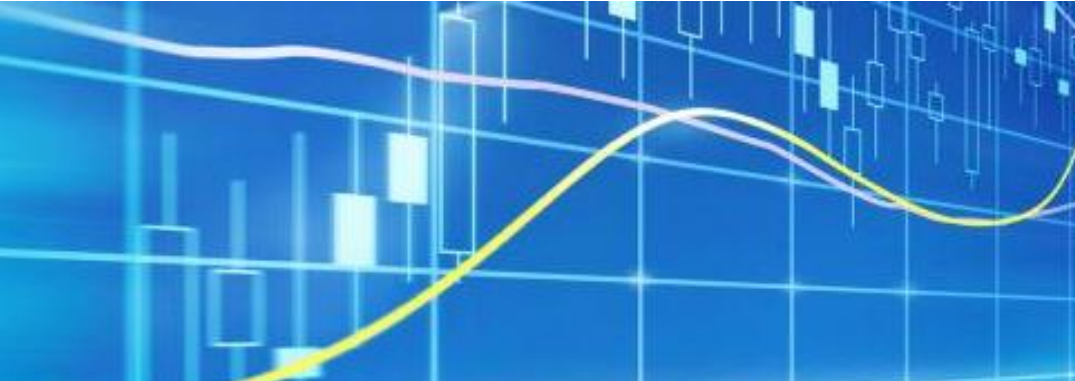


GOVERNMENT PENSION FUND GLOBAL

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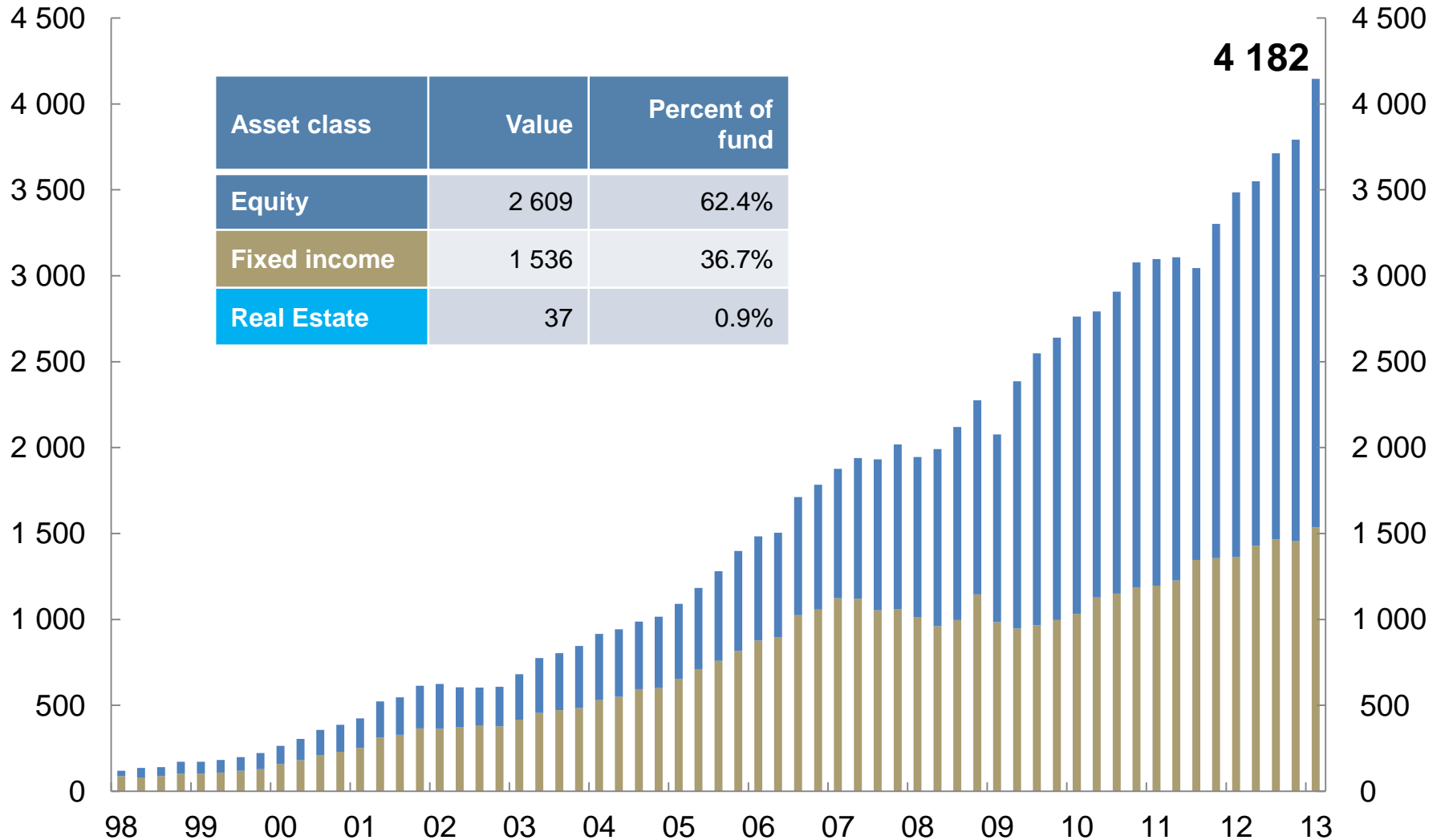


