

Ilmarinen's Interim Report 1 January to 30 June 2009

Ilmarinen 1.1. - 30.6.2009

	1.1.-30.6.2009	1.1.-30.6.2008	1.1.-31.12.2008
Premiums written, EUR mill.	1,598	1,581	3,264
Net investment income at fair value, EUR mill.	1,413	-1,255	- 4,572
ROCE, %	6.6*	-4.9*	-17.7
Technical provisions, EUR mill.	21,287	23,516	20,613
Solvency capital, EUR mill. ¹⁾	3,568	4,472	2,673
Solvency capital / technical provisions ²⁾	18.2	22.3	14.0
Solvency capital / solvency border	2.9	1.9	2.0
Pension assets, EUR mill. ³⁾	23,077	24,572	21,625
TyEL payroll, EUR mill. ⁴⁾	14,186	14,373	14,623
YEL payroll, EUR mill. ⁴⁾	1,125	1,033	1,049

* Rate of return for 6 months

- 1) Includes provision for pooled claims treated equal to solvency capital on 31.12.2008 and 30.6.2009
- 2) The ratio was computed as a percentage of the technical provisions used in calculating the solvency border following the calculation rules valid on the reporting date
- 3) Technical provisions + differences between current and book value
- 4) Estimated TyEL and YEL payroll for the whole year

Amount of pension applications

January - June

	6/2009	6/2008	muutos-%
New pension applications			
• Disability pensions	3,568	3,068	16.3
• Unemployment pensions	1,634	1,483	10.0
• Rehabilitation applications	849	755	12.4
• Retirement pensions	4,740	3,240	46.3
• Early retirement pensions	390	277	40.8
• Part-time pensions	923	671	37.6
• Survivors' pensions	1,468	1,376	6.7
Total	13,572	10,869	24.9

Return on investments classified by risk level, 30.6.2009

	Market value EUR mill.	Market value %	Risk breakdown Eur mill.	Risk breakdown %	Return %	Volatility %
Fixed-income investments	12,449.8	54.3	14,150.8	61.7	7.7	
Loan receivables	3,198.6	13.9	3,198.6	13.9	2.1	
Bonds	8,464.5	36.9	9,425.0	41.1	10.4	3.6
Other money market instruments	786.8	3.4	1,527.1	6.7	0.9	
Equities and shares	7,081.0	30.9	5,379.5	23.4	8.8	
Listed equities and shares	6,308.9	27.5	4,607.4	20.1	12.7	24.7
Private equity investments	478.6	2.1	478.6	2.1	-23.4	
Unlisted equities and shares	293.5	1.3	293.5	1.3	0.9	
Real estate investments	2,521.1	11.0	2,521.1	11.0	-0.9	
Direct real estate investments	2,159.2	9.4	2,159.2	9.4	2.7	
Real estate funds and joint investments	361.9	1.6	361.9	1.6	-18.2	
Other investments	894.1	3.9	894.6	3.9	-4.1	
Hedge fund investments	555.4	2.4	555.4	2.4	4.3	8.4
Commodity investments	0.3	0.0	0.7	0.0	-	
Other investments	338.5	1.5	338.5	1.5	-	
Investment total	22,946.0	100.0	22,946.0	100.0	6.6	8.2

The modified duration of bonds is 4.2 years.

Volatility is calculated on the basis of monthly logarithmic historical income over a period of two years.

The total return percentage includes income, expenses and operating expenses not allocated to any investment types.

The investments are presented according to the TELA income calculation team's recommendation.

