6.5	-7.5	-13.6
Pre-tax earnings	38.1	19.9	15.3	17.3
Total assets	34 145	32 200	31 294	29 267



KLP Bank-group – main figures

KLP Kommunekreditt, NOK million	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Net interest revenues	17.8	18.9	17.8	17.2
Operating cost	-4.1	-4.9	-6.6	-4.5
Value changes financial instruments	5.1	3.3	-5.5	-10.7
Pre-tax earnings	18.8	17.2	5.7	2.0
Total assets	19 972	19 184	19 349	17 722

KLP Banken, NOK million	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Net interest revenues	22.0	21.6	23.6	22.2
Net fee – and commissions income	2.4	1.2	2.4	2.6
Management fees	14.2	14.3	14.4	14.4
Operating cost	-26.3	-40.2	-33.2	-27.0
Value changes financial instruments	2.7	0.1	-2.8	-1.4
Pre-tax earnings	15.0	-3.0	4.4	10.8
Total assets	12 742	12 718	11 933	11 841

KLP Boligkreditt, NOK million	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Net interest revenues	9.5	10.5	12.6	12.2
Operating cost	-5.6	-7.9	-8.3	-6.1
Value changes financial instruments	0.4	3.0	0.8	-1.4
Pre-tax earnings	4.3	5.6	5.1	4.6
Total assets	4 429	4 251	3 959	4 354

