



Financial results Q4 2020

KLP Group

Oslo, 19nde February 2021

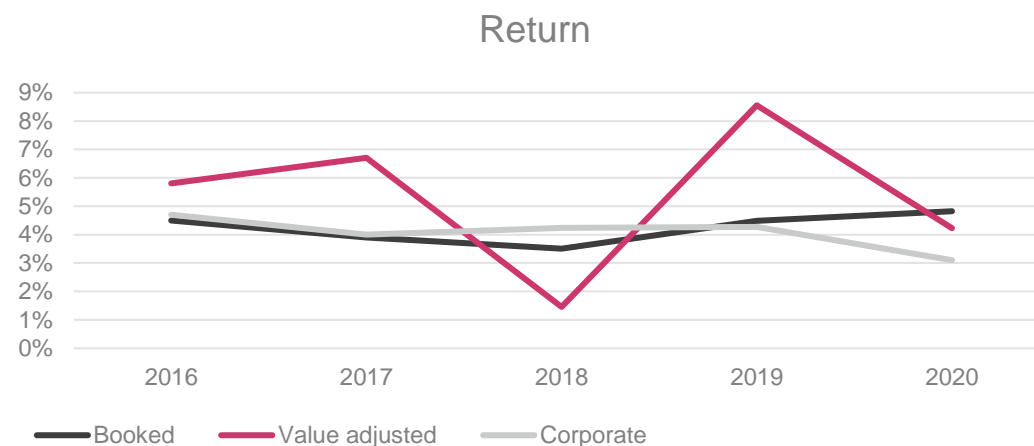
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Main features

- Total group assets: NOK 807,2 billion
- Common portfolio of life company after fourth quarter:
 - Book return of 4.8 per cent
 - Value adjusted return of 4.2 per cent
- Corporate portfolio returned 3.1 per cent in 2020
- Solvency ratio KLP: 278 per cent

	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Common portfolio				
Booked return	1.6 %	1.2 %	1.4 %	0.6 %
Value adjusted return	2.8 %	1.9 %	3.4 %	-3.7 %
Value adjusted return incl. HTM bonds/bonds booked at amortised costs	2.2 %	2.0 %	4.8 %	-3.4 %
Investment options portfolio	3.8 %	2.2 %	4.2 %	-5.8 %
Corporate portfolio	1.7 %	0.9 %	0.5 %	-0.1 %



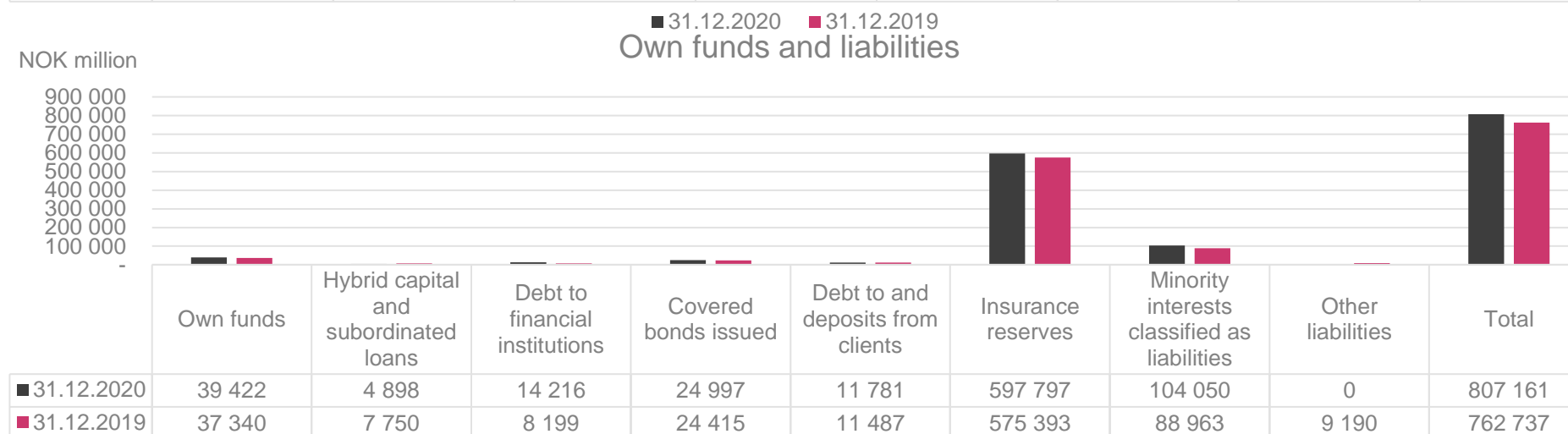
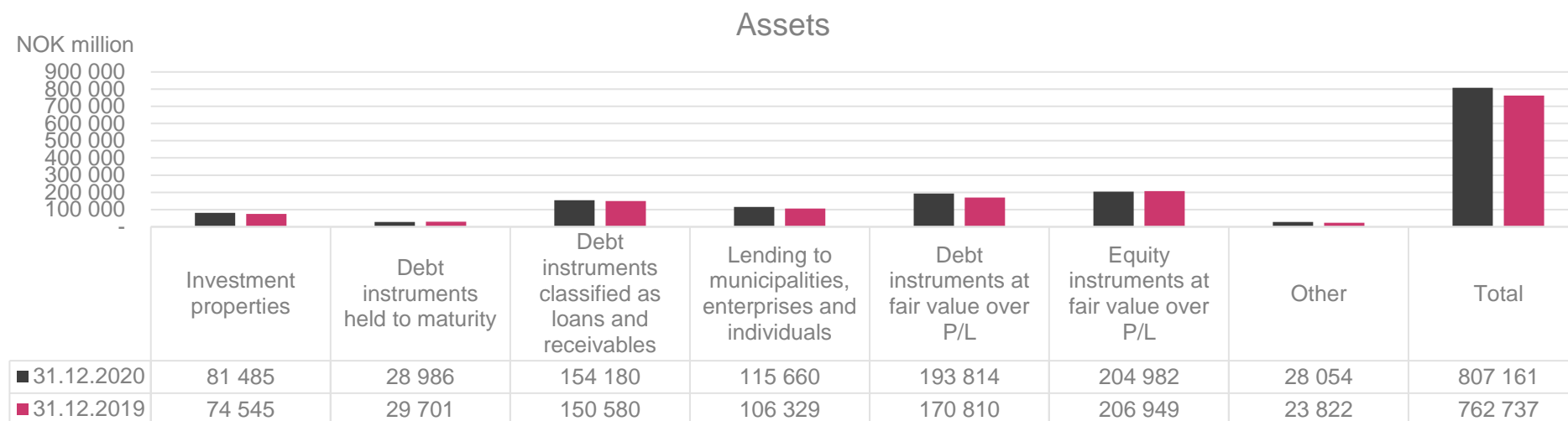
KLP Group – results by segment