Breakdown of investment

grouped according to the provisions

	30.6.2009		31.12.2008		30.6.2008	
	EUR mill.	%	EUR mill.	%	EUR mill.	%
Loan receivables ¹⁾	3,198.6	13.9	2,695.6	12.9	1,330.2	5.3
Bonds ¹⁾	8,464.5	36.9	8,574.8	41.4	9,928.8	39.0
incl. fixed-income funds	537.1	2.3	598.6	2.9	913.7	3.6
Other money market instruments and deposits	786.8	3.4	122.4	0.6	1,448.0	5.7
Shares and participations	7,975.1	34.8	6,969.4	33.4	10,138.6	40.3
Real estate	2,521.1	11.0	2,509.5	12.0	2,436.9	9.7
incl. investment funds	361.9	1.6	418.1	2.0	485.4	1.9
Investment, total	22,946.0	100.0	20,871.7	100.0	25,182.5	100.0
Motified duration of the bond portfolio		4.2		3.6		3.9

1) Accrued interest included

Net investment income at fair value 30.6.2009⁶

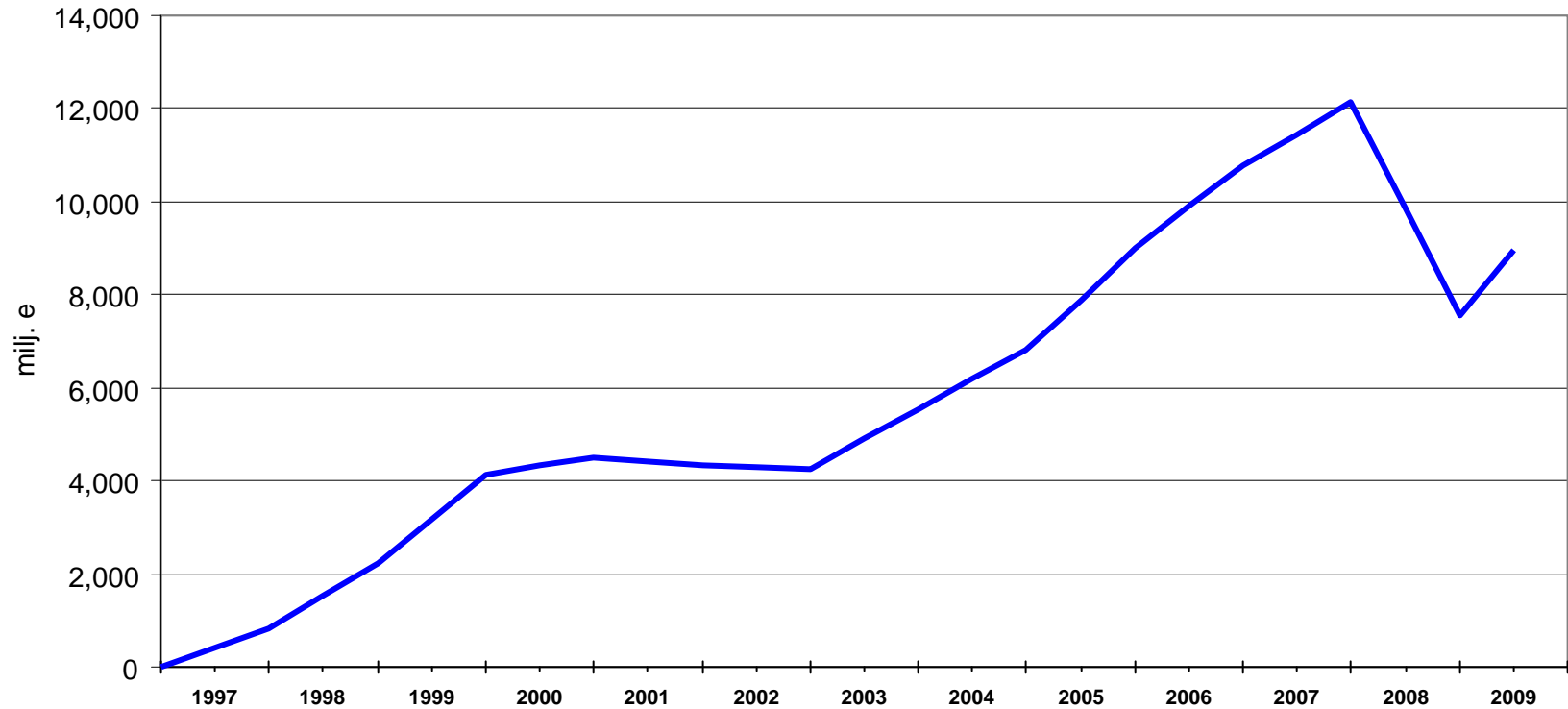
grouped according to the provisions