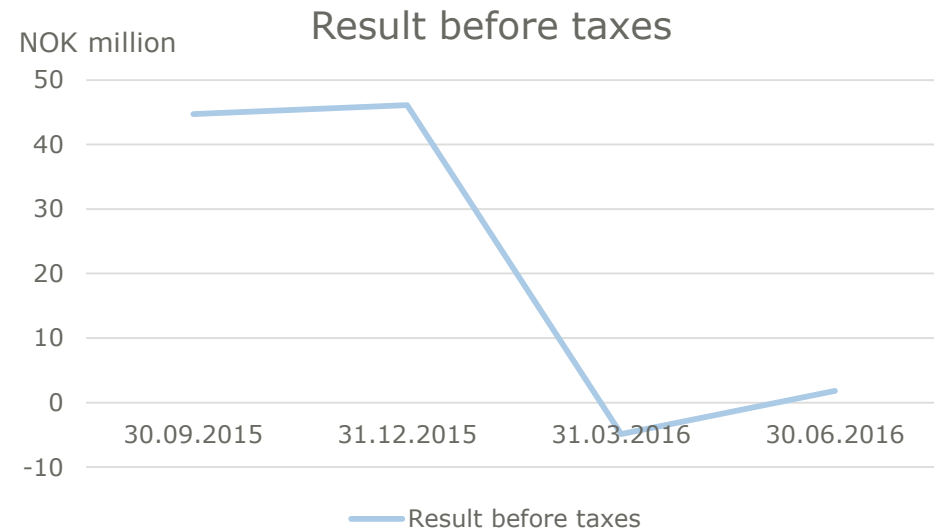
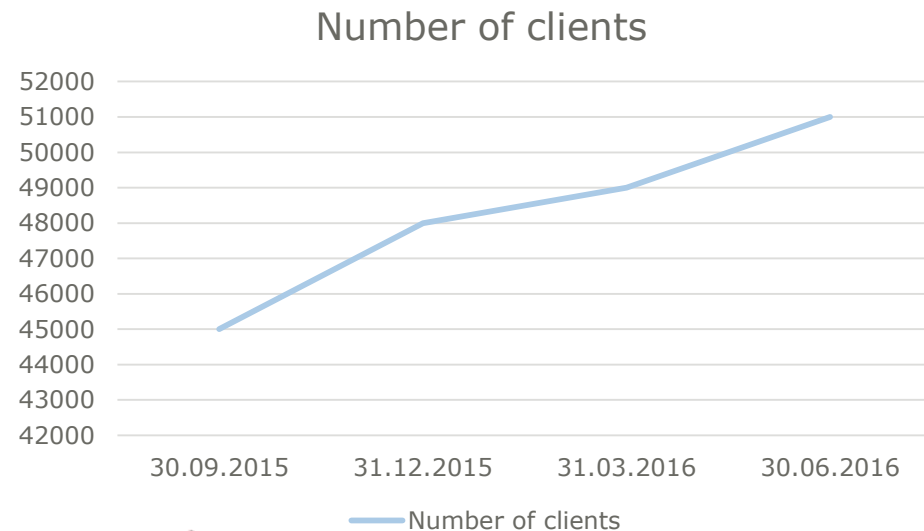
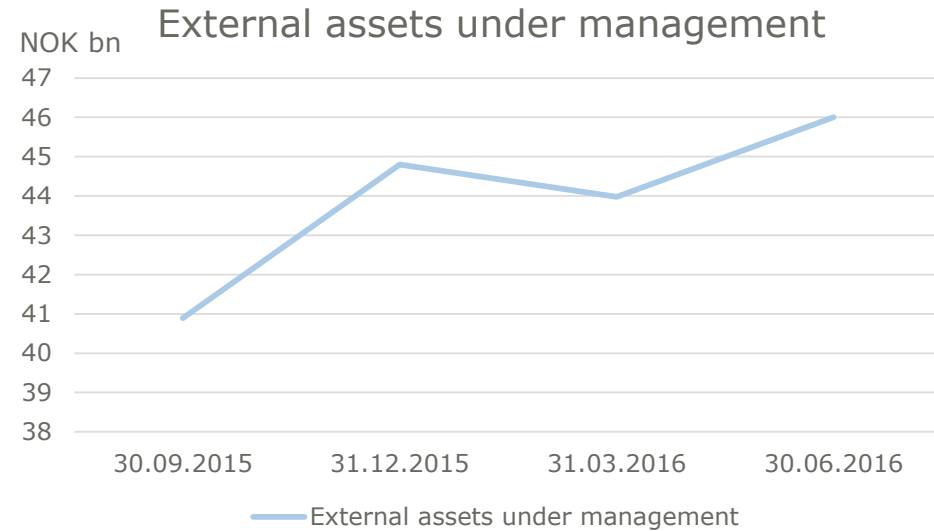
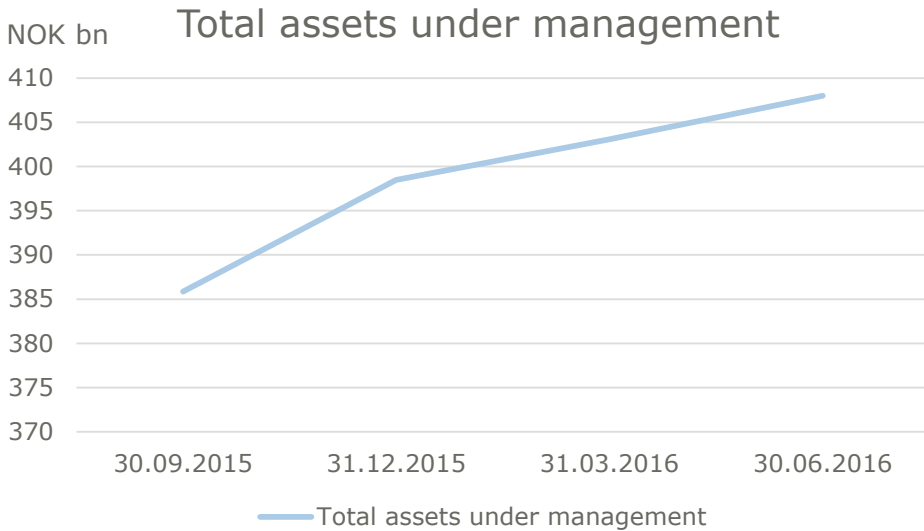
KLP Bank-group – lending and deposits

Mortgage loans, NOK million	30.06.2016	31.03.2016	31.12.2015	30.09.2015
KLP Banken AS	8.1	7.3	6.9	6.3
KLP Boligkreditt AS	4.2	4.0	3.7	4.1
KLP (Management agreement)	2.7	3.2	3.4	3.6
Total	15.0	14.5	14.1	14.0

Public sector loans, NOK million	30.06.2016	31.03.2016	31.12.2015	30.09.2015
KLP Kommunekreditt AS	15.7	15.4	15.3	15.4
KLP (Management agreement)	38.2	37.9	37.4	37.9
KLP (currency loans)	9.2	9.7	10.1	9.3
Total	63.1	62.9	62.9	62.6

Deposits, NOK million	30.06.2016	31.03.2016	31.12.2015	30.09.2015
KLP Banken AS	8.3	7.9	7.4	7.3
Total	8.3	7.9	7.4	7.3

KLP Kapitalforvaltning (Asset management)



Contacts in KLP

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