Highlights

- The fund returned 2.6 percent in second quarter 2017
- The market value of the fund increased by 153 billion kroner to 8,020 billion kroner
- At the end of the quarter, the fund was invested as follows:
  - Equity investments 65.1 percent
  - Fixed-income investments 32.4 percent
  - Unlisted real estate investments 2.5 percent
- The return on the fund was 0.3 percentage point higher than the return on the benchmark index
Market value at 8,020 billion
Billions of kroner. As at 30.06.2017

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Percentage share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity investments</td>
<td>5,225</td>
<td>65.1</td>
</tr>
<tr>
<td>Fixed-income investments</td>
<td>2,597</td>
<td>32.4</td>
</tr>
<tr>
<td>Unlisted real estate investments</td>
<td>199</td>
<td>2.5</td>
</tr>
</tbody>
</table>

Source: Norges Bank Investment Management
Withdrawal from the fund
Billions of kroner

Source: Norges Bank Investment Management
Quarterly change in market value
Billions of kroner

Source: Norges Bank Investment Management
Value increased by 153 billion kroner
Billion of kroner

Return 2Q 2017: 202
Withdrawal 2Q 2017: -16
Krone rate 2Q 2017: -32
Total 2Q 2017: 153

Source: Norges Bank Investment Management
Positive return at 2.6 percent
Measured in the fund’s currency basket. Quarterly return.
Percent

Source: Norges Bank Investment Management
Positive return in all asset classes
Measured in the fund’s currency basket.
Percent

Source: Norges Bank Investment Management
Equity and fixed-income investments until 2016.
Source: Norges Bank Investment Management
# Changes in value since 1996

## Billions of kroner

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total inflow of capital</td>
<td>3,360</td>
<td>3,375</td>
<td>3,397</td>
</tr>
<tr>
<td>Return on fund</td>
<td>3,622</td>
<td>3,420</td>
<td>3,123</td>
</tr>
<tr>
<td>Management fees</td>
<td>-37</td>
<td>-36</td>
<td>-35</td>
</tr>
<tr>
<td>Changes due to fluctuations in krone</td>
<td>1,076</td>
<td>1,108</td>
<td>1,025</td>
</tr>
<tr>
<td><strong>Market value of fund</strong></td>
<td><strong>8,020</strong></td>
<td><strong>7,867</strong></td>
<td><strong>7,510</strong></td>
</tr>
</tbody>
</table>

Source: Norges Bank Investment Management
## Historical key figures

Measured in the fund’s currency basket. Annualised. Percent

<table>
<thead>
<tr>
<th></th>
<th>Since 1.1.1998</th>
<th>Last 10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund return</td>
<td>5.89</td>
<td>5.52</td>
</tr>
<tr>
<td>Annual price inflation</td>
<td>1.75</td>
<td>1.73</td>
</tr>
<tr>
<td>Annual management costs</td>
<td>0.09</td>
<td>0.08</td>
</tr>
<tr>
<td>Net real return on fund</td>
<td>3.98</td>
<td>3.65</td>
</tr>
</tbody>
</table>

Source: Norges Bank Investment Management
Developments in equity markets
Measured in USD (Stoxx in EUR). Indexed total return (31.12.2016 = 100)

<table>
<thead>
<tr>
<th></th>
<th>2Q 2017</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTSE Global All Cap</td>
<td>4.3%</td>
<td>11.5%</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>3.1%</td>
<td>9.3%</td>
</tr>
<tr>
<td>Stoxx Europe 600</td>
<td>1.2%</td>
<td>7.5%</td>
</tr>
<tr>
<td>MSCI Asia Pacific</td>
<td>5.8%</td>
<td>15.9%</td>
</tr>
</tbody>
</table>

Source: Bloomberg
Developments in equity sectors
Measured in USD. Indexed total return (31.12.2016 = 100)

Source: FTSE
Development for bonds
Measured in local currency. Indexed total return (31.12.2016 = 100)

Source: Bloomberg Barclays Indices
Development for bond sectors
Measured in USD. Indexed total return (31.12.2016 = 100)

Source: Bloomberg Barclays Indices
## New real estate investments
### Second quarter 2017. Unlisted

<table>
<thead>
<tr>
<th>Location</th>
<th>Partner</th>
<th>Invested amount</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Three properties in London:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• 263-269 Oxford Street/3-5 Swallow Place</td>
<td>The Crown Estate</td>
<td>330.8 mill. kroner</td>
<td>25%</td>
</tr>
<tr>
<td>• 1 Princes Street/6 Swallow Place</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• 2-4 Princes Street</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>900 16th Street in Washington, D.C.</td>
<td>Oxford Properties Group</td>
<td>624.7 mill. kroner</td>
<td>49%</td>
</tr>
</tbody>
</table>
Real estate investing with a steady pace

Ownership activities
Second quarter 2017

- We voted at 6,818 general meetings in the second quarter, considering and voting on a total of 79,876 proposals
- We participated in two consultation processes with index providers regarding equities without voting rights
- A report from a commissioned research project on the relationship between sustainability disclosure and corporate performance was published
- We published an expectation document on tax and transparency
- We published our view on CEO remuneration
Welcome back
Norwegian Financial Research Conference 29 August 2017
Highlights

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