

Press Release 1st March 2011, 11:00 a.m.

Strong growth in second half year 2010

Government Pension Fund Norway

After a turbulent first half of the year, the second half of the year has been characterized by a strong performance in financial markets that led to a positive result for the Government Pension Fund Norway of NOK 17.8 billion for 2010. This gives a return of 15.3 percent, which is 0.6 percentage point, or NOK 610 million, more than the benchmark portfolio.

- *We are pleased to have put behind us a good year of solid returns, and we can determine that sound investment decisions throughout the financial crisis have enabled the growth of the capital to NOK 135 billion, well above what it was at the beginning of the crisis, says Managing Director Olaug Svarva.*

For the past five years the excess return has been 1.5 percentage points. This shows that, also from a more long-term perspective, the average annual return for the Government pension Fund Norway has been better than the return on the benchmark portfolio.

The return on the Norwegian equity portfolio was 19.1 percent. This is 0.8 percentage point better than the return on the benchmark. For the Nordic equity portfolio there was a return of 28.2 percent, compared to the benchmark's return of 29.7 percent.

The Norwegian fixed income portfolio had another good year with a return of 7.5 percent, which is 0.8 percentage point better than the benchmark portfolio. The good return is due to falling interest rates, continuing good credit spreads and few credit events. The return for the Nordic fixed income portfolio was 3.7 percent, which is 0.5 percentage point better than the benchmark.

Government Bond Fund

The Government Bond Fund was established in March 2009 with a capital of NOK 50 billion. The invested capital as per year end 2010 was NOK 9.3 billion, spread over 53 issuers in a total of 69 bonds. The return for 2010 was at 7.6 percent of invested capital.

For more information, please contact Managing Director Olaug Svarva or Deputy Managing Director Lars Tronsgaard by telephone at: 23 11 72 00.