

# REPORT ON OPERATIONS AND FINANCIAL STATEMENTS 2015



# REPORT ON OPERATIONS

## 1. ECONOMIC DEVELOPMENT

The long-term weak performance of Finland's economy continued in 2015. The short period of recovery following the financial crisis and deep downturn of 2008–2009 evolved into a new downturn in 2012. Finland's economy shrunk slightly in 2012–2014 and economic growth failed to take off in 2015. In this respect, Finland's performance was weaker than that of most eurozone countries, in which economic recovery began during 2015. As a result of a prolonged downturn that began already in 2009, Finland's total production is still clearly below the 2007 level. This is the longest period in modern history with a zero increase in average production.

The main reason behind Finland's long economic downturn lies in weak exports, which, for their part, can be explained by a number of factors: the weak development of the export countries, unfavourable changes in foreign exchange rates, the problems experienced by the electronics and paper industries and weakened competitiveness especially compared to the country's western neighbours.

On the up side, the country's balance of trade and current account turned around during 2015, showing a slight surplus. However, this cannot be attributable to increased exports; instead it is due to the decline in the world market price of oil that lowered import prices.

Private consumption and investments remained very subdued during the year and total production hardly grew at all.

Employment rates fell as a result of the weak economic development. As specified in the Pact for Employment and Growth concluded in 2013, the growth rate of nominal wages remained very slow. Because the number of employed declined, the result was a slowing down in the growth of payroll to around 1 per cent in 2015. This had its repercussions on the earnings-related system's premiums written, the growth of which also remained very low. The unemployment rate rose to more than 9 per cent during 2015 – while the employment rate declined to just under 68 per cent.

Wage moderation slightly improved the competitiveness of Finnish production, but at the same time, the weak payroll development slowed down the growth of tax income, premiums written and private consumption alike.

In summer 2015, the labour market organisations agreed on the pay raises for the remaining period – i.e. until the autumn of 2016 – of the Pact for Employment and Growth concluded in 2013. In addition, the labour market organisations held long negotiations concerning the new labour market solution presented by Prime Minister Sipilä to improve competitiveness. No consensus was reached by the end of the reporting year.

The rise in consumer prices came to a complete halt in 2015, and the price level declined by 0.2 per cent. The main reason for this was the decline in the price of oil.

Due to the prolonged economic downturn, public finances remained at a weak level during 2015. The total deficit for the state and municipalities was approximately EUR 6 billion, i.e. some 3 per cent of the GDP's value. The deficit for the entire public sector is expected to have remained below this due to the earnings-related pension sector showing a financing surplus as in previous years. Nevertheless, the financing surplus of the earnings-related pension sector also shrunk.

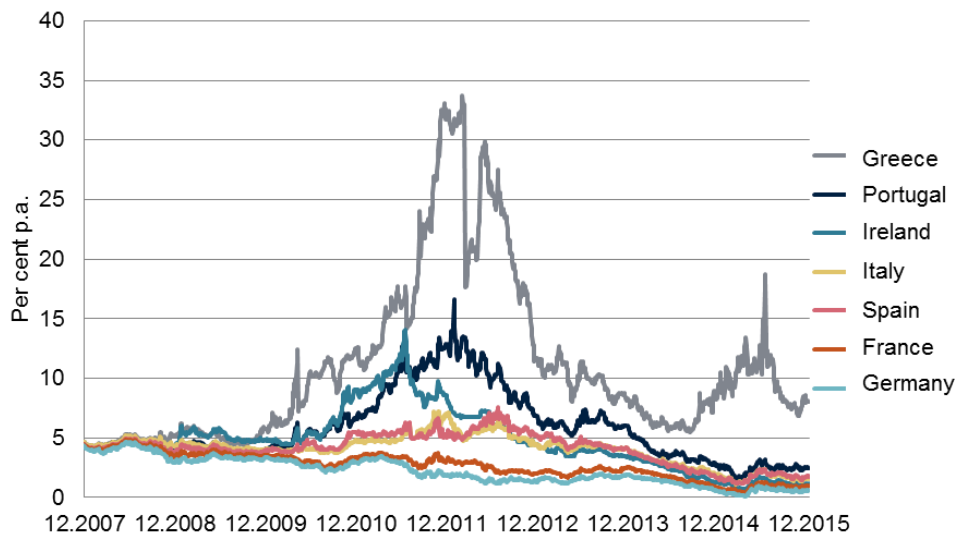
The EMU debt of the public sector increased compared with the GDP as it has done in previous years, exceeding for the first time the critical 60 per cent limit.

The government of Prime Minister Katainen decided in spring 2014 to implement new measures to reduce the public sector deficit. The implemented measures included the reduction of the index increment for social security benefits for 2015. The reduction also affected earnings-related pensions. The increase to the earnings-related pension index was cut from 1.1 per cent to 0.4 per cent, which also somewhat curbed the growth of pension expenditure.

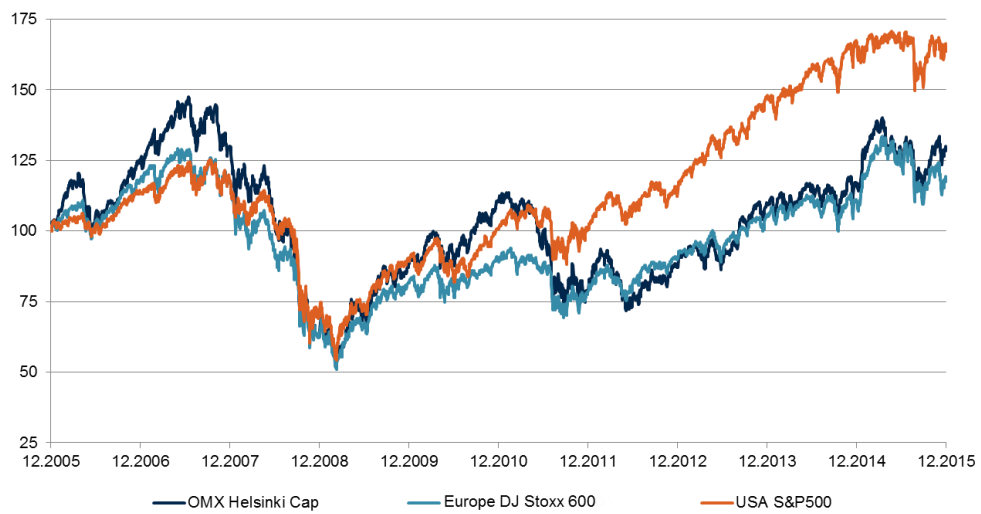
The global economy grew around 3 per cent in 2015, with the United States and China being the main growth engines. The economies of the EU countries also continued to recover, but economic growth in the eurozone remained at around one per cent. The deceleration of economic growth in China and the strong decline in the world market price of oil had a major impact on the development of the global economy. These factors considerably hindered price rises. Falling raw material prices had a negative impact on the economy of many raw-material-producing countries, such as Russia.

The European Central Bank continued its monetary stimulus policy and kept eurozone short-term key interest rates near zero. As a result, returns on fixed income investments were quite low and some investors were even left with negative returns on many low-risk government bonds. In terms of share prices, the year proved to be positive in the end. The rise in share prices was strongest during the first quarter of the year. After that, uncertainty about the development of the Chinese economy pushed share prices down for about six months. During the final quarter of the year, share prices rose once again. The year proved to be a good one for equity investors, with real returns further improved by inflation coming to a standstill.

## Interest rates on 10-year government bonds in the eurozone



## Stock market performance



## 2. DEVELOPMENTS IN THE EARNINGS-RELATED PENSION SYSTEM

The labour market organisations reached an understanding on the contents of the next pension reform in 2014. The pension reform is geared towards an increase in the average pension age and decrease in the sustainability deficit in public finances according to the 2012 agreement on extending careers and the targets set by Prime Minister Katainen's government.

The new pension legislation was prepared by the Ministry of Social Affairs and Health in early 2015 based on the outcome of the negotiations. On the basis of this preparatory work, Prime Minister Sipilä's government presented a bill to the Parliament, which adopted the new pension acts in November 2015. The new acts will enter into force in the beginning of 2017. Preparations to implement the changes are progressing on various fronts.

The pension reform means changes to the pension system's retirement age limits and pension accruals. In addition, earnings-related pension contributions are expected to stabilise close to their current level.

The new pension legislation is targeted at the gradual raising of the age limits for old-age pension. The age limits will begin rising in 2018, increasing by three months per age class until 2027 so that for those born in 1955 the lower limit for old-age pension will be 63 years and three months and 65 years for those born in 1962. After this the increase will halt for three years. Beyond 2030, the age limits will develop so that the ratio between life expectancy and the length-of-the-career expectancy will remain constant in the future.

The upper age limit for old-age pension follows the development of the lower limit so that it will be some 5 years higher than the lower limit also in future. The upper limit will, however, be raised less often, one year at a time. The life expectancy coefficient also remains part of the system but its weight in determining pensions will be reduced.

The pension reform gives rise to two new types of pension: the years-of-service pension and partial early old-age pension.

The years-of-service pension makes it possible to retire at the age of 63 if the pension applicant has had a career spanning at least 38 years and if he or she has also carried out work that is physically or mentally strenuous and if his or her work capacity can be seen to have weakened. The criteria for the years-of-service pension were specified in connection with the preparation of the legislation.

The partial early old-age pension will replace the current part-time pension. This offers the opportunity to receive a pension at the earliest at the age of 61, which would then equal either 25 or 50 per cent of the old-age pension. The age limit will rise to 62 years in 2025.

The pension reform will also alter the accrual of pensions. As of 2017, the pension insurance contributions of the employee will no longer be deducted from the pensionable salary based on which the

pension is calculated. On the other hand the accelerated accrual included in the 2005 pension reform will cease.

The changes to benefits included in the pension reform are estimated to decrease pension expenditure to such a degree that the average pension contribution will not need to be increased to a level higher than the 24.4 per cent level agreed on for 2017. The evaporation of the pressure to increase pension contributions and the rise in the average pension age will decrease the sustainability deficit of public finances, according to the assessment by the Ministry of Finance, by an amount that equals 1 per cent of the value of gross domestic product.

In summer 2015, the Finnish Pension Alliance TELA's mortality section completed its proposal for a new mortality base to be applied in TyEL insurance. According to the mortality section's report, mortality decrease has been faster than expected and mortality development varies from one age group to the next.

The mortality model will be changed at the end of 2016 and the age shifts that depict mortality decrease are 1.7 years on average in 10 years' time, compared to the current 1 year. The change will lead to an average increase of 4 per cent in old-age pension liabilities and an increase of 0.2 percentage points in the old-age pension contribution compared to the current mortality base. The mortality supplement mainly concerns younger age groups. In accordance with the pension reform agreement, the mortality base change will be financed in a way that deviates from the current legislation. The 2017 legislative reform takes into account a financing principle that deviates from the current legislation.

### **Solvency reform and other earnings-related pension sector regulation**

As part of the labour market organisations' pension agreement it was also agreed that the weight of the collective equity-linked buffer fund of the pension companies would be increased to 20 from its current 10 per cent. The change means that an even greater proportion of the fluctuations in the return on equity will be borne by the pension system. The reform will increase the risk level of the pension system but it will improve the ability of individual pension institutions to bear risks. The reform is aimed at achieving growth in the share of equity investments and improved investment returns. The change will come into force gradually during 2017 and 2018.

The act on the calculation of a pension provider's solvency limit and on the diversification of investments will enter into force on 1 January 2017, replacing the current solvency legislation applicable to pension institutions. The solvency requirements still depend on the level of risk inherent in the investments. The solvency calculation under the new act will take into account more precisely and more comprehensively all of the risks in the pension institutions' investment operations that are relevant to their operations, in addition to underwriting risks. The risks will be taken into account according to the risk classification stipulated in the act and an investment can be subject to a number of risks. In addition, the calculation takes into account the expected return on the investments and the interdependence of the various risk factors. The solvency limit will describe, as it does at present, the amount of solvency capital that a pension institution must have in case of underwriting and investment risks. The riskier the investments for the pension institution, the higher

the solvency limit. The solvency limit will be calculated on the basis of the entire investment assets, unlike today when it is defined for an amount corresponding to the technical provisions. The regulations governing the assets to cover technical provisions will be abolished as they are redundant, but some of the regulations concerning the diversification of investments will remain in force.

### 3. ILMARINEN'S RESULT AND SOLVENCY

Despite the weak performance of the Finnish real economy, 2015 was a good investment year for Ilmarinen. Share prices increased on most markets during the year. Ilmarinen's annual return on investments increased to 6.0 (6.8) per cent, as a result of which the company's solvency capital strengthened by more than EUR 300 million. Due to a decline in the consumer price index, the real return on investments was 6.2 (6.3) per cent. The figure was close to the previous year's level, exceeding the long-term average by 2.1 percentage points.

The number of Ilmarinen's corporate and self-employed customers remained almost unchanged during the operating year. The efficiency of Ilmarinen's operations remained at the same good level as in the previous year. The loading profit, which describes efficiency, improved slightly on the previous year and the ratio of operating expenses to expense loading components was 75.5 (76.0) per cent.

The net return on Ilmarinen's investments, calculated at current value, was 6.0 per cent in 2015 (6.8 per cent in 2014). Solvency capital, i.e. the difference between the company's assets and liabilities measured at current value, increased to EUR 8,244.2 million (7,904.5). At the end of 2015, solvency capital amounted to 29.6 (29.8) per cent of technical provisions used in the calculation of solvency.