NOK million	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Life insurance	1 275	1 289	523	17
Non-life insurance	220	97	18	-126
Banking	137	102	40	20
Asset management	31	26	-2	0
Other	0	-1	-34	0
Group result before tax	1 657	1 682	713	151

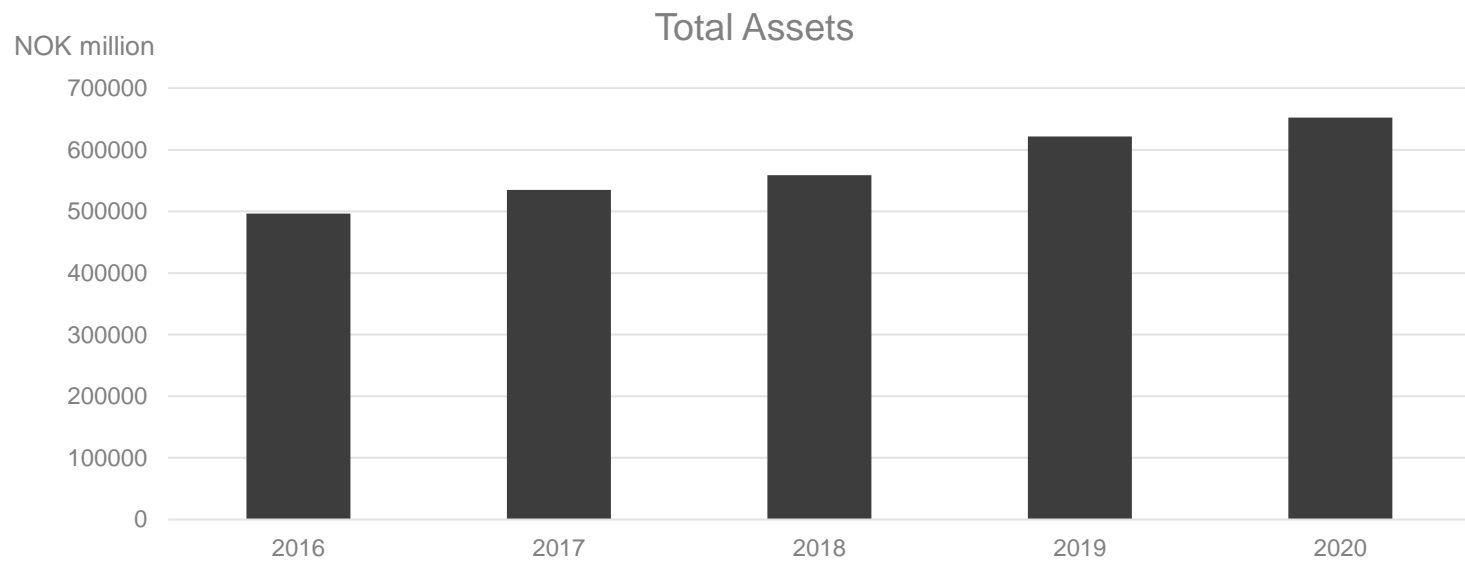
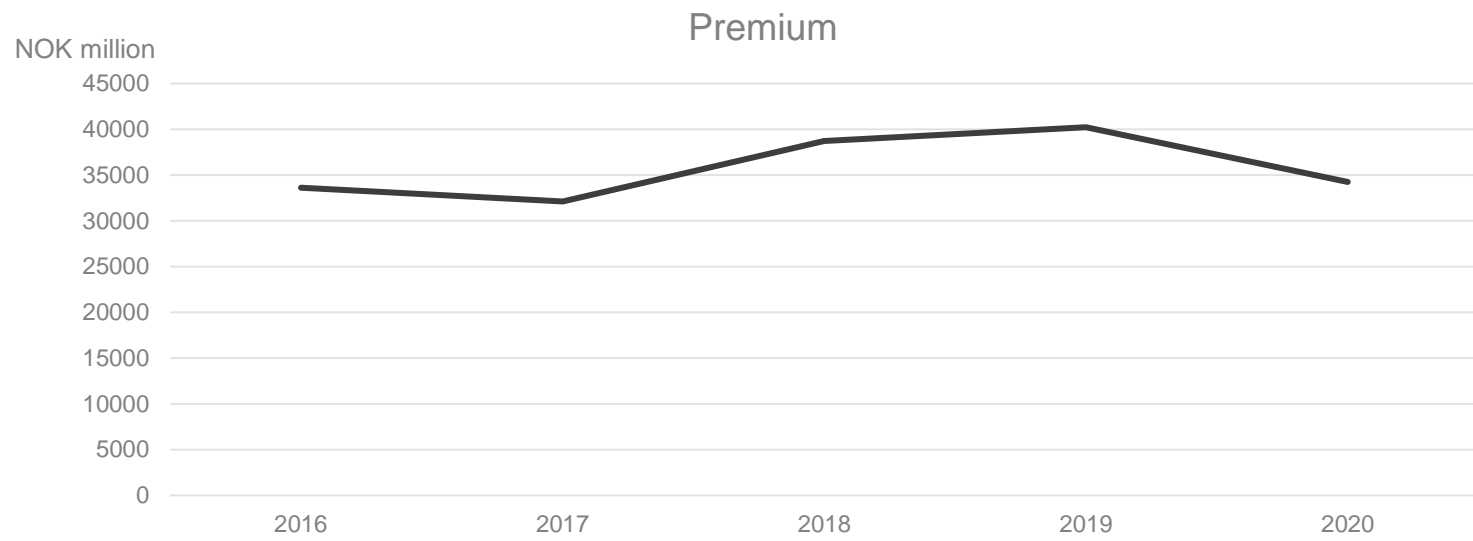
KLP Group – main figures - results

