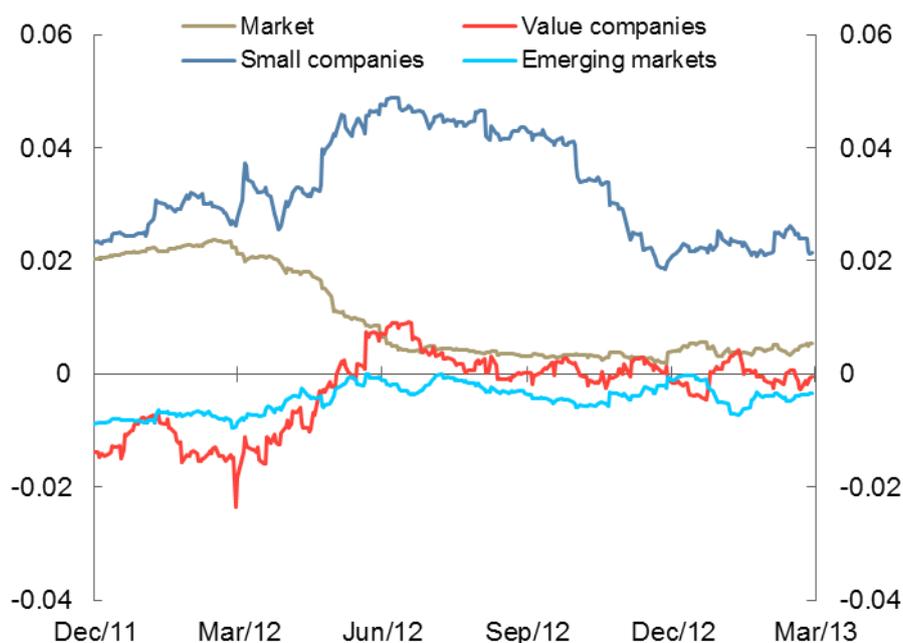


Factor exposures

NBIM measures the fund's exposure to systematic risk factors such as small companies, value stocks and bonds with credit premiums. These are common characteristics that most securities have to varying degrees and that contribute to both the risk and the return on different investments. The fund's exposure to such factors can be analysed by comparing the variation in excess return on the fund with the variation in return on the systematic risk factors.

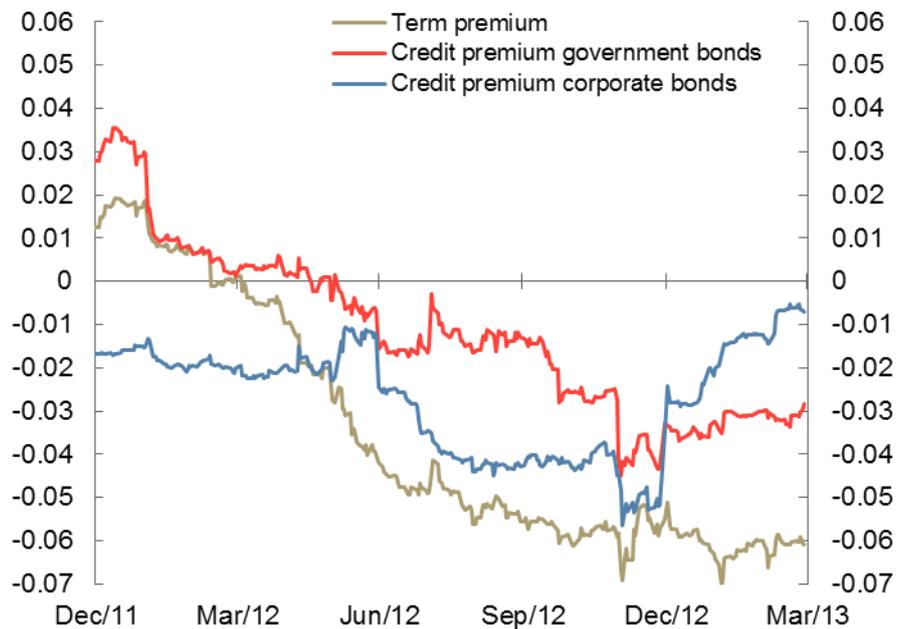
Chart 1. Factor exposures of the fund's equity investments. Coefficients



This analysis of factor exposures in the first quarter of 2013 indicates, among other things, that the fund's equity investments were more exposed to small companies than the benchmark.

The model explains only 9 percent of fluctuations in relative return at the end of the quarter. The model's explanatory power has decreased the last year, after it was up to 70 percent in the first quarter of 2012.

Chart 2. Factor exposures of the fund's fixed income investments. Coefficients



The analysis of the fund's fixed income investments may indicate decreased exposure to bonds with long maturities, relative to the benchmark, so far in 2013. The model's explanatory power has increased somewhat the last months, and it explains about 17 percent of fluctuations in relative return at the end of first quarter.

The results of such statistical analysis should be interpreted with caution, and NBIM therefore uses various other approaches to analyse the fund's factor exposures.