

Ilmarinen Annual Accounts 2006

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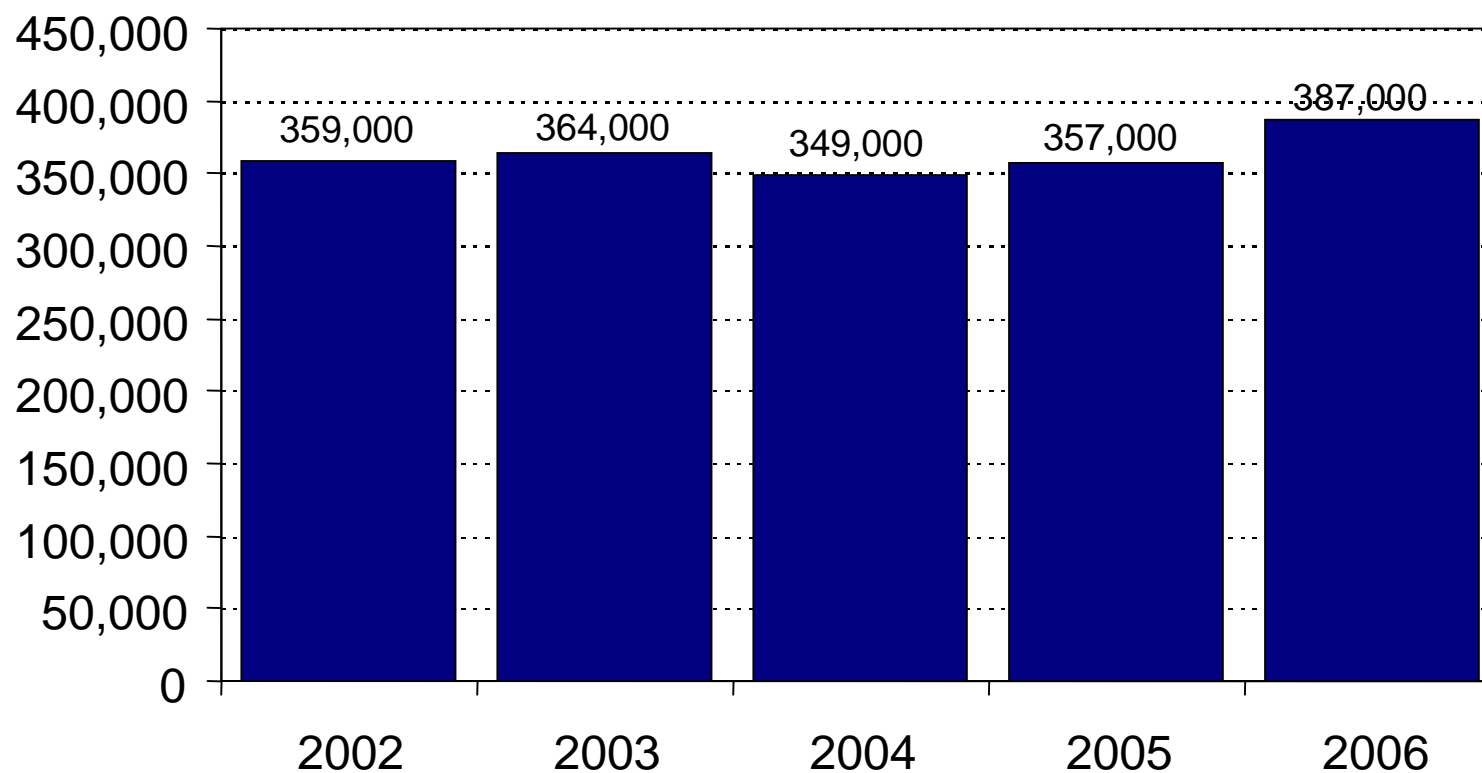