NOK million	31.12.2020	31.12.2019
Pension premiums and incoming transfers	38 955	42 716
Allocated investment income	35 533	63 156
Minority share of return of financial instruments	-11 074	-14 736
Claims f.o.a.	-29 780	-21 616
Insurance provisions	-19 000	-29 954
Interest expenses and value adjustments subordinated loans and subordinated bonds	-478	-372
Operating cost	-1 888	-1 892
Other income and cost	-122	-384
Technical result	11 963	36 919
To/from value adjustment fund life insurance	245	-22 277
To/from supplementary reserves life insurance	-7 749	-52
Surplus allocated Life insurance clients	-2 803	-11 398
Group result pre-tax	1 657	3 193
Tax	-847	-1 200
Other profit/loss elements	231	258
Group result	1 041	2 251

KLP Group - Balance



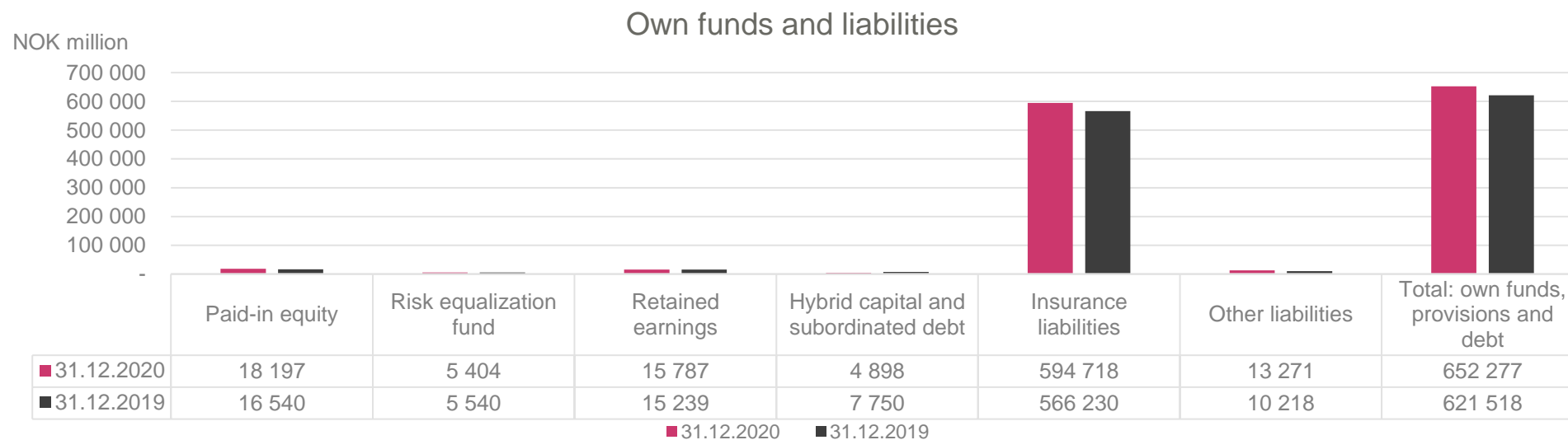
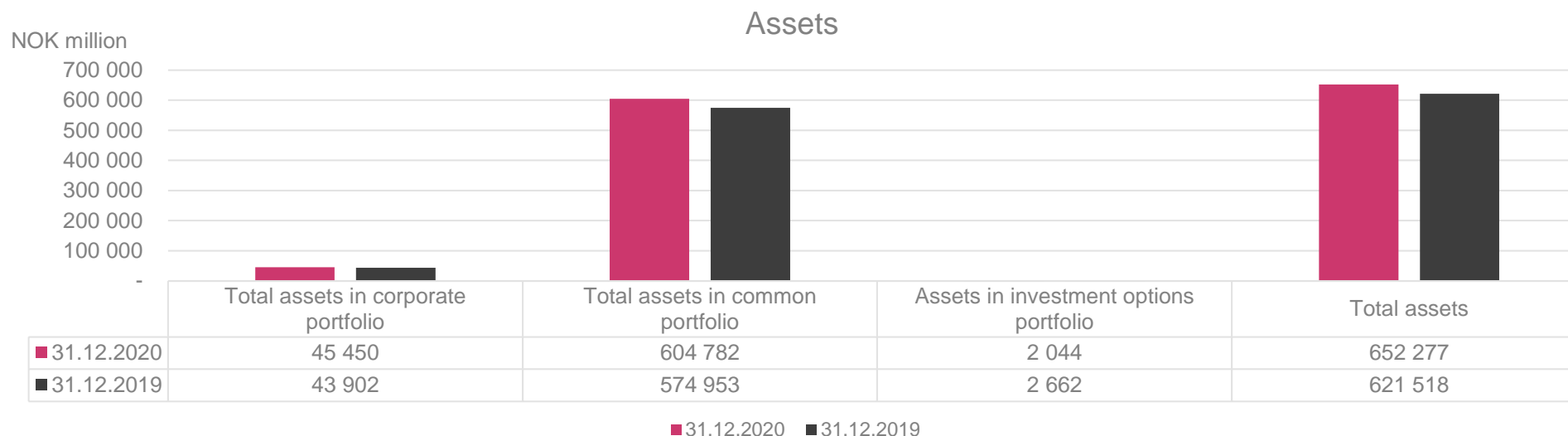
KLP Life



