

FINANCIAL STATEMENTS

2014

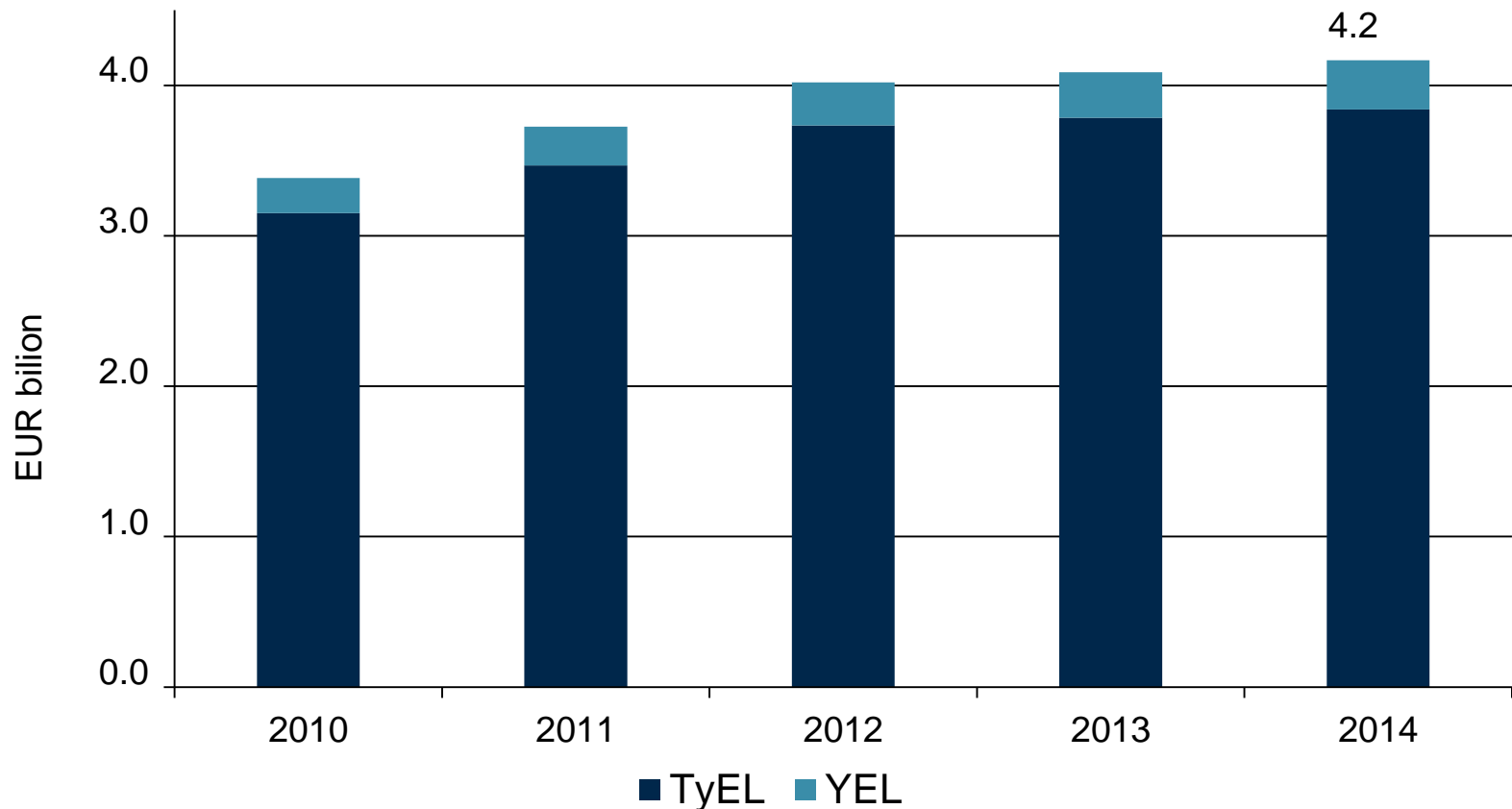
27 February 2015

ILMARINEN'S KEY FIGURES FOR 2014

- Return on investments: 6.8 per cent
- Value of investment assets: EUR 34.2 billion
- Solvency capital: EUR 7.9 billion
- Solvency ratio: 29.8 per cent
- Solvency position: 2.0 times the solvency limit
- Premiums written: EUR 4.167 billion
- Pension expenditure: EUR 4.351 billion
- Net sales of pension insurance: EUR 97.6 million
- Client bonuses: EUR 93 million
- Operational efficiency: 76 per cent

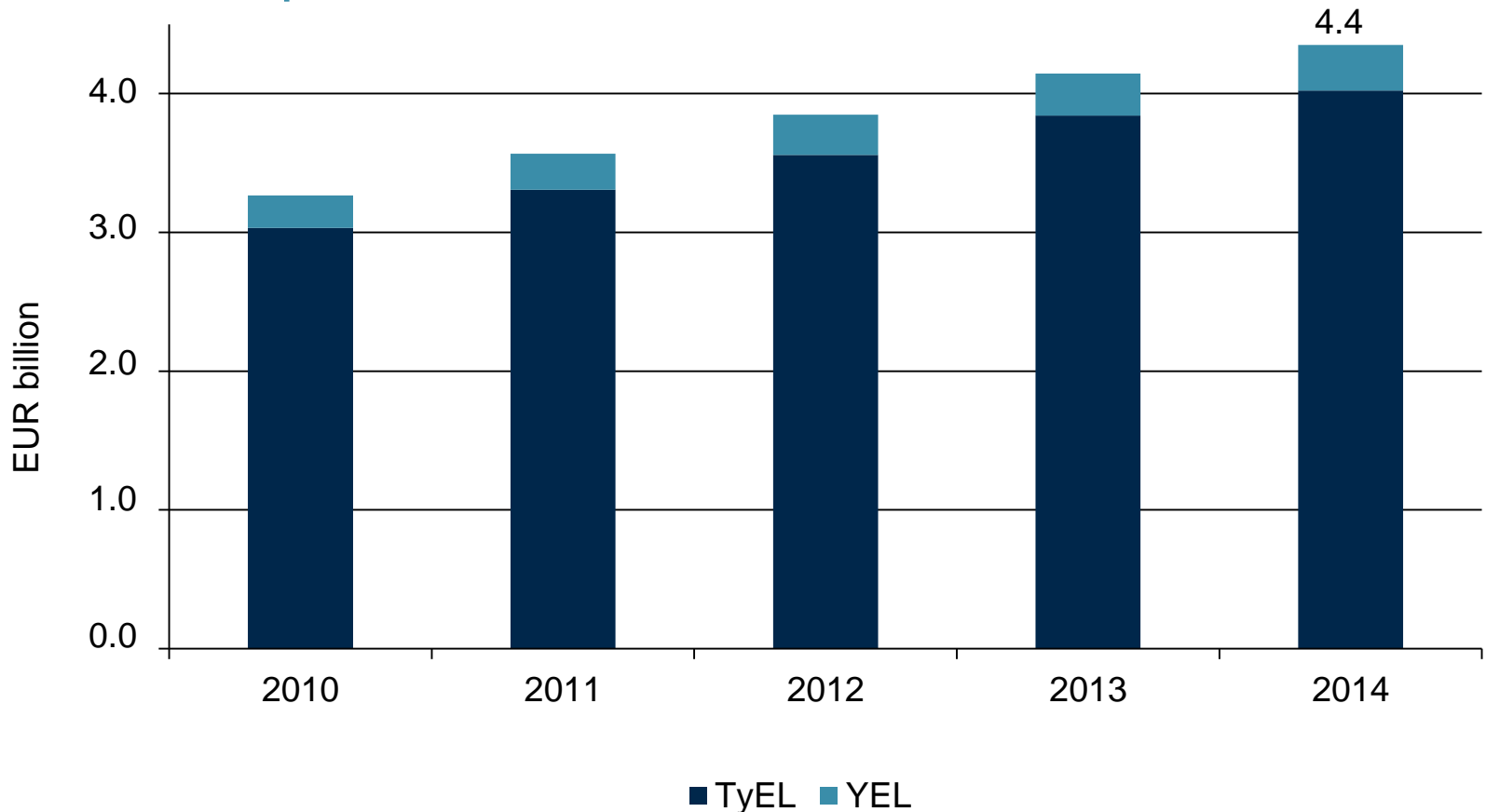
PREMIUMS WRITTEN CONTINUING TO GROW...