The solvency capital is intended to cover the risks inherent in insurance and investment operations. The monitoring limits for the solvency capital of pension insurance companies are determined by the level of risk inherent in the company's investments, which is estimated by dividing the investments into classes according to risk and by calculating the solvency limit based on the classification. The classification is made on the basis of the actual risk of the investment. The solvency limit also takes into account the insurance risk. Ilmarinen's solvency capital at the end of the financial period was 2.0 times (2.0) the solvency limit.

Investment income at current value was EUR 406.8 (804.8) million, when taking into account the interest credited on technical provisions, EUR 1,317.2 (1,128.9) million, and EUR 346.6 (254.7) million was transferred to the equity linked buffer. The equity linked buffer ties, for ten per cent, the technical provisions to the average return on listed equities of pension funds and thus transfers the equity risk to be covered by the entire earnings-related pension system.

The result of the underwriting business under the company's own responsibility was EUR 32.2 (45.7) million and loading profit was EUR 35.4 (34.0) million. The underwriting result is the difference between contribution components intended to cover insurance risks and claims incurred. The underwriting result will be transferred to the equalisation provision included in the solvency capital according to the criteria approved by the Ministry of Social Affairs and Health. The loading profit

shows the amount by which the expense loading components and other similar income exceed the operating expenses to be covered by them. The loading profit will be transferred to the solvency capital to the extent where it is not used for client bonuses.

According to the Act on Employment Pension Insurance Companies, all off-balance-sheet items equivalent to debt, for which the obligation to make payment must be considered likely, must be deducted from the solvency capital. When calculating the solvency ratio, these items shall be taken into account in the technical provisions that form the basis for the solvency calculation as soon as the act or the calculation base has been adopted, even if the change enters into force later.

For this reason, when calculating solvency, the supplementary pension insurance portion under the Employees Pensions Act shall be deducted from the equalisation provision included in the solvency capital, and shall be transferred to the provision for pooled claims on 1 January 2017. The portion of equalisation provision transferring to the provision for pooled claims equalled EUR 19.3 million at the end of 2015. Supplementary pension insurance contributed to the underwriting result in the amount of EUR 4.8 million.

Ilmarinen's total financial result in 2015 at current value stood at EUR 474.3 (884.5) million.

The amount allocated for discounts on TyEL insurance contributions, i.e. client bonuses, is determined based on the company's solvency capital and loading profit. The solvency capital does not, in this case, take into account the equalisation provision set aside for underwriting risks. For 2015, EUR 98 (93) million will be allocated for client bonuses, which is 0.59 (0.56) per cent of the insured payroll and EUR 196 (182) per employee insured with Ilmarinen.

The above information concerning the result and solvency is based on the key figures calculated at current value presented in the notes to the financial statements. It shows the company's financial result and position more clearly than the profit and loss account and balance sheet. The valuation of investments in official accounting is based on acquisition cost and the amount of profit in the profit and loss account is determined by the calculation base approved in advance by the Ministry of Social Affairs and Health. The difference between the book profit and the result in the profit and loss account is entered as technical provisions, excluding the change in depreciation difference. In 2015, the profit in the profit and loss account was EUR 5.3 (4.3) million.

The following calculation shows the connection of the result in the profit and loss account to the total financial result at current value:

EUR million	2015	2014
Result in the profit and loss account	5.3	4.3
Change in technical provisions		
Change in equalisation provision	32.2	45.3
Change in provision for future bonuses	855.0	80.0
Transfer to client bonuses	98.0	93.0
Change in depreciation difference	1.7	0.2
Change in the difference between current value and book value, i.e. valuation gain/loss	-517.8	661.8
Profit at current value	474.3	884.5



## 4. INSURANCE PORTFOLIO AND PREMIUMS WRITTEN

The majority of employers that have insured their employees with Ilmarinen have signed an insurance contract with the company. Employers only employing temporary employees can, however, pay their employer contributions to a pension insurance company without signing an actual insurance contract.

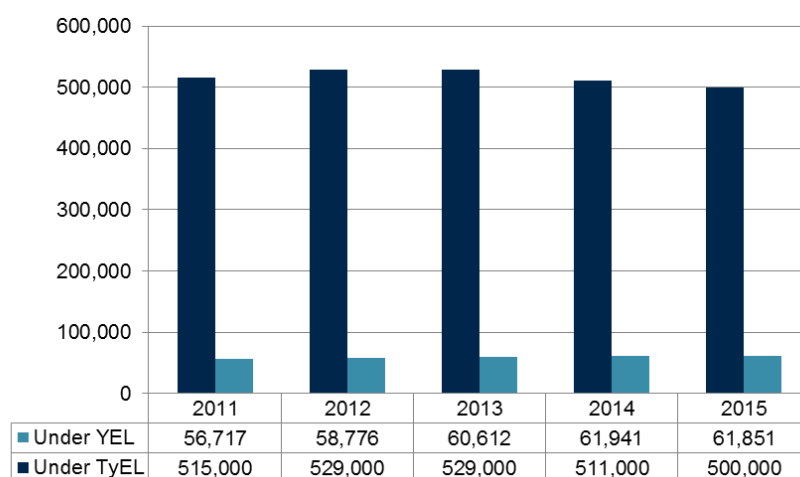
Ilmarinen's insurance portfolio declined slightly during the operating year. The number of TyEL insurance policies at the end of 2015 stood at 38,354, which is 133 or 0.3 per cent less than in the previous year. In addition to employers with insurance contracts with Ilmarinen, 5,450 (5,893) temporary employers paid TyEL contributions to the company.

At the end of the year, 500,500 (511,000) insured were covered by Ilmarinen's TyEL insurance policies. The number of insured fell by some 2 per cent, which partly resulted from the decline in the number of employees in the entire economy. The number of employees covered by a TyEL insurance policy in 2015 was on average 13 (13).

The TyEL payroll insured with Ilmarinen was EUR 16,651 (16,713) million, down 0.4 per cent from the previous year. The market share calculated from the insured TyEL payroll amount is estimated to have declined slightly in 2015 compared to the previous year.

There were 61,851 YEL insurance policies at the end of the year, which is 90 policies or 0.15 per cent less than a year earlier. The average annual reported income for YEL insurance policies was EUR 24,003 (24,041), which is slightly less than in the previous year.

### Number of insured

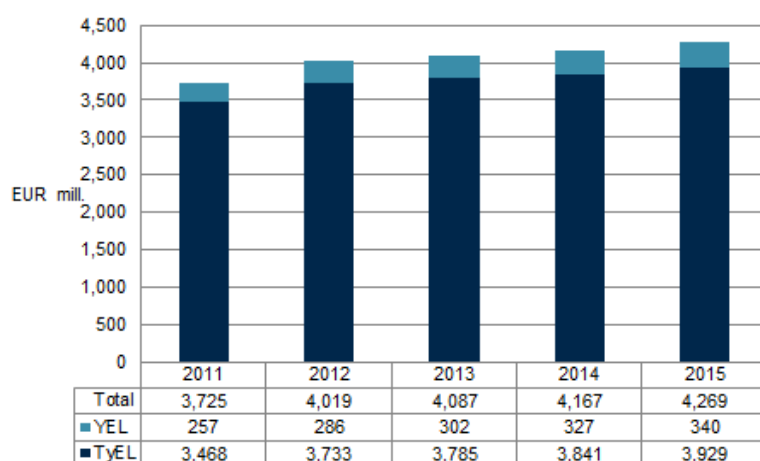


In 2015, Ilmarinen's premiums written stood at EUR 4,268.7 (4,167.4) million, up 2.4 per cent from 2014. The rise in premiums written resulted from higher earnings-related pension contributions. EUR 3,929.0 (3,840.5) million in TyEL insurance premiums were received, i.e. TyEL premiums

written increased by 2.3 per cent compared to the premiums written in the previous year. In 2015, client bonuses granted as discounts in TyEL contributions totalled EUR 94.1 million, compared with EUR 84.2 million in the previous year.

YEL premiums written stood at EUR 339.7 (326.8) million, an increase of 3.9 per cent.

## Premiums written



Credit losses remained low despite the weak economic situation. Credit losses on unpaid TyEL insurance contributions amounted to EUR 11.3 (14.5) million. They declined by more than 20 per cent and they only accounted for 0.28 (0.38) per cent of the premiums written. This was partly due to the decrease in the number of bankruptcies and the measures to improve the receivables turnover rate carried out jointly with an external partner.

Credit losses on unpaid YEL insurance contributions were EUR 2.2 (2.3) million. Ilmarinen will not, however, incur losses on the YEL credit losses due to the fact that the State's share in the financing system for YEL pensions compensates for insurance contributions not received from policyholders.

A total of 3,614 new TyEL insurance policies were sold. This increases the annual TyEL premiums written by EUR 80.2 million during 2016. As a result of policy transfers, Ilmarinen's TyEL insurance portfolio decreased by 243 policies and premiums written by EUR 41.7 million.

A total of 5,919 new YEL insurance policies were sold. This will increase the YEL premiums written by EUR 32.1 million. As a result of policy transfers between pension companies, Ilmarinen's YEL insurance portfolio decreased by 158 policies and premiums written by EUR 0.7 million.

Two portfolio transfers took place at the end of the year under review, on 31 December 2015. Oriola Pension Fund's insurance operations and with them a total of EUR 66 million in assets transferred to Ilmarinen. The amount consists of EUR 51.3 million in technical provisions and EUR 14.7 million in transferring solvency capital (28.6 per cent of technical provisions). OP-Pohjola's pension insurance policies transferred from Ilmarinen to OP-Eläkekassa. These policies represent a total of

EUR 124.1 million in assets. The amount consists of a total of EUR 95.4 million in technical provisions for TyEL insurance and TEL supplementary cover and of EUR 28.7 million in solvency capital (30.1 per cent of technical provisions). Combined, these transfers reduced Ilmarinen's pension assets by approximately EUR 58 million and its technical provisions by around 44 million euros. As a result of the transfers, Ilmarinen's technical provisions decreased by some 0.14 per cent.

## 5. CONTRIBUTION LEVEL

The average TyEL contribution for 2015 was 24.0 per cent of an employee's salary or wages, which is 0.4 percentage points higher than in the previous year. The share of contribution for employees aged under 53 was 5.70 per cent and 7.20 per cent for those aged 53 and over. The average contribution for employers was 18.00 per cent of the payroll. The employer contribution level varies depending on the insurance policy as well as the client bonuses paid by the pension insurance company. Ilmarinen's client bonuses were on average 3.1 (2.8) per cent of the employer contribution.

The confirmed TyEL contribution for 2016 is, in accordance with the pension agreement concluded in autumn 2014, 0.4 percentage points higher than in 2015, but as a temporary discount of 0.4 percentage points is granted on the contribution, the TyEL contribution will remain the same on average, i.e. at 24.0 per cent of salary or wages. The average employer contribution is 18.00 per cent of the payroll. In 2016, the contribution for employees aged under 53 is 5.70 per cent and 7.20 per cent for those aged 53 and over.

The YEL contribution for 2015 was 23.7 per cent of confirmed earned income. The YEL contribution for self-employed persons who had turned 53 before the start of the financial year was, however, 25.2 per cent. In 2016, the contribution for employees aged under 53 is 23.6 per cent and 25.1 per cent for those aged 53 and over.

## 6. PENSIONS AND ACTIVITIES BOOSTING WORKING CAPACITY

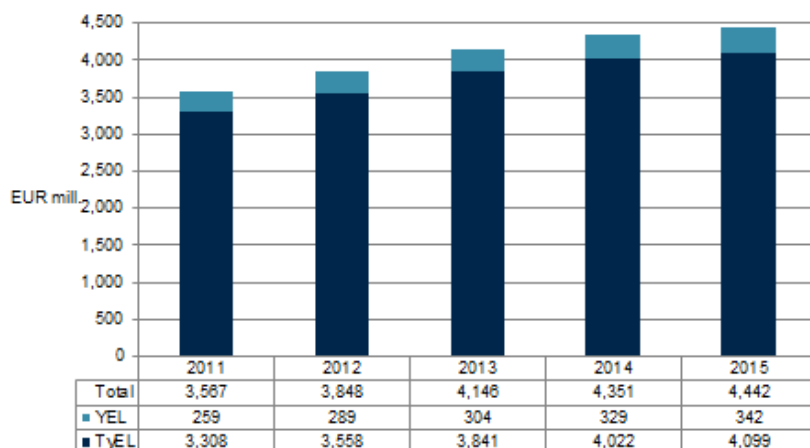
In 2015, new pension decisions made at Ilmarinen totalled 22,813, which is 1.7 per cent more than in the previous year. In 2015, Ilmarinen paid a total of EUR 4,441.6 (4,350.9) million in pensions. Pension expenditure increased by 2.1 per cent on the previous year, thus continuing to grow relatively quickly, just as in previous years.

### Pension expenditure according to pension type in 2015

EUR million	TyEL	YEL	Total	%
Old-age pensions	3,160.0	258.9	3,418.9	77.0
Early old-age pensions	249.7	23.0	272.7	6.1
Part-time pensions	15.3	3.9	19.2	0.4
Disability pensions	390.7	26.9	417.6	9.4
Unemployment pensions	0.0	0.0	0.0	0.0
Survivors' pensions	283.5	29.7	313.2	7.1
Total	4,099.2	342.4	4,441.6	100.0

The majority of the approximately EUR 4.4 billion in pension expenditure, i.e. some 83.1 per cent, consisted of old-age pensions. Disability pensions made up just over 9 per cent of the pension expenditure and survivors' pensions 7 per cent.

## Pensions paid



Ilmarinen's pension premiums written were just over EUR 4.26 billion. Pension expenditure excluding pension management costs was approximately EUR 4.44 billion and thus some EUR 173 million more than premiums written.

