



# **Financial results Q3 2021**

## **KLP Group**

Oslo, 5th November 2021

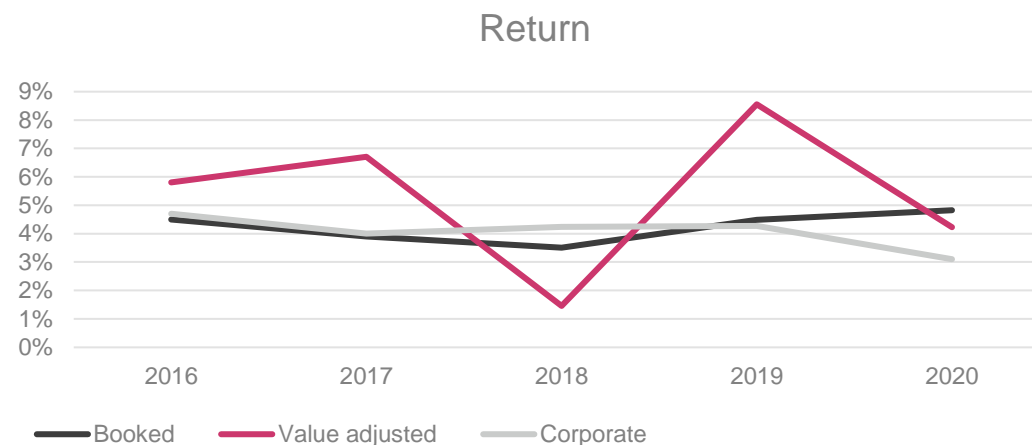
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# Main features

- Total group assets: NOK 872,5 billion
- Common portfolio of life company after third quarter:
  - Book return of 3.5 per cent
  - Value adjusted return of 5.6 per cent
- Corporate portfolio returned 2.5 per cent after third quarter 2021
- Solvency ratio KLP: 289 per cent

	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Common portfolio				
Booked return	0.9 %	1.1 %	1.4 %	1.6 %
Value adjusted return	1.1 %	2.9 %	1.5 %	2.8 %
Value adjusted return incl. HTM bonds/bonds booked at amortised costs	0.6 %	2.9 %	0.8 %	2.2 %
Investment options portfolio	0.7 %	3.0 %	1.9 %	3.8 %
Corporate portfolio	0.8 %	0.9 %	0.8 %	1.7 %



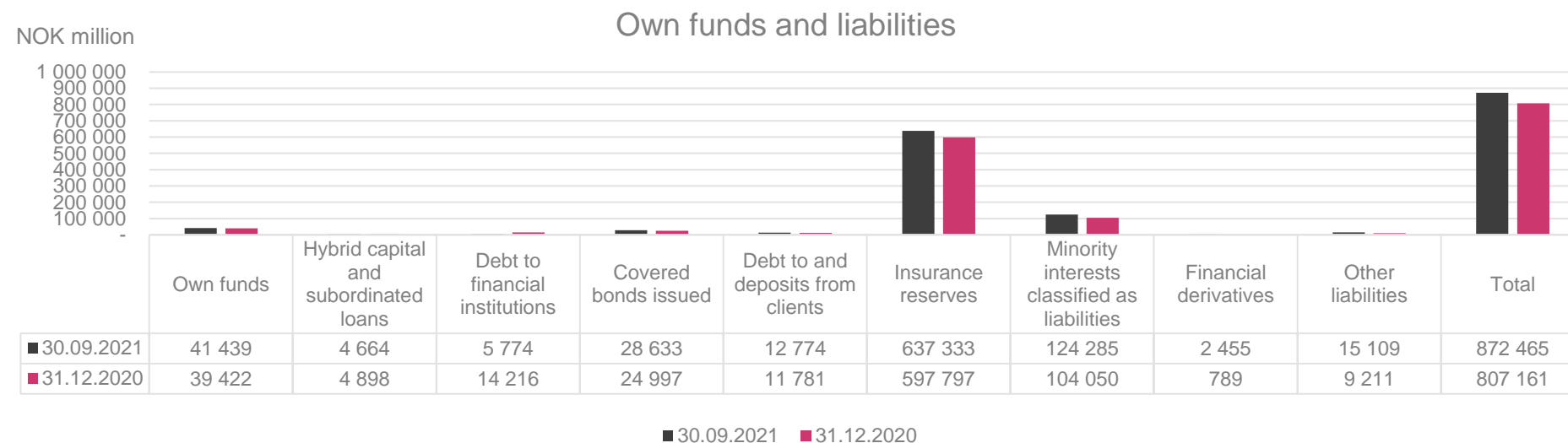
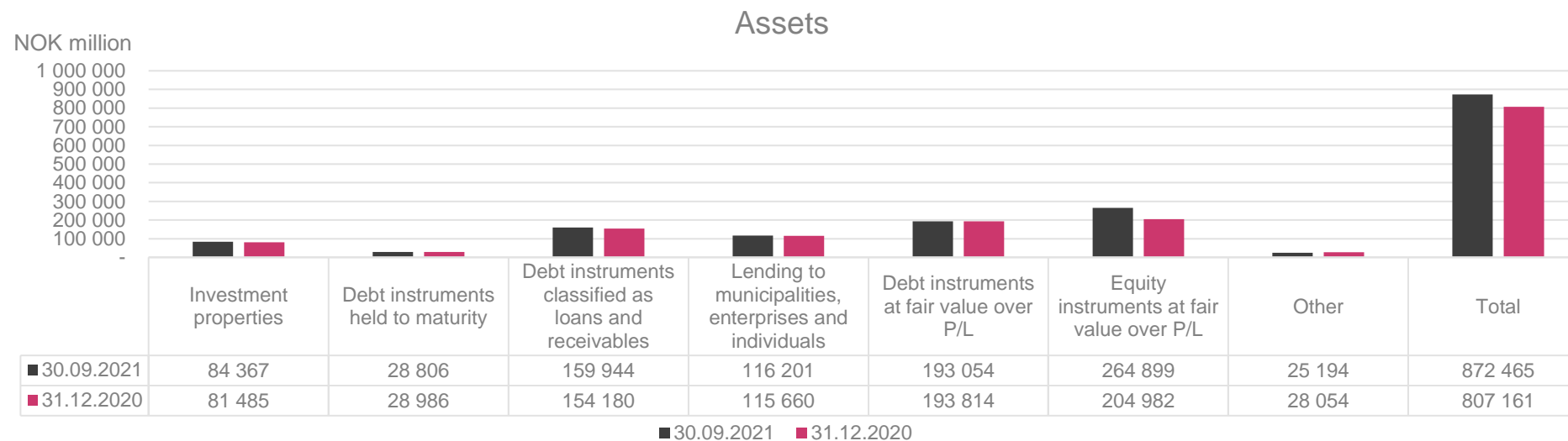
# KLP Group – results by segment