	Net income EUR mill.	Capital employed ¹⁾ EUR mill.	ROCE, %		
			Months 1-6, 2009	Months 1-6, 2008	Months 1-12, 2008
Loan receivables	61.7	2,893.7	2.1	2.4	4.9
Bonds incl. fixed-income funds	826.0 90.3	8,018.0 504.2	10.3 17.9	-0.7 -1.5	-5.9 -28.6
Other money market instruments and deposits	8.1	861.1	0.9	2.2	4.6
Shares and participations	530.6	7,294.1	7.3	-11.1	-36.9
Real estate incl. investment funds	-21.0 -78.2	2,504.3 430.6	-0.8 -18.2	2.5 1.8	6.1 -5.2
Investment, total	1,405.4	21,571.1	6.5	-4.9	-17.7
Unallocated income, charges and operating expenses	7.6		0.0	0.0	0.0
Net investment income, total	1,413.0	21,571.1	6.6	-4.9	-17.7

1) Market value at the beginning of the reporting period + cash flows time-weighted daily/monthly

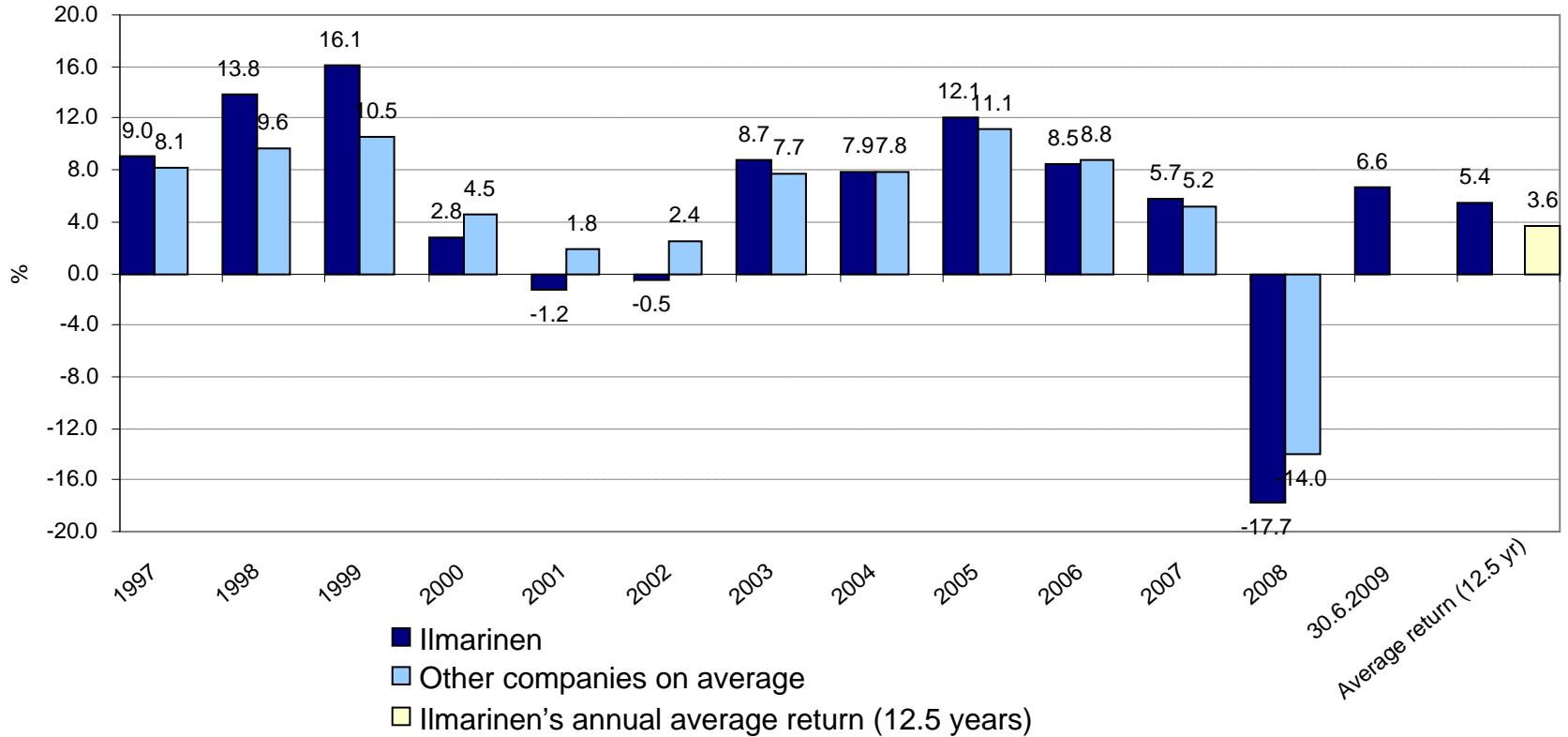
Cumulative return from investments, EUR mill.