ILMARINEN

Key figures

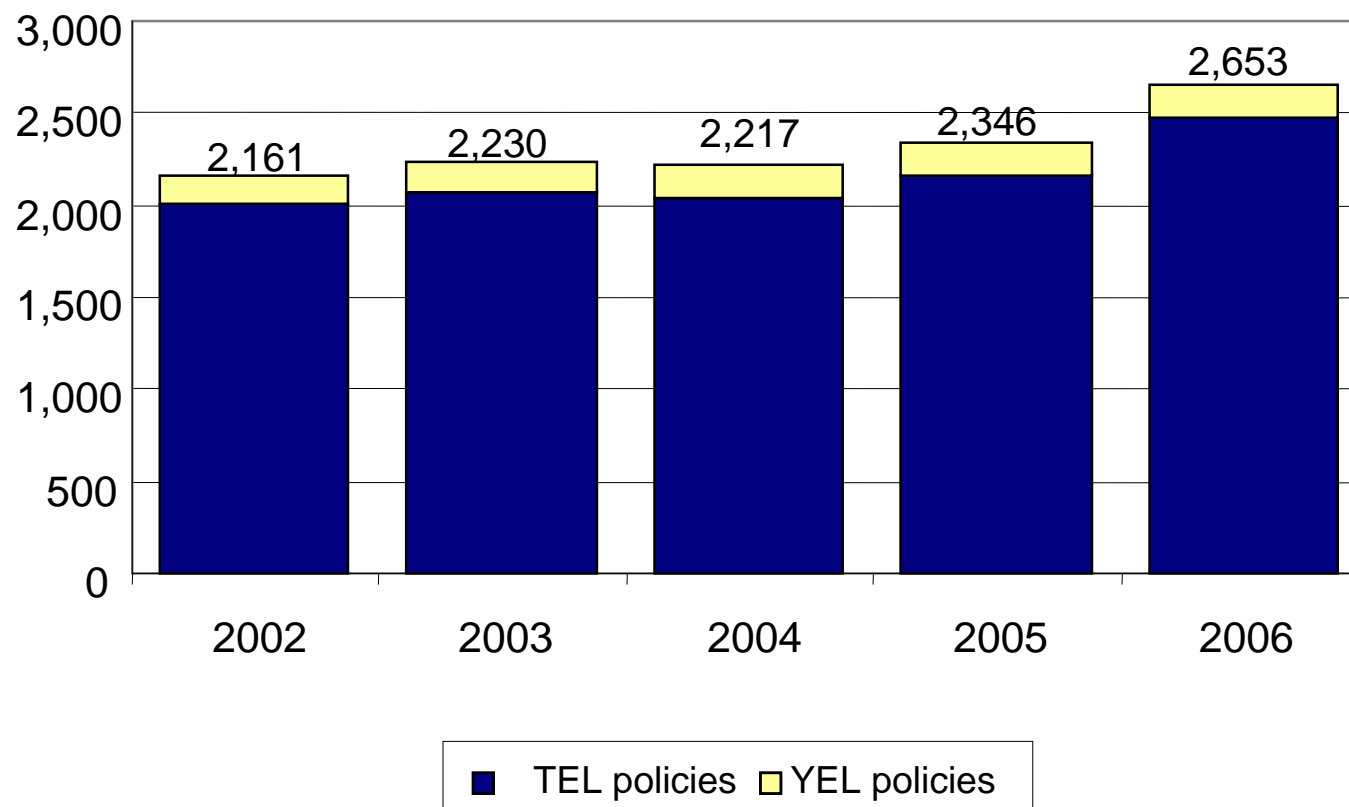
	2006	2005	2004
Premiums written, EUR mill.	2,652.6	2,346.0	2,217.3
Turnover, EUR mill.	4,368.0	3,727.1	3,151.6
Number of employees insured under TEL	387,000	357,000	349,000
Number of YEL policies	49,898	49,495	49,580
Pension payouts, EUR mill.	2,237.1	2,033.8	1,931.1
Wage bill under TEL, total, EUR mill.	11,505.6	10,268.0	9,766.9
Reported incomes under YEL, EUR mill.	923.6	879.0	850.7
Technical provisions, EUR mill.	20,917.2	18,891.3	16,375.6
Balance sheet total at current value, EUR mill.	23,635.4	21,553.0	18,050.5