KLP – Appropriation of results

Nok million	Result Customers	Result Company	31.12.2020	31.12.2019
Interest result common portfolio	12 784	260	13044	10 624
Interest result corporate portfolio	30		30	
Risk result		-398	-398	1 031
Premium interest rate guarantee		494	494	476
Administration result		171	171	247
Net income corporate portfolio		762	762	1 167
Tax		-198	-198	-502
Other result elements		-63	-63	132
Total	12 814	1 028	13 842	13 161

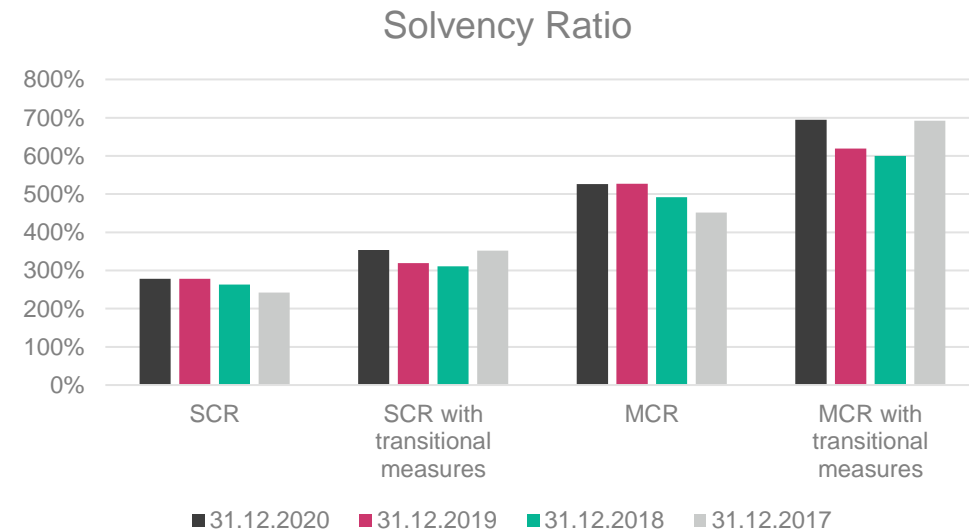
KLP Life - Balance



KLP Life - Solvency

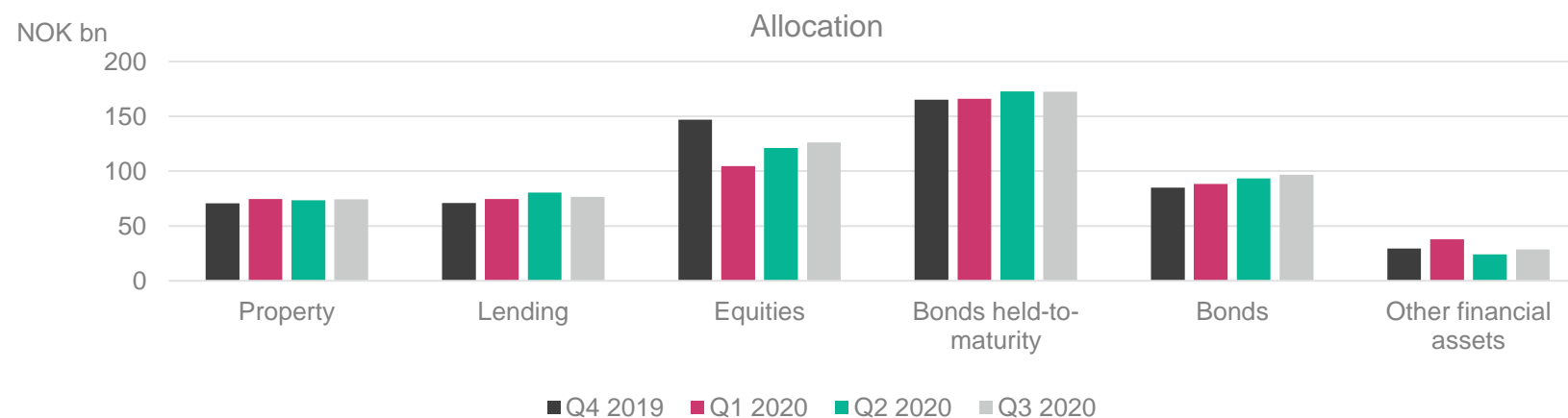
- Solvency ratio Q4: 278* per cent
- Minimum solvency ratio Q4: 526* per cent
- **without transitional measures*