## Number of pension recipients on 31 December 2015

### Pensions in accordance with basic protection

EUR million	TyEL	YEL	Total	%
Old-age pensions	203,874	27,455	231,329	71.6
Early old-age pensions	14,767	3,239	18,006	5.6
Part-time pensions	1,392	330	1,722	0.5
Disability pensions	26,522	2,743	29,265	9.1
Survivors' pensions	35,877	6,973	42,850	13.3
Total	282,432	40,740	323,172	100.0

At year-end the number of pension recipients was 323,172, which is 1.4 per cent more than a year earlier, when they numbered 318,867. At the end of the year, 282,432 (278,760) pension recipients received TyEL pensions and 40,740 (40,107) received YEL pensions.

## Pension decisions in 2015

	2015	2014	Change, %
New pension decisions			
Old-age pensions	10,627	10,195	4.2
Early old-age pensions	7	170	-95.9
Part-time pensions	618	512	20.7
Disability pensions	5,650	5,911	-4.4
Survivors' pensions	2,827	3,158	-10.5
Right to rehabilitation	3,084	2,480	24.4
Total new pension decisions	22,813	22,426	1.7
Total pension decisions	41,293	41,335	-0.1

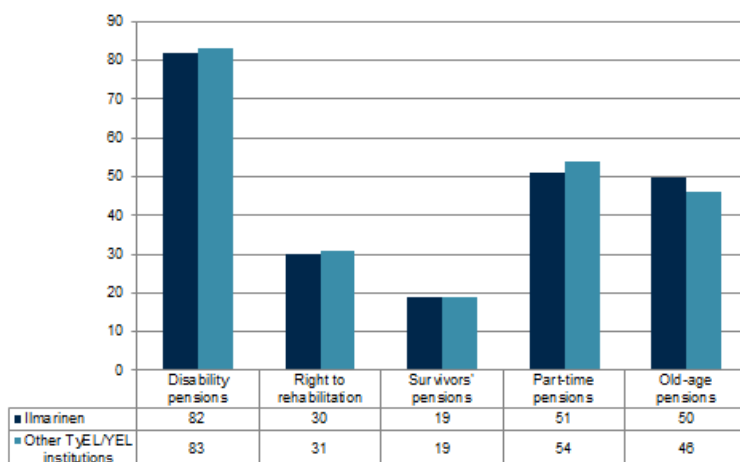
During 2015, Ilmarinen made a total of 41,293 pension decisions, which is nearly as many as in the previous year.

The number of new pension decisions increased by 1.7 per cent in 2015 and a total number of 22,813 were granted, including decisions concerning the right to rehabilitation. The number of disability pensions declined clearly from the previous year while a growing number of people made use of vocational rehabilitation. The number of old-age pensions grew slightly from the previous year.

Ilmarinen measures the quality of the processing of pension applications by ensuring that no interruptions occur in the applicant's income, as well as based on the permanence of decisions in appeal instances. Of all new insurance decisions, 88.7 per cent were granted during the month in which retirement began. Of the negative decisions sent to the Pension Appeal Court (Työeläkeasioiden muutoksenhakulautakunta TELK), 12.1 per cent were amended against Ilmarinen's position. The share of amended decisions was around 2 percentage points higher than that of other private sector pension providers on average. 19.3 per cent of the decisions sent to the Insurance Court were amended against Ilmarinen's position.

In 2015, Ilmarinen had faster processing times for pension applications in almost all pension types than in the peer group.

## Processing times of pension applications 2015



Ilmarinen has offered its customers receiving negative disability pension decisions a guidance service on issues such as securing a livelihood and continuing in working life. Although customers have been satisfied with the service, its utilisation rate has fallen to a very low level over the years. For this reason, the service has been partly replaced by vocational rehabilitation services and similar instructions provided on Ilmarinen's website.

Pension records are sent every three years to people under the age of 60 and annually to people aged over 60. In 2015, people born between September and December as well as everyone over the age of 60 received their pension records. A total of 205,755 pension records were mailed during October–November, and 55,638 people retrieved their pension records from the online service between April and December.

For Ilmarinen's well-being at work services, 2015 was a record-breaking year in terms of customer co-operation. Ilmarinen organised 40 seminars on well-being at work for its client companies throughout Finland, attracting around 2,160 participants. During the year, Ilmarinen also had more than 1,900 distinct coaching or other well-being at work projects underway in co-operation with clients. These well-being at work projects covered around 160,00 employees insured with Ilmarinen. Co-operation with clients is systematic and goal-oriented and the projects are always targeted at jointly identified challenges related to well-being at work. As a general rule, co-operation is based on written agreements and the results produced by the services are monitored through indicators agreed on together with clients and customer surveys, for example.

This monitoring shows that the services have improved well-being at work and reduced disability risk in client companies.

Ilmarinen also supports the management of disability risks in its client companies through vocational rehabilitation. This service includes training provided to supervisors and advisory services as well as expert support for both supervisors and employees during the rehabilitation planning phase. Altogether 3,000 vocational rehabilitation applicants received confirmation of support for changing careers or returning to work. This is 24 per cent more than in the previous year. During

the actual rehabilitation period, the company pays benefits pursuant to earnings-related pension legislation to support the individual's income during the rehabilitation and compensate for the costs resulting from the training. Altogether approximately 5,800 decisions related to rehabilitation benefits were made in 2015, which was an increase of more than 15 per cent compared to the previous year.

Since the beginning of 2015, a preliminary vocational rehabilitation decision has been issued without separate application to those who have applied for disability pension, if returning to work still seems to be an option. This procedure makes it possible to start the vocational rehabilitation and its planning sooner.

## **7. UNDERWRITING BUSINESS AND TECHNICAL PROVISIONS**

At the end of 2015, Ilmarinen's technical provisions totalled EUR 30,630.2 (28,402.3) million. The provision for future bonuses, which serves as a buffer for investment losses, increased by net EUR 841.0 million and stood at EUR 1,683.9 (842.9) million at the end of the year. The equity linked buffer increased due to the rise in share prices by EUR 345.8 million and stood at EUR 1,235.2 (889.4) million at the end of the year. Otherwise, the increase in technical provisions was 3.9 per cent.

The result of the underwriting business under the company's own responsibility was EUR 32.2 (45.7) million. The equalisation provision grew by EUR 32.2 million to EUR 1,048.6 million.

Interest is credited on technical provisions on return on investments in compliance with the technical bases. The majority of the return requirement on technical provisions of pension insurance companies is determined on the basis of the average solvency of pension institutions, and the remainder, 10 per cent, is tied to the average return on the listed equities owned by the pension institutions. The share of the return requirement determined on the basis of the average solvency of pension institutions is calculated by adding the pension liability supplementary coefficient, given in the technical bases, to the three per cent discount rate. The interest credited on technical provisions totalled 5.7 per cent in 2015, of which the return tied to the equity linked buffer equalled 1.2 per cent. A 4.5 per cent return was credited on the remaining technical provisions.

The technical interest rate used until the end of 2015 to calculate insurance contributions was 5.50 per cent in the first half of the year and 5.75 per cent in the second half. As of 1 January 2016, insurance contributions will be calculated using the insurance contribution interest rate, which is 2.00 per cent in the first half of the year.

Assets that cover technical provisions stood at EUR 35,141.8 (32,725.0) million at the end of the reporting year.

## Breakdown of technical provisions

EUR million	2015	2014
Provision for unearned premiums		
Future pensions	13,598.7	13,359.1
Provision for future bonuses	1,683.9	842.9
Provision for current bonuses	98.6	94.8
Equity linked buffer	1,235.2	889.4
Total provision for unearned premiums	16,616.5	15,186.2
Provision for claims outstanding		
New pensions awarded	12,965.1	12,199.6
Equalisation provision	1,048.6	1,016.5
Total provision for claims outstanding	14,013.8	13,216.0
Total technical provisions	30,630.2	28,402.3

## 8. INVESTMENT OPERATIONS

A long-term approach is essential in investing pension assets. The objective of Ilmarinen's investment operations is the highest possible return on investments in the long term. However, the average risk of the investments should not be too high in relation to the company's risk bearing ability. The expected average long-term real return on Ilmarinen's investment assets is 4 per cent, and the expected standard deviation of the return is around 10 per cent.

In 2015, Ilmarinen's key investment theses were cascaded, thus further strengthening the value platform of the entire organisation's investment operations. A review of the investment strategy extending to 2020, which will steer investment operations in the long term, took place in 2015. Key changes brought about by the strategy include a decreasing proportion of fixed-income investments, a growing allocation share of real estate and infrastructure investments and an increase of the allocation share of listed equities and shares related to the amended pension legislation. As part of the strategy, the diversification of the real estate portfolio outside of Finland, which was already begun in 2015, will also be continued.

Economic growth and inflation were lower than expected in the reporting year. The development in the world economy was inconsistent. Monetary policy evolved in two directions, with the European Central Bank launching a government bond purchasing programme while the US central bank initiated interest rate hikes. The price of oil continued on the same downward trajectory as in the previous year.

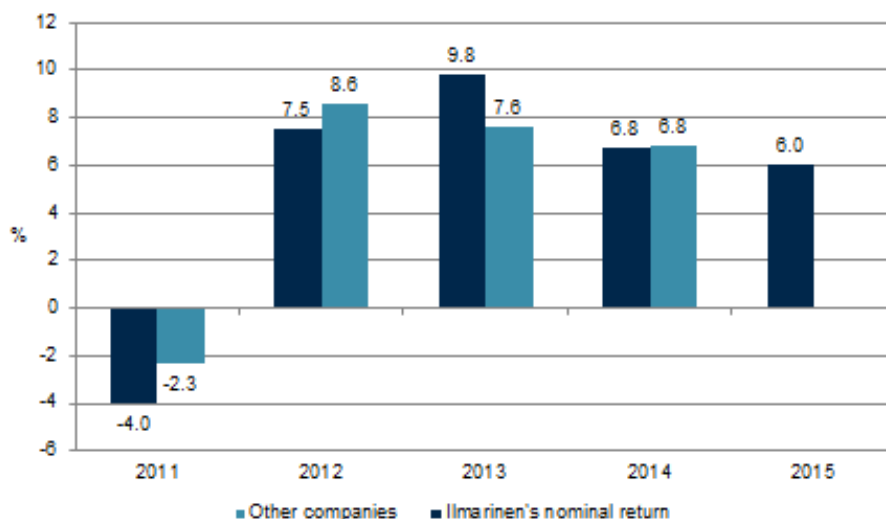
Ilmarinen's investments in 2015 focussed on the high-yield equity markets while limiting the duration, i.e. exposure to growing interest rates. Also the successful currency insight had a positive effect on the investment result. In its entirety, 2015 was a good year for investors.

At the end of 2015, Ilmarinen's total investments at current value were EUR 35,841.0 (34,195.5) million. The return on investments at current value was 6.0 per cent. Inflation in Finland at year-



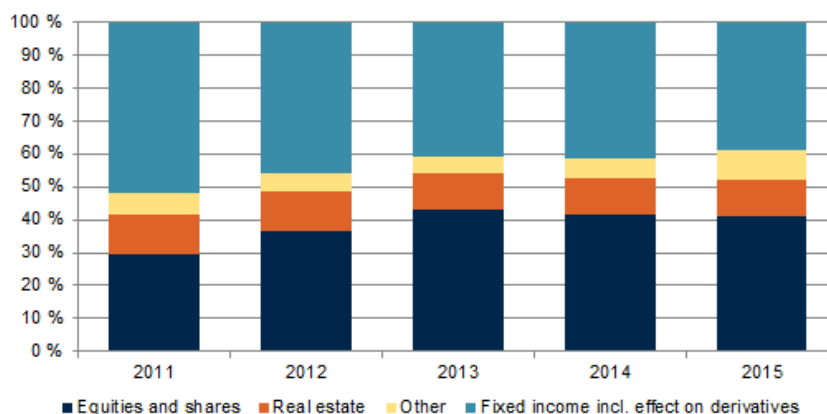
end was negative. The consumer price index declined 0.2 per cent. The real return on Ilmarinen's investments in 2015 was 6.2 per cent. In the previous year, the return on the investment portfolio was 6.8 per cent, i.e. 6.3 in real terms. Calculated at current value, average annual income over the last five years has been 5.1 per cent, which corresponds to an average annual real income of 3.6 per cent. Calculated from 1997, the average annual return at current value for Ilmarinen's investments has been 5.9 per cent per annum. This corresponds to an annual real return of 4.2 per cent.

### Net investment income



The following breakdown of the company's asset allocation follows the classification according to current value. The notes to the financial statements include this basic breakdown as well as the investment risk breakdown and a table portraying the classification of investment returns according to investment class.

### Development of the basic breakdown of investments



Bonds, fixed income funds and other money market instruments formed 40.4 (39.9) per cent of the total value of Ilmarinen's investment assets. Their total market value, taking into account deriva-

tives, was EUR 14,475.8 (13,636.1) million and return at current value was 1.0 (2.1) per cent. A total of EUR 4,245.8 (5,026.0) or 29.3 (36.9) per cent was invested in bonds issued by governments or other similar issuers. Ilmarinen had EUR 469.3 (922.0) million or about 3.2 (6.8) per cent in money market investments, yielding 3.5 (9.0) per cent. The remaining 67.4 per cent were corporate bonds, most of which had a high credit rating. The return on bonds with credit risk was 0.0 per cent. At the end of the year, the modified duration of the bond portfolio was 0.8 (-0.9) years.

Ilmarinen's corporate credit portfolio decreased in 2015 by almost 24.9 per cent, because companies' interest towards TyEL relending continued to decline due to the low investment activity of companies. At the end of the year, loan receivables made up 3.0 (4.2) per cent of investment assets. New loans amounting to EUR 183.1 (55.5) million were drawn down during 2015. At the end of the year, the total loan portfolio was EUR 1,088.5 (1,448.5) million including accumulated interest. The return on loan receivables was 3.7 (4.3) per cent.