**1 QUARTER
2013**



Market value

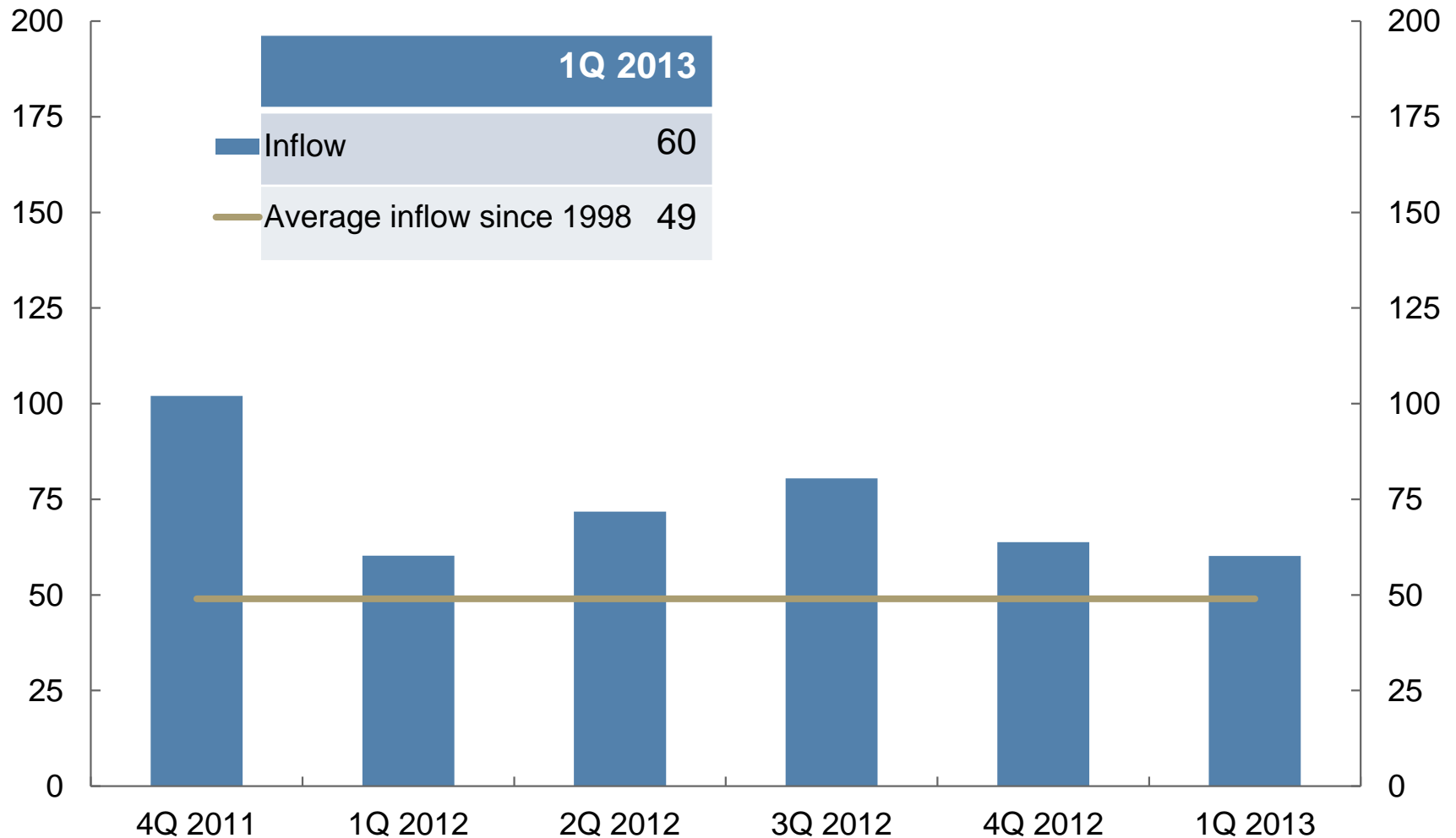
Billions of kroner



Source: NBIM

Change in market value: Inflows

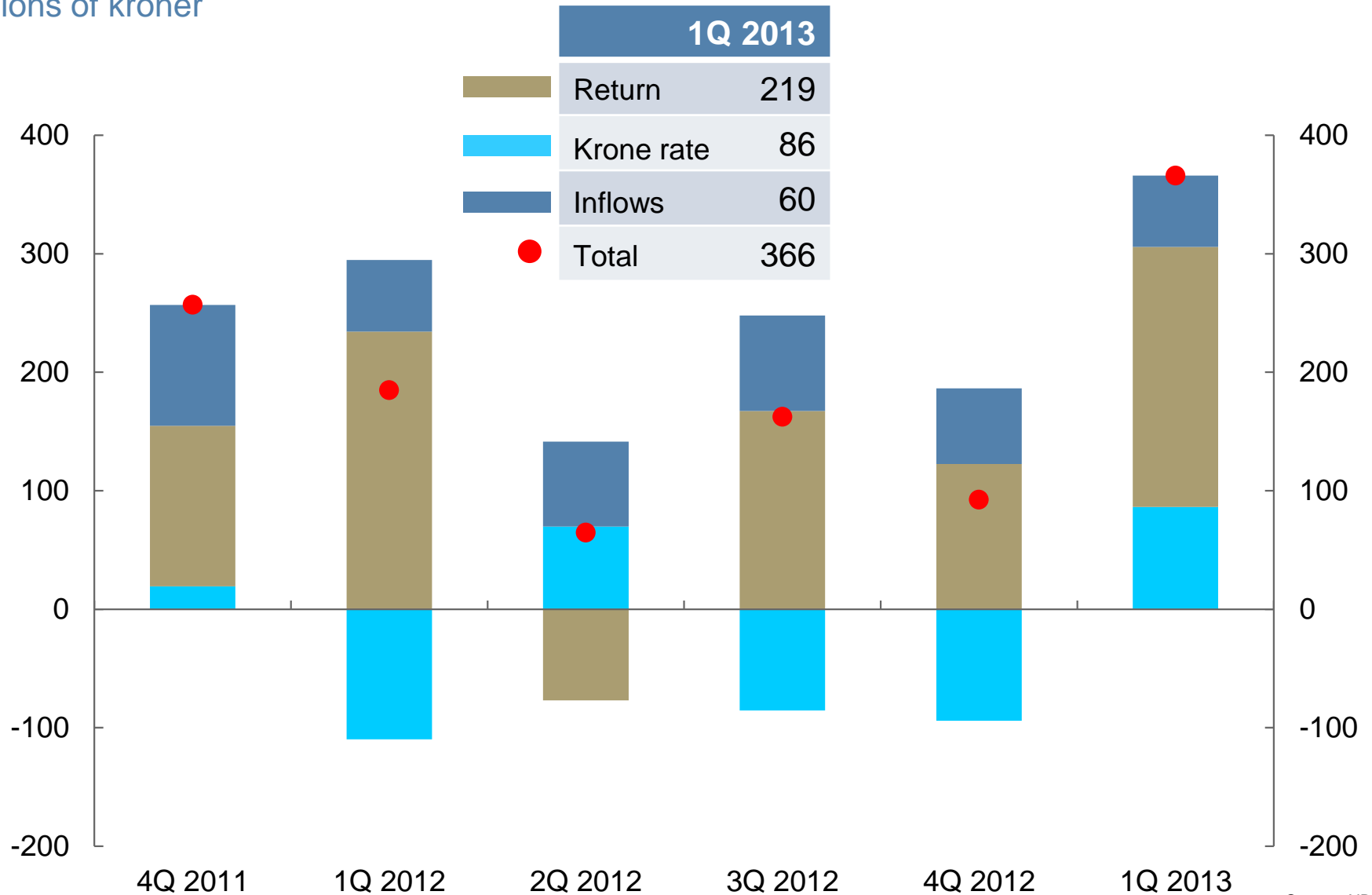
Billions of kroner



Source: NBIM

Change in market value

