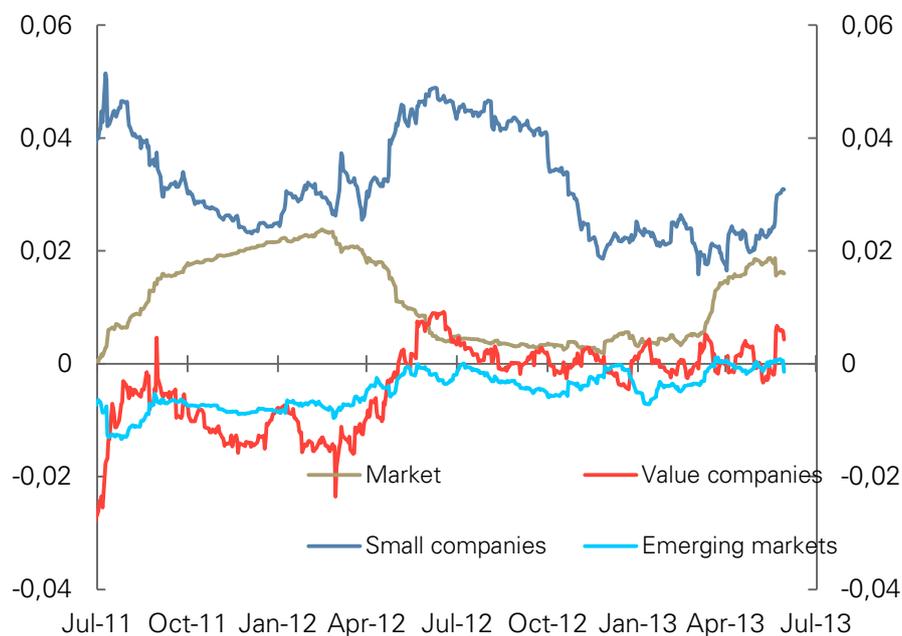


Factor exposures

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.

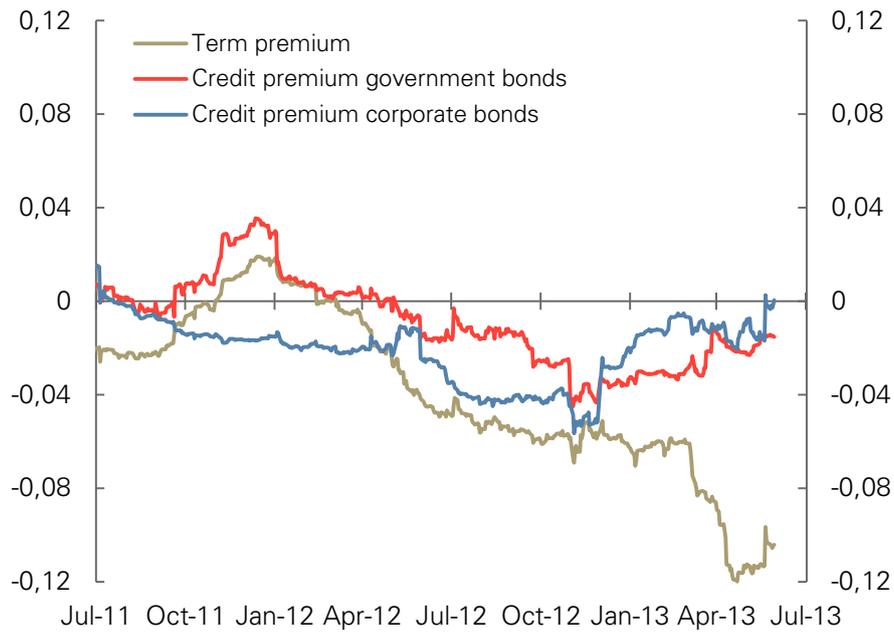
Chart 1. Factor exposures of the fund's equity investments. Coefficients



This analysis of factor exposures in the second 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 about 30 per cent of fluctuations in relative return at the end of the quarter. The model's explanatory power has increased this quarter after decreasing in the first quarter of 2013.

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 is currently around 44 percent, which is an increase from around 17 percent in the first quarter.

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