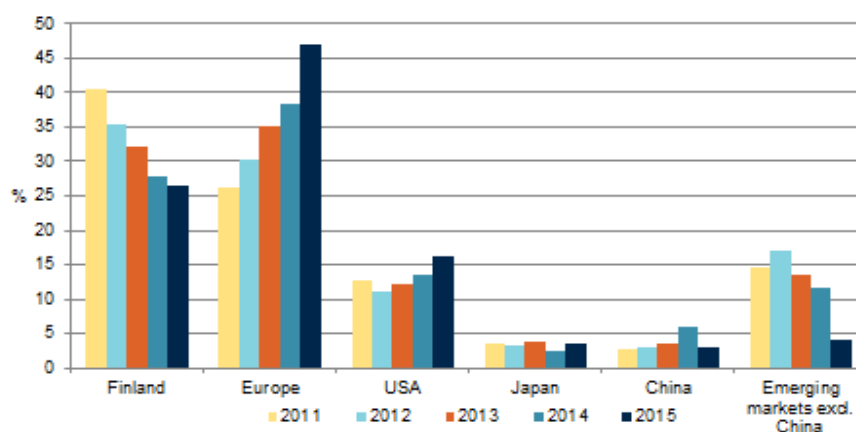
### Corporate credit portfolio, EUR million

EUR million	2006	2010	2015	Return, %
Premium loans	534.9	1,684.9	682.4	3.6
Lending other than premium loans	541.0	1,453.0	406.1	3.9
Total (includes accumulated interest)	1,076.0	3,137.8	1088.5	3.7
Share of total portfolio, %	5	11	3	

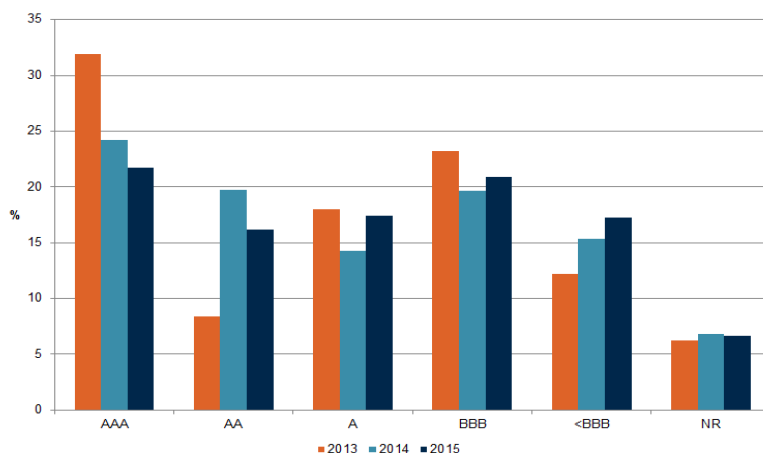
The above-mentioned investments together make up the fixed-income investment class. These investments accounted for 43.4 (44.1) per cent of the investment portfolio and their returns were 1.2 (2.4) per cent.

Listed and non-listed equities and shares as well as private equity investments made up 40.2 (39.6) per cent of all investments. Their value increased to EUR 14,398.6 (13,539.4) million in 2015. Of this, domestic equities and shares made up about 27.8 (30.3) per cent, or EUR 4,006.9 (4,096.0) million. Domestic equities made up 26.5 (28.0) per cent of investments in listed equities and shares. The return on equities, calculated at current value, was 11.6 (10.9) per cent.

### Geographical breakdown of listed equities



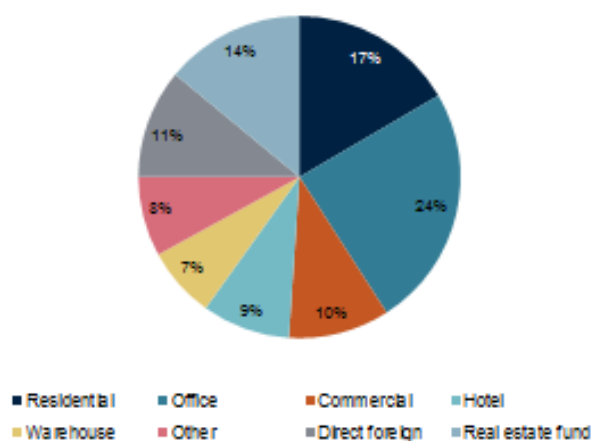
## Credit risk breakdown of bond investments



Equity, currency and interest derivatives are used both for hedging and for altering the risk level of the investment portfolio. As a result of the use of derivatives, the amount of equities and shares according to risk was EUR 14,731.0 million, i.e. 41.1 per cent of investments. The effect of interest derivatives is included in the modified duration of the bond portfolio reported above.

Real estate investments at the end of 2015 stood at EUR 3,935.5 (3,735.4) million, a 5.4 per cent change from the previous year. The share of real estate investments was 11.0 (10.9) per cent, of which real estate funds made up 1.4 percentage points. The value of directly-owned properties was EUR 3,427.8 (3,243.6) million. The lease rate of Finnish real estate owned by Ilmarinen remained at the previous year's level and was 90.1 (88.2) per cent at year-end.

## Structure of real estate assets on 31 Dec 2015



The total return on the company's real estate investments was 7.8 (5.4) per cent. The return on direct real estate investments was 7.0 (4.9) per cent. The return on real estate funds was 13.0 (8.5) per cent. The amount of direct foreign real estate investments grew to EUR 397.2 million.

Some 5.4 (5.4) per cent of the market value of investment assets consisted of commodity investments, investments in absolute return funds and other investments. Of this, absolute return funds accounted for 1.9 percentage points, i.e. EUR 670.8 million and generated an average return of 12.8 per cent on capital employed.

According to the responsible investment principles included in Ilmarinen's ownership policy, Ilmarinen will start an engagement process with a company that fails to fulfil the criteria set forth in the policy. If the engagement process does not lead to the desired end result, the investment is sold. Additionally, Ilmarinen refrains from acquiring investments whose operations do not fulfil the required criteria. During 2015, Ilmarinen was involved in several hundred engagement processes.

## 9. RISK MANAGEMENT

The objective of Ilmarinen's risk management is to prevent the realisation of risks threatening the company's operations, minimise the financial and other damage caused by realised risks and to ensure the continuity of operations. Another objective is for the company to be able to utilise the opportunities offered by controlled risk-taking in business operations, especially in investment activities. The most essential goal is to secure Ilmarinen's statutory operations and the rights of the insured, pensioners and policyholders in all situations.

Ilmarinen has a risk management plan that covers the entire operations of the company and is based on the Board of Directors' risk management plan. A Risk Management Committee is in place for the company-level monitoring, assessment and development of risk management, made up of organisational unit representatives. The Committee regularly prepares an assessment of the risks facing the company and submits it for approval to the Executive Group and updates the risk management plan annually. The risk assessments are handled by the Board's Audit and Risk Management Committee and the Board of Directors. The Board of Directors approved the risk management plan on 27 May 2015.

The company's risk management function, including monitoring of investment risks, and reporting to the Board of Directors fall under the responsibility of the Senior Vice President in charge of the company's actuarial services and risk management. This ensures the independence of investment activity reporting and risk monitoring from risk-taking functions.

Risk-taking in investment operations is steered by the investment plan approved by the Board of Directors and the related risk level analysis and investment authorisations and other principles determined by the Board of Directors. The risk level and change requirements for the basic allocation are monitored by an Asset Management Group, comprised of representatives of investment operations, the actuarial and risk management function and the finance function. The risk management function also produces scenario and stress tests for monitoring and assessment. In investment operations risk monitoring and management are continuous.

With regards to developing company-wide risk management, the first phase of the development work related to the reporting of operative risks was completed in 2015, consisting of determining the current status, the objectives and the requirements for the new reporting system. In business

continuity management, Ilmarinen developed a business impact analysis model to enable better management of disruptions, and participated in an operative exercise covering the financial sector (FATO 2015). In strategic investment risk management, long-term scenario analyses were incorporated into the investment strategy process.

Risk management is described in more detail in the notes to the financial statements.

## 10. PERSONNEL

An average of 593 people worked for Ilmarinen Group in 2015 compared to 600 a year earlier. The average number of employees in the parent company Ilmarinen during the reporting year was 535 (537), measured in person years. This figure includes 65 (69) part-time employees, whose work contribution has been adjusted to correspond with the average working hours of full-time employees. 44 (59) persons were on family leave or other unpaid leave during the year. At the end of the year, the parent company Ilmarinen employed 573 (576) persons, of whom 542 (554) were permanent employees.

Supervisory work was evaluated by measuring to which extent the employees feel that supervisors comply with Ilmarinen's leadership principles. Based on the results of the employee survey, the score given to supervisors by employees remained at a high level, equalling 3.9 on a scale of 1–5. Supervisors received especially good feedback for supporting success, for fairness and for encouraging thinking outside the box, all of which achieved a score of 4. In addition to the leadership principles, we also monitor the implementation of the work community principles in day-to-day work. According to the results the jointly agreed principles are successfully implemented with an average score of 3.8 on a scale of 1 to 5. The respondents gave particularly high scores to the work community's positive team spirit, customer orientation and compliance with values and ground rules (all of these areas were scored more than 4).

Ilmarinen's new strategy emphasises the importance of an energising work community. We want to be a role model in how work and the work community can support activeness. The company's modernised premises, which will be fully operational in spring 2016, also support this target. The multi-purpose office space offers functional solutions for various work situations. Its primary objectives are to support activeness and well-being while promoting interaction and a culture of continuous improvement. Since we have wanted to make mobile work easier for our personnel, we have significantly increased the use of mobile tools.

Ilmarinen's remuneration systems, with the exception of the remuneration through the personnel fund, were revamped during the year and entered into force on 1 January 2016. In addition, Ilmarinen's Board of Directors adopted Ilmarinen's remuneration and incentive policy which lays down the company's criteria for and elements of remuneration. According to Ilmarinen's remuneration policy, remuneration at Ilmarinen should support the company's strategic goals and long-term interests, and the implementation of its values. It should be coherent and open and designed to encourage excellent performance. It should be competitive while being reasonable and responsible, and in line with good risk management.

The description of the new remuneration system can be found on Ilmarinen's website.

The entire personnel is covered by a short-term remuneration system. The goals for performance-based rewards have been set high in order for them to encourage excellent performance. The rewarding of personnel in the long term takes place through a profit-sharing bonus channeled through the personnel fund. Ilmarinen's Board of Directors annually decides on the amount of profit sharing bonuses transferred to the fund. The criteria for the profit sharing bonuses paid to the fund have been distilled from Ilmarinen's strategic targets. The fund covers the entire personnel excluding management. The fund is managed by a council and a board elected by the personnel.

Ilmarinen's long-term incentive plan 2013–2015 ended at the end of the year and the bonuses earned under the plan will be paid out over the next four years in accordance with the plan. The last of the four instalments under the management's long-term incentive plan 2010–2012 will be made in spring 2016.

## 11. INFORMATION TECHNOLOGY

The renewal of the information systems for the processing of pensions continued according to plan and the new pension processing system was rolled out in two phases during the year. The last phase of the project will be completed in early 2016. The development of digital customer services was continued by expanding the content of the web services and improving their availability with mobile devices. The overall reform of the financial administration's information systems was completed as planned by the end of the year.

In a bid to look into ways to improve the efficiency of the maintenance and development of the basic systems related to the insurance and pension processes, a call for proposals was organised among service providers, based on which the actual tendering process was launched in the autumn. The decisions concerning the supplier selection and the future services will be made in early 2016. The use of cloud services was promoted by evaluating new potential application areas and drawing up a policy to guide their use. The production activities for information technology functioned as planned both in terms of customer services and the company's own operations.

## 12. OPERATING EXPENSES

Ilmarinen's cost-efficiency remained relatively good as in the previous year. The efficiency of operations benefits Ilmarinen's customers in the form of client bonuses. The operating expenses financed using the loading income increased by 0.9 per cent. The ratio of the above-mentioned operating expenses to the expense loading components available for them decreased slightly equalling 75.5 (76.0) per cent.

Ilmarinen's total operating expenses were EUR 150.7 (149.8) million, up 0.6 per cent from the previous year. The loading profit grew 4 per cent to EUR 35.4 (34.0) million.

The statutory charges, EUR 11.1 million, are financed through a separate part of the insurance contributions allocated to statutory charges. These charges include the share of the costs of the Finnish

Centre for Pensions, the supervision charge of the Financial Supervisory Authority and the judicial administration charge.

Operating expenses for investment activities were EUR 25.3 (23.5) million, or 0.07 per cent of the total investment amount. They are financed using the return on investments. Activities were conducted together with clients to maintain well-being at work and work capacity. The costs of maintaining work capacity that are financed from the administration part of disability risk contained in the insurance contribution were EUR 5.1 (5.7) million.

## 13. MANAGEMENT

In 2015, Matti Lievonen, President and CEO, Neste Oyj, served as the Chairman of Ilmarinen's Supervisory Board. Antti Herlin, Board Chairman of Kone Corporation, and Kirsi Kaasinen, Vice Chairman of the Board of the Finnish Association of Graduate Engineers TEK, were Deputy Chairmen, with Kaasinen as the primary Deputy Chairman. The Supervisory Board has altogether 28 members.