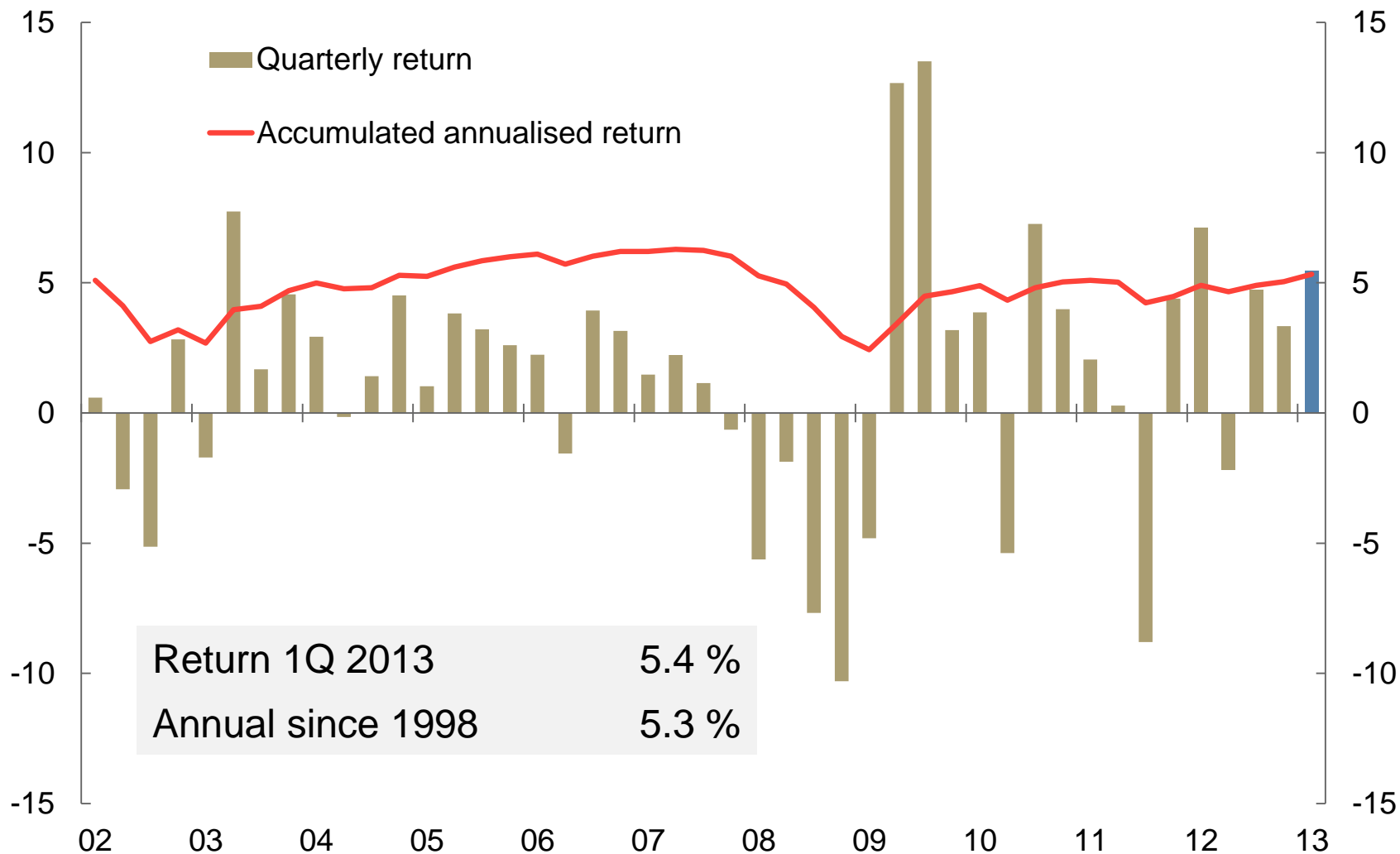
Billions of kroner



Source: NBIM

Return

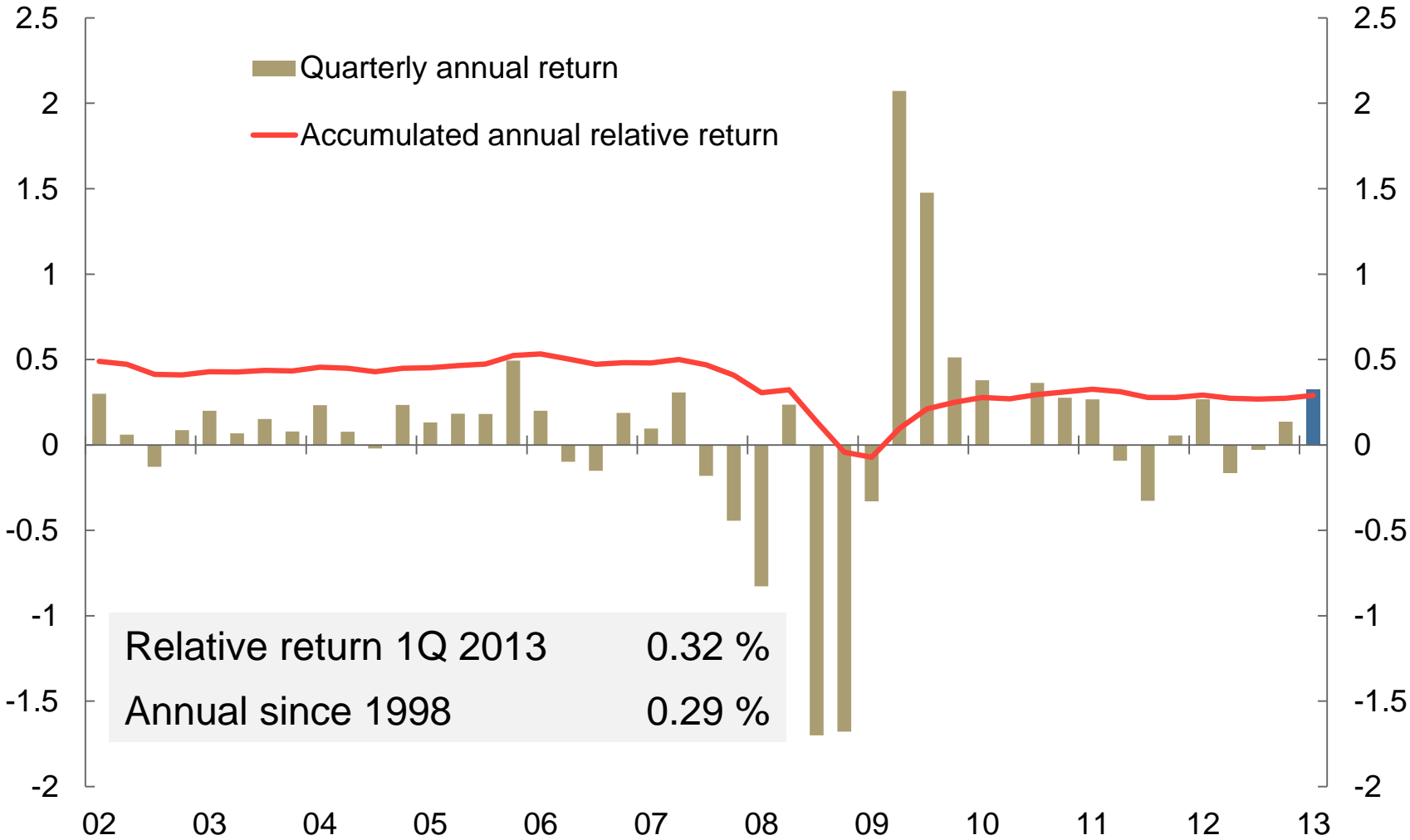
Percent



Source: NBIM

Relative return

Basispoints



Source: NBIM

Changes in value since 1996

Billions of kroner