1997 - 30.6.2009



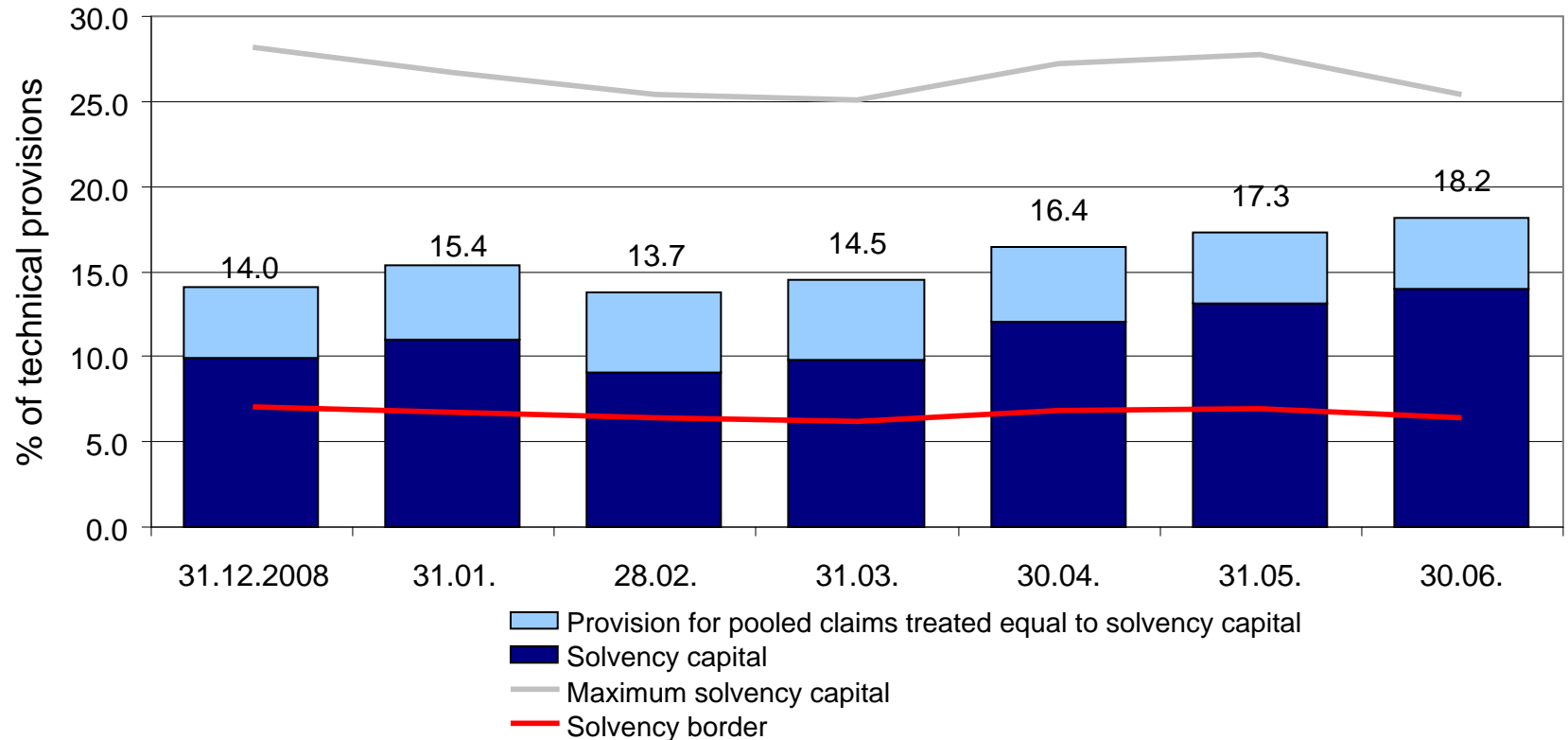
The period's nominal and annual average income has been 5.4%, and the real annual average income 3.6%.