Composition of the Board of Directors from 1 January to 31 December 2015:

- Anne Berner, Chairman of the Board, Oy Vallila Interior Ab, membership ended on 23 April 2015
- Sture Fjäder, President of the Confederation of Unions for Professional and Managerial Staff in Finland AKAVA
- Mikko Helander, President and CEO, Kesko Corporation
- Jyri Häkämies, Director General of the Confederation of Finnish Industries EK
- Hille Korhonen, President and CEO, Alko Inc
- Olli Lehtilä, Managing Director, Pohjola Insurance Ltd
- Hannu Leinonen, President and CEO, Destia Ltd
- Lauri Lyly, President of the Central Organization of the Finnish Trade Unions
- Heikki Malinen, President and CEO, Posti Group Corporation
- Katarina Murto, Director of Negotiations, The Finnish Confederation of Salaried Employees, STTK
- Jussi Pesonen, President and CEO, UPM-Kymmene Corporation
- Kristian Pullola, Vice President, Corporate Controller, Nokia Corporation

Deputy members:

- Minna Korkea-aho, Executive Vice President and CFO, Northern Power Company
- Hannu Rautiainen, Director, Legal Affairs and Administration of the Confederation of Finnish Industries EK
- Kari Savolainen, President and CEO, Finavia Corporation
- Petri Vanhala, President, Finnish Paper Workers' Union

The term of office of the members of the Board of Directors is four years between 1 January 2014 and 31 December 2017. Mikko Helander and Hille Korhonen started as new members on 1 January 2015 and Katarina Murto on 12 March 2015. Anne Berner, formerly a deputy member, became a full member on 1 January 2015 and Kari Savolainen started as a new deputy member. Anne

Berner's membership ended on 23 April 2015. Jussi Pesonen's board membership and chairmanship ended on 31 December 2015.

In its meeting on 16 November 2015, the Supervisory Board elected Pekka Vauramo, President and CEO at Finnair Oyj, as a new member to replace the resigning members for the term of office from 1 January 2016 to 31 December 2017. CFO Minna Korkeaoja, formerly a deputy member, became a full member and Antell Group's Deputy CEO Annukka Lantto was elected as a new deputy member.

The Chairmen of the Board of Directors make up the Nomination and Compensation Committee. Jussi Pesonen was Chairman of the Board in 2015. Jyrki Häkämies and Lauri Lyly were the Deputy Chairmen, the latter of whom was the primary Deputy. In January 2016, the Board of Directors elected Mikko Helander as its new Chairman, with Lyly and Häkämies continuing as Deputy Chairmen.

Kristian Pullola was Chairman of the Audit and Risk Management Committee and its members were Minna Korkeaoja, Katarina Murto and Hannu Rautiainen.

In 2015, the Election Committee was chaired by Matti Lievonen, with Sakari Lepola as Deputy Chairman and Sture Fjäder, Antti Herlin, Katarina Murto and Jussi Pesonen as members.

The attendance of the members of the Board of Directors and the Supervisory Board in meetings has been stated in the Declaration of Remuneration and Incentives, which is available at <http://www.ilmarinen.fi/en/ilmarinen/corporate-governance-and-organisation/declaration-of-remuneration-and-incentives/>.

Ilmarinen's auditor is Ernst & Young Oy, Authorized Public Accountant Firm, with Harri Pärssinen, APA, as the principal auditor.

As of the beginning of 2015, legislative amendments concerning the governance of earnings-related pension companies came into force. The change somewhat increased the administrative workload particularly in documenting, reporting and control and in terms of reorganising insider control. Ilmarinen's public insider register was implemented on 1 June 2015.

## 14. GROUP

At the end of 2015, Ilmarinen Group comprised 125 (170) subsidiaries and 38 (27) participating interests, of which 19 (14) have been consolidated into the Group as material associated companies. With the exception of TietoIlmarinen, the company's subsidiaries are real estate companies. The majority of the associated companies as well are real estate companies or real estate management companies. Based on voting rights, TietoIlmarinen belongs to Ilmarinen Group as Ilmarinen's ownership of TietoIlmarinen's shares gives it control of 70 per cent of the votes, although Ilmarinen only owns 30 per cent of the share capital. The data on all of the subsidiaries and participating interests can be found in the Notes to the Financial Statements.

In March 2015, Ilmarinen sold its holdings in Garantia Insurance Company to Taaleritehdas Plc.



Ilmarinen owns Suomi Mutual Life Assurance Company's guarantee capital in its entirety. As the guarantee shares do not give the right to vote, the company cannot be consolidated with the Group as an associated undertaking, instead it is considered a participating interest.

## **15. EVENTS AFTER THE FINANCIAL YEAR**

In early 2016, the Financial Supervisory Authority is preparing amendments to its regulations and guidelines concerning earnings-related pension companies' well-being at work activities and the financing thereof. Companies have been invited to submit their positions to the supervisor. Ilmarinen submitted its position within the specified timeframe at the end of January.

## **16. FUTURE PROSPECTS**

The recovery of the Finnish economy still appears to be fragile and we can expect the growth of the national economy's payroll and Ilmarinen's premium income to remain very slow in 2016. The growth of earnings-related pension expenditure will also decelerate as the earnings-related pension index will not be incremented in 2016 due to the decline in the price level in 2015.

In January, labour market organisations restarted negotiations concerning a labour market solution to improve competitiveness.

The investment environment continues to be challenging and twofold. The monetary stimulus programme launched by the European Central Bank is expected to continue in 2016. As a result, the returns on low-risk bonds will remain very low. The low interest rate level may favour share price development but the many uncertainties in the global economy will add to uneasiness on the markets. In January, this could be seen as a general decline in share prices and an increase in volatility.

Ilmarinen will ensure its competitiveness by improving its cost-efficiency and operating as successfully as possible as a long-term investor of pension assets in a challenging environment. The partnership with the OP Financial Group will be a major success factor for Ilmarinen in customer relationship management, as it has been in the previous years.

# NOTES TO THE FINANCIAL STATEMENTS

## Accounting principles

Ilmarinen's financial statements are prepared in accordance with the Accounting Act, the Companies Act, the Insurance Companies Act, and the Act on Employment Pension Insurance Companies. Ilmarinen's financial statements also comply with the act on the calculation of a pension provider's solvency limit and on the covering of the technical provision, the Ministry of Social Affairs and Health's decree on the financial statements of insurance companies and related consolidated financial statements, the accounting decree, the calculation principles and regulations approved by the Ministry of Social Affairs and Health, and with the regulations and guidelines of the Financial Supervisory Authority.

## Consolidated financial statements

The consolidated financial statements cover the parent company and all subsidiaries in which the parent company, directly or indirectly, controls more than one-half of the voting rights. With the exception of the subsidiary that provides IT services for Ilmarinen, the company's subsidiaries are real estate companies.

The consolidated financial statements are drawn up by combining the income statements, balance sheets and notes of the parent company with those of its subsidiaries and eliminating inter-company receivables and payables, revenues and expenses, profit distributions and equity ownerships. Subsidiaries acquired during the year are consolidated as of their acquisition date, and companies sold during the year are consolidated up to their date of sale. Minority interests are segregated from net income and from capital and reserves.

Inter-company equity ownership is eliminated, based on the purchase method. The resulting consolidation goodwill is allocated to the assets of subsidiaries and expensed in accordance with their respective amortisation schedules.

Impairments, related reversals and write-ups relating to real estate subsidiary shares have been reversed in the consolidated financial statements. In the consolidated balance sheet, the corresponding entries are allocated to the real estate holdings of subsidiaries at current value.

Material associated undertakings, i.e. undertakings in which the Ilmarinen Group holds 20 per cent to 50 per cent of the voting rights, are included in the consolidated financial statements using the equity method. If a material associated undertaking is a joint venture, the undertaking's income statement and balance sheet items and notes are consolidated in accordance with the ownership share. If a joint venture uses current values in its financial statements, these values are used in the consolidation.

Housing and real estate companies are not consolidated as associated undertakings. The effect of this on consolidated net income and distributable reserves is not significant.

The consolidated income statement includes the Group's equity in the income of associated companies. In the consolidated balance sheet, the Group's share of an associated undertaking's cumulative income since acquisition is added to or deducted from the cost of the associated undertaking.

## Book value of investments

Buildings and structures are shown in the balance sheet at the lower of cost less scheduled depreciation or current value. The acquisition cost includes purchase-related variable costs. Shares in real estate entities and land and water areas are shown in the balance sheet at the lower of cost or current value. The values of some real estate investments have been written up in previous years. Scheduled depreciation is also deducted from the written-up portion of buildings, if recognised as income.

The method of entry for financial holding company real estate investments was altered during the financial year due to which the data in the balance sheet for the comparison year has been adjusted to correspond with the changed practices.

Other shares and equity interests classified as investment assets are shown in the balance sheet at the lower of cost or current value. The book value of some shares has been written up in previous years.

Debt securities are reported at the lower of acquisition cost or current value. However, any changes in value caused by fluctuations in interest rates are not recognised. The difference between the amount repayable at maturity and the acquisition cost of debt securities is recognised as interest income or deducted from interest income over the remaining life of instruments. The offsetting entry is an increase or a decrease in the cost of the instrument in question.

The acquisition cost is based on asset class averages.

Shares and equity interests regarded as fixed assets are reported in the balance sheet at cost less permanent value impairments. The cost basis of assets is calculated using the FIFO method.

Investments regarded as receivables are reported in the balance sheet at the lower of nominal value or current value.

Previously recorded impairments on investments are reversed through the income statement in cases where the current value of investments has risen.

Equity, fixed-income, credit risk, raw material and currency derivatives were used during the accounting period. Some of the currency derivatives that constituted effective hedges at the balance sheet date are treated as risk-mitigating hedges for solvency and coverage calculation purposes. No hedge accounting has been applied in accounting.

Derivative financial instruments are recognised in the balance sheet at the lower of cost or current value. The acquisition cost of exchange-traded derivatives is based on asset class averages and the acquisition cost of OTC derivatives is calculated separately for each instrument. If the individual instruments have been defined to belong to the same derivative strategy at their date of opening they will be recognised as instrument entities. Any income/losses on closed and mature derivatives and on derivatives whose change in value has been paid or received during the maturity (e.g. futures) have been recognized in full.

Liabilities resulting from derivative contracts and securities given as collateral in derivatives trading and received securities not included in the balance sheet have been listed in the notes to the financial statements.

In a transfer according to the Act on Financial Collateral Arrangements, the security received in cash is recognised as a liability and the cash provided as security is recognised as an asset.

Information concerning the securities borrowed and the assets pledged as security for lending is presented in the notes to the financial statements. Short-sold securities are entered in the balance sheet as current liabilities in the amount of the higher of the sales price or the market price on the balance sheet date.

## Book value of non-investment assets

Intangible assets and equipment are reported in the balance sheet at cost less accumulated scheduled depreciation and amortisation. The acquisition cost includes purchase- and manufacturing-related variable costs.

Contribution receivables and other receivables are recognised in the balance sheet at the lower of nominal value or their likely realisable value.

## Scheduled depreciation

Depreciation follows a predefined depreciation schedule. Scheduled depreciation on buildings and structures is calculated on the cost of individual buildings and on recognised write-ups. Depreciation is based on the estimated useful life of buildings and the straight-line method. Depreciation periods for new buildings and structures are as follows:

Residential and office buildings	50 years
Hotels, commercial and industrial properties	40 years
Building components	10 years
Other assets	Business Taxation Act
Write-ups	same as buildings

A 20 percentage salvage value has been fixed for some buildings and structures.

Scheduled amortisation on intangible assets and equipment has been calculated on the mean cost of specified groups of assets. Amortisation is based on the estimated useful life of asset groups and the straight-line method.

The amortisation periods are as follows:

Intangible rights (user licences for software)	5–10 years
Other capitalised expenditures	5 years
Vehicles and computer hardware	5 years
Other equipment	10 years

## Write-ups of investments

The book values of land and water areas, buildings and securities can be written up. Write-ups of assets classified as investments are recognised in the income statement, and write-ups of items classified as fixed assets

are entered in the revaluation reserve. If a write-up proves unfounded, a related loss is recognised in the income statement or the revaluation reserve is adjusted accordingly.

Write-ups on buildings are expensed in accordance with the applicable depreciation schedule.

## Current value of investments and measurement differences

The notes to the financial statements itemise the remaining cost basis, book value and current value of investments and derivatives reported in the balance sheet. The difference between the first two values above consists of write-ups of investments. The difference between the last two values above indicates measurement differences that are unrecognised in the balance sheet.

The value of investments in financial holding companies that own real estate and/or real estate shares is determined annually based on the net asset value on the balance sheet date indicated by the financial holding company. In the absence of this measurement, the purchase price or the most recent measurement available is used. If the investment includes both a share in the company and a liability component, the change in measurement is primarily taken into account in the value of the company shares. The liability component is measured at nominal value, unless the company's financial position has weakened to the extent that it is insolvent or that the threat of insolvency is imminent.

The current value of real estate investments has been defined on a property-by-property basis, primarily utilising the income approach. The market value method, based on regional market price statistics, has also been used to supplement this approach. Valuations also consider the purpose and condition, together with existing lease agreements and the current level of market rents. External real estate valuers and the company's own experts participate in the annual determination of the current value of real estate investments.

The year's last bid quotation, or in the absence of this the last trading price, is used as the current value of listed shares. Where the market value described above cannot be considered reliable in terms of the real market value, the average weighted by the closing prices of the three preceding transaction dates or another likely realisable value can be used.

The last available fund unit value reported by the management company has been used as the market value of investment fund units. Private equity funds are valued at the management company's estimate of current value or, if unavailable, at acquisition cost. The current value of other shares and equity interests is their remaining cost basis, likely realisable value, or net asset value.

The current value of debt securities is primarily based on market prices. If no market price is available or the investment's current value cannot be reliably determined, valuations by external parties are used or the current value is calculated using commonly accepted calculation models for market prices or the purchase price is used as the current value.