Employees insured under TEL

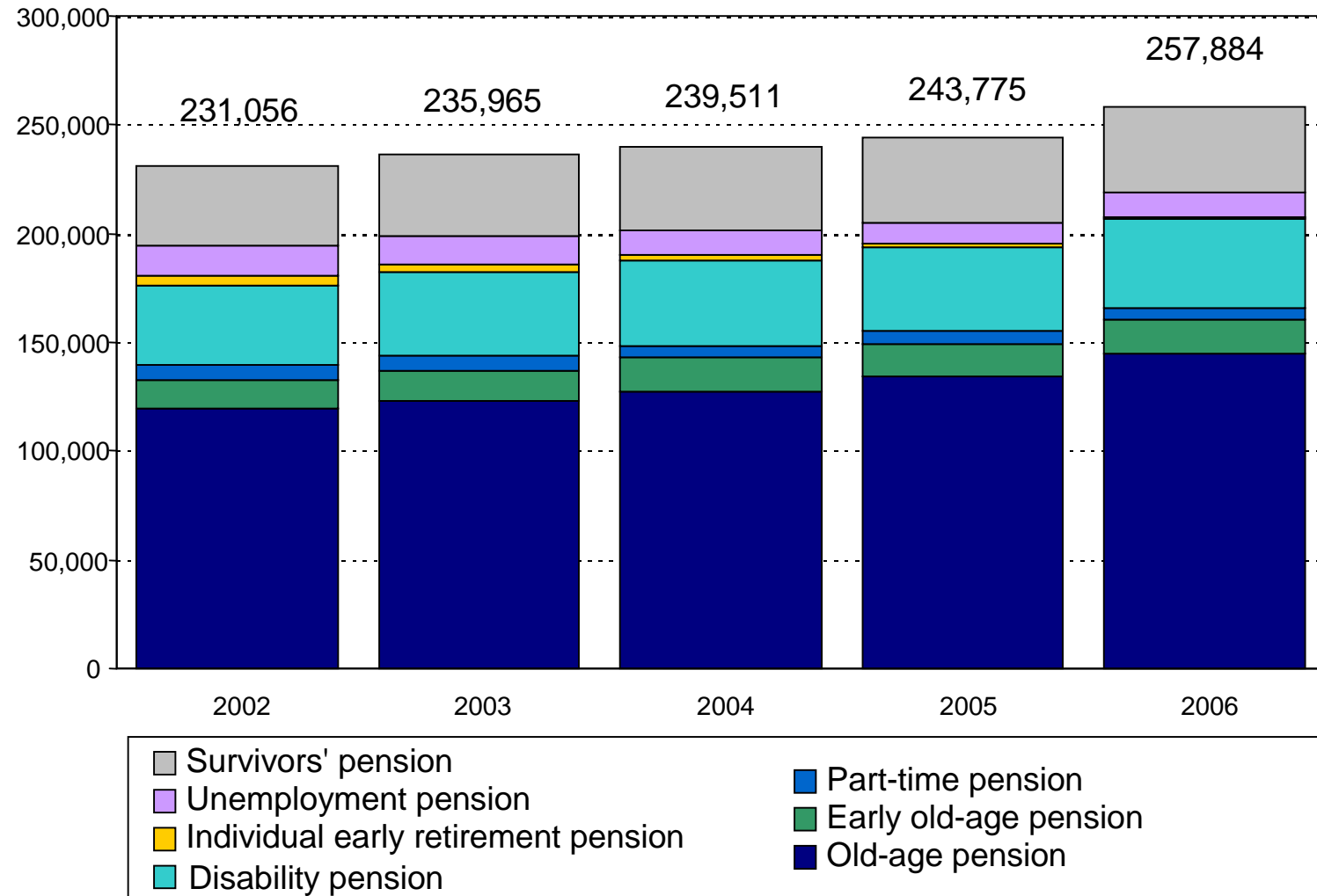


Premiums written

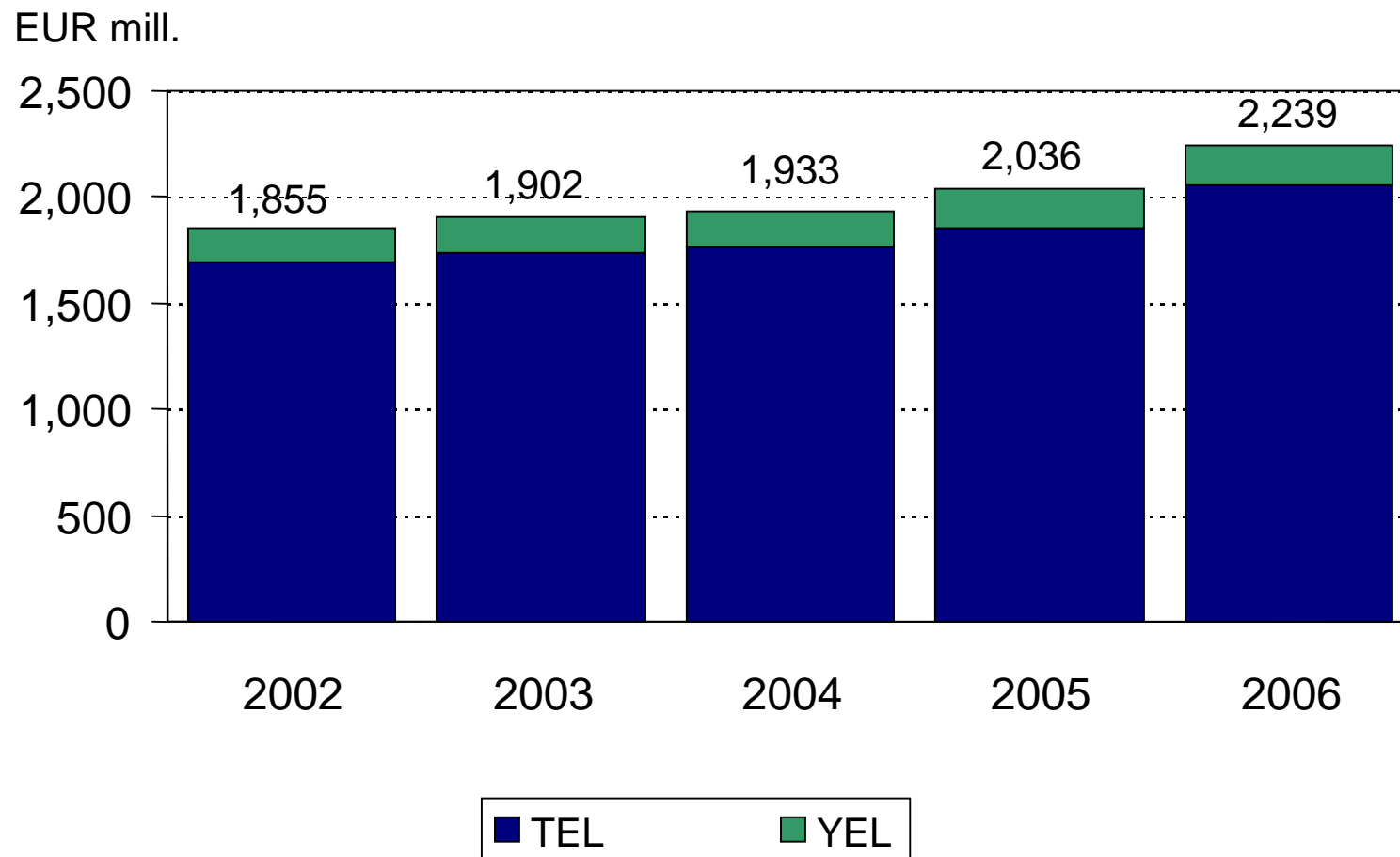
Eur mill.



Pension payments, by type of pension (December 31, 2006)