Investment income 1997 - 30.6.2009



Solvency follow-up

Solvency capital and limits



As of June 30, 2009 the company's solvency ratio was 2.9 times the solvency border 6.4% (31.12.2008: 2.0/7.0%).

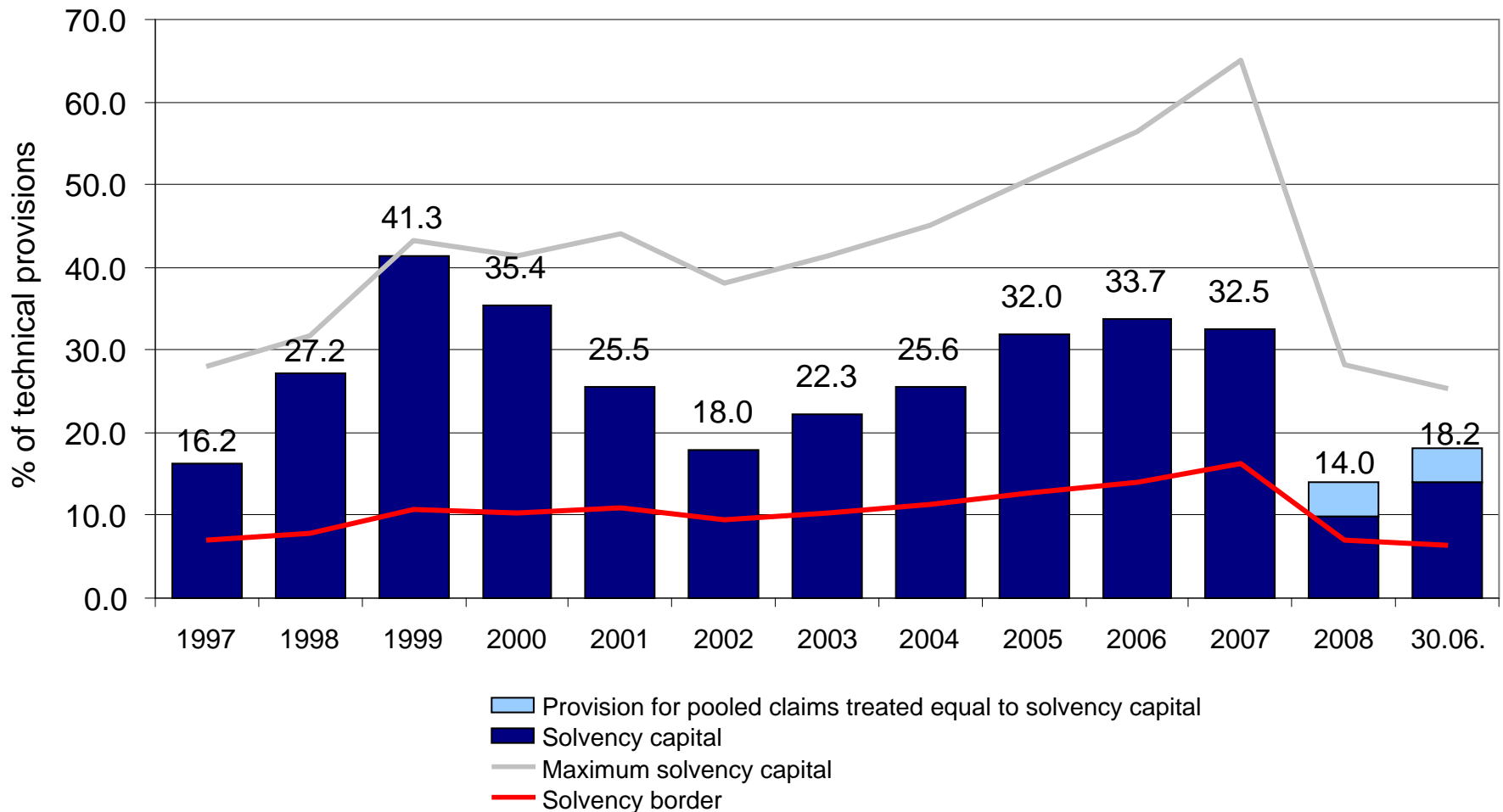
Solvency

% of the technical provision used in calculating solvency border ¹⁾	30.6.2009	31.12.2008	30.6.2008
Solvency border	6.4	7.0	12.0
Maximum solvency capital	25.4	28.2	48.0
Solvency capital ²⁾	18.2	14.0	22.3

- 1) The ratios have been calculated in percentages on the basis of the technical provisions used in the solvency border calculation following the calculation rules valid on the reporting date.
- 2) Includes the following amount of provision for pooled claims treated equal to solvency capital for 31.12.2008 and 30.6.2009.

Solvency follow-up

Solvency capital and limits



Performance analysis, EUR mill.

	1.1.–30.6.2009	1.1.–30.6.2008	1.1.–31.12.2008
Source of profits			
Technical underwriting result	- 1.1	10.1	76.4
Investment income at fair value	880.8	- 1,708.5	- 4,449.2
+ Net investment income at fair value	1,413.0	-1,255.2	-4,571.5
- Return requirement on technical provisions	-532.2	-453.4	122.3
Loading profit	13.4	12.0	34.7
Profits, total	893.1	- 1,686.5	- 4,338.1

Profit at current value

1.1. - 30.6.2009

EUR mill.	Underwriting business	Invest- ment	Loading profit	Total