The current value of derivative financial instruments is generally the market price or the likely realisable value estimated by the counterparty. A more detailed description of the method of determining the current value of derivatives is presented in the notes to the financial statements in the section "Off-balance-sheet guarantee engagements and liabilities".

Receivables are valued at the lower of nominal value or net realisable value.

## Technical provisions

The liability resulting from insurance contracts is reported in the balance sheet under technical provisions. It consists of provisions for unearned premiums and claims outstanding. The provision for unearned premiums relates to the company's future liability for pension contingencies, and the provision for claims outstanding relates to its liability for pensions already being paid out.

The technical provisions have been calculated using the calculation principles approved by the Ministry of Social Affairs and Health.

The provision for unearned premiums comprises a provision for future bonuses, which is counted in the solvency capital, and a provision for current bonuses, which includes the amount intended for distribution as contribution discounts to policyholders.

The provision for unearned premiums also contains an equity linked buffer, which depends on the average return of the share investments of pension institutions. Ten per cent of the provision for claims outstanding and provision for unearned premiums is tied to the return on shares.

The provisions for claims outstanding incorporates an equalisation provision that has accumulated from the technical underwriting result, which is part of the solvency capital.

## Profit for the period

The calculation principles confirmed by the Ministry of Social Affairs and Health in advance define the earnings-related pension insurance company's profit for the financial year in the profit and loss account. The calculation principles specify the allocation of book profit/loss between changes in the equalisation provision, provisions for future and current bonuses, and reported net income.

## Solvency capital

Legislation determines solvency requirements for earnings-related pension companies, the implementation of which is supervised by the Financial Supervisory Authority. The company prepares for insurance and investment risks through its solvency capital. Solvency capital refers to the difference between assets and liabilities at current value. Technical provisions do not, in this context, include provision for future bonuses that has accrued from investment income at book value, nor does it include the equalisation provision that has accrued from the underwriting result. The solvency capital must meet the requirements laid down in the Act on Employment Pension Insurance Companies.

The solvency capital is presented in the notes to the financial statements.

## Deferred tax liabilities and assets

Taxes for the accounting period and previous accounting periods are recognised in the income statement on an accrual basis.

Discretionary provisions and accelerated depreciation and amortisation are included in capital and reserves in the consolidated balance sheet, after deduction for minority interest; changes in these items are included in the reported consolidated net income for the accounting period.

Ilmarinen does not include deferred tax liabilities and assets in the parent company's balance sheet or in the consolidated balance sheet, and does not deduct deferred tax liabilities from the company's solvency capital because the realisation of these liabilities and receivables cannot be considered likely in relation to the financial statements or consolidated financial statements of an insurance company engaged in the statutory earnings-based pension insurance business.

## **Foreign currency-denominated items**

Transactions in foreign currencies have been recognised at the rate quoted on the day of the transaction. Receivables and liabilities denominated in foreign currencies that are not settled at the end of the accounting period and the current values of investments are translated into Finnish currency using the reference exchange rates published by the European Central Bank on the balance sheet date. Foreign exchange gains or losses arising during the accounting period and at year-end are recognised as adjustments to related income and charges, or as investment income and charges if such gains or losses pertain to financing transactions.

## **Function-specific operating expenses and depreciation and amortisation expenses**

Operating expenses and depreciation and amortisation expenses on equipment and capitalised expenditures are reported as function-specific items in the income statement. Expenses related to claims administration and the maintenance of employees' capacity for work are included in claims paid, and expenses related to investment management are treated as investment expenses. Expenses related to the origination and administration of policies and administrative overhead charges are presented as operating expenses. The statutory fees are included in administration costs. Expenses incurred in other activities are defined as other expenses. Scheduled depreciation on buildings is reported as an investment expense.

## **Staff pension arrangements**

The pension insurance of personnel and members of the Board of Directors and the Supervisory Board is covered through TyEL insurance. It has been supplemented with voluntary additional insurances. The management's pension arrangements are explained in the notes.

Pensions paid during the year under review have been paid on an accrual basis.

## **Key figures and analyses**

All key figures and analyses concerning the company's financial performance are calculated and presented in accordance with regulations issued by the Financial Supervisory Authority regarding notes to the financial statements.

In the case of investment operations and solvency, key figures and analyses are given at current values.

The ratio of net income from investments at current value to capital employed is calculated separately for each type and also on the total investment portfolio, taking into account the weighting of cash flows on a daily or monthly basis. The modified Dietz formula is used for calculation purposes, where the capital employed is calculated by taking the market value at the start of the period and adding to it each period's cash flows, weighted by the relative time remaining from the transaction date or middle of the transaction month to the end of the period.



# FINANCIAL STATEMENTS PARENT COMPANY

2015

**PROFIT AND LOSS ACCOUNT, PARENT COMPANY**

2015

2014

**PROFIT AND LOSS ACCOUNT**

<b>Premiums written</b>		4,268,706,200.73		4,167,385,942.90
<b>Investment income</b>		16,622,260,811.13		8,594,188,881.53
<b>Claims incurred</b>				
Claims paid	-4,479,479,118.14			-4,387,539,301.82
Change in provision for claims outstanding				
Total change	-797,732,755.00		-646,894,239.00	
Portfolio transfers	23,660,698.00		0.00	
Insurance portfolio transfers	-32,677,953.00	-806,750,010.00	0.00	-5,034,433,540.82
<b>Change in provision for unearned premiums</b>				
Total change	-1,430,250,782.00		-566,475,464.00	
Portfolio transfers	42,374,207.00		0.00	
Insurance portfolio transfers	-91,381,464.00	-1,479,258,039.00	0.00	-566,475,464.00
<b>Operating expenses</b>		-87,430,447.43		-89,462,657.67
<b>Investment charges</b>		-14,020,205,758.11		-7,062,515,716.91
<b>Balance on technical account</b>		17,843,639.18		8,687,445.03
<b>NON-TECHNICAL ACCOUNT</b>				
<b>Balance on technical account</b>		17,843,639.18		8,687,445.03
<b>Other income</b>		296,540.62		342,091.59
<b>Other expenses</b>		0.00		-215,291.96
<b>Income taxes on ordinary activities</b>		-11,170,934.36		-4,384,014.39
<b>Profit/loss on ordinary activities</b>		6,969,245.44		4,430,230.27
<b>Appropriations</b>				
Change in depreciation difference		-1,667,152.70		-154,757.81
<b>Profit/loss for the financial year</b>		5,302,092.74		4,275,472.46

BALANCE SHEET, PARENT COMPANY 31 DEC 2015		2015		2014	
<b>ASSETS</b>					
<b>Intangible assets</b>					
Intangible rights		23,283,082.08		9,553,889.86	
Prepayments		18,472,220.57	41,755,302.65	28,934,915.33	38,488,805.19
<b>Investments</b>					
Real estate					
Real estate and real estate shares	1,209,085,833.46			1,368,777,630.37	
Loans to group companies	840,166,050.09			962,584,221.56	
Loans to participating interests	532,093,816.71	2,581,345,700.26		73,283,593.95	2,404,645,445.88
Investments in group companies and participating interest					
Shares and participations in group companies	153,000.00			155,531.01	
Shares and participations in participating interests	94,548,304.04			48,527,236.04	
Loans to participating interests	152,373,937.33	247,075,241.37		180,990,177.33	229,672,944.38
Other investments					
Shares and participations	14,198,543,877.80			13,048,211,013.59	
Money market instruments	12,931,961,736.85			11,397,048,107.59	
Loans quaranteed by mortgages	399,730,598.56			479,708,685.01	
Other loans	528,982,072.70			777,404,826.09	
Deposits	100,068,444.44	28,159,286,730.35	30,987,707,671.98	0.00	25,702,372,632.28
28,336,691,022.54					
<b>Receivables</b>					
Direct insurance operations					
Policyholders		812,853,209.27		763,968,325.70	
Other receivables		3,146,799,222.19	3,959,652,431.46	2,836,017,109.53	3,599,985,435.23
<b>Other assets</b>					
Tangible assets					
Furniture and fixtures	2,030,306.94			1,045,840.60	
Other tangible assets	1,700,224.26	3,730,531.20		1,754,389.98	2,800,230.58
Cash at bank and in hand		595,221,659.26	598,952,190.46	524,818,085.68	527,618,316.26
<b>Prepayments and accrued income</b>					
Accrued interests and rent		172,061,380.87		186,317,254.77	
Other prepayments and accrued income		64,289,932.72	236,351,313.59	62,531,714.79	248,848,969.56
<b>Total assets</b>			35,824,418,910.14		32,751,632,548.78

BALANCE SHEET, PARENT COMPANY 31 DEC 2015		2015		2014	
<b>LIABILITIES</b>					
<b>Capital and reserves</b>					
Initial fund		22,994,653.31		22,994,653.31	
Other reserves					
Funds and reserves under the Articles of Association		71,248,889.97		66,989,292.51	
Profit/loss for the financial year		5,302,092.74	99,545,636.02	4,275,472.46	94,259,418.28
<b>Accumulated appropriations</b>					
Depreciation difference		4,848,919.39	4,848,919.39	3,181,766.69	3,181,766.69
<b>Technical provisions</b>					
Provision for unearned premiums		16,616,459,606.00		15,186,208,824.00	
Provision for claims outstanding		14,013,779,142.00	30,630,238,748.00	13,216,046,387.00	28,402,255,211.00
<b>Liabilities</b>					
Direct insurance operations		737,700,695.63		689,773,811.91	
Other liabilities		3,829,018,979.87	4,566,719,675.50	2,871,646,774.74	3,561,420,586.65
<b>Accruals and deferred income</b>					
			523,065,931.23		690,515,566.16
<b>Total liabilities</b>					
			35,824,418,910.14		32,751,632,548.78

CASH FLOW STATEMENT, PARENT COMPANY	2015	2014	
<b>Cash flow from operations</b>			
Profit /loss on ordinary activities	6,969,245.44	4,430,230.27	
Adjustments			
Change in technical provisions	2,227,983,537.00	1,213,369,703.00	
Impairments and revaluations on investments	585,678,938.92	830,268,633.08	
Planned depreciations	14,707,905.69	14,339,198.94	
Other adjustments	-2,539,172,281.92	-1,442,527,611.76	
Cash flow before change in working capital	296,167,345.13	619,880,153.53	
Change in working capital			
Short-term non-interest-bearing receivables increase(-) / decrease (+)	-347,169,340.26	-1,019,758,862.91	
Short-term non-interest-bearing receivables increase(-) / decrease (+)	837,849,453.92	860,427,925.45	
Cash flow from operations before financial items and taxes	786,847,458.79	460,549,216.07	
Direct taxes paid	-11,170,934.36	-4,384,014.39	
Cash flow before exceptional items	775,676,524.43	456,165,201.68	
<b>Cash flow from operations</b>	775,676,524.43	456,165,201.68	456,165,201.68
<b>Cash flow from investments</b>			
Asset purchase (exl. financial assets)	-25,747,404,787.65	-19,111,655,643.04	
Capital gains on investments (exl. financial assets)	25,050,515,336.52	18,824,585,234.90	
Investments and capital gains (net) on intangible, tangible and other assets	-8,367,624.72	-12,081,434.85	
<b>Cash flow from investments</b>	-705,257,075.85	-299,151,842.99	-299,151,842.99
<b>Cash flow from financing</b>			
Other profit distribution	-15,875.00	-26,010.00	
<b>Cash flow from financing</b>	-15,875.00	-26,010.00	-26,010.00
<b>Change in financial resources</b>	70,403,573.58	156,987,348.69	156,987,348.69
<b>Financial resources at the start of the financial year</b>	524,818,085.68	367,830,736.99	367,830,736.99
<b>Financial resources at the end of the financial year</b>	595,221,659.26	524,818,085.68	524,818,085.68

1. SPECIFICATION OF PREMIUMS WRITTEN, PARENT COMPANY		2015		2014	
Direct insurance					
TyEL basic coverage					
Employer contribution	2,973,050,828.83			2,877,753,880.21	
Employee contribution	997,381,620.00	3,970,432,448.83		981,073,650.00	3,858,827,530.21
TyEL supplementary coverage		2,210,735.64			2,398,985.68
YEL minimum coverage		339,716,843.18	4,312,360,027.65		326,848,792.88
Transition contribution to the State Pension Fund			-43,016,807.92		4,188,075,308.77
Reinsurance			1,793.00		-20,077,423.87
<b>Premiums written before reinsurers' share</b>			4,269,345,012.73		1,855.00
Reinsurers' share			-638,812.00		4,167,999,739.90
<b>Premiums written</b>			4,268,706,200.73		-613,797.00
Items deducted from premiums written					4,167,385,942.90
Credit loss on outstanding premiums					
TyEL	-11,333,789.77			-14,534,220.55	
YEL	-2,211,281.96		-13,545,071.73	-2,303,579.41	-16,837,799.96

2. SPECIFICATION OF CLAIMS PAID, PARENT COMPANY		2015		2014	
Direct insurance					
Paid to pensioners					
TyEL basic coverage	4,071,110,625.77			3,917,724,313.63	
TEL supplementary coverage	60,037,326.62			61,291,829.57	
YEL minimum coverage	364,114,911.17			350,419,610.55	
YEL supplementary coverage	1,669,766.59	4,496,932,630.15		1,663,061.49	4,331,098,815.24
Payments to/refunds from the provision for clearing PAYG pensions					
TyEL pensions	198,343,866.50			227,944,492.52	
YEL pensions	4,695,125.24			-196,517.32	
Share of the unemployment insurance fund insurance contribution and division of the costs of pension components accrued on the basis of unsalaried periods	-229,085,674.35			-184,422,109.59	
YEL government share	-28,124,157.84			-22,515,756.44	
State compensation pursuant to VEKL	-572,572.09	-54,743,412.54	4,442,189,217.61	-422,923.14	20,387,186.03
Reinsurance			32,787,881.35		4,351,486,001.27
Working capacity maintenance costs			5,131,548.18		30,930,927.19
<b>Claims before reinsurers' share</b>			4,480,108,647.14		5,722,172.36
Reinsurers' share			-629,529.00		4,388,139,100.82
<b>Total claims paid</b>			4,479,479,118.14		-599,799.00
					4,387,539,301.82