Premiums written



... BUT PENSION EXPENDITURE GROWING FASTER

Pensions paid

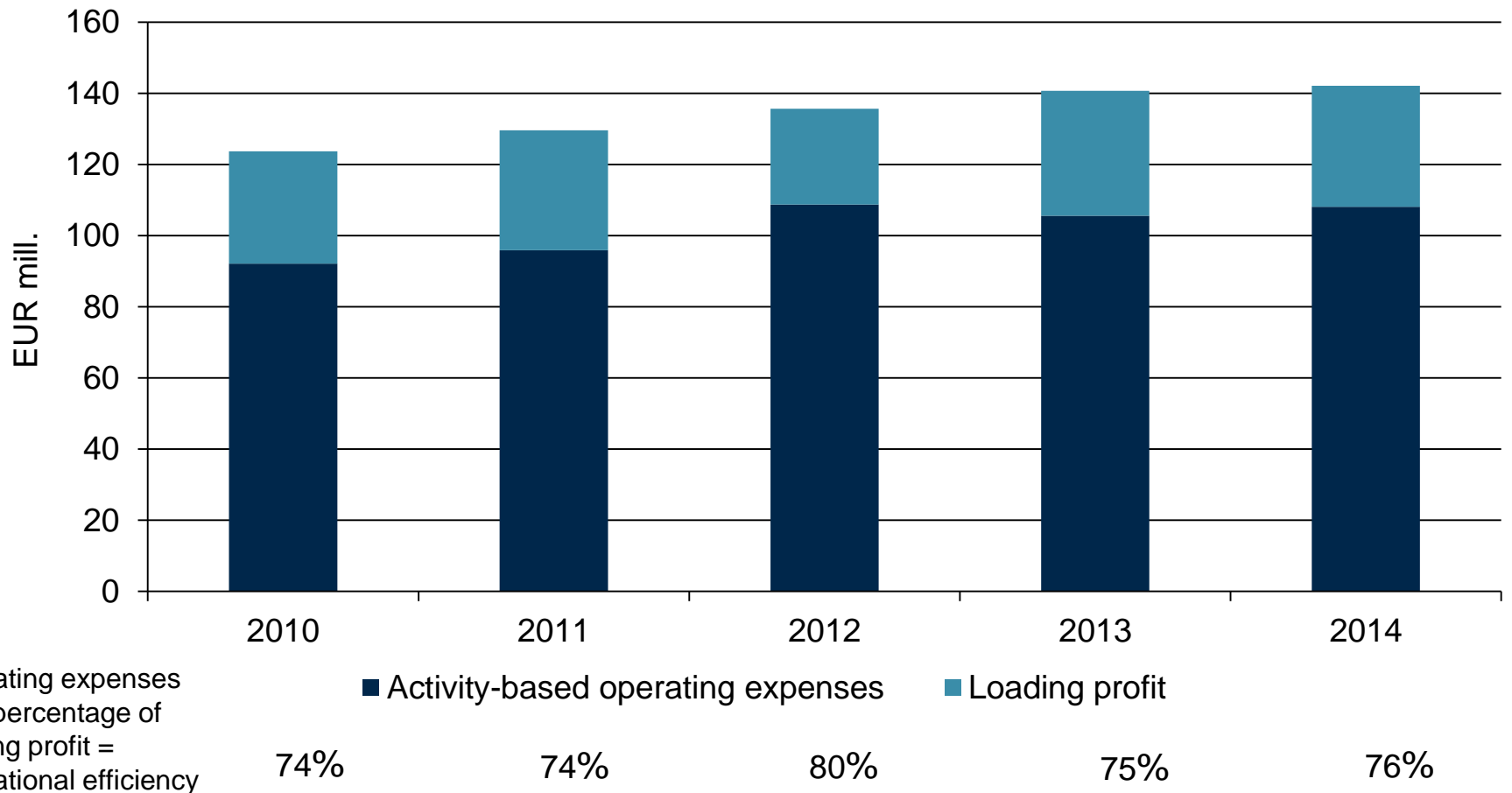




*Cost efficiency and
client bonuses*

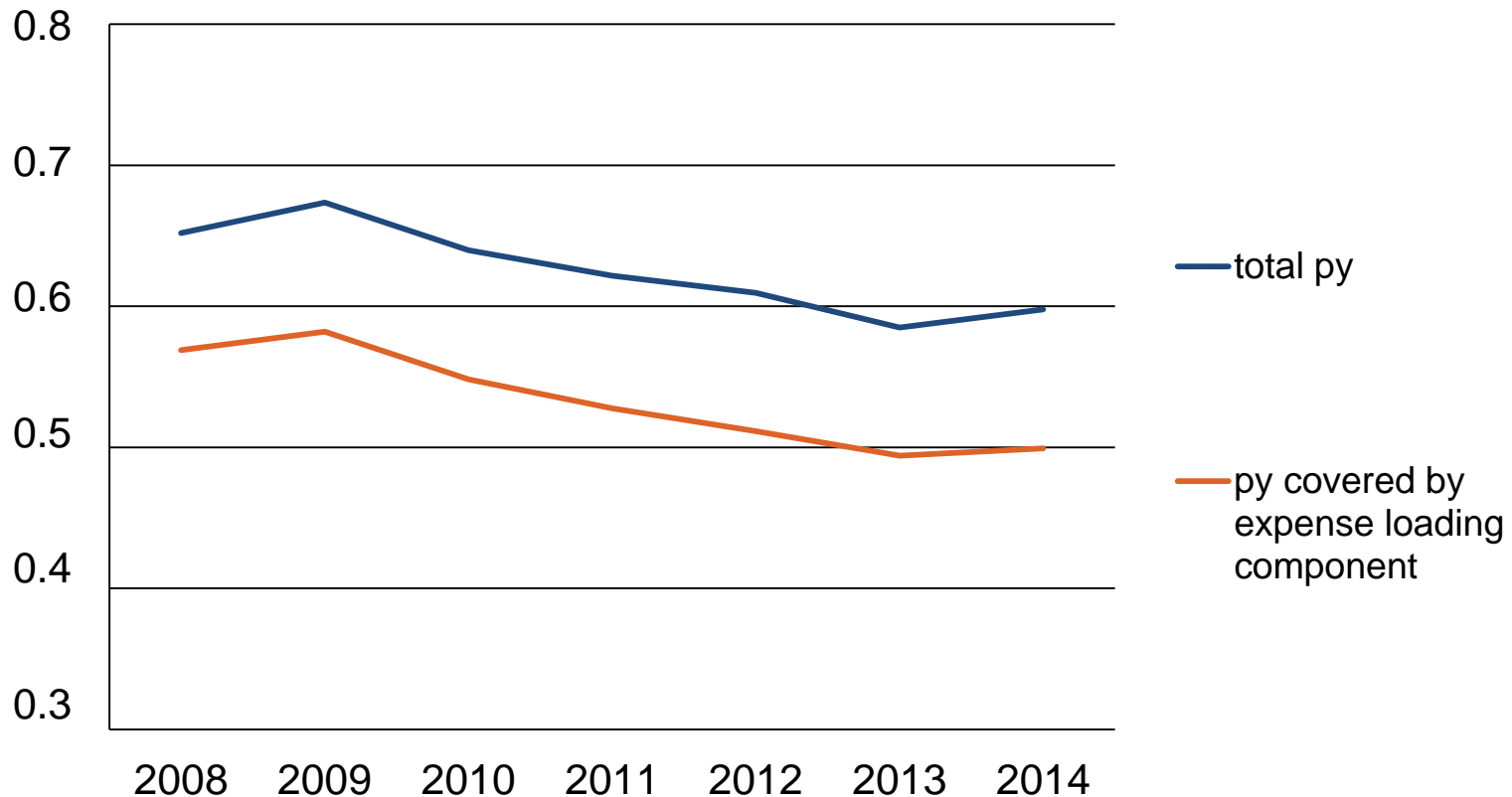
OPERATIONAL EFFICIENCY 76%

Loading profit and operational efficiency



PERSONNEL PRODUCTIVITY STILL GOOD

Person years/1,000 insured



CLIENT BONUSES GROWING