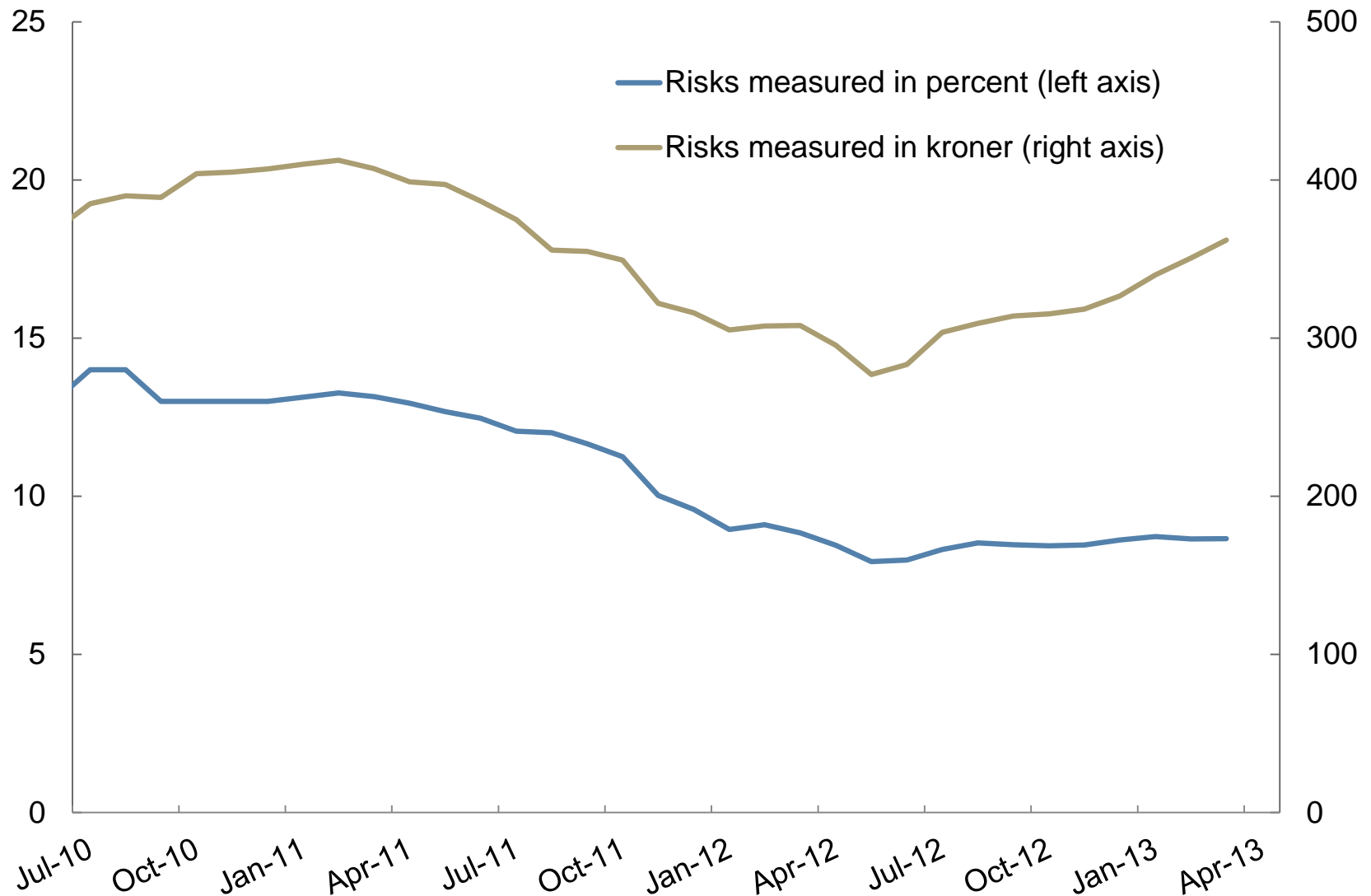
	1Q 2013	2012
Market value of the fund	4 182	3 816
Gross inflow of new capital	3 121	3 060
Management costs	21	21
Change due to fluctuations in krone	-244	-331
Accumulated return	1 327	1 107