	31.12.2020	30.09.2020	30.06.2020	31.03.2020
Solvency ratio (SCR)	278 %	264 %	252 %	234 %
Solvency ratio (SCR) with transitional measures	354 %	353 %	333 %	285 %
Minimum solvency ratio (MCR)	526 %	496 %	469 %	429 %
Minimum solvency ratio (MCR) with transitional measures	695 %	694 %	649 %	542 %



KLP Life - Common Portfolio

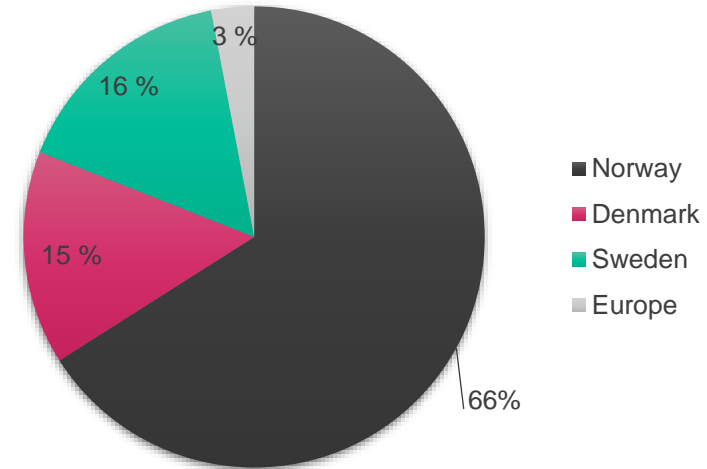
	Share*	Return	Share*	Return
	31.12.2020	31.12.2020	31.12.2019	31.12.2019
Equities	24.2 %	6.3 %	25.9 %	21.5 %
Bonds	16.9 %	6.5 %	15.0 %	7.9 %
Bonds held-to-maturity	28.9 %	3.5 %	29.1 %	3.6 %
Lending	12.9 %	2.1 %	12.5 %	2.4 %
Property	13.3 %	6.8 %	12.4 %	6.7 %
Other financial assets	3.9 %	1.5 %	5.2 %	1.9 %



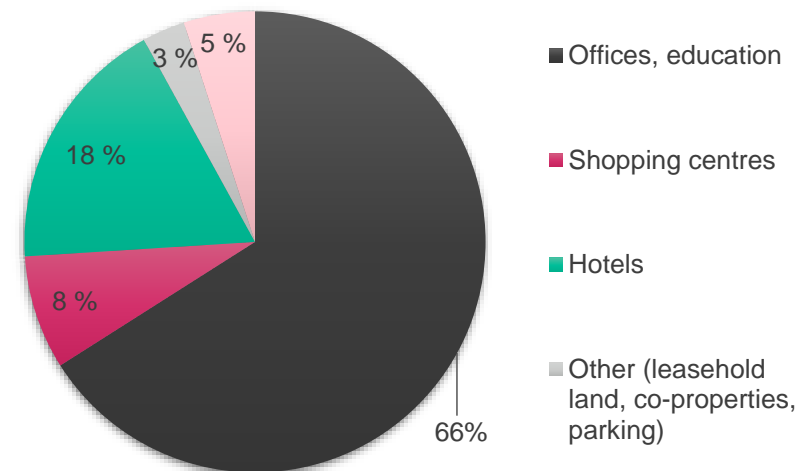
KLP Life - Property

- The portfolio written up by NOK 2.6 bn (3.3 %) in Q4
- New investments / sales in 2020
 - Taken over
 - Ranheimsveien 9 in Trondheim
 - Jonsvollskvartalet in Bergen

Property value - by country



Property value - by sector



KLP Life – Property

NOK million	31.12.2020	30.09.2020	30.06.2020	31.03.2020
Fair value total portfolio*	80 665	76 154	76 307	75 501
Fair value common portfolio*	75 443	71 315	71 272	70 569