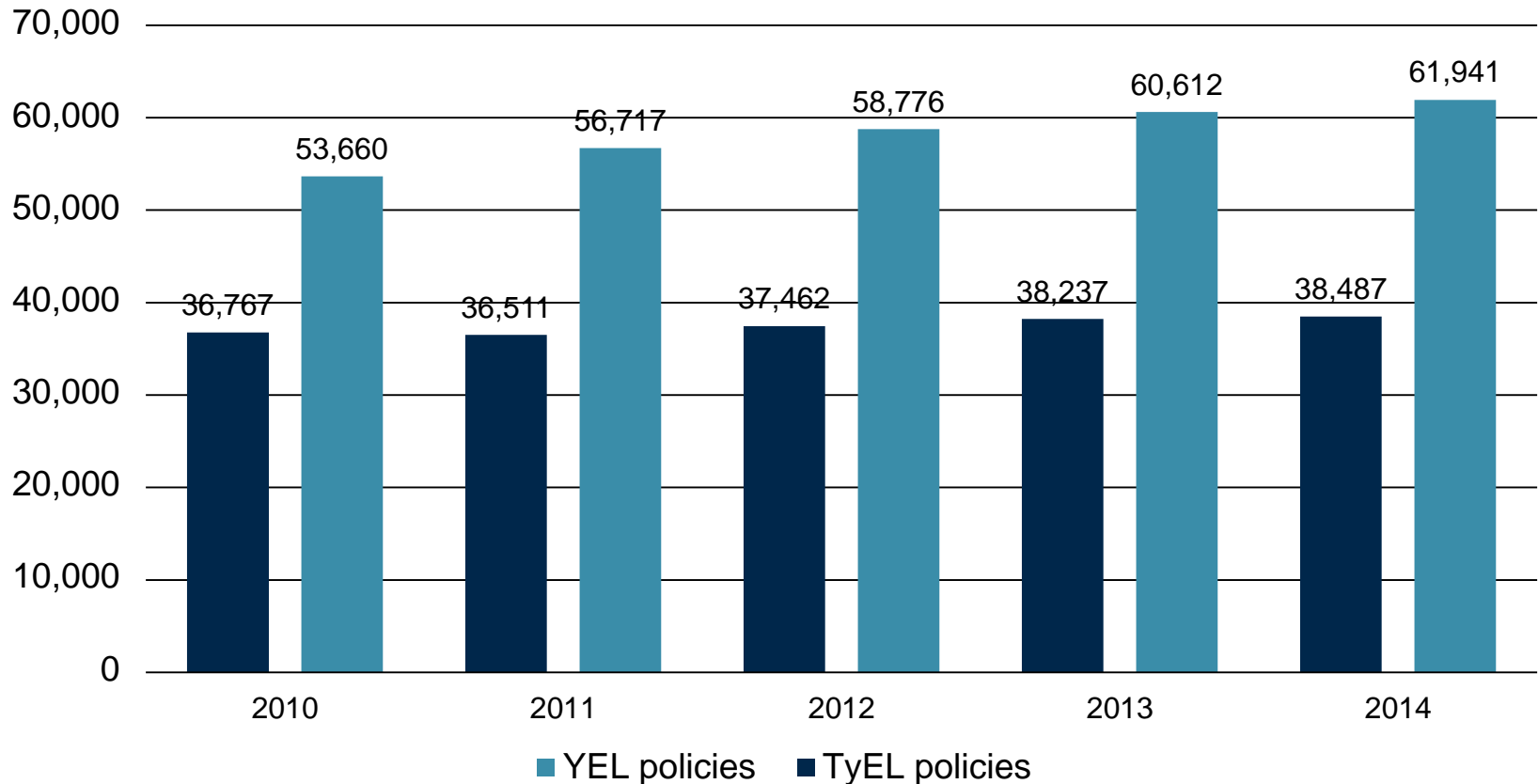
	2010	2011	2012	2013	2014
Solvency capital, EUR mill.	6,578	4,809	5,752	7,123	7,904
Loading profit, EUR mill.	32	34	27	35	34
Transfer to client bonuses, EUR mill.	71	55	62	86	93
Transfer to client bonuses of TyEL payroll, %	0.5	0.3	0.4	0.5	0.6
Transfer to client bonuses per continuous TyEL employment contract, EUR	142	107	117	163	182