NOK million	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Life insurance	1 699	965	566	1 275
Non-life insurance	344	226	72	220
Banking	94	54	49	137
Asset management	53	25	21	31
Group result before tax	2 192	1 325	693	1 657

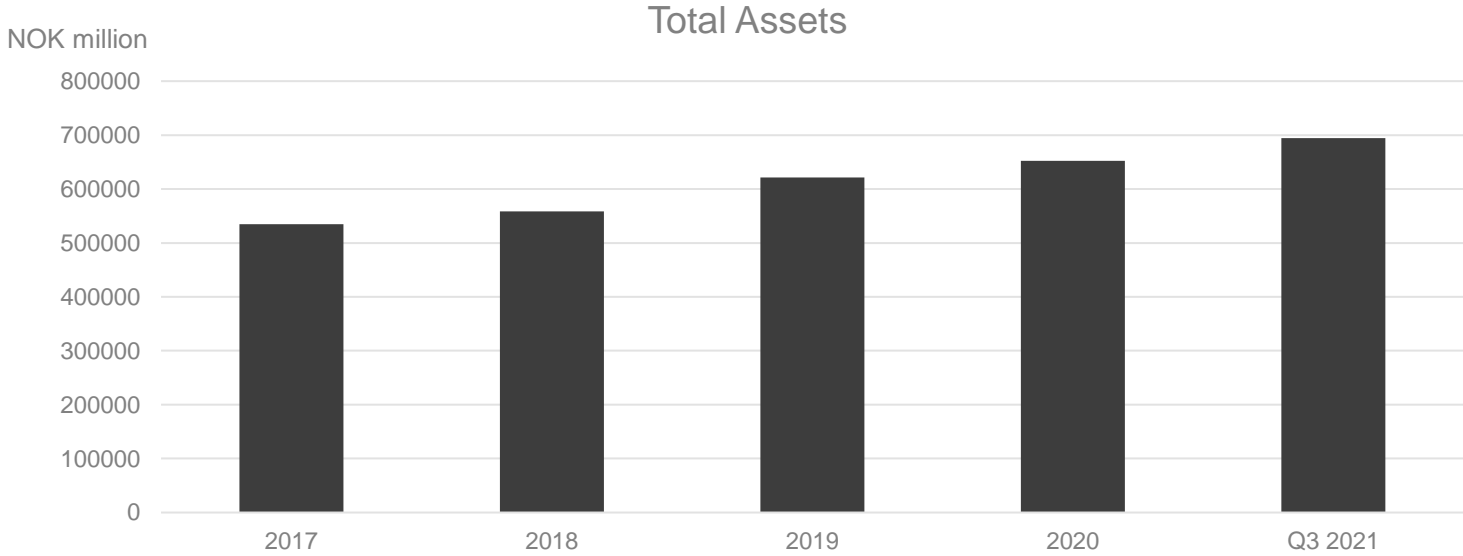
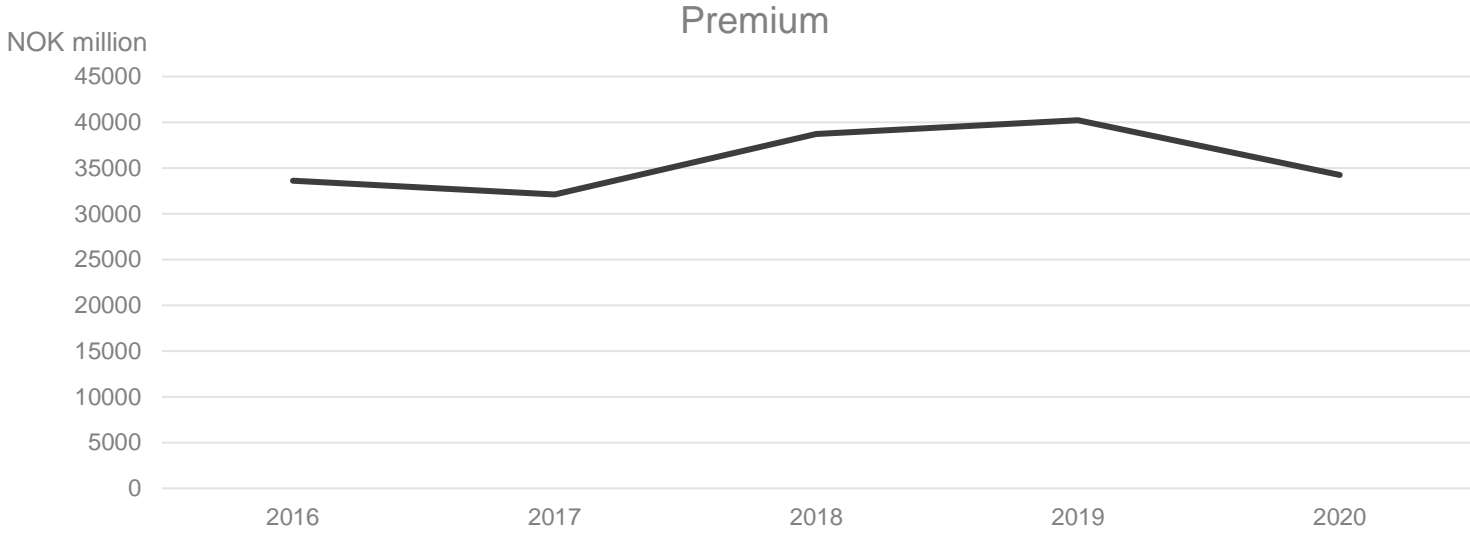
# KLP Group – main figures - results