Key figures

Fund's total investments. Measured in international currency basket. Percent

	Last 12 months	Since 01.01.1998
Return on fund	11.65	5.33
Annual price inflation	1.54	1.93
Annual management costs	0.06	0.09
Annual net real return	9.91	3.24

Expected absolute volatility of the fund



Source: NBIM

Price developments in regional and global equity markets

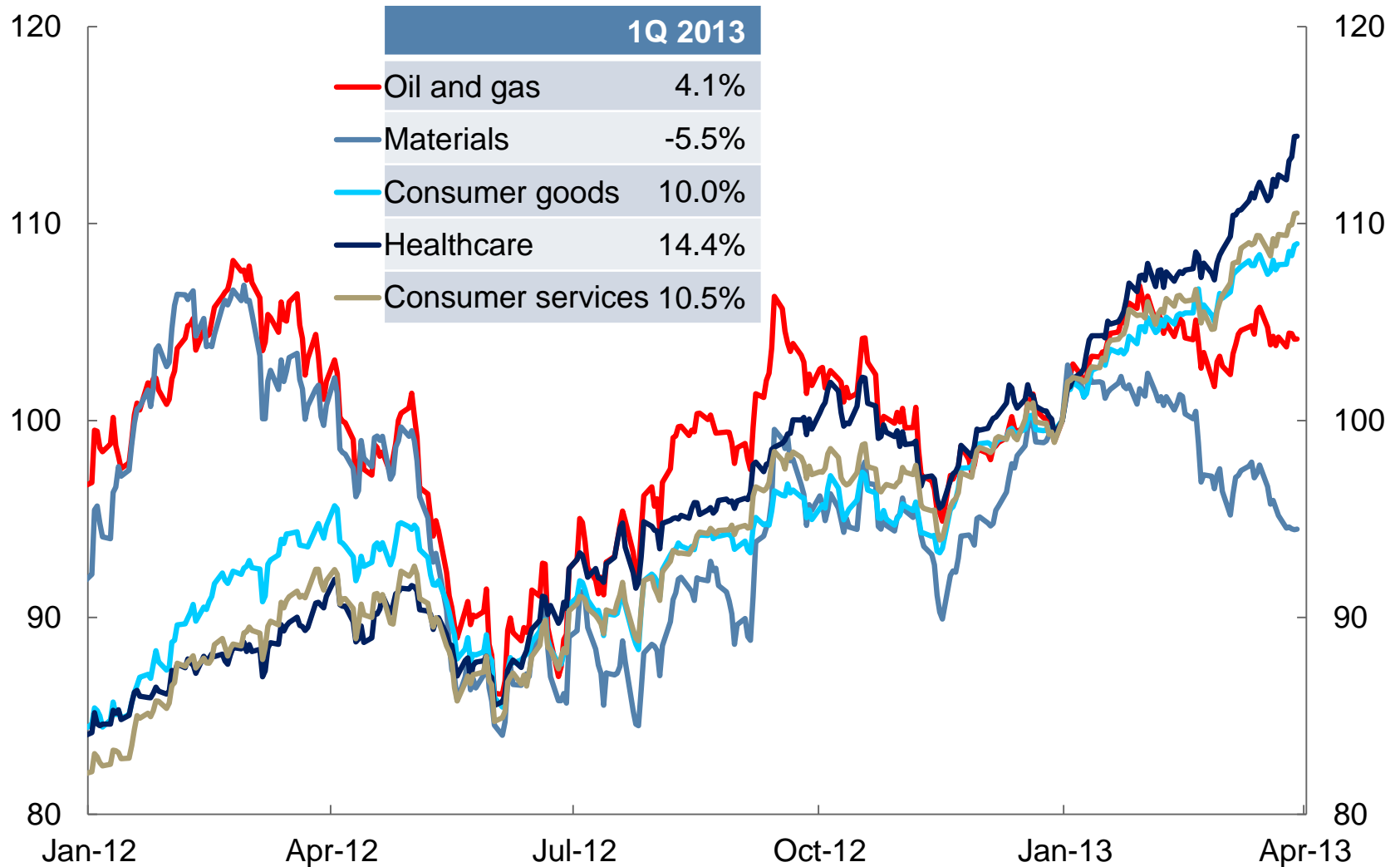
Measured in dollars, euro (Stoxx) and yen (TOPIX). Indexed (31.12.2012 = 100)