*We are responsible for the
pension provision of close
to 900,000 people*

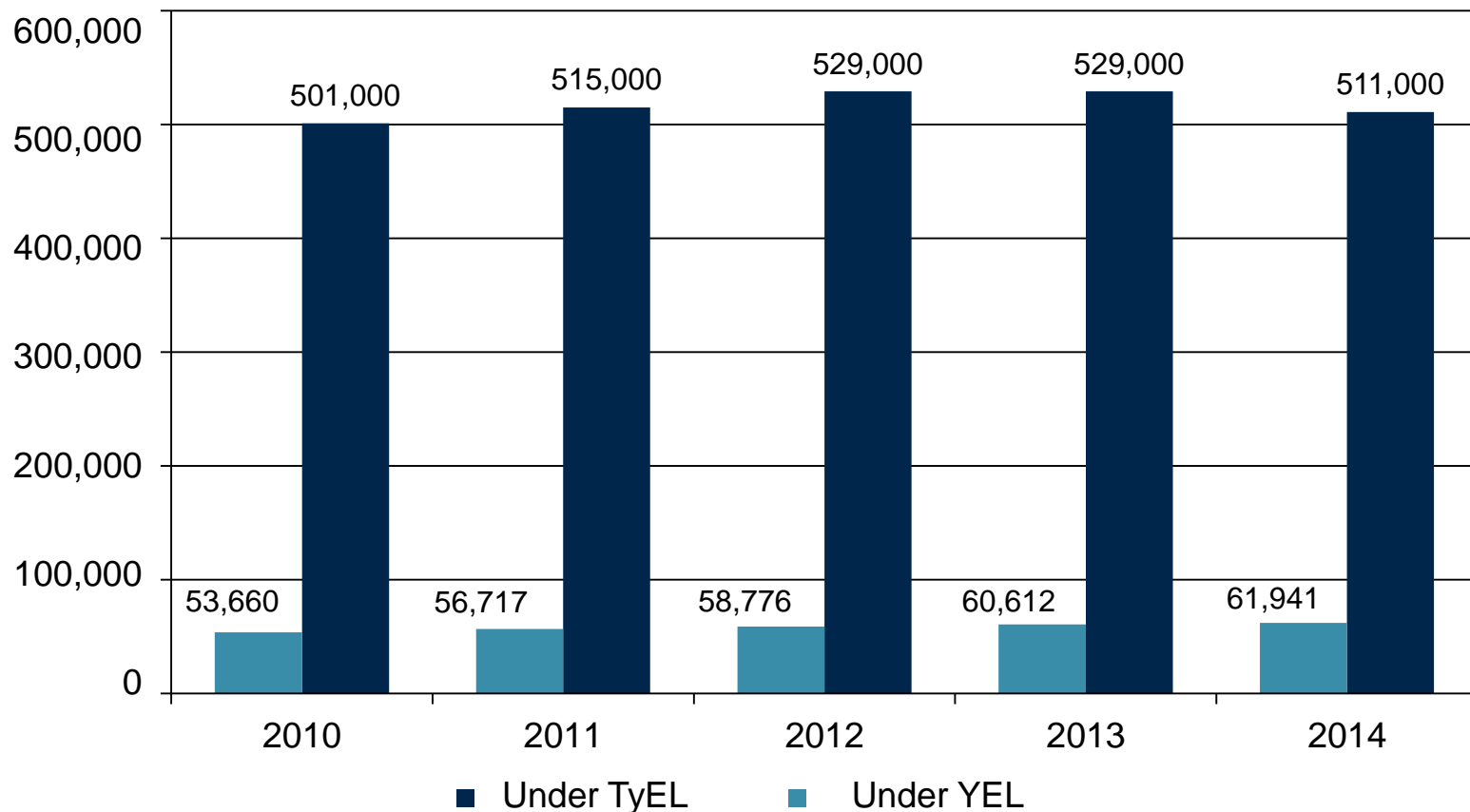
NUMBER OF CLIENT COMPANIES GROWING SLIGHTLY

Number of insurance policies



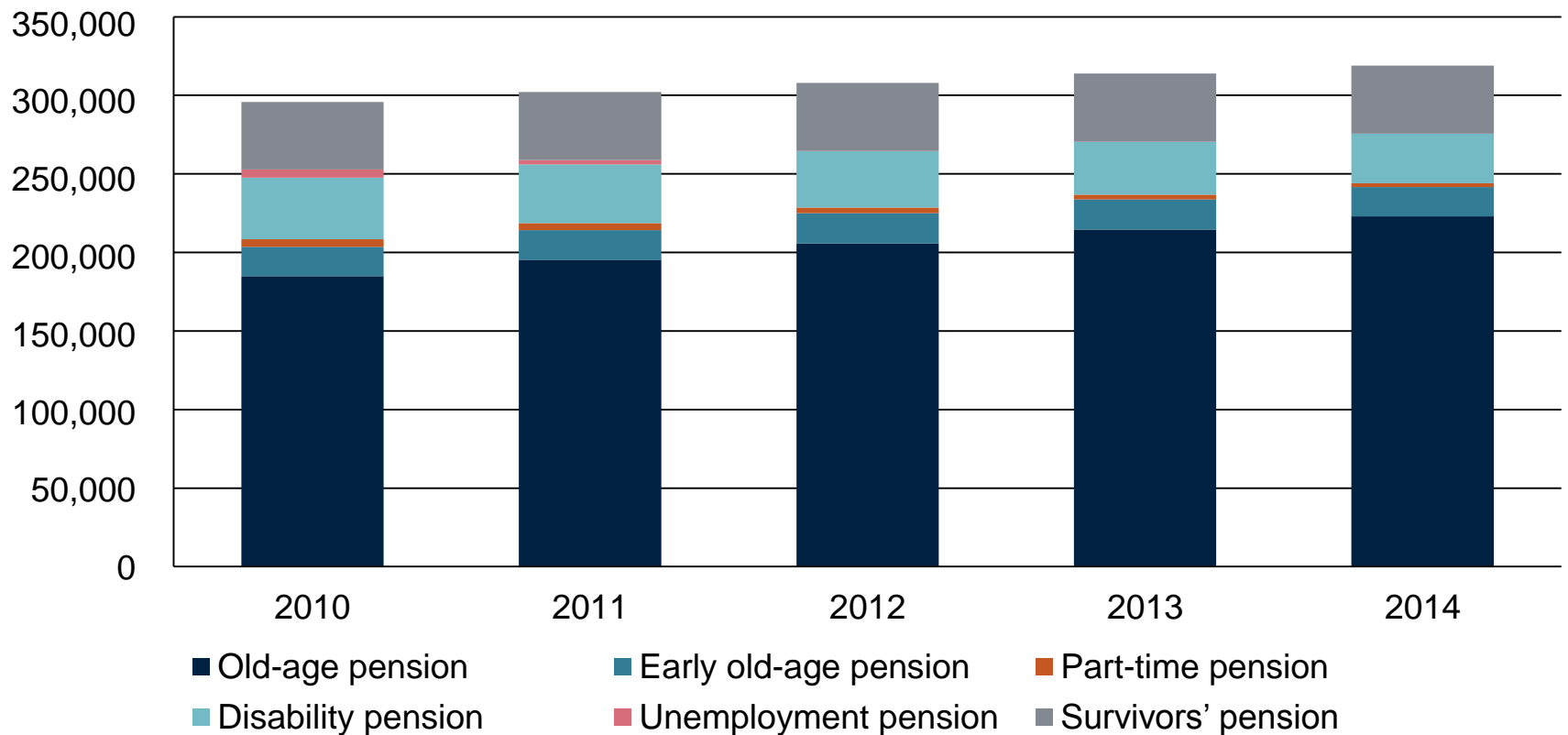
MORE THAN 570,000 INSURED

Number of people insured



NUMBER OF OLD-AGE PENSIONS RISING STEADILY

Pensions paid on 31 Dec 2014

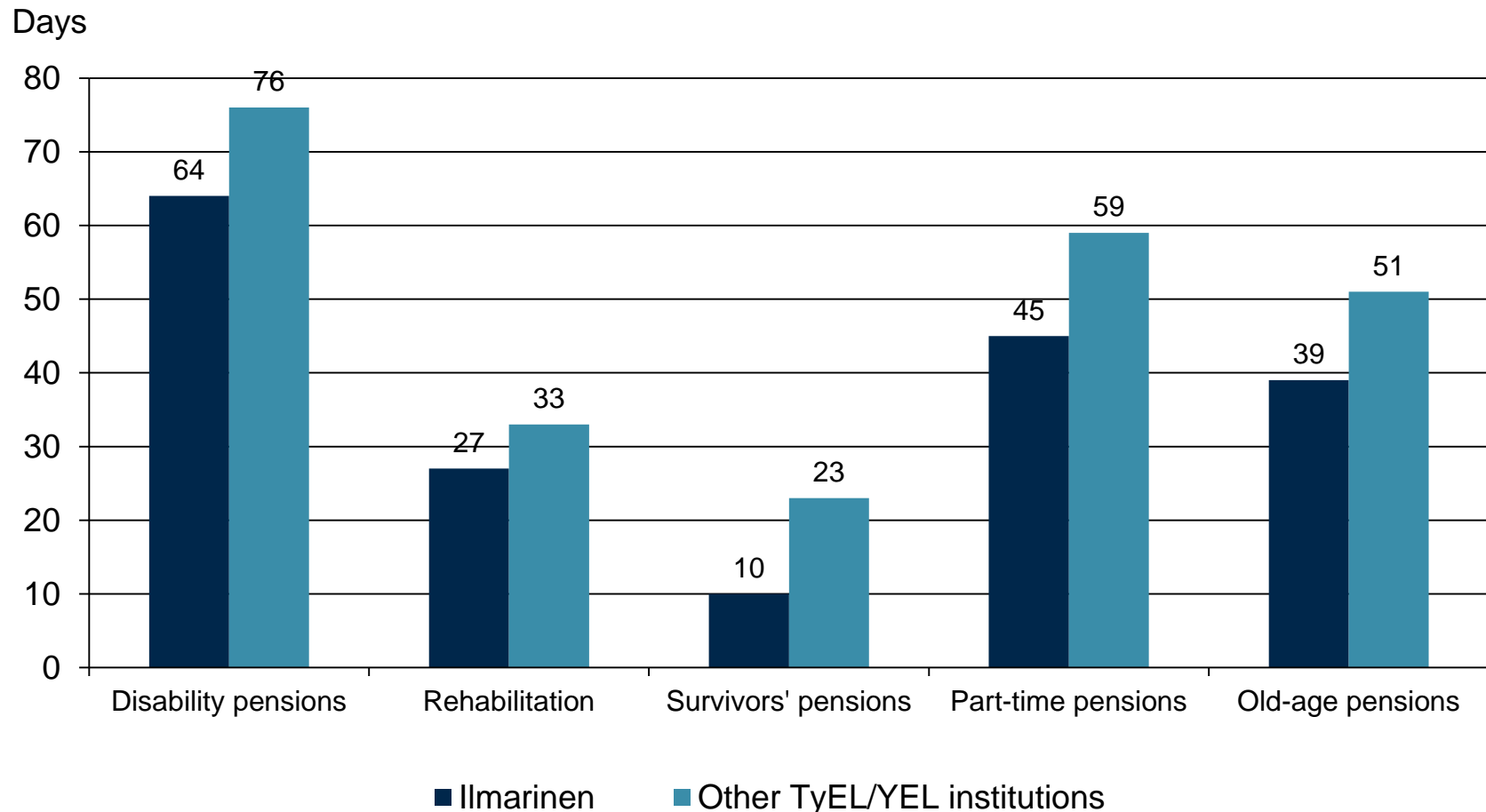


MORE THAN 40,000 PENSION DECISIONS

	2014	2013	Change, %
New pension decisions			
Old-age pensions	10,195	10,097	1.0
Early old-age pensions	170	626	-72.8
Part-time pensions	512	880	-41.8
Disability pensions	5,911	6,333	-6.7
Survivors' pensions	3,158	3,054	3.4
Right to rehabilitation	2,480	2,375	4.4
New pension decisions, total	22,426	23,365	-4.0
Pension decisions, total	41,335	42,733	-3.3