NOK MILLIONS	Q3 2021	Q3 2020	31.12.2020
Premium income for own account	8 003	12 119	39 049
Current return on financial assets	3 588	3 385	14 793
Net interest income banking	80	94	329
Net value changes on financial instruments	2 576	11 419	15 331
Net income from investment properties	1 367	713	5 080
Other income	439	312	1 136
<b>Total net income</b>	<b>16 051</b>	<b>28 042</b>	<b>75 719</b>
Claims for own account	- 5 932	- 5 498	-29 780
Change in technical provisions	- 4 674	- 8 074	-19 000
Net costs subordinated loan and hybrid Tier 1 securities	- 41	- 45	-478
Operating expenses	- 446	- 368	-1 982
Sale of business	0	- 28	-183
Other expenses	- 328	- 300	-1 258
Unit holder's value change in consolidated securities funds	- 677	- 5 218	-11 074
<b>Total expenses</b>	<b>-12 097</b>	<b>-19 531</b>	<b>-63 755</b>
<b>Operating profit/loss</b>	<b>3 954</b>	<b>8 510</b>	<b>11 963</b>
To/from securities adjustment fund – life insurance	- 622	- 4 369	245
To supplementary reserves – life insurance	0	0	-7 749
Assets allocated to insurance customers - life insurance	- 2 465	- 3 172	-2 803
<b>Pre-tax income</b>	<b>867</b>	<b>969</b>	<b>1 657</b>
Cost of taxes <sup>1</sup>	- 356	- 280	- 860
<b>Income</b>	<b>510</b>	<b>689</b>	<b>797</b>

# KLP Group - Balance



# KLP Life

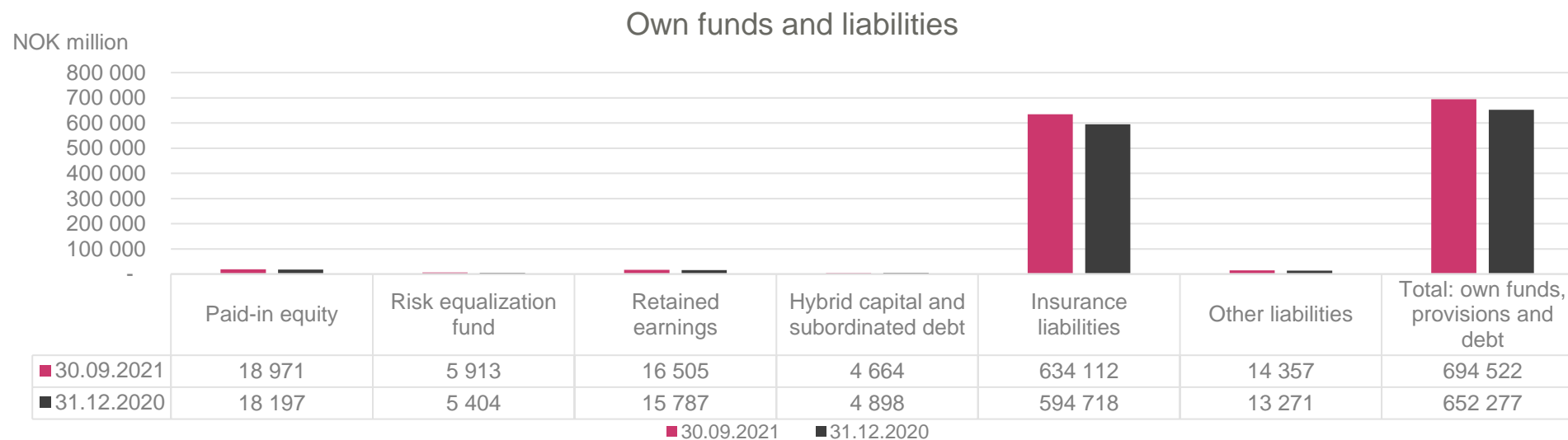
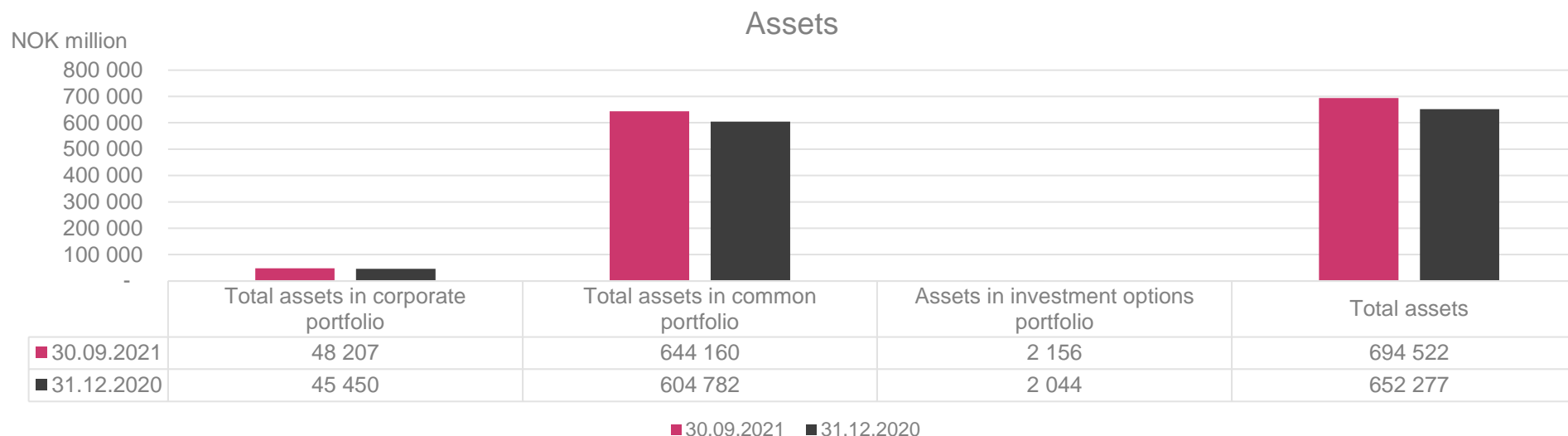