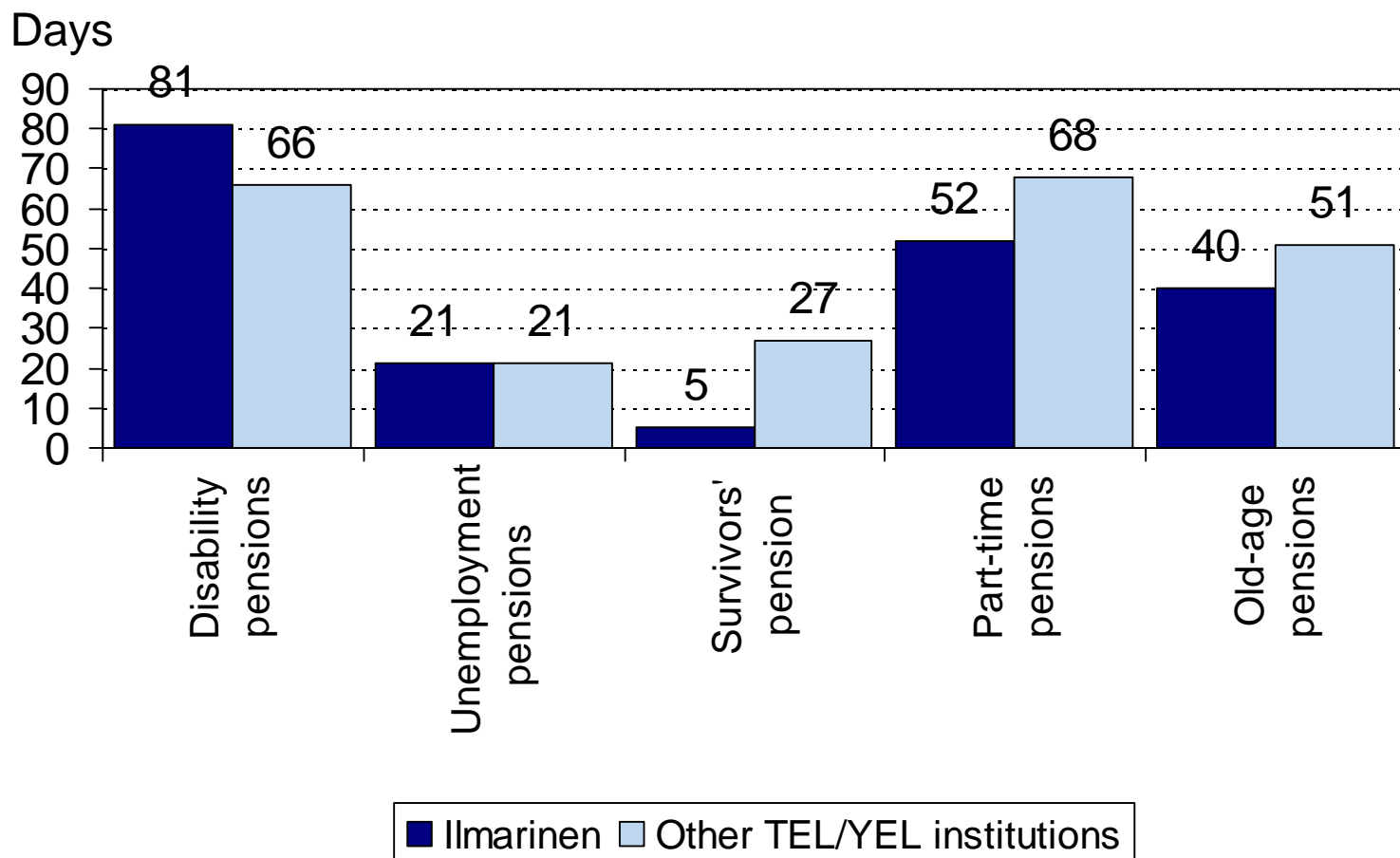
Benefits paid out 2006



Pension decisions by Ilmarinen 2006

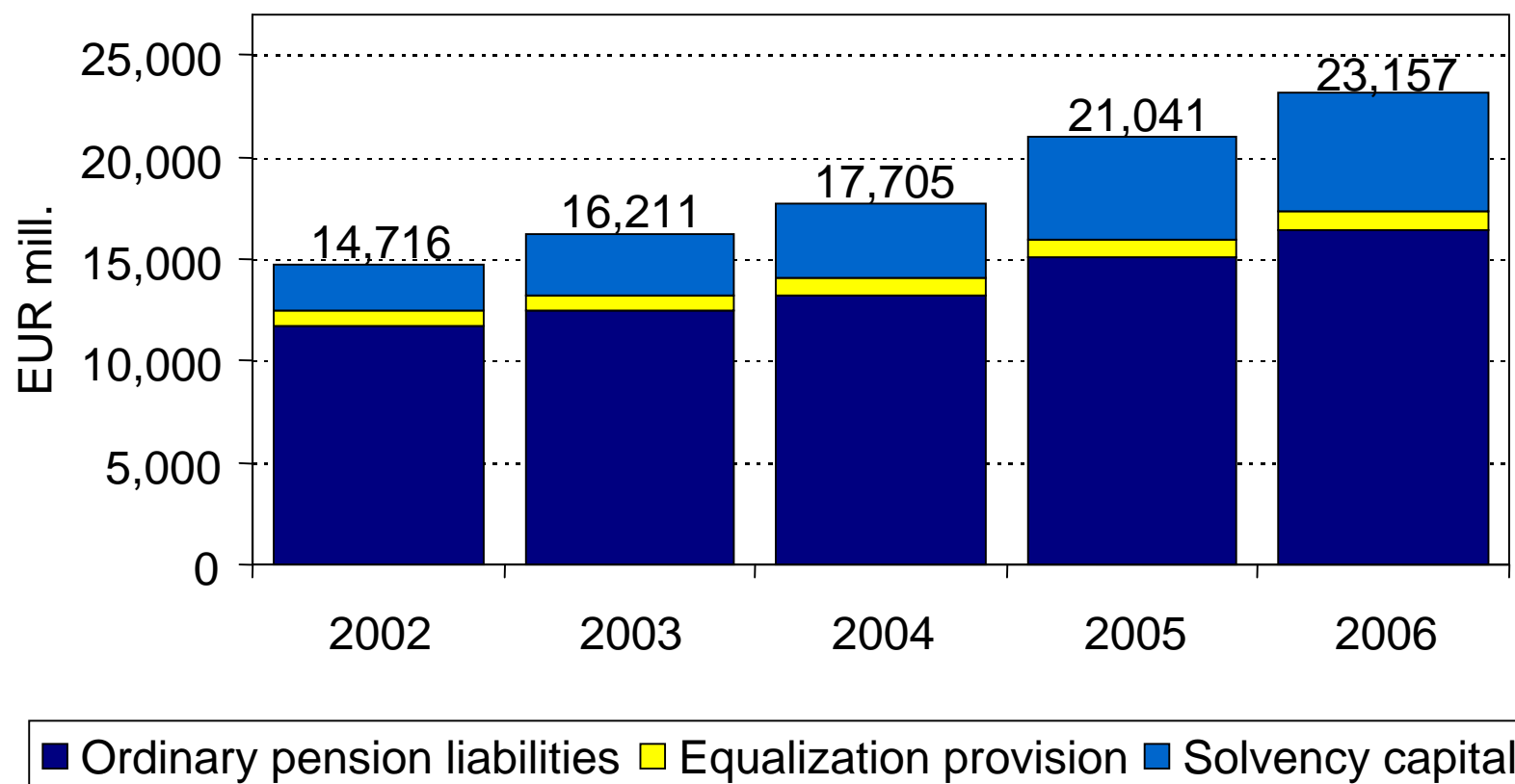
	2006	2005	Change %
New pension decisions			
• Disability pension	5,142	5,783	-11.1
• Individual early retirement pension	371	424	-12.5
• Unemployment pension	904	931	-2.9
• Old-age pension	6,112	5,252	16.4
• Early old-age pension	7	53	-86.8
• Part-time pension	2,678	1,949	37.4
• Survivors' pension	2,597	2,609	-0.5
New pension decisions, total	17,811	17,001	4.8
Total	31,659	29,162	8.6