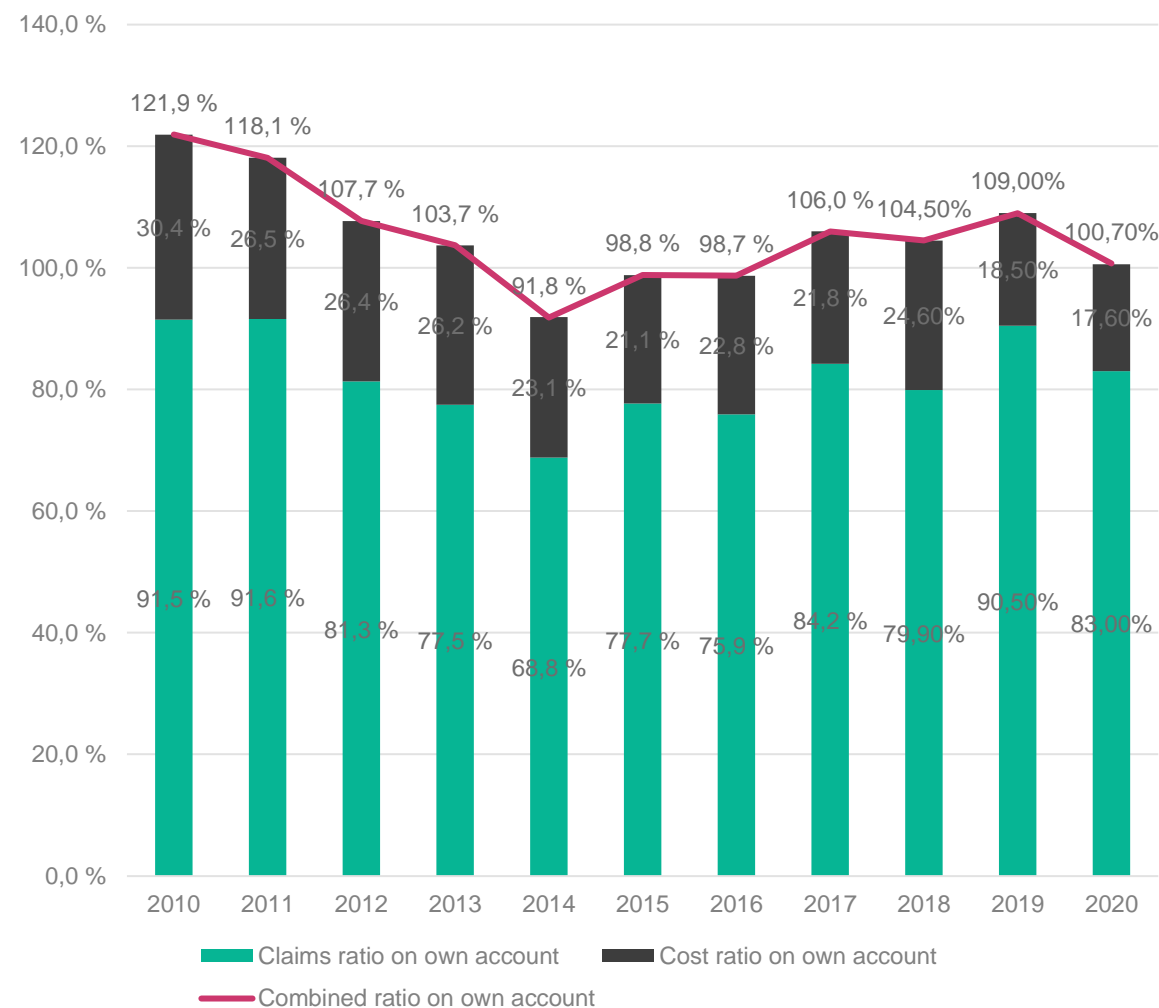
*Incl exchange-rate hedged and excl. property fund

	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Value adjustment in per cent	3.3 %	0.1 %	-0.1 %	0.0 %
Value adjustment in per cent common portfolio	3.0 %	0.1 %	-0.3 %	0.0 %
Total return common portfolio**	4.3 %	1.1 %	0.8 %	0.9 %

**Incl exchange-rate hedged and property fund

KLP Skadeforsikring (non-life insurance)

- Quarterly result of NOK 123 million
- Operation result of NOK 220 million
- Financial return of NOK 125 million in the quarter, corresponding to 2.7 per cent
- Solvency ratio: 237 per cent



KLP Skadeforsikring (non-life insurance)

NOK million	Q3 2020	Q3 2020	Q2 2020	Q1 2020
Premium written f.o.a.	429.8	423.2	406.7	397.9
Claims f.o.a.	-355.8	-350.6	-324.8	-345.3
Insurance related expenses	-76.7	-65.6	-74.3	-75.4
Other insurance related income	0.8	0.6	0.6	0.5
Result from technical activities	-2.0	7.6	8.1	-22.2
Result from investment activities	124.8	71.5	136.1	-104.2
Other income	0	0	0	0.3
Result from ordinary operation	122.8	79.1	144.3	-126.1
Estimated tax expense	-17.9	-19.8	-36.1	31.5
Other elements	15.3	7.4	-4.1	-26.0
Provisions for equity fund	31.6	-12.2	--8.6	-2.9
Result after provisions for equity fund	151.8	54.5	95.5	-123.5

KLP Skadeforsikring (non-life insurance)

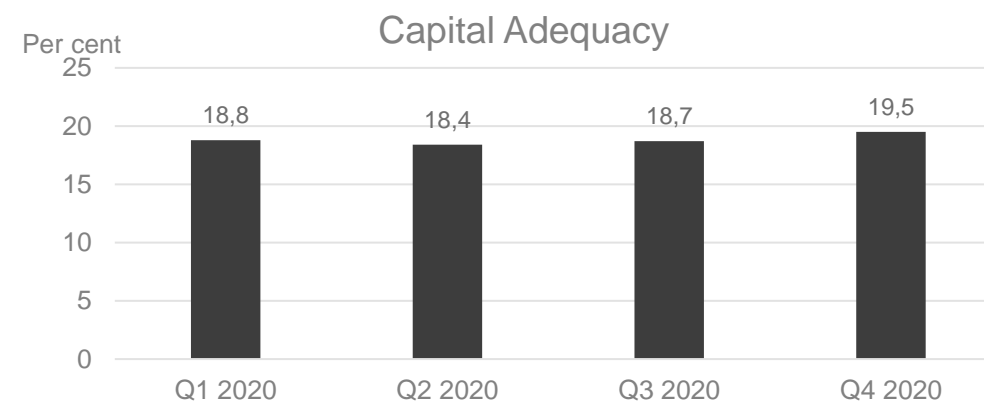
Revenues, NOK million	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Gross premium written	430	423	407	398
Premium income for own account	-356	-351	-325	-345
Claims paid for own account	-77	-66	-74	-75
Insurance related costs for own account	125	72	136	-104
Results	123	79	144	-126