# KLP – Appropriation of results

Nok million	Result Customers	Result Company	30.09.2021	31.12.2020
Interest result common portfolio	9 152	196	9 348	13 074
Risk result	313	313	625	-398
Premium interest rate guarantee		188	188	494
Administration result		159	159	171
Other income		6	6	
Net income corporate portfolio		838	838	762
Tax		-276	-276	-198
Other result elements		-194	-94	-63
<b>Total</b>	<b>9 464</b>	<b>1 229</b>	<b>10 693</b>	<b>13 842</b>



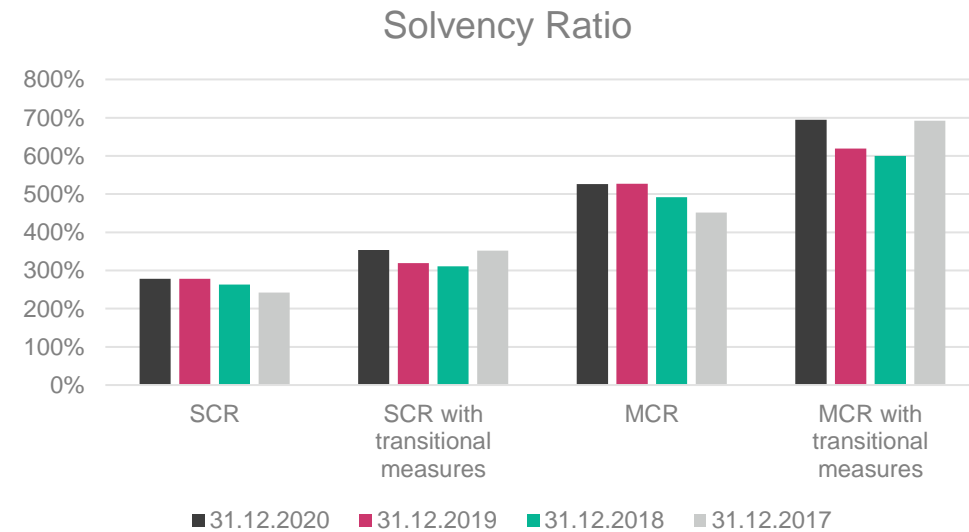
# KLP Life - Balance



# KLP Life - Solvency

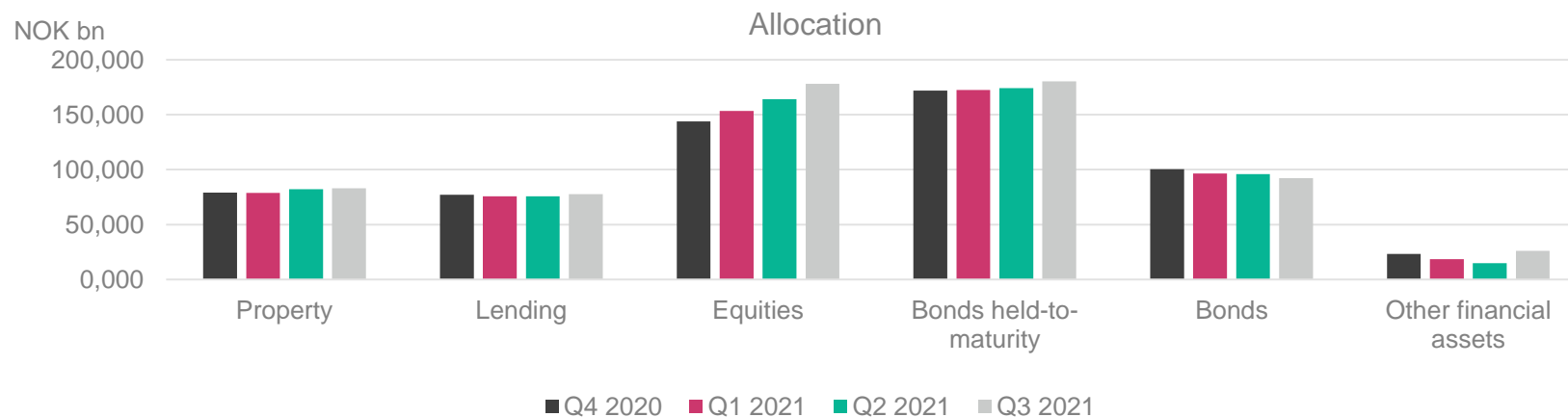
- Solvency ratio Q3: 289\* per cent
- Minimum solvency ratio Q3: 562\* per cent
- *\*without transitional measures*