Processing times for pension applications 2006



Source: The Finnish Centre for Pensions

Ilmarinen's pension assets



Investment allocation

	2006		2005	2004	2003	2002
	EUR mill.	%	%	%	%	%
Loan receivables ¹⁾	1,139.1	5.0	5.1	6.3	8.8	10.7
Bonds ^{1) 2)}	10,387.2	45.2	49.2	49.6	49.0	46.8
incl. fixed-income funds	871.4	3.8	2.8	2.7	1.6	0.4
Other debt securities and deposits ^{1) 2) 3)}	155.9	0.7	1.9	3.0	2.3	4.1
Equities	8,959.0	39.0	33.3	29.0	25.1	22.1
Real estate ⁴⁾	2,353.7	10.2	10.5	12.1	14.8	16.2
incl. investment funds	231.6	1.0	0.6	0.7		
Investment, total	22,994.9	100.0	100.0	100.0	100.0	100.0

On December 31, 2006 the modified duration for bond portfolio was 4.21 (4.65).

1) Accrued interest included

2) From the fixed-income funds, long-term fixed-income funds are included in bonds and short-term fixed-income funds in other debt securities and deposits

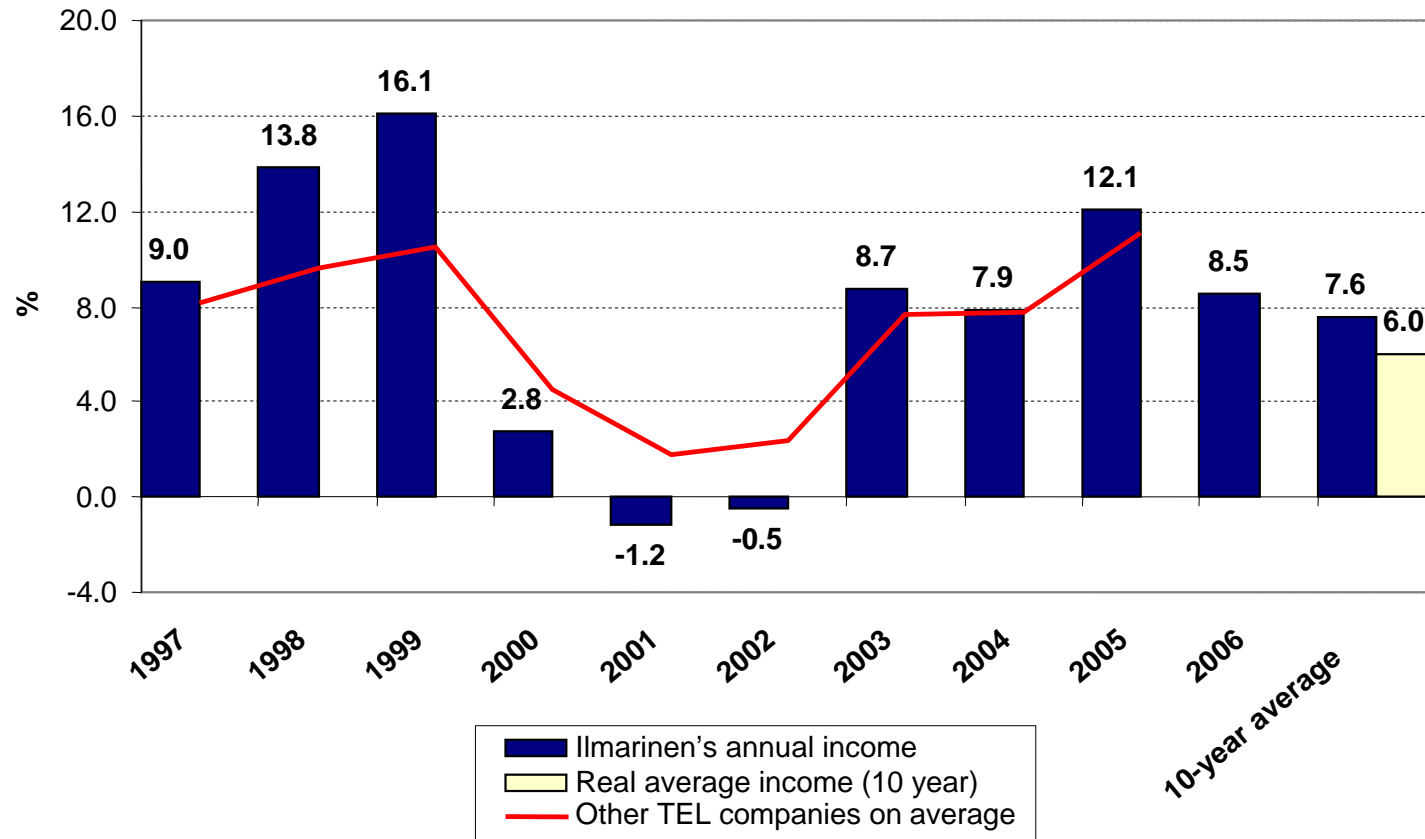
3) Including deposits classified as investments on the balance sheet