Source: Bloomberg

Price moves in stock sectors

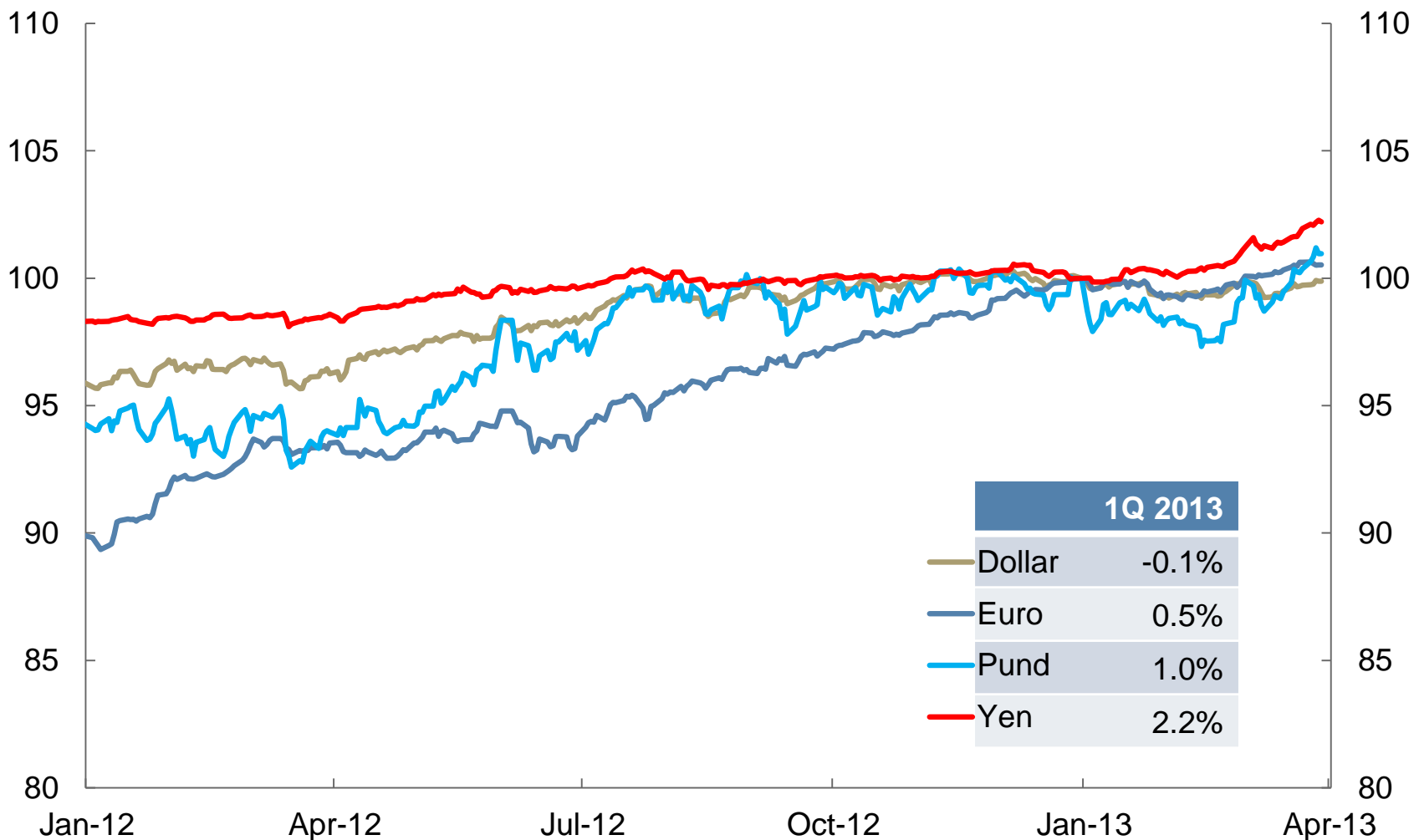
FTSE Global All Cap-index. Measured in USD. Indexed (31.12.2012 = 100)



Source: FTSE

Price developments of government debt

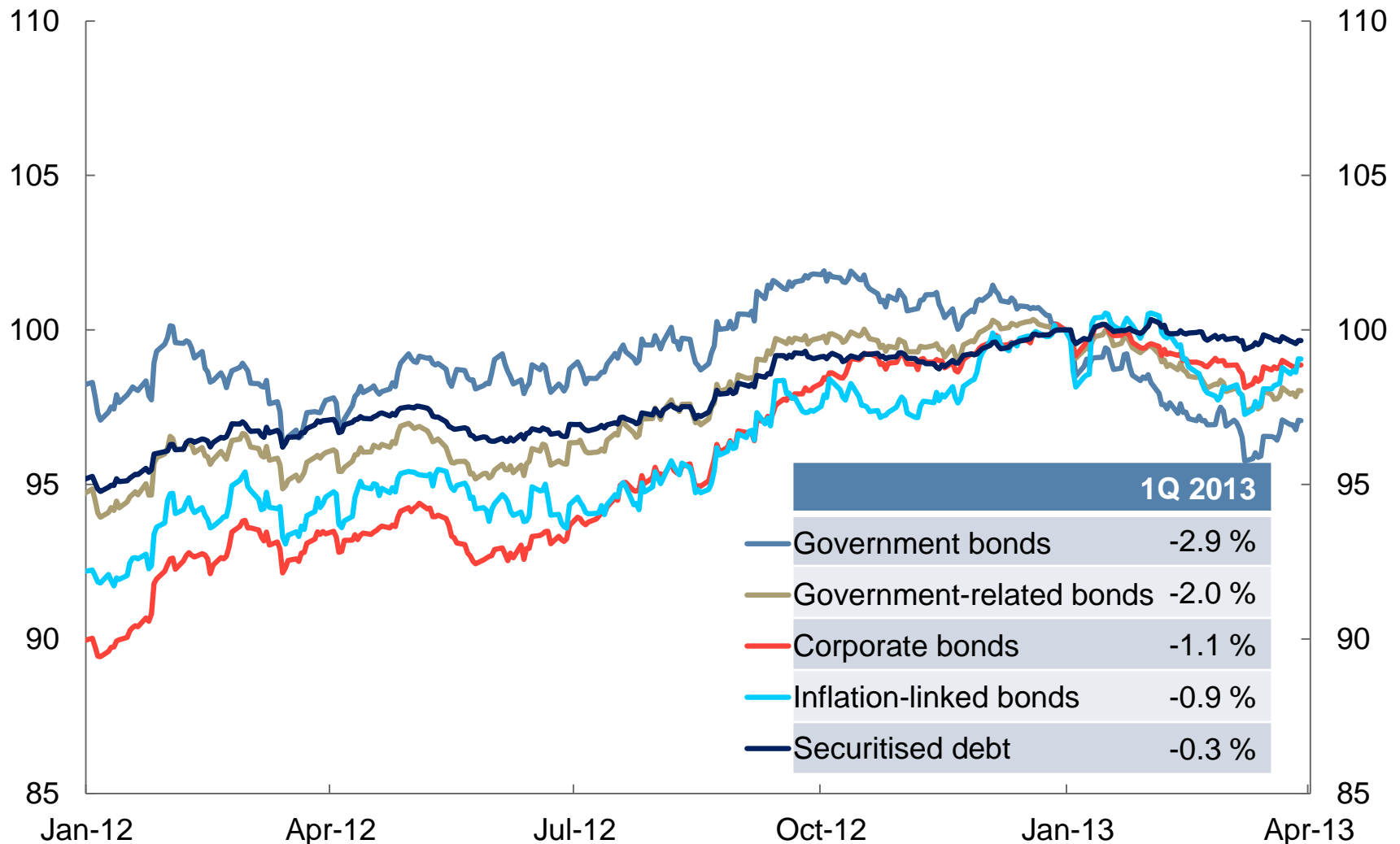
Barclays Global Aggregate Index. Measured in local currency. Indexed (31.12.2012 = 100)