	30.09.2021	30.06.2021	31.03.2021	31.12.2020
Solvency ratio (SCR)	289 %	282 %	287 %	278 %
Solvency ratio (SCR) with transitional measures	326 %	332 %	343 %	354 %
Minimum solvency ratio (MCR)	562 %	536 %	551 %	526 %
Minimum solvency ratio (MCR) with transitional measures	645 %	647 %	677 %	695 %



# KLP Life - Common Portfolio

	Share*	Return	Share*	Return
	30.09.2021	30.09.2021	31.12.2020	31.12.2020
Equities	27.9 %	15.2 %	24.2 %	6.3 %
Bonds	14.5 %	-0.9 %	16.9 %	6.5 %
Bonds held-to-maturity	28.3 %	2.6 %	28.9 %	3.5 %
Lending	12.2 %	1.2 %	12.9 %	2.1 %
Property	13.0 %	6.0 %	13.3 %	6.8 %
Other financial assets	4.1 %	0.7 %	3.9 %	1.5 %



# KLP Life - Property

- The portfolio written up by NOK 731 million (0.9 %) in the quarter

- New investments / sales in 2021

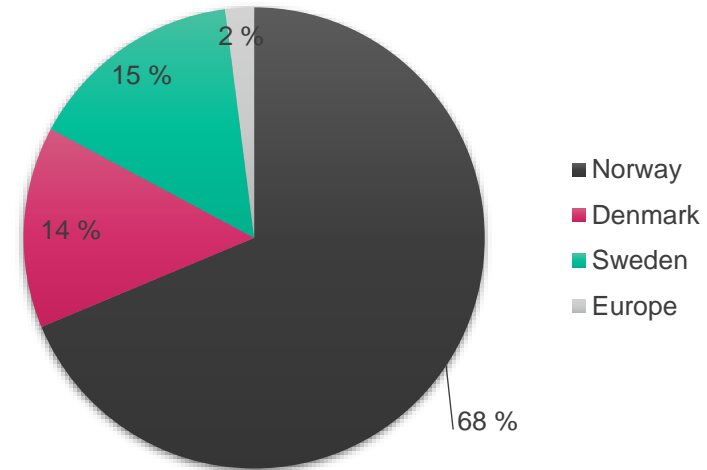
Taken over

- Gærtorvet 1-5 in København

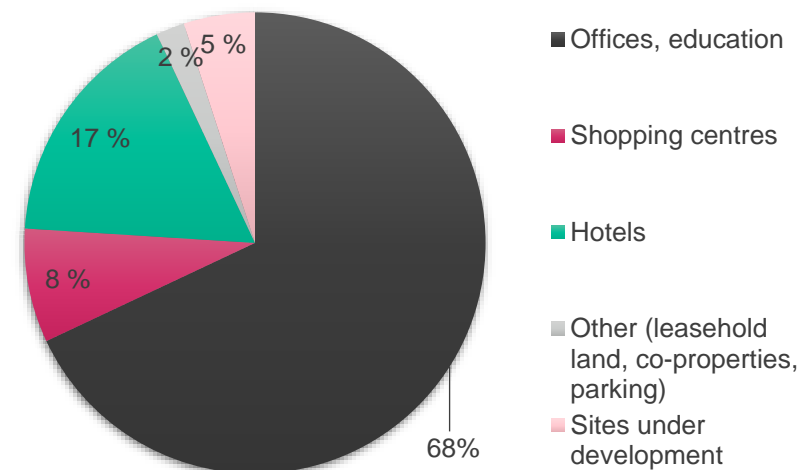
Sold

- 50 % of Norbyen kjøpesenter in Larvik
- Ladebekken 50 in Trondheim
- Three sections of Telenor Arena

Property value - by country



Property value - by sector



# KLP Life – Property

NOK million	30.09.2021	30.06.2021	31.03.2021	31.12.2020
Fair value total portfolio*	83 853	82 904	79 974	80 665
Fair value common portfolio*	78 471	77 636	74 730	75 443