4) Including the investment fund shares and investments in comparable joint ventures that invest in real estate and real estate undertakings

Net investment income, at current value 2006

	Net income EUR mill.	Capital employed EUR mill.	ROCE, %				
			2006	2005	2004	2003	2002
Loan receivables	44.5	1,009.3	4.4	4.6	4.7	4.6	4.7
Bonds	106.5	10,225.3	1.0	4.3	7.0	5.1	9.5
incl. fixed income funds	63.0	694.5	9.1	4.3	11.9	21.9	12.4
Other debt securities and deposits	19.0	496.0	3.8	4.5	1.4	1.8	3.6
Equities							
excl. fixed income and real estate funds	1,468.7	7,282.5	20.2	30.8	13.3	22.1	-21.8
Real estate	170.8	2,127.5	8.0	5.6	4.2	5.2	5.6
incl. real estate funds	27.9	134.3	20.8	21.5	19.3		
Investment, total	1,809.5	21,140.6	8.6	12.1	7.9	8.8	-0.4
Unallocated income, charges and other operating expenses	-6.4	21,143.7	0.0	0.0	0.0	-0.1	-0.1
Investment income, total	1,803.0	21,143.7	8.5	12.1	7.9	8.7	-0.5

Net investment income, at current value

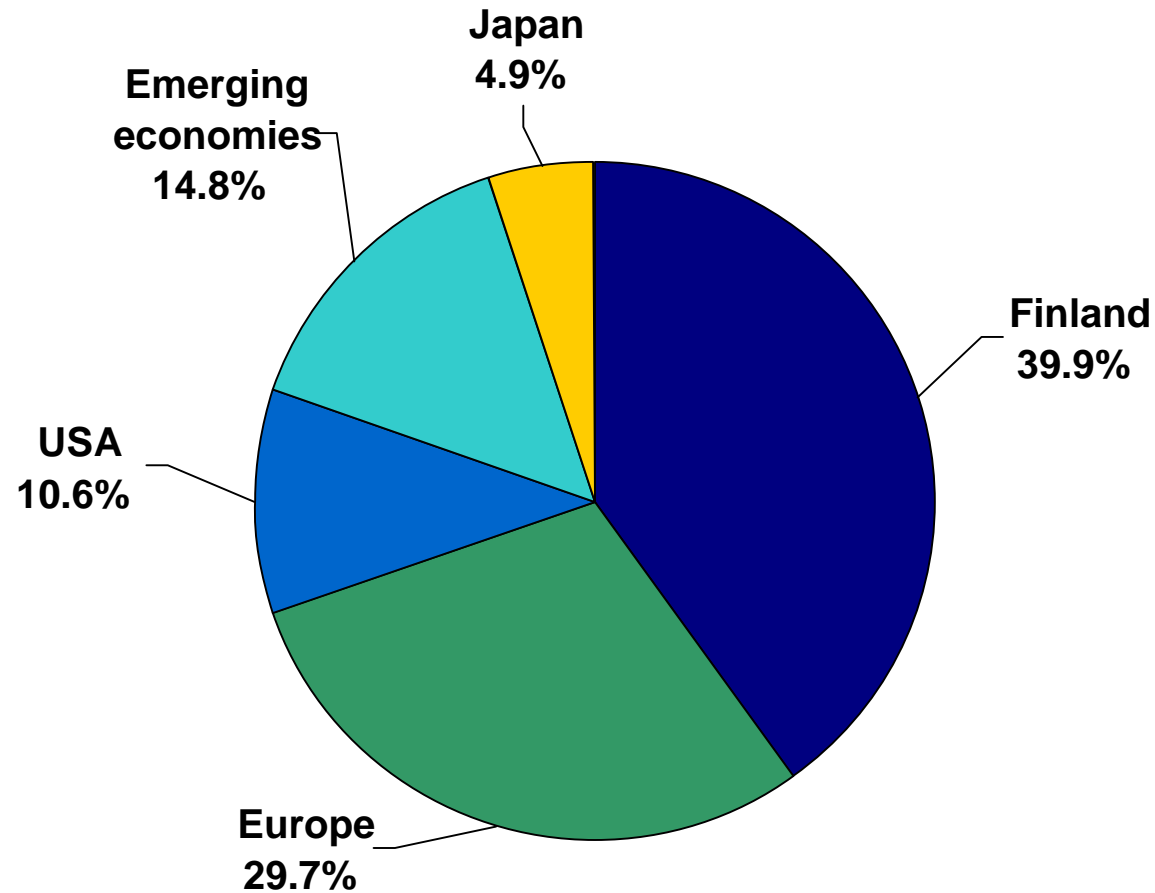


The estimate on the average return of other companies in 2006 is based on available preliminary information.