Source: Barclays Capital

Price developments in fixed-income sectors

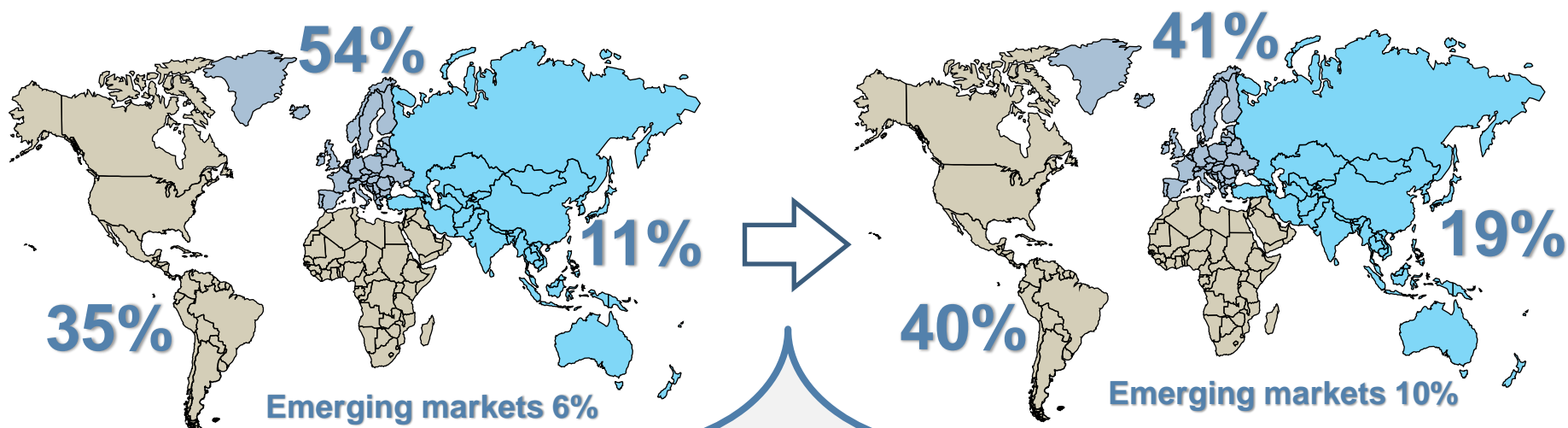
Barclays Global Aggregate Index. Measured in USD. Indexed (31.12.2012 = 100)



Source: Barclays Capital

Changing the regional allocation

Target announced in Report to the Storting Nr. 17 (2011-2012)



31.12.2012	Equity	Fixed income	Total
America, Africa, Middle East	36.3%	44.7%	39.4%
Europe	45.7%	41.4%	44.1%
Asia / Oceania	18.0%	13.9%	16.5%
Of which are emerging markets	10.0%	6.8%	8.8%

Source: NBIM, Ministry of Finance

New fixed income markets in 2012 and 2013

Fixed income (currency)

Chile (CLP)

China (CNY)

Czech Republic (CZK)

Hong Kong (HKD)

Hungary (HUF)

Israel (ILS)

Malaysia (MYR)

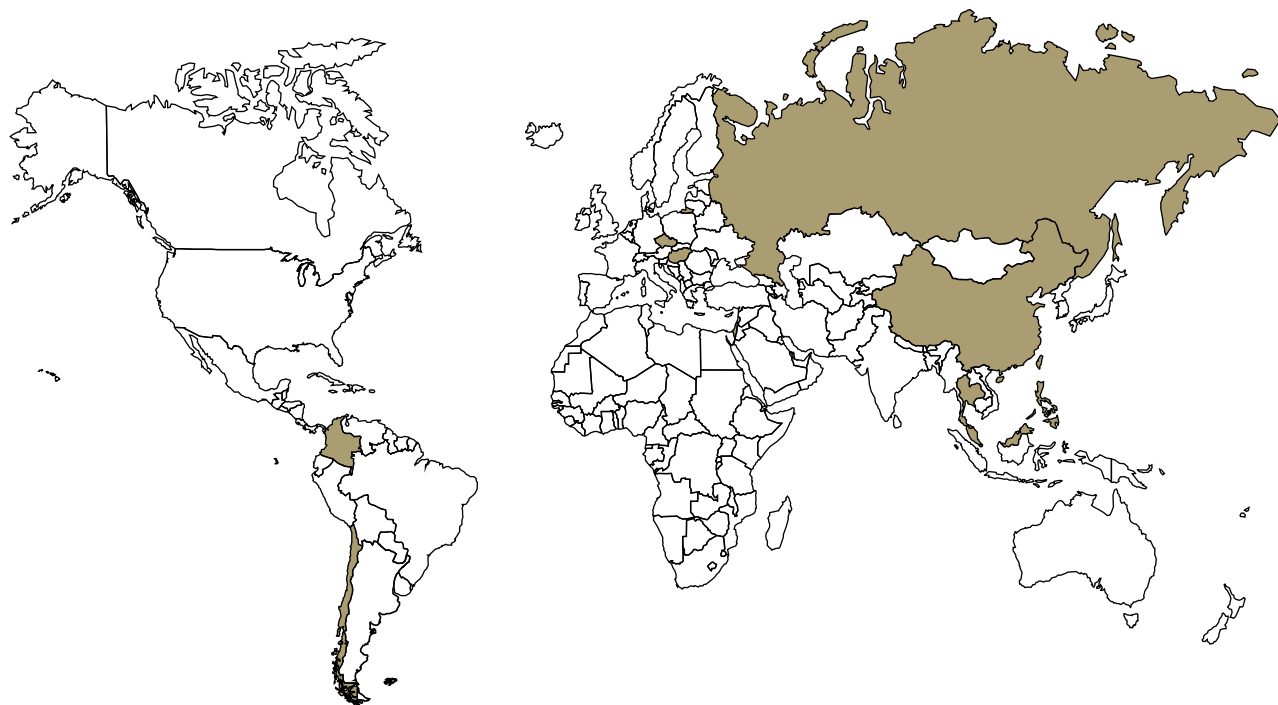
Philippines (PHP)