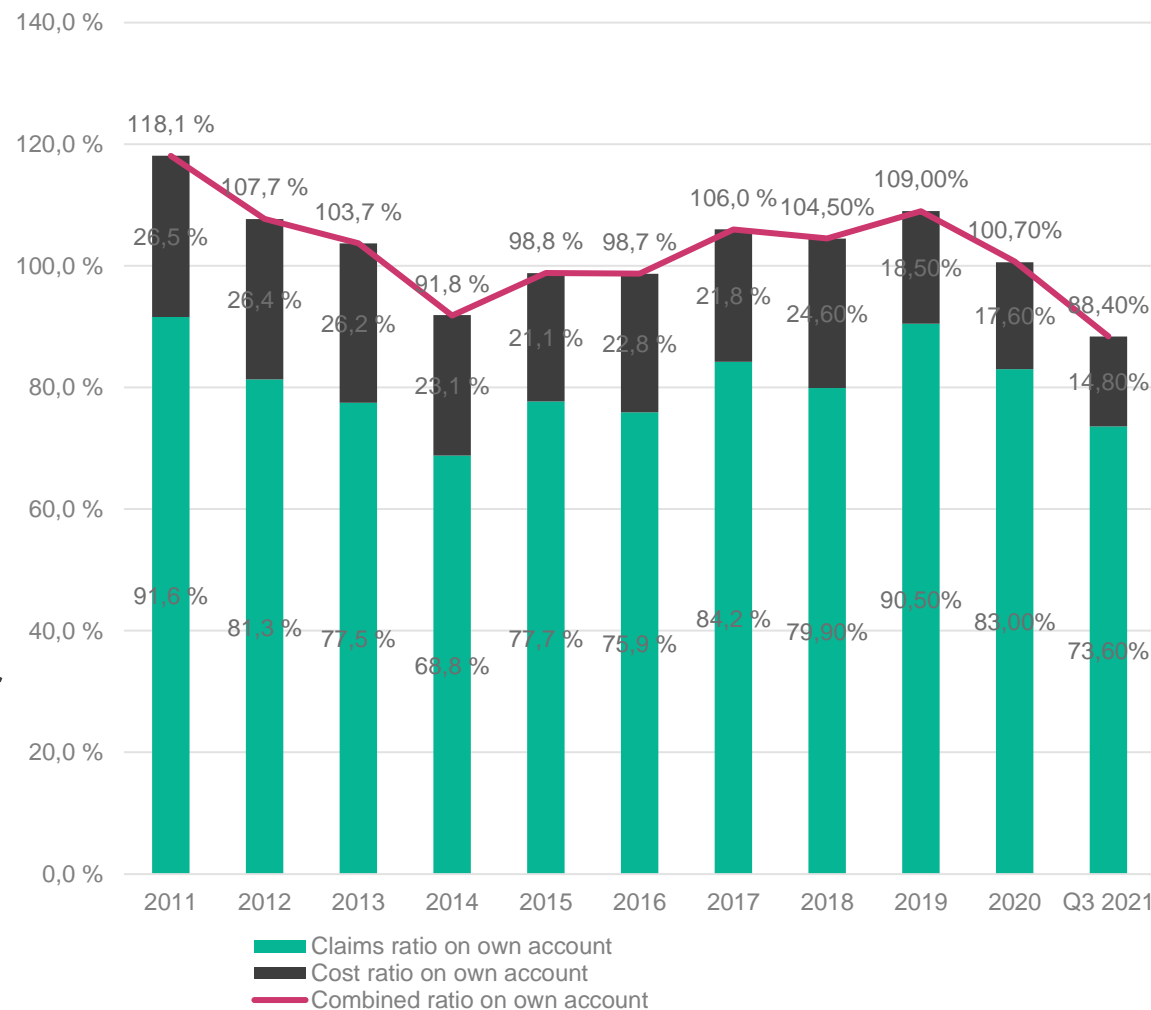
\*Incl exchange-rate hedged and excl. property fund

	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Value adjustment in per cent	0.9 %	2.4 %	0.0 %	3.3 %
Value adjustment in per cent common portfolio	0.8 %	2.6 %	0.0 %	3.0 %
Total return common portfolio**	1.7 %	3.3 %	0.9 %	4.3 %

\*\*Incl exchange-rate hedged and property fund

# KLP Skadeforsikring (non-life insurance)

- Quarterly result of NOK 118 million
- One large injuries estimated to NOK 75 million in the quarter
- Good growth in all portfolios - premiums written increased by NOK 193 million in the last 12 months
- Financial return of NOK 45 million in the quarter, corresponding to 0.9 per cent
- Solvency ratio: 267 per cent



# KLP Skadeforsikring (non-life insurance)

NOK million	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Premium written f.o.a.	473.3	461.9	441.7	429.8
Claims f.o.a.	-343.6	-336.6	-321.6	-355.8
Insurance related expenses	-61.5	-70.7	-72.4	-76.7
Other insurance related income	0.6	0.6	-5.7	0.8
<b>Result from technical activities</b>	<b>72.8</b>	<b>55.1</b>	<b>42.0</b>	<b>-2.0</b>
Result from investment activities	45.2	99.2	29.5	124.8
Other income	0	0	0	0
<b>Result from ordinary operation</b>	<b>118.0</b>	<b>154.3</b>	<b>71.6</b>	<b>122.8</b>
Estimated tax expense	-28.5	-38.6	-17.9	-17.9
Other elements	-34.7	0	14.2	15.3
Provisions for equity fund	-14.7	-14.0	-11.3	31.6
<b>Result after provisions for equity fund</b>	<b>39.2</b>	<b>101.7</b>	<b>56.5</b>	<b>151.8</b>

# KLP Skadeforsikring (non-life insurance)

Revenues, NOK million	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Gross premium written	477	462	442	430
Premium income for own account	-344	-337	-322	-356
Claims paid for own account	-62	-71	-72	-77
Insurance related costs for own account	45	99	30	125
<b>Results</b>	<b>118</b>	<b>154</b>	<b>54</b>	<b>123</b>