Key figure balance sheet, NOK million	31.12.2020	30.09.2020	30.06.2020	31.03.2020
Financial assets	4 685	4 770	4 803	4 656
Total assets	5 270	5 269	5 338	5 306
Equity	2 111	1 991	1 924	1 820
Provisions in insurance funds for own account	2 553	2 708	2 918	2 451

KLP Bank-group – main figures

- The total number of active customers as of the fourth quarter of 2020 was 45,406 customers. The net customer growth retail market became 2,621 customers.
- The fourth quarter of 2020 saw a net mortgage growth of NOK 2 billion.
- Net mortgage growth this year of NOK 1.5 billion, which is well above the budgeted growth of NOK 1.5 billion for the whole of 2020.
- The Group's capital adequacy ratio is 19.5%, which is well above the ICAAP of 16.5%. In addition.
- Countercyclical capital buffer was reduced from 2.5 per cent to 1.0 per cent with immediate effect on 13 March 2020

NOK million	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net interest revenues	90.8	96.2	63.1	78.5
Net fee – and commissions income	4.8	4.8	4.8	4.6
Management fees	1.4	14.8	14.8	14.8
Operating cost	-70.5	-48.8	-61.1	-63.6
Value changes financial instruments	-4.4	-5.6	3.3	-19.4
Pre-tax earnings	35.1	61.8	24.9	15.0
Total assets	42 694	43 438	43 850	42 002



KLP Bank-group – main figures

KLP Kommunekreditt, NOK million	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net interest revenues	15.1	24.2	18.4	14.7
Operating cost	-6.5	-3.2	-4.7	-4.2
Value changes financial instruments	-1.6	-2.3	-8.7	-6.5
Pre-tax earnings	6.9	18.7	5.1	4.0
Total assets	19 008	19 381	19 768	19 975

KLP Banken, NOK million	Q4 2020	Q3 2020	Q2 2020	Q2 2020
Net interest revenues	41.3	42.5	30.5	43.7
Net fee – and commissions income	4.3	4.8	4.8	4.6
Management fees	14.8	14.8	14.8	14.8
Operating cost	-44.6	-33.9	-40.3	-47.1
Value changes financial instruments	4.8	12.8	25.5	-2.3
Pre-tax earnings	20.7	41.0	35.2	13.7
Total assets	17 730	18 154	18 667	16 846

KLP Boligkreditt, NOK million	Q4 2020	Q3 2020	Q2 2020	Q2 2020
Net interest revenues	34.5	29.4	14.2	20.0
Operating cost	-19.3	-11.2	-16.1	-12.2
Value changes financial instruments	-3.1	-11.1	-2.0	-3.9
Pre-tax earnings	12.1	7.1	-3.9	3.9
Total assets	11 478	11 289	11 087	10 558