Russia (RUB)

Thailand (THB)

Taiwan (TWD)

Colombia (2013) (COP)



New equity markets in 2012 and 2013

Equity
Bulgaria
Croatia
Jordan
Kenya
Qatar
Romania
Kuwait (2013)
Oman (2013)



Responsible investor

Investor characteristics

Financial investor

Minority shareholder

Long-term horizon

Principle based



Active ownership focus areas

Markets:

- Well-functioning financial markets

Corporate governance:

- Equal treatment of shareholders
- Shareholder influence and board accountability

Environmental and social risks:

- Children's rights
- Climate change
- Water management

Closer contact with boards

- We intend to have long-term dialogues with the boards of companies for our major investments
- In the first quarter we took the opportunity to become a member of the nomination committee for the first time



Environmental and social risks

Externalities may result in long-term risk for the fund



Environmental and social focus areas:

- Children Rights
- Climate change
- Water management

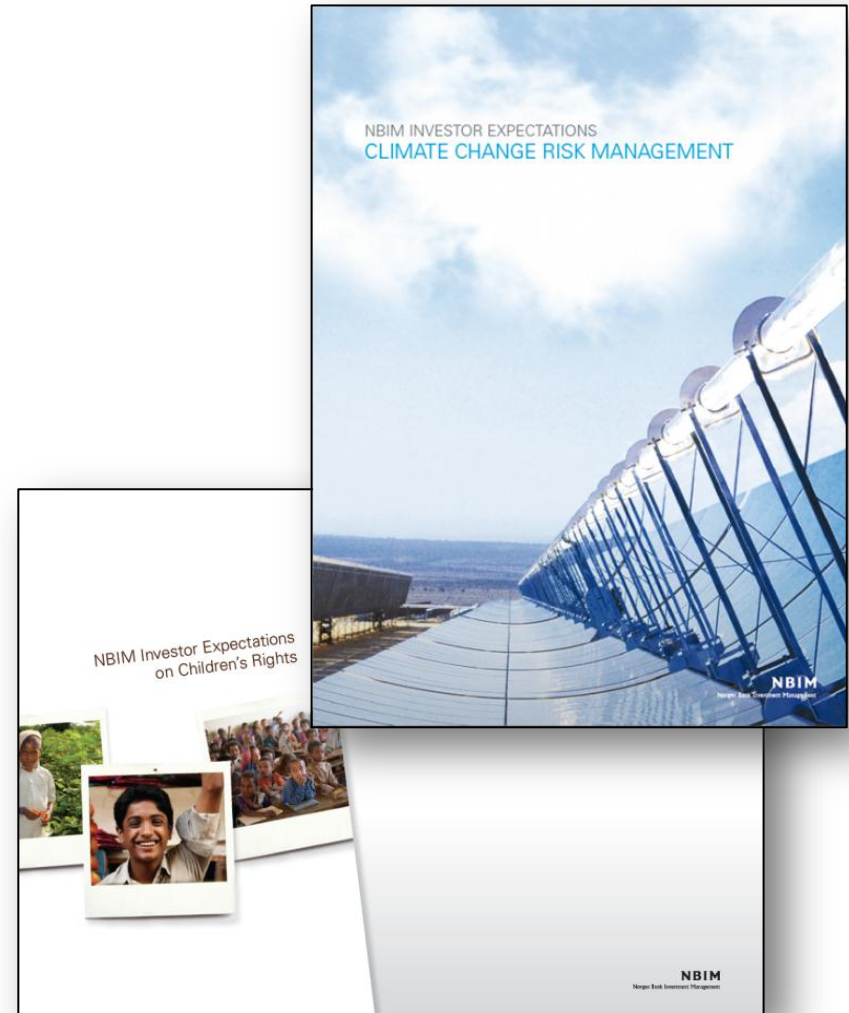


Tools include:

- Develop long-term principles
- Standard setting and collaboration
- Adjustments to portfolio based on risk analysis
- Voting and company contact
- Environmental and social risk factors integrated in investment decision making

Industry initiatives

- **Seed sector**
 - Industry standard for efforts against child labour in India
- **Cocoa suppliers and chocolate manufacturers**
 - Action plan against child labour in West Africa
- **Palm oil**
 - Tropical deforestation in Southeast Asia
 - Existing standard for sustainable palm oil production

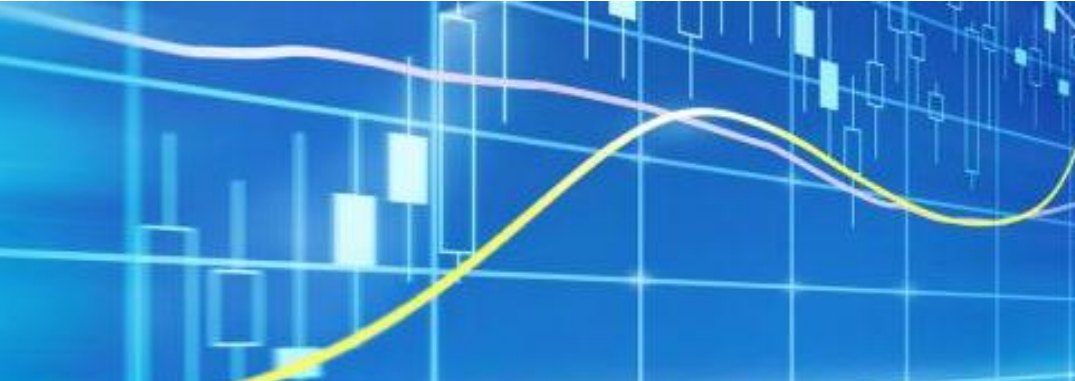


Highlights 1Q 2013

- Return of fund 5.4 percent
- Return in equities was 8.3 percent
- Relative return was 0.3 basis points
- The market value of the fund rose 366 billion kroner to 4 182 billion

GOVERNMENT PENSION FUND GLOBAL

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**1 QUARTER
2013**