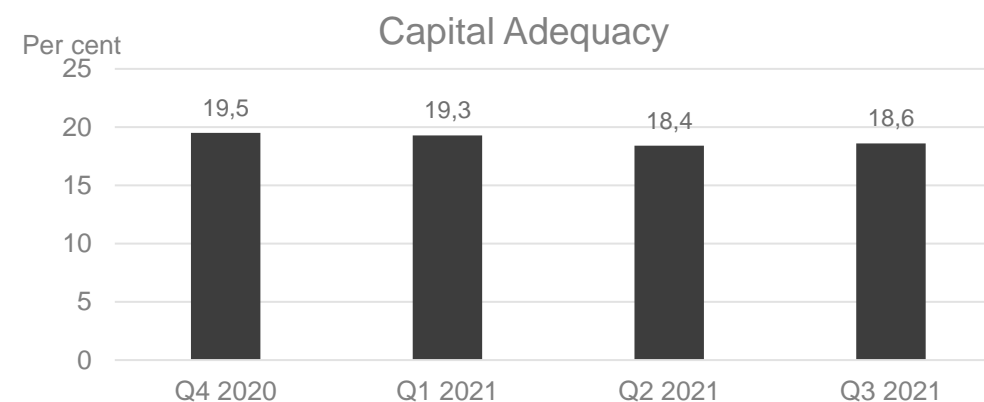
Key figure balance sheet, NOK million	30.09.2021	30.06.2021	31.03.2021	31.12.2020
Financial assets	5 313	5 314	5 268	4 685
Total assets	6 081	6 087	5 917	5 270
Equity	2 348	2 294	2 179	2 111
<b>Provisions in insurance funds for own account</b>	<b>2 856</b>	<b>3 048</b>	<b>3 086</b>	<b>2 708</b>



# KLP Bank-group – main figures

- The total number of active customers as of the third quarter of 2021 was 47,750 customers. The net customer growth retail market became 2,344 customers year to date.
- Net mortgage growth of NOK 651 million year to date, negative NOK 91 million in third quarter.
- The Group's capital adequacy ratio is 18.6%, 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. The Ministry of Finance has announced that this will be increased to 1.5 percent from 30 June 2022.

NOK million	Q3 2020	Q2 2020	Q1 2020	Q4 2020
<b>Net interest revenues</b>	80.0	77.1	75.7	88.0
<b>Net fee – and commissions income</b>	5.2	4.7	4.2	4.3
<b>Management fees</b>	14.9	14.9	14.9	14.8
<b>Operating cost</b>	-55.6	-58.0	-60.6	-67.6
<b>Value changes financial instruments</b>	-4.9	-33.0	14.5	-4.4
<b>Pre-tax earnings</b>	39.5	5.7	48.6	35.1
<b>Total assets</b>	44 980	45 216	43 200	42 688



# KLP Bank-group – main figures

KLP Kommunekreditt, NOK million	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Net interest revenues	16.1	18.4	12.7	15.1
Operating cost	-4.9	-4.1	-3.9	-6.5
Value changes financial instruments	-2.9	-19.1	-3.1	-1.6
<b>Pre-tax earnings</b>	<b>8.4</b>	<b>-4.7</b>	<b>5.7</b>	<b>6.9</b>
Total assets	18 850	18 749	18 284	19 008

KLP Banken, NOK million	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Net interest revenues	32.5	32.3	36.2	38.5
Net fee – and commissions income	5.2	4.7	4.2	4.3
Management fees	14.9	14.9	14.9	14.8
Operating cost	-34.2	-37.6	-41,0	-41.8
Value changes financial instruments	-1.2	-2.9	3.4	4.8
<b>Pre-tax earnings</b>	<b>17.1</b>	<b>11.4</b>	<b>17.7</b>	<b>20.7</b>
Total assets	16 38	16 955	16 872	17 730

KLP Boligkreditt, NOK million	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Net interest revenues	31.3	26.3	26.9	34.5
Operating cost	-16.5	-16.3	-15.7	-19.3
Value changes financial instruments	-1.7	-1.8	-2.1	-3.1
<b>Pre-tax earnings</b>	<b>13.0</b>	<b>8.3</b>	<b>9.1</b>	<b>12.1</b>
Total assets	13 124	12 974	12 730	11 478