ILMARINEN PROCESSES PENSION APPLICATIONS FASTER THAN THE REST

Processing times of pension applications

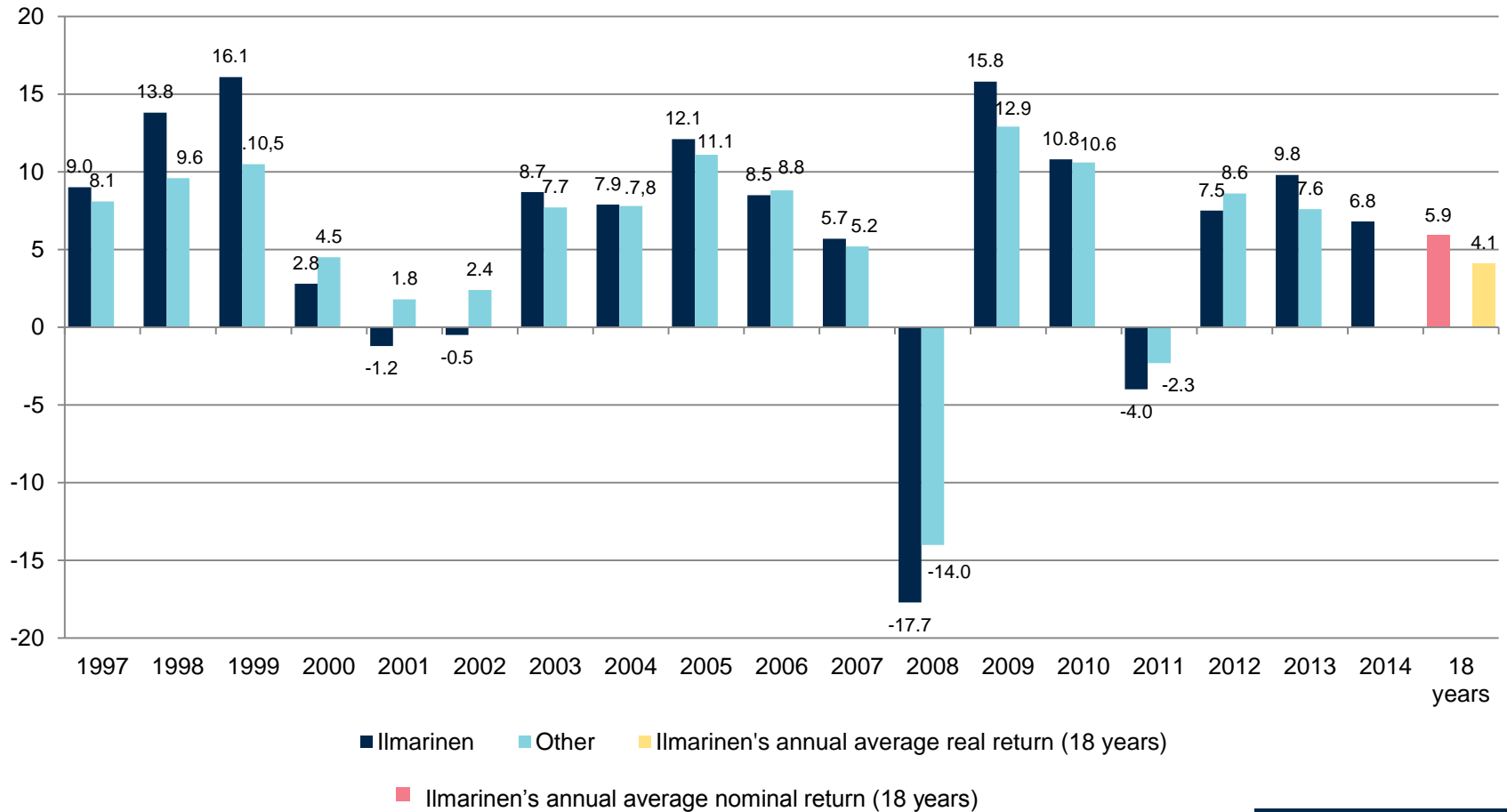




*Investments and
solvency*

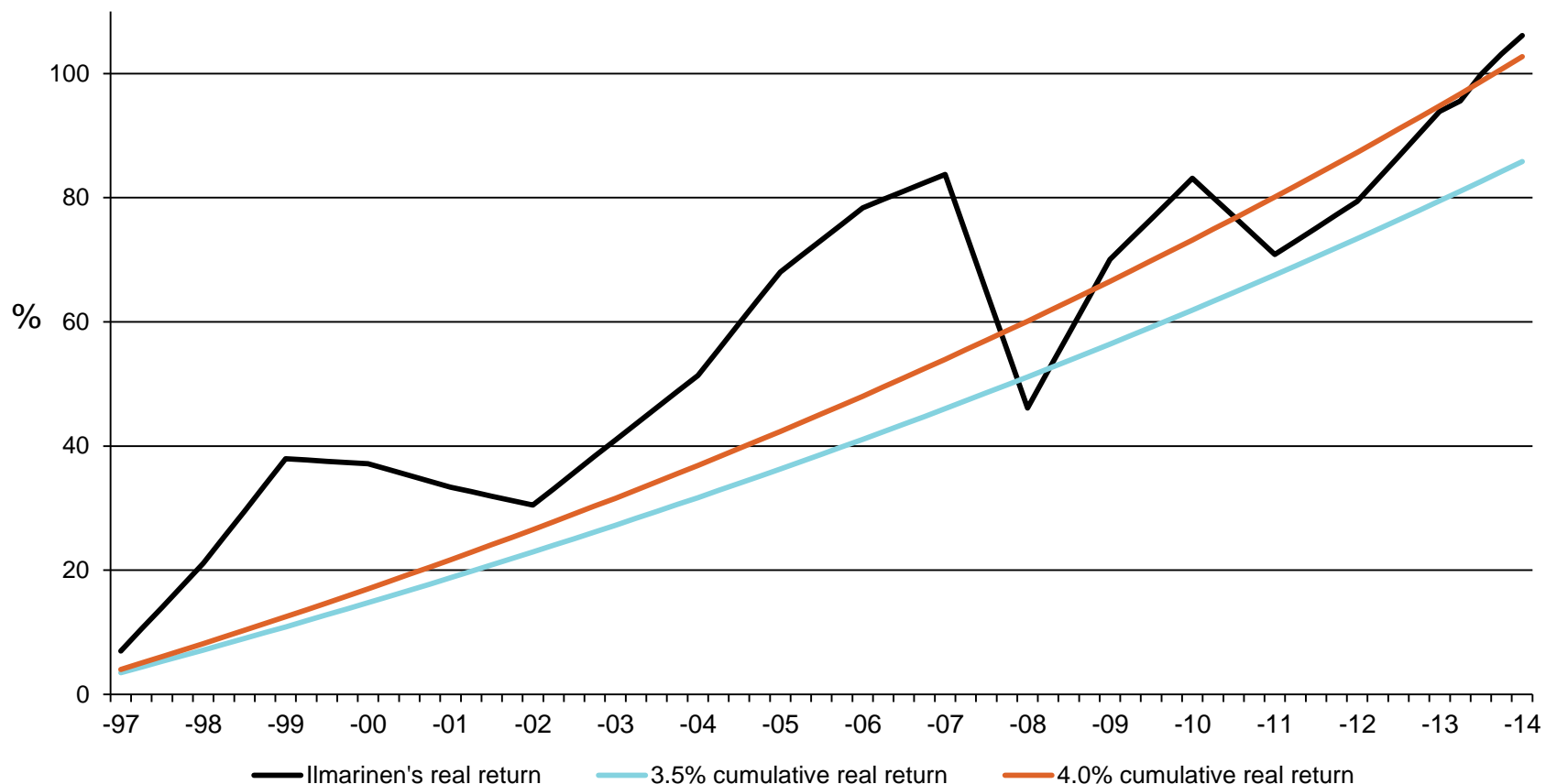
REAL RETURN ON INVESTMENTS IN THE LONG TERM 4.1%

Net investment return at current value



RETURN ON INVESTMENTS ON 4 PER CENT TREND

Cumulative net return on investments 1997–2014



REAL RETURN FOR PAST FIVE YEARS 3.9%

%	Ilmarinen	Finnish equities and shares	European equities and shares	Euro government bonds	Euro corporate bonds
2014	6.8	10.6	7.2	13.0	8.2
2013	9.8	31.6	20.8	2.2	2.2
Average return over five years	6.0	10.4	9.3	6.0	6.0
Average return over 10 years	5.1	8.9	6.2	5.0	4.5
Average return since 1997	5.9	9.5	6.6	5.6	5.3
Real average return over five years	3.9	8.2	7.1	3.9	3.9
Real average return over 10 years	3.1	6.9	4.2	3.1	2.6
Real average return since 1997	4.1	7.7	4.8	3.8	3.5