**3. SPECIFICATION OF NET INVESTMENT INCOME,  
PARENT COMPANY**

	2015		2014	
<b>Investment income</b>				
<b>Income from group companies</b>				
Dividend income	812,423.49	812,423.49	367,200.00	367,200.00
<b>Income from participating interests</b>				
Dividend income	376,412.18		819,123.83	
Interest income	6,022,120.28	6,398,532.46	6,436,520.54	7,255,644.37
<b>Income from investments in real estate</b>				
Dividend income				
From other than group companies	610,242.19		0.00	
Interest income				
From group companies	14,069,935.45		20,140,793.65	
From other than group companies	16,653,761.25	30,723,696.70	1,157,970.77	21,298,764.42
Other income				
From group companies	912,463.50		1,498,677.14	
From other than group companies	199,233,019.61	200,145,483.11	214,338,972.25	215,837,649.39
<b>Income from other investments</b>				
Dividend income				
From other than group companies		307,965,831.57		342,907,230.90
Interest income				
From group companies	223,958.42		331,471.61	
From other than group companies	348,216,816.16	348,440,774.58	443,268,417.50	443,599,889.11
Other income				
From other than group companies		2,102,644,989.43		1,165,442,603.70
<b>Total</b>				
<b>Value readjustments</b>				
<b>Capital gains</b>				
<b>Total</b>				
		2,759,051,595.58		1,951,949,723.71
		2,997,741,973.53		2,196,708,981.89
		163,647,751.15		240,675,105.56
		13,460,871,086.45		6,156,804,794.08
		16,622,260,811.13		8,594,188,881.53
<b>Investment charges</b>				
<b>Charges on real estate investments</b>				
<b>Charges on other investments</b>				
<b>Interest charges and other charges on liabilities</b>				
To group companies	-372,189.18		-729,253.23	
To other than group companies	-65,902,280.80	-66,274,469.98	-39,042,578.80	-39,771,832.03
<b>Total</b>		-2,349,814,118.82		-1,270,971,588.92
<b>Value adjustments and depreciation</b>				
Value adjustments	-749,326,690.07		-1,070,943,738.64	
Planned depreciation on buildings	-10,537,079.05	-759,863,769.12	-11,707,221.42	-1,082,650,960.06
<b>Capital loss</b>				
<b>Total</b>				
		-10,910,527,870.17		-4,708,893,167.93
		-14,020,205,758.11		-7,062,515,716.91
<b>Net investment income before revaluations and their adjustments</b>			2,602,055,053.02	1,531,673,164.62
<b>Net investment income in the profit and loss account</b>			2,602,055,053.02	1,531,673,164.62

**4. SPECIFICATION OF OPERATING EXPENSES, PARENT COMPANY**

	2015		2014	
<b>Total operating expenses by activity</b>				
<b>Claims paid</b>				
Claims handling expenses		32,787,881.35		30,930,927.19
Working capacity maintenance costs		5,131,548.18	37,919,429.53	5,722,172.36
<b>Operating expenses</b>				
Acquisition costs				
Commissions, direct insurance		1,373,587.99		1,511,664.01
Other policy acquisition costs		11,271,357.69	12,644,945.68	16,093,035.87
Portfolio administration expenses			43,908,584.00	
Administrative expenses;				
Statutory charges:				
Cost component of the Finnish Pension Centre	9,583,127.55		10,768,846.76	
Judicial administration charge	951,362.62		1,054,046.65	
Supervision charge of the Insurance Supervisory Authority	577,027.40	11,111,517.57	689,828.86	12,512,722.27
Other administrative expenses		19,765,400.18	30,876,917.75	16,922,746.99
<b>Operating expenses total</b>			87,430,447.43	
<b>Investment charges</b>				
Costs on real estate investment		3,972,323.74		2,736,111.41
Other		21,337,045.54	25,309,369.28	20,732,488.05
<b>Other expenses</b>			0.00	211,949.87
<b>Total operating expenses</b>			150,659,246.24	149,796,306.55



**5. SPECIFICATION OF STAFF EXPENSES AND MEMBERS OF CORPORATE ORGANS, PARENT COMPANY**

	2015	2014
<b>Staff expenses</b>		
Salaries and bonuses	39,212,995.75	38,923,676.87
Pension expenditure	7,571,623.85	7,446,999.19
Other social security expenses	2,134,417.42	1,941,230.79
Change in reserves	3,477,688.54	554,853.90
<b>Total</b>	<b>52,396,725.56</b>	<b>48,866,760.75</b>
<b>Salaries, bonuses and fringe benefits paid to management</b>		
Managing director	1,050,069.41	687,378.58
Deputy managing director	267,028.72	622,481.25
Board members and deputy members	382,541.94	395,500.00
Members of Supervisory Board and deputy members	98,397.96	109,169.44
<b>Total</b>	<b>1,798,038.03</b>	<b>1,814,529.27</b>
<b>Pension commitments for the benefit of the executive management</b>		
<p>In 2015 the retirement age of Ilmarinen's President and CEO and Deputy CEO was 62 years. The President and CEO and his Deputy are covered by voluntary defined-benefit supplementary pension insurance. The amount of voluntary defined-benefit supplementary pension insurance in 2015 was EUR 194,712.07. The total pension, which consists of the earnings-related pension and supplementary pension, is 60 per cent of the salary on which the supplementary pension is based. Statutory earnings-related pension contributions have been paid on the remuneration paid to the members of the Board of Directors and Supervisory Board.</p>		
<b>Average staff number during the financial period</b>	<b>535</b>	<b>537</b>
<b>Auditor's fee</b>		
Auditing	219,134.45	217,723.12
Tax advice	33,156.71	12,716.20
Other services	450.00	8,152.76

6. INVESTMENTS, PARENT COMPANY 31 DEC		2015			2014		
FAIR VALUE OF INVESTMENTS AND DIFFERENCE BETWEEN CURRENT AND BOOK VALUE	Remaining acquisition cost	Book value	Current value	Remaining acquisition cost	Book value	Current value	
Investments in real estate							
Real estate	309,358,097.94	309,358,097.94	544,177,571.26	431,738,317.31	431,764,773.04	659,254,994.39	
Shares in group companies	547,448,649.46	551,653,347.62	1,134,959,704.74	807,740,823.50	811,945,521.66	1,403,774,946.56	
Shares in participating interests	344,491,209.81	344,491,209.81	356,539,078.24	119,885,851.58	119,885,851.58	129,482,889.46	
Other shares in real estate	3,583,178.09	3,583,178.09	4,028,604.30	5,181,484.09	5,181,484.09	5,814,236.94	
Loans to group companies	840,166,050.09	840,166,050.09	840,166,050.09	962,584,221.56	962,584,221.56	962,584,221.56	
Loans to participating interests	532,093,816.71	532,093,816.71	535,925,542.54	73,283,593.95	73,283,593.95	73,430,999.23	
Investments in group companies							
Shares and participations	153,000.00	153,000.00	153,000.00	155,531.01	155,531.01	155,531.01	
Investments in participating interests							
Shares and participations	94,548,304.04	94,548,304.04	107,176,651.95	48,527,236.04	48,527,236.04	69,264,586.90	
Loan receivables	152,373,937.33	152,373,937.33	152,373,937.33	180,990,177.33	180,990,177.33	180,990,177.33	
Other investments							
Shares and participations	14,198,543,877.80	14,198,543,877.80	17,374,955,296.10	13,048,211,013.59	13,048,211,013.59	16,381,982,489.71	
Money market instruments	12,931,961,736.85	12,931,961,736.85	13,092,031,815.33	11,397,048,107.59	11,397,048,107.59	11,792,362,519.09	
Loans guaranteed by mortgages	399,730,598.56	399,730,598.56	399,730,598.56	479,708,685.01	479,708,685.01	479,708,685.01	
Other loan receivables	528,982,072.70	528,982,072.70	528,982,072.70	777,404,826.09	777,404,826.09	777,404,826.09	
Deposits	100,068,444.44	100,068,444.44	100,068,444.44	0.00	0.00	0.00	
	30,983,502,973.82	30,987,707,671.98	35,171,268,367.58	28,332,459,868.65	28,336,691,022.54	32,916,211,103.28	
Remaining acquisition cost of money market instruments includes:							
The difference between the nominal value and acquisition cost, released to interest income (+) or charged to interest income (-)			-33,634,796.33			-34,182,381.44	
Book value comprises							
Revaluations entered as income			4,204,698.16			4,231,153.89	
<b>Difference between current and book value</b>			4,183,560,695.60			4,579,520,080.74	

7. INVESTMENTS, PARENT COMPANY 31 DEC		2015		2014	
FAIR VALUE OF DERIVATIVES AND VALUATION DIFFERENCE	Book value	Current value	Book value	Current value	
<b>Fair value of non-hedging derivatives and valuation difference</b>					
Other receivables					
Price difference of derivatives	183,996,174.95	0.00	177,816,853.06	0.00	
Prepayments for option contracts	1,212,981,068.00	1,900,431,244.59	1,536,241,084.99	2,216,715,272.13	
Other debts					
Price difference of derivatives	-261,187,843.72	0.00	-176,395,678.19	0.00	
Prepayments for option contracts	-536,605,003.48	-424,471,777.68	-391,690,077.23	-310,045,529.28	
Other prepayments and debts					
Future and forward contracts and total return swaps	-389,456,495.81	13,701,794.17	-556,466,597.49	89,456,684.67	
	209,727,899.94	1,489,661,261.08	589,505,585.14	1,996,126,427.52	
<b>Valuation difference, total</b>		1,279,933,361.14		1,406,620,842.38	
<b>CURRENT VALUE OF SHORT SELLING AND VALUATION GAIN/LOSS</b>					
	<b>Kirjanpitoarvo</b>	<b>Käypä arvo</b>	<b>Kirjanpitoarvo</b>	<b>Käypä arvo</b>	
<b>Current value of short selling and valuation gain/loss</b>					
Other debts					
Liabilities on sold equity loans	-178,738,687.40	-173,797,805.05	-27,708,713.22	-27,630,718.83	
Liabilities on sold bonds	0.00	0.00	-16,951,980.89	-16,951,980.89	
	-178,738,687.40	-173,797,805.05	-44,660,694.11	-44,582,699.72	
<b>Valuation difference, total</b>		4,940,882.35		77,994.39	

**8. REAL ESTATE INVESTMENTS, PARENT COMPANY 31 DEC****2015**

	<b>Real estate and real estate shares</b>	<b>Loans to group companies</b>	<b>Loans to participating interests</b>
<b>Changes in real estate investments:</b>			
Acquisition cost Jan 1	1,681,100,899.60	962,584,221.56	73,981,729.80
Additions	230,399,504.32	71,416,580.25	460,782,069.27
Deductions	-390,195,804.10	-276,574,966.59	-1,655,263.57
Transfers between items	-82,740,214.87	82,740,214.87	0.00
Acquisition cost Dec 31	1,438,564,384.95	840,166,050.09	533,108,535.50
Accumulated depreciation and amortisation 1 Jan	-153,270,230.97		
Accumulated depreciation on disposals and transfers	50,725,613.01		
Depreciation and amortisation for the financial year	-10,537,079.05		
Accumulated depreciation and amortisation 31 Dec	-113,081,697.01		
Depreciations Jan 1	-175,057,347.00		-698,135.85
Accumulated depreciation on disposals and transfers	69,353,095.15		0.00
Value adjustments for the financial year	-34,765,689.58		-316,582.94
Value readjustments	15,663,690.63		0.00
Depreciations Dec 31	-124,806,250.80		-1,014,718.79
Revaluations Jan 1	16,004,308.74		
Reductions	-7,594,912.42		
Revaluations Dec 31	8,409,396.32		
Book value Dec 31	1,209,085,833.46	840,166,050.09	532,093,816.71
<b>Owner-occupied properties and shares in real estate</b>			
Remaining acquisition cost	35,082,945.24		
Book value	35,082,945.24		
Current value	59,751,835.95		

**9. INVESTMENTS IN GROUP COMPANIES AND  
PARTICIPATING INTERESTS 31 DEC**
**2015**
**Changes:**

	<b>Shares and participations in group companies</b>	<b>Shares and participations in participating interests</b>
Acquisition cost Jan 1	155,531.01	48,527,236.02
Additions	0.00	1,748,479.69
Deductions	-2,531.01	-13,697,031.52
Transfer between items	0.00	65,608,243.88
Acquisition cost Dec 31	153,000.00	102,186,928.07
Depreciations Jan 1		0.00
Value adjustments for the financial year		-7,638,624.03
Depreciations Dec 31		-7,638,624.03
Book value Dec 31	153,000.00	94,548,304.04