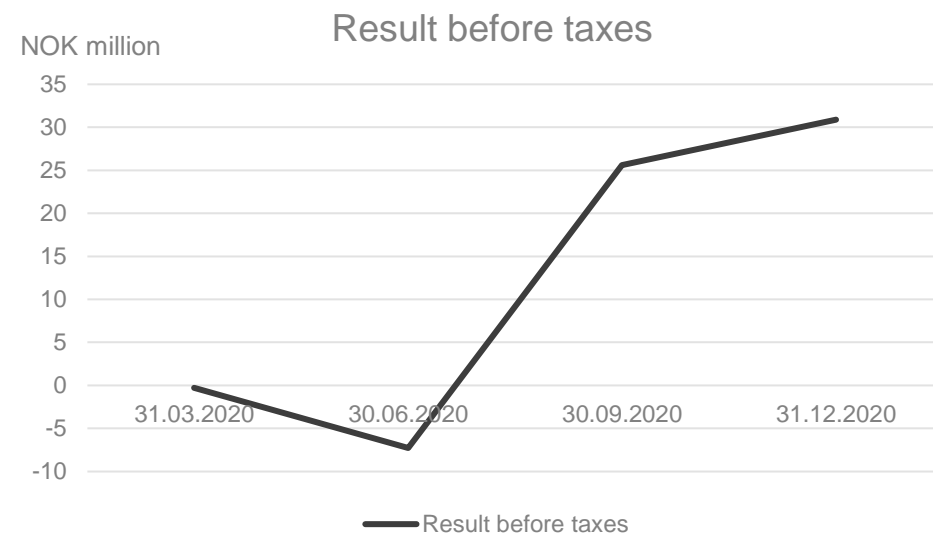
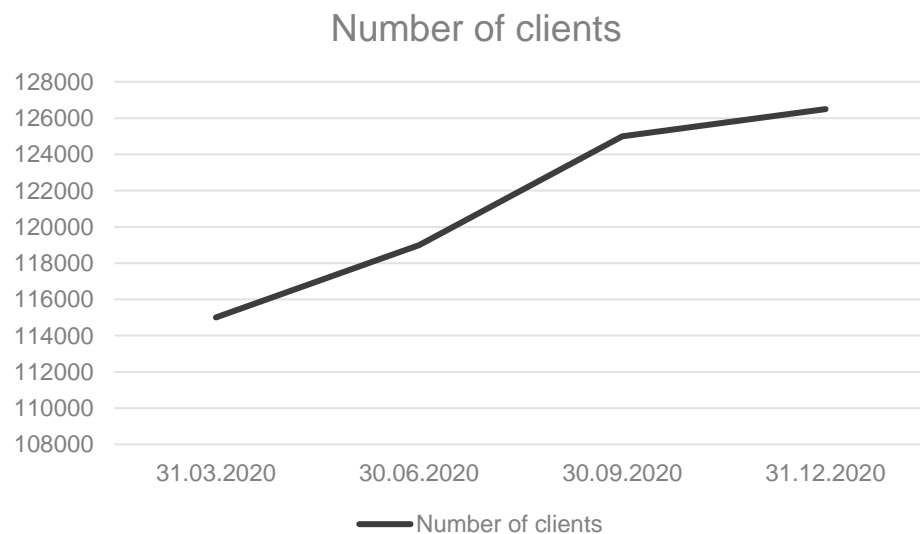
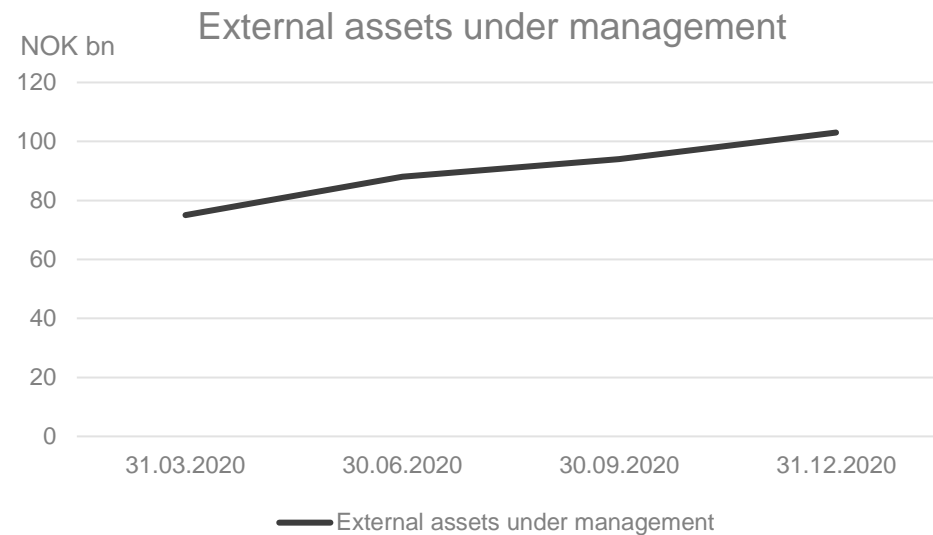
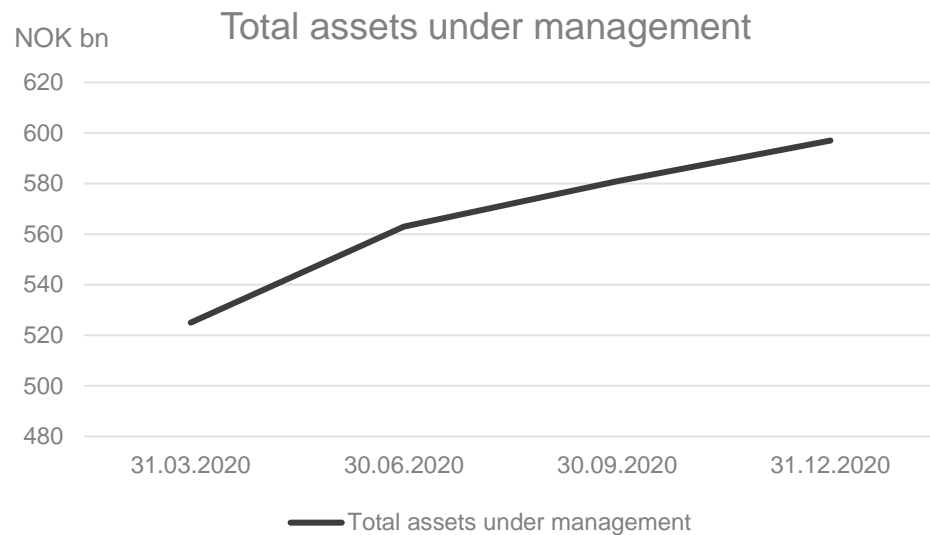
KLP Bank-group – lending and deposits

Mortgage loans, NOK billion	31.12.2020	30.09.2020	30.06.2020	31.03.2020
KLP Banken AS	9.7	10.0	9.8	9.1
KLP Boligkreditt AS	10.8	10.6	10.3	10.0
KLP (Management agreement)	3.2	3.3	3.3	3.4
Total	23.7	23.8	23.3	22.5

Public sector loans, NOK billion	31.12.2020	30.09.2020	30.06.2020	31.03.2020
KLP Kommunekreditt AS	17.6	16.8	17.2	16.6
KLP (Management agreement)	64.0	63.8	62.4	58.1
KLP (currency loans)	9.9	10.1	14.8	13.1
Total	91.5	90.0	94.4	87.9

Deposits, NOK billion	31.12.2020	30.09.2020	30.06.2020	31.03.2020
KLP Banken AS	12.0	12.2	12.2	12.0
Total	12.0	12.2	12.2	12.0

KLP Kapitalforvaltning (Asset management)



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Executive Vice President & CFO	Aage E. Schaanning	+47 22 03 79 01/90 52 43 12	aes@klp.no
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