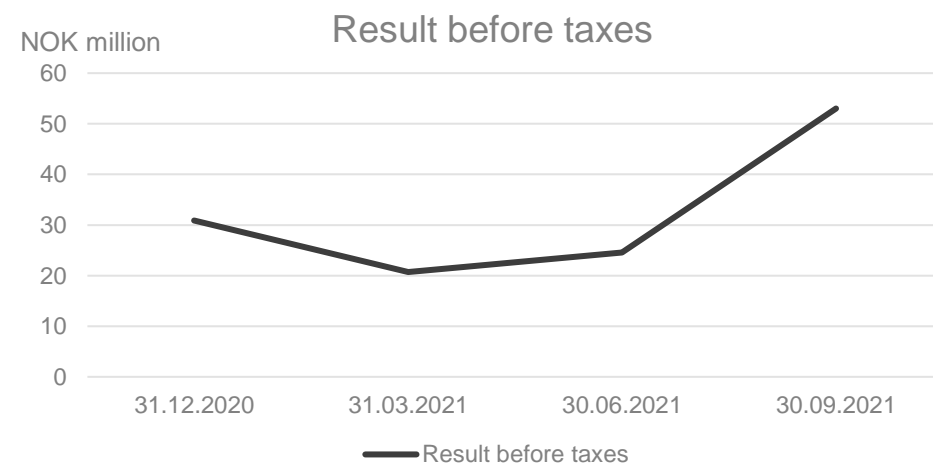
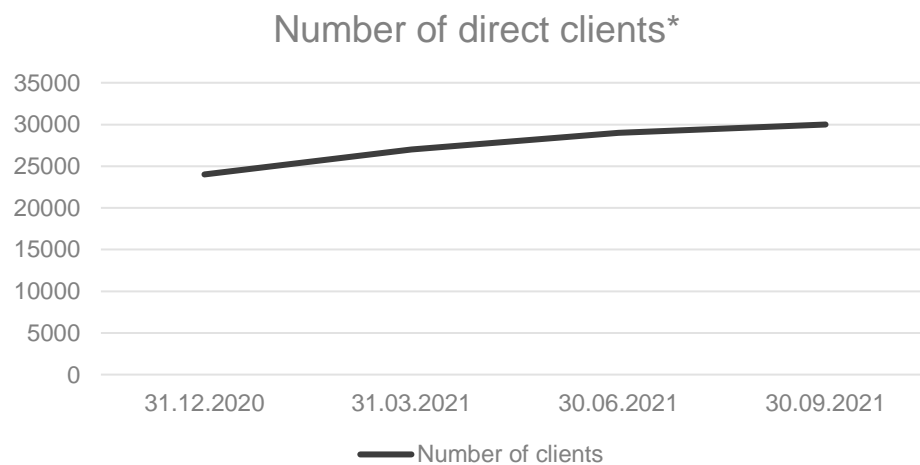
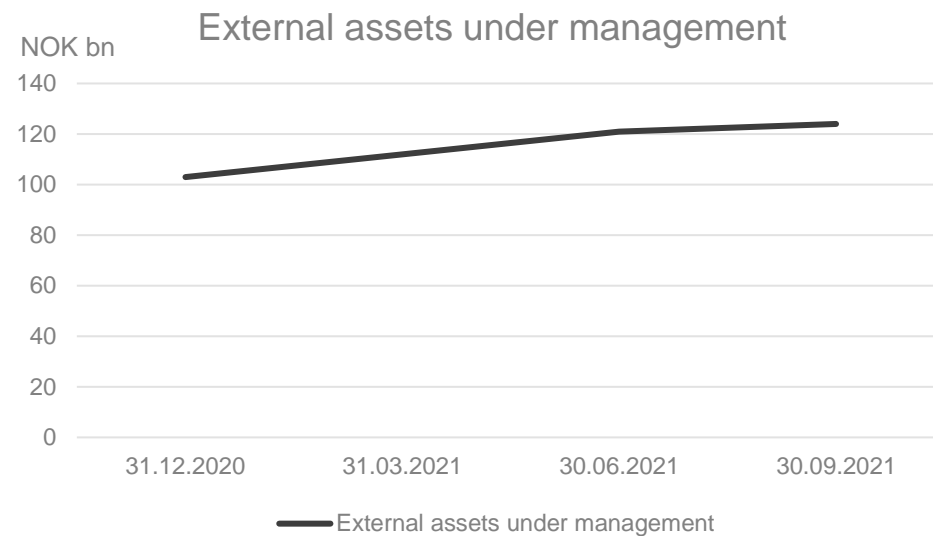
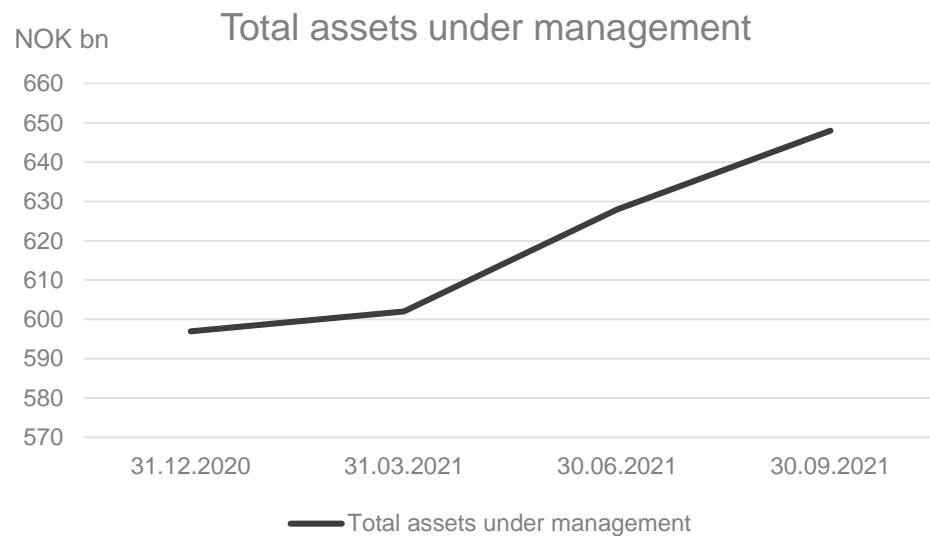
# KLP Bank-group – lending and deposits

Mortgage loans, NOK billion	30.09.2021	30.06.2021	31.03.2021	31.12.2020
KLP Banken AS	9.6	9.7	8.8	9.7
KLP Boligkreditt AS	11.7	11.6	12.0	10.8
KLP (Management agreement)	3.0	3.1	3.2	3.2
<b>Total</b>	<b>24.4</b>	<b>24.4</b>	<b>24.1</b>	<b>23.7</b>

Public sector loans, NOK billion	30.09.2021	30.06.2021	31.03.2021	31.12.2020
KLP Kommunekreditt AS	16.8	16.7	16.7	17.6
KLP (Management agreement)	66.6	65.0	65.1	64.0
KLP (currency loans)	8.0	7.8	7.3	9.9
<b>Total</b>	<b>91.4</b>	<b>89.5</b>	<b>89.0</b>	<b>91.5</b>

Deposits, NOK billion	30.09.2021	30.06.2021	31.03.2021	31.12.2020
KLP Banken AS	13.0	12.8	12.3	12.0
<b>Total</b>	<b>13.0</b>	<b>12.8</b>	<b>12.3</b>	<b>12.0</b>

# KLP Kapitalforvaltning (Asset management)



\*Does not include unit holders from sub-distributors, only unit holders via klp.no

# Contacts in KLP

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