Top equity investments

	Market value EUR mill.	Weight %
Nokia	271.4	3.5
OKO	267.9	3.4
Fortum	235.0	3.0
UPM-Kymmene	168.1	2.1
Outokumpu	140.2	1.8
Metso	133.6	1.7
Sampo	127.2	1.6
Neste Oil	121.4	1.5
Kone	116.7	1.5
Stora Enso	93.2	1.2
Nordea	88.3	1.1
Sanoma-WSOY	82.2	1.0
YIT-Yhtymä	77.3	1.0
Finnlines	69.2	0.9
Lassila & Tikanoja	66.1	0.9
Total	2,057.9	26.3

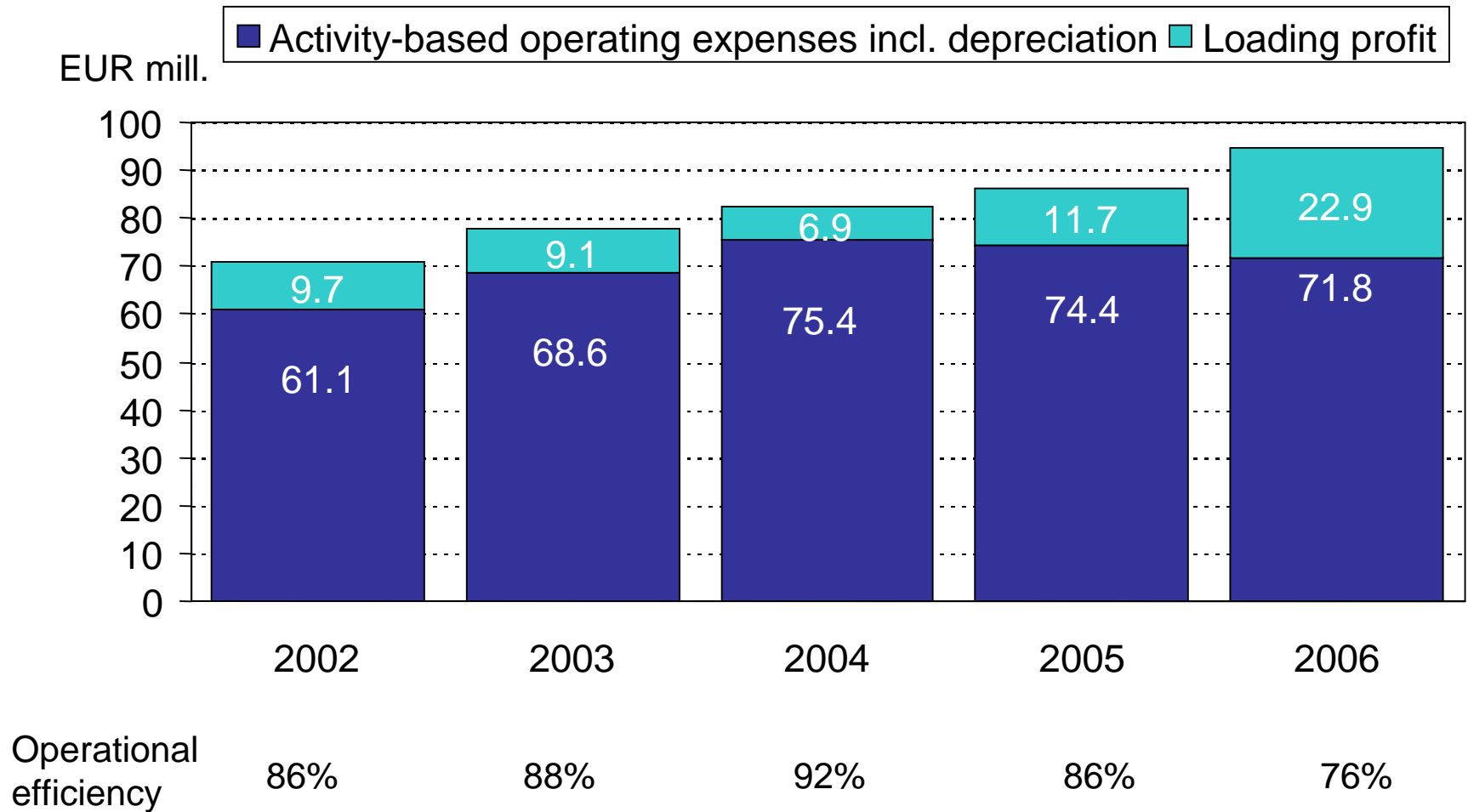
Regional allocation for listed equity December 31, 2006



Total operating expenses, EUR million

	2006	2005	2004	2003	2002
Operating expenses covered by the expense loading component	71.8	74.4	75.4	68.6	61.1
Operating expenses covered by investment income	9.2	9.4	9.2	8.5	7.6
Operating expenses covered by the administrative component for disability risk	4.2	3.8	3.1	2.3	1.9
Legal administrative charge	0.8				
Total operating expenses	85.9	87.6	87.7	79.4	70.6