RETURN ON INVESTMENTS 6.8%

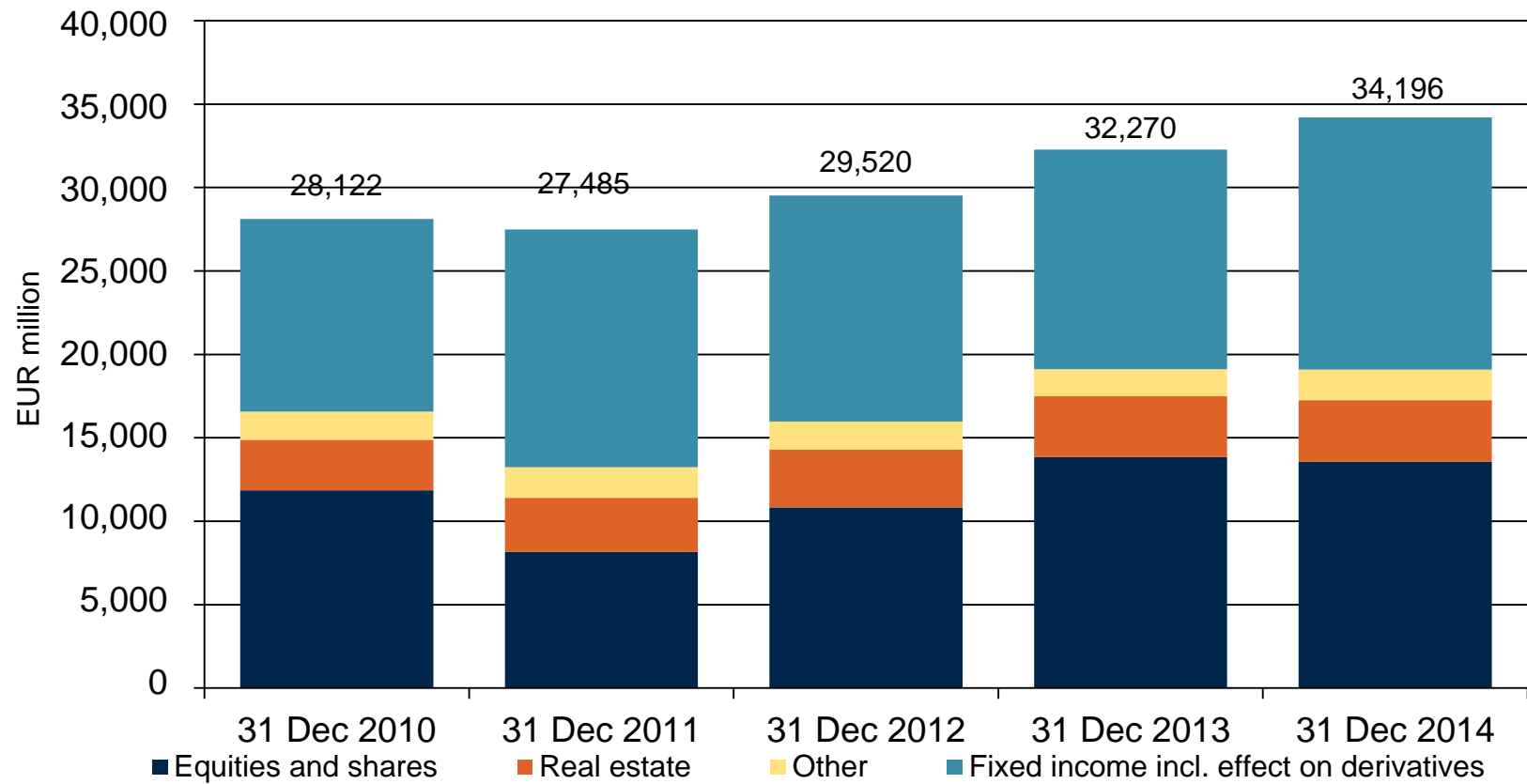
Asset allocation and return

	Basic breakdown		Risk breakdown		Return	Volatility
	EUR mill.	%	EUR mill.	%	%	
Fixed-income investments	15,109.9	44.2	13,799.6	40.4	2.4	
Loan receivables						
Bonds	1,473.8	4.3	1,473.8	4.3	4.3	
Public corporation bonds	12,714.1	37.2	4,677.7	13.7	1.7	1.7
Other bonds	5,026.0	14.7	2,829.9	8.3	4.3	
Other money market instruments and deposits (incl. investment receivables and payables)	7,688.1 922.0	22.5 2.7	1,847.8 7,648.1	5.4 22.4	0.0 9.0	
Equities and shares	13,568.3	39.7	14,319.8	41.9	10.9	
Listed equities and shares	10,708.1	31.3	11,459.6	33.5	9.8	8.1
Private equity investments	1,677.6	4.9	1,677.6	4.9	16.3	
Non-listed equities and shares	1,182.6	3.5	1,182.6	3.5	14.0	
Real estate investments	3,681.3	10.8	3,681.3	10.8	5.4	
Real estate investments	3,189.6	9.3	3,189.6	9.3	4.9	
Real estate funds and joint investments	491.8	1.4	491.8	1.4	8.5	
Other	1,836.0	5.4	2,130.1	6.2	17.7	
Hedge fund investments	522.3	1.5	522.3	1.5	6.8	
Commodity investments	-0.2	0.0	59.9	0.2	-	3.7
Other investments	1,313.9	3.8	1,547.9	4.5	-	
Investments total		100.0	33,930.8	99.2	6.8	3.0
Effect of derivatives			264.7	0.8		
Investments at current value	34,195.5		34,195.5	100.0		

The modified duration of bond investments is -0.9 year. The total return percentage includes income, expenses and operating expenses not allocated to any investment types.