Premiums written	1,541	0	57	1,598
Net investment income at current value		1,420		1,420
Claims paid	-1,498			-1,498
Chance in technical provisions*	-33	-532		-566
Total operating expenses	-11	-7	-44	-61
Other income and expenses			0	0
Profit at current value	-1	881	13	893

*Before transfer to provisions for bonuses and equalisation provisions

Balance sheet at current value

30.6.2009

Assets		Liabilities	
EUR mill.		EUR mill.	
Investment at current value	22,946	Capital and reserves	96
		Depreciation difference	8
Receivables	1,550	Difference between current and book value	1,790
		Provision for current bonuses	861
Other assets	228	Other solvency capital items	-3
		Comparison of the equalisation liability	816
		Solvency capital	3,569
		Equalisation provision	993
		Capital base	4,561
		Provision for current bonuses (to client bonuses)	33
		Supplementary insurance liability tied to income from shares	-558
		Technical provision *)	19,959
		Other liabilities**))	729
Assets total	24,724	Liabilities total	24,724

*) technical provisions excluding provisions for current and future bonuses, provision for pooled claims treated equal to solvency capital and equalisation provision

**) the item includes off-balance sheet items deducted from the working capital of EUR 115.4 million and the calculated proposed distribution of profits of EUR 0.8 million