Loading components



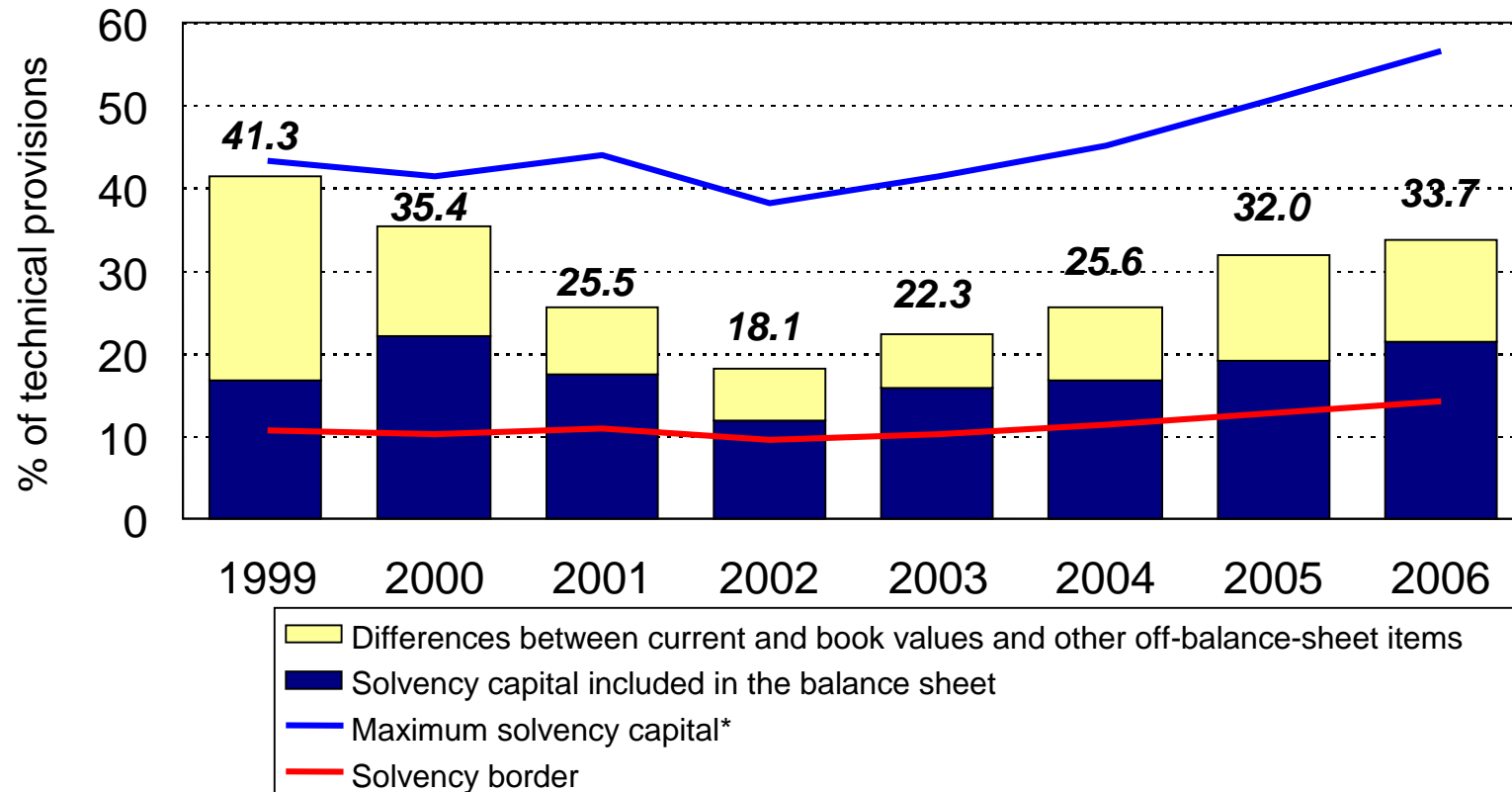
Performance analysis, EUR mill.

	2006	2005	2004	2003	2002
Underwriting result	19.9	51.2	34.2	38,5	53.1
Investment result at current value	807.6	1,452.0	657.4	770.7	-654.0
+ Net investment income at current value	1,803.0	2,174.1	1,276.8	1,281.1	-57.0
- Yield requirement on technical provisions	-995.5	-722.1	-619.4	-510.4	-597.0
Loading profit	22.9	11.7	6.9	9,1	9.7
Total result	850.3	1,514.9	698.5	818.3	-591.2
To increase/decrease solvency	769.3	1,436.9	653.5	785.3	-634.5
To equalization provision	16.3	50.8	28.2	35.4	52.4
To solvency capital	753.0	1,386.1	625.3	749.9	-686.9
Transfer to bonuses and rebates	81.0	78.0	45.0	33.0	19.0
To the provision for current bonuses					24.3
Total	850.3	1,514.9	698.5	818.3	-591.2

On December 31, 2006, EUR 11.9 million of the transfer to augment the provision for current bonuses was unamortized.

Solvency follow-up

Solvency capital and limits



As of Dec. 31, 2006, the company's solvency ratio was 2.38 times the solvency border (Dec. 31, 2005, 2.52 times)

* Previously (before 2007): target zone upper limit

Investment income, solvency, bonuses and rebates

	2006	2005	2004
Investment income at current value, EUR mill.	1.803.0	2,174.1	1,276.8
ROCE, %	8.5	12.1	7.9
Solvency capital, EUR mill.	5,828.0	5,090.1	3,597.8
Solvency capital of technical provisions, %	33.7	32.0	25.6
Solvency capital/solvency border	2.38	2.52	2.27
Equalization provision, EUR mill.	909.9	893.6	842.8
Transfer to bonuses and rebates, EUR mill.	81.0	78.0	45.0
Transfer to bonuses and rebates of TEL wage bill, %	0.70	0.76	0.46
Transfer to bonuses and rebates per continuous TEL employment contract, EUR	209.3	218.5	128.9