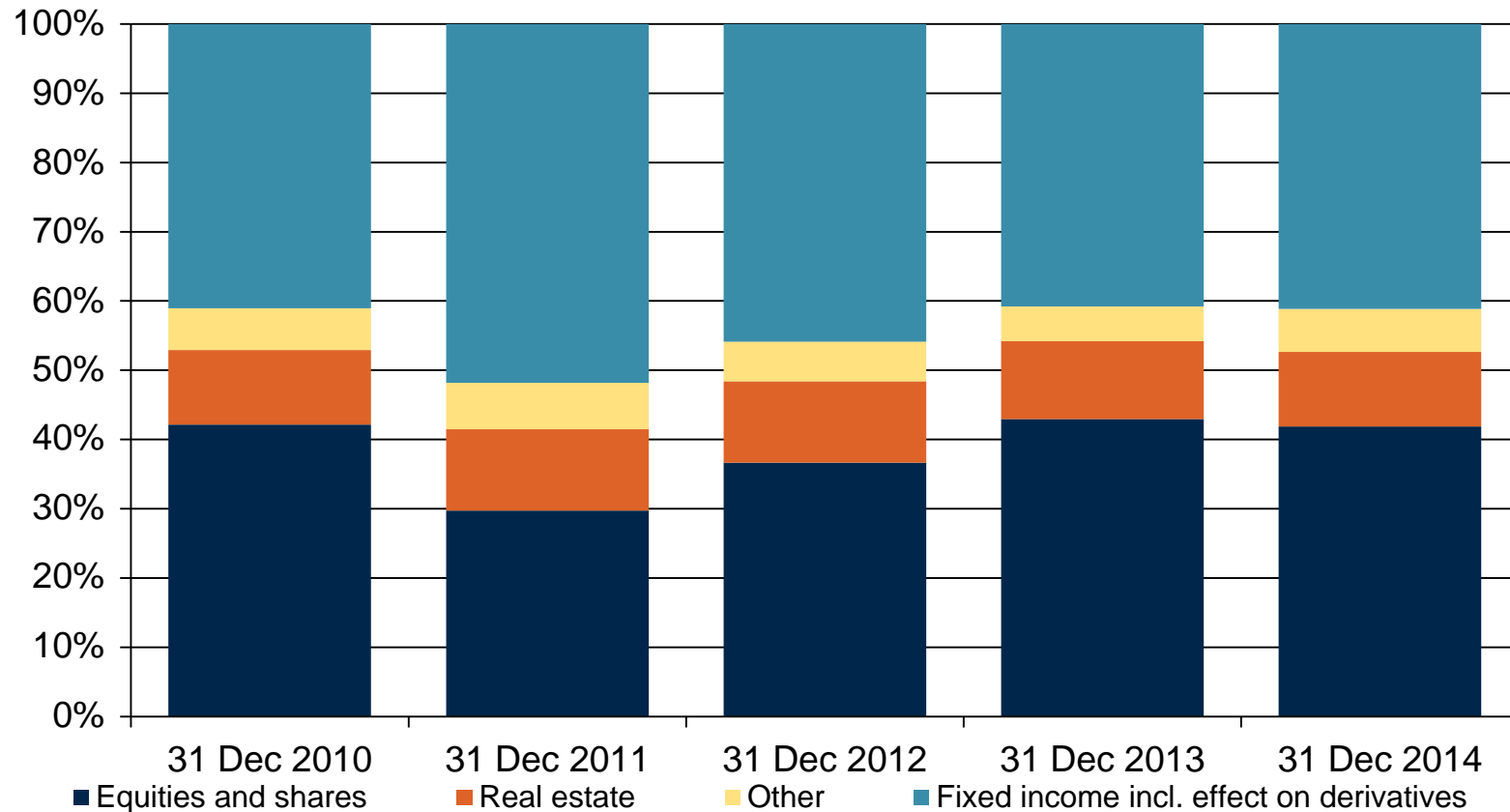
MARKET VALUE OF INVESTMENTS OVER EUR 34 BILLION

Asset allocation according to risk



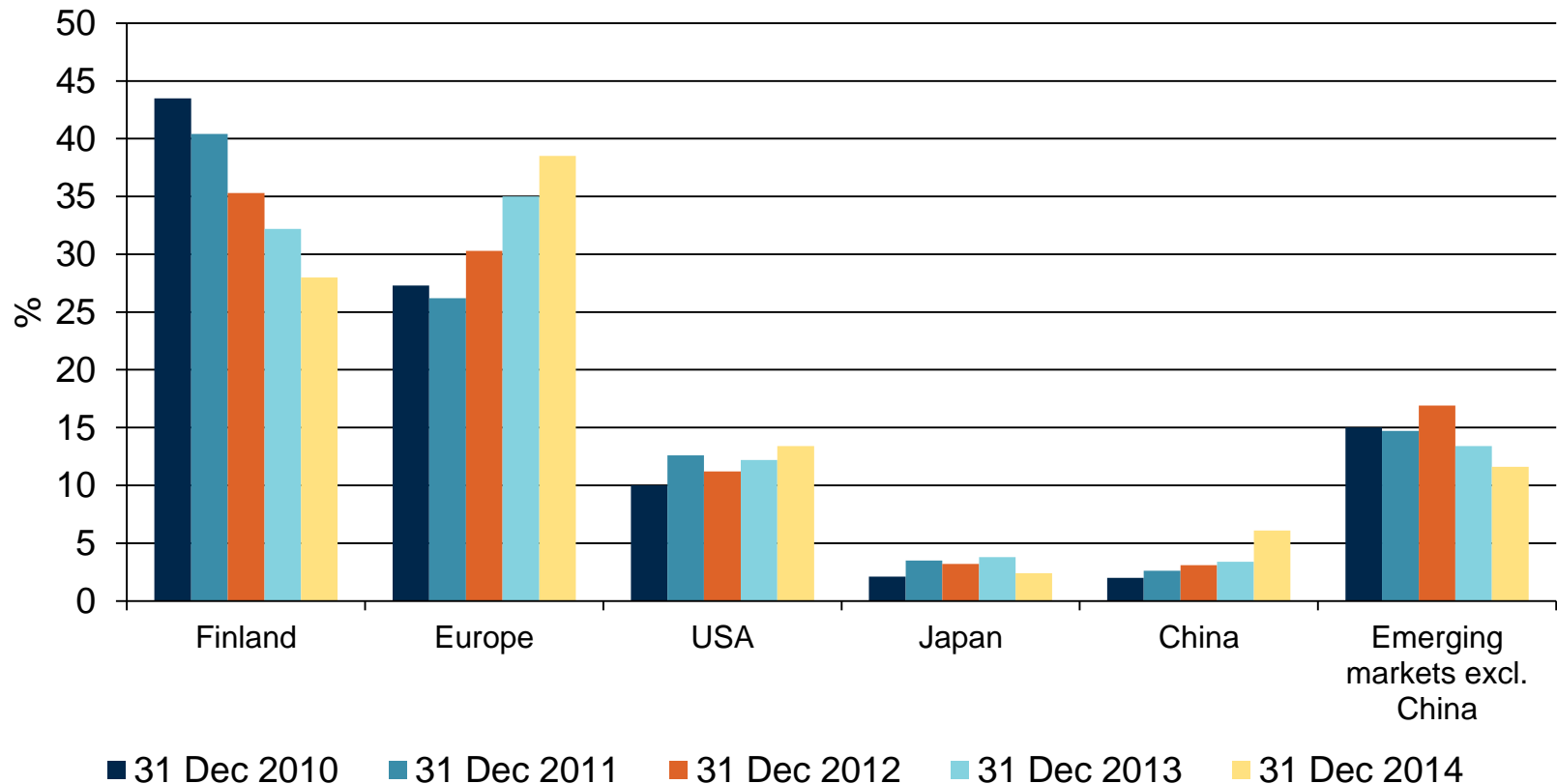
EQUITIES AND SHARES UNCHANGED

Asset allocation according to risk



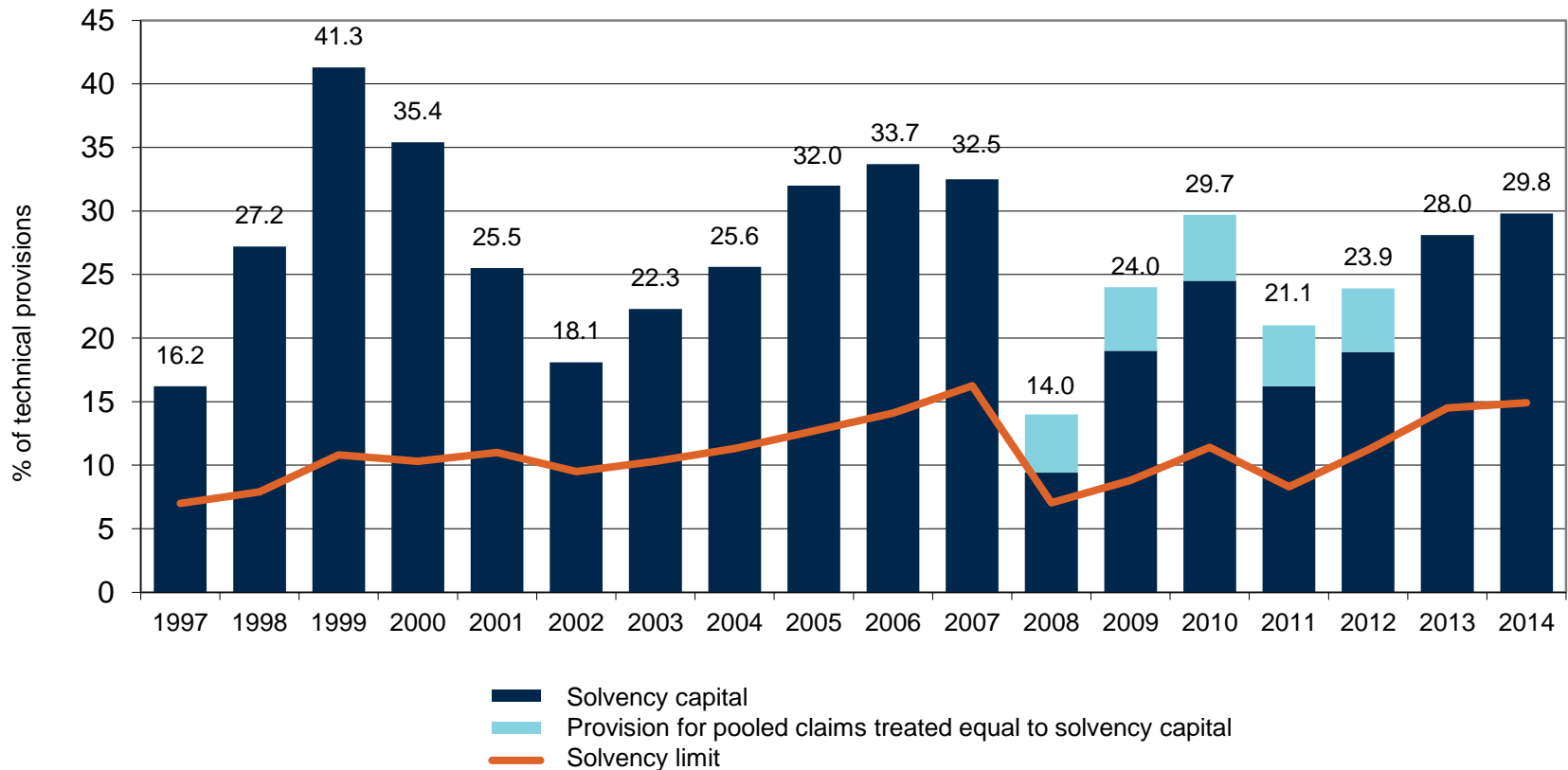
EUROPEAN AND CHINESE EQUITIES & SHARES INCREASING

Geographical breakdown of listed equities by market values



SOLVENCY STRENGTHENED

Solvency development



On 31 December 2014, the solvency ratio was 2.0 times the solvency limit (31 Dec. 2013: 1.9).

FOR A BETTER LIFE.

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