## 10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2015

1/2

Shares in group companies	Domicile	Percentage of shares/votes
<b>Real estate shares</b>		
Housing and real estate companies (124 pieces) listed in the notes to the accounts		
<b>Other</b>		
Tietollmarinen Oy	Helsinki	30,00 / 70,00
<b>Shares in participating interests</b>		
<b>Real estate shares</b>		
Ankkurikadun Kiinteistöt Oy	Helsinki	33,33 / 33,33
Antilooppi GP Oy	Helsinki	50,00 / 50,00
Antilooppi Ky	Helsinki	50,00 / 0,00
Antilooppi Management Oy	Helsinki	50,00 / 50,00
Asunto Oy Eerikinkatu 43	Helsinki	24,32 / 24,32
Asunto Oy Espoon Jousi	Espoo	33,70 / 33,70
Asunto Oy Espoon Kaari	Espoo	32,76 / 32,76
Asunto Oy Ruoholahdenkatu 24	Helsinki	20,41 / 20,41
Asunto Oy Vantaan Kiilerinmetsä	Vantaa	33,54 / 33,54
HL Covent Garden	Bryssel	95,02 / 47,60
ILMA Sari	Senningerberg	49,50 / 49,50
Kauppakeskus REDI GP Oy	Helsinki	30,18 / 30,18
Kiinteistö Oy Espoon Perkkäntalo	Espoo	33,33 / 33,33
Kiinteistö Oy Kemin Portti	Kemi	23,87 / 23,87
Kiinteistö Oy Kluuvun Pysäköinti	Helsinki	38,61 / 38,61
KSK Redi Ky	Espoo	23,25 / 0,00
Lappeenrannan Villimiehen Vitonen Oy	Lappeenranta	50,00 / 50,00
Porin Puuvilla Oy	Pori	50,00 / 50,00
PP Property Management Oy	Pori	49,00 / 49,00
Redi Parkki GP Oy	Helsinki	30,18 / 30,18
Russia Invest B.V.	Amsterdam	27,23 / 27,23
Sipoonranta Oy	Sipoo	24,99 / 24,99
Taivas Tysons Corner Inc	Delaware	50,00 / 50,00
Tamina Homes, Inc.	Delaware	99,99 / 40,00
Technopolis Holding 2 AS	Oslo	49,00 / 49,00
World Trade Center Helsinki Oy	Helsinki	50,00 / 50,00
<b>Other</b>		
Forest Company Limited/The	St. Peter Port	24,89 / 24,89
Suomi Mutual Life Assurance Company, quarantine share	Helsinki	100,00 / 0,00
Kruunuvuoren Satama Oy	Helsinki	33,00 / 33,00
Navidom Oy	Espoo	25,00 / 25,00
SSC Ahti Oy	Helsinki	50,00 / 50,00
SSC Esko Oy	Helsinki	50,00 / 50,00
SSC Futlaiva Oy	Helsinki	50,00 / 50,00
SSC Kiisla Oy	Helsinki	50,00 / 50,00
SSC Maslaiva Oy	Helsinki	50,00 / 50,00
SSC Neslaiva Oy	Helsinki	50,00 / 50,00
SSC Suula Oy	Helsinki	50,00 / 50,00
SSC Ukko Oy	Helsinki	50,00 / 50,00

## 10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2015

2/2

Other investments, shares and participations	Number of shares	Percentage of shares/votes	Book value, EUR	Current value, EUR
<b>Domestic companies, listed</b>				
Affecto Plc	888,461	3.96	2,612,075.34	2,612,075.34
Ahlstrom Corporation	382,674	0.82	2,766,733.02	2,766,733.02
Alma Media Corporation	2,177,095	2.64	6,509,514.05	6,509,514.05
Amer Sports Corporation	2,650,000	2.24	33,267,318.25	71,364,500.00
Apetit Plc	53,800	0.85	623,279.32	683,798.00
Asiakastiето Group Plc	175,000	1.16	2,581,250.00	2,614,500.00
Aspo Plc	1,000,676	3.23	6,816,154.60	7,465,042.96
Atria Plc	90,000	0.32 / 0.08	809,100.00	809,100.00
Basware Corporation	1,530,278	10.76	30,200,977.68	56,161,202.60
Biotie Therapies Oyj	27,132,271	2.50	4,314,031.09	4,314,031.09
Bittium Corporation	1,316,203	3.70	4,168,087.40	9,226,583.03
CapMan Plc	7,178,500	8.32 / 5.20	7,178,500.00	7,178,500.00
Cargotec Corporation	861,953	1.33 / 0.57	18,962,472.04	29,737,378.50
Caverion Corporation	4,030,000	3.21	22,077,657.46	36,431,200.00
Citycon Corporation	63,470,695	7.13	131,388,811.96	152,329,668.00
Componenta Corporation	6,952,281	7.15	4,623,266.87	4,623,266.87
Comptel Corporation	2,236,368	2.06	2,663,475.90	4,047,826.08
Consti Group Plc	246,000	3.13	2,337,000.00	2,361,600.00
Cramo Plc	1,145,603	2.57	18,925,976.31	21,903,929.36
Detection Technology Plc.	554,000	4.28	2,686,900.00	2,686,900.00
Digia Plc	3,043,270	14.58	9,616,216.41	21,363,755.40
Efore Plc	1,578,048	2.83	1,183,536.00	1,183,536.00
Elisa Corporation	2,079,586	1.24	44,207,479.63	72,244,817.64
Evli Bank Plc	150,592	0.65 / 0.02	1,016,496.00	1,233,348.48
F-Secure Corporation	1,502,835	0.95	3,351,486.90	3,877,314.30
Faron Pharmaceuticals Ltd	636,721	2.75	1,421,593.08	2,082,063.36
Finnair Plc	3,675,564	2.87	17,995,320.47	19,737,778.68
Fiskars Corporation	1,302,500	1.59	16,337,203.60	24,447,925.00
FIT Biotech Ltd	960,000	3.47	739,200.00	739,200.00
Fortum Corporation	10,226,986	1.15	142,564,184.84	142,564,184.84
HKScan Oyj	218,298	0.40 / 0.14	831,715.38	831,715.38
Huhtamäki Oyj	1,895,318	1.76	36,338,792.72	63,568,965.72
Ilkka-Yhtymä Oyj	606,397	2.37	1,263,636.34	1,263,636.34
Incap Corporation	16,615,384	7.61	1,246,153.84	2,591,999.90
Kemira Oyj	4,800,451	3.09	52,372,920.41	52,372,920.41
Kesko Corporation	1,970,632	1.97 / 1.45	61,288,587.83	63,295,929.92
Kone Corporation	4,820,860	0.92 / 0.40	114,223,817.12	188,495,626.00
Konecranes Plc	501,603	0.79	11,526,836.94	11,526,836.94
Lassila & Tikanoja Plc	934,836	2.41	10,207,723.61	16,883,138.16
Lemminkäinen Corporation	319,527	1.38	4,377,519.90	4,377,519.90
Marimekko Corporation	215,419	2.66	1,777,206.75	1,777,206.75
Martela Oyj	335,400	8.07 / 2.14	1,177,254.00	1,177,254.00
Metsä Board Corporation	3,302,126	2.20	68,453,071.98	68,453,071.98
Metsä Board Corporation	16,327,817	4.59 / 8.05	65,282,297.49	111,704,173.25
Munksjö Oyj	4,101,899	8.03	34,360,711.90	37,368,299.89
Neste Corporation	6,567,849	2.56	114,510,065.09	181,469,667.87
Nexstim Plc	319,643	3.99	2,064,893.78	2,064,893.78
Nixu Corporation	184,704	3.02	812,697.60	901,355.52
Nokia Corporation	27,893,982	0.70	130,354,038.69	184,379,221.02
Nokian Tyres plc	3,170,947	2.35	94,271,878.47	104,863,217.29
Okmetic Oyj	1,004,985	5.81	4,189,669.43	7,235,892.00
Olvi Plc	849,218	4.09 / 0.93	14,147,131.23	18,708,272.54
Oriola-KD Corporation	7,601,950	4.19 / 6.16	15,670,224.83	32,291,679.46
Orion Corporation	1,974,695	1.40 / 4.43	20,209,203.17	62,428,478.55
Outokumpu Oyj	3,685,673	0.89	10,084,001.33	10,084,001.33
Outotec Oyj	11,126,539	6.08	37,941,497.99	37,941,497.99
Pihlajalinna Plc	490,000	2.38	5,600,000.00	8,692,600.00
PKC Group Oyj	2,931,165	12.16	33,358,154.42	47,572,807.95
Ponsse Plc	392,666	1.40	3,288,005.71	7,193,641.12
Powerflute Plc	935,000	0.32	1,124,242.11	1,124,242.11
Pöyry Plc	3,011,308	5.04	11,171,952.68	11,171,952.68
Raisio Plc	5,837,869	3.53 / 0.74	17,494,591.65	24,752,564.56
Ramirent Plc	3,445,154	3.17	22,152,340.22	22,152,340.22
Rapala VMC Corporation	408,899	1.05	1,913,647.32	1,913,647.32
Sampo plc	4,641,000	0.83 / 0.82	137,038,969.53	218,312,640.00
Sanoma Corporation	3,572,220	2.19	13,924,513.56	13,924,513.56
Scanfil plc	580,000	1.00	878,962.32	2,215,600.00
Silli Solutions Plc	71,000	3.52	497,000.00	1,696,900.00
SRV Yhtiöt Plc	308,003	0.51	954,809.30	954,809.30
Stockmann plc	1,920,160	2.67 / 1.05	11,993,342.48	11,993,342.48
Stora Enso Oyj	17,013,929	2.16 / 2.04	142,500,123.66	142,500,123.66
Suominen Corporation	16,259,056	6.44	10,678,979.59	20,161,229.44
Technopolis Plc	11,089,647	10.41	36,830,568.03	41,364,383.31
Teleste Corporation	963,860	5.08	9,445,828.00	9,445,828.00
Tieto Corporation	1,258,840	1.70	23,369,088.77	31,080,759.60
Tikkurila Oyj	2,458,938	5.57	37,702,008.68	40,056,100.02
Tulikivi Corporation	3,720,562	6.21 / 2.88	647,377.79	647,377.79
UPM-Kymmene Corporation	7,114,789	1.33	84,069,236.36	122,943,553.92
Uponor Corporation	1,996,527	2.73	24,616,261.56	27,192,697.74
Vaisala Corporation	735,000	4.03 / 0.89	17,279,850.00	17,279,850.00
Valmet Corporation	2,980,055	1.99	18,750,584.93	26,552,290.05
Verkkokauppa.com Oyj	2,308,728	5.12	8,832,097.64	16,391,968.80
Wärtsilä Corporation	3,978,914	2.02	106,553,707.31	168,188,694.78
YIT Corporation	887,573	0.70	4,650,882.52	4,650,882.52
Other	200,001		196,017.51	196,017.51
<b>Total</b>			<b>2,240,441,989.69</b>	<b>3,025,681,102.93</b>
<b>Domestic companies, non-listed</b>				
Aloituserahasto Vera Oy	1,500	2.29	2,589,000.00	2,589,000.00
Cinia Group Ltd	144,928	11.24	5,000,016.00	5,000,016.00
DNA Ltd	424,689	4.42	40,342,820.23	40,342,820.23
Ekokem Corporation	540,700	15.36	22,429,342.90	35,145,500.00
Enfo Oyj	11,202	1.86	766,365.34	961,131.60
Fingrid Oyj	661	19.88 / 17.15	135,726,627.55	221,953,472.70
GreenStream Network Plc	1,200,000	19.87	599,109.60	599,109.60

**10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2015****2/2**

Keliber Oy	50,835	8.55	660,855.00	660,855.00
Lounea Oy	1,093	1.16	602,096.92	602,096.92
M-Brain Oy	1,572	6.66	2,132,157.83	2,132,157.83
Multi Touch Ltd	502,789	13.01	2,799,428.09	2,799,428.09
Mustavaaran Kaivos Oy	333,703	12.81	500,554.50	500,554.50
Osuuskunta KPY	761,900	13.73	12,115,578.15	15,999,900.00
PHP Holding Oy	3,568	1,76 / 0,24	3,696,242.35	3,696,242.35
Northern Power Company Ltd.	1,500,000	3.88	70,680,000.00	70,680,000.00
Porasto Oy	2,080	12.82	556,312.36	556,312.36
PRT-Forest Oy	6,000	10.02	3,616,335.60	3,616,335.60
Tornator Oyj	844,000	16.88	44,557,428.00	76,466,400.00
VVO-group plc	1,338,076	18.08	37,180,202.96	305,844,031.32
Other	29,144,739		1,956,459.93	1,956,459.61
<b>Total</b>			<b>388,506,933.31</b>	<b>792,101,823.71</b>

**OTHER INVESTMENTS****Foreign companies, listed****Netherlands**

Airbus Group SE	311,500	0.04	14,892,541.75	19,313,000.00
Akzo Nobel N.V.	91,431	0.04	4,347,921.81	5,639,464.08
ING Groep N.V.	3,491,396	0.09	39,950,942.49	43,467,880.20
Kendrion N.V.	170,252	1.29	3,738,736.78	4,118,395.88
Koninklijke Ahold N.V.	594,700	0.07	10,250,581.15	11,581,782.50
Koninklijke Bam Groep N.V.	2,207,638	0.81	7,633,942.42	11,294,276.01
Koninklijke Philips N.V.	850,000	0.09	20,021,750.00	20,021,750.00
Randstad Holding N.V.	149,211	0.08	8,547,947.32	8,584,108.83
Unilever N.V.	681,000	0.02	23,461,153.17	27,297,885.00
Other	28,202		375,368.62	375,368.62

**Australia**

Australia & New Zealand Banking Group Ltd	825,000	0.03	15,451,097.54	15,451,097.54
Westpac Banking Corporation	800,000	0.02	17,871,979.83	18,017,050.41

**Belgium**

Anheuser-Busch InBev N.V.	260,000	0.02	27,612,946.76	29,744,000.00
Barco N.V.	46,449	0.36	2,623,967.61	2,861,258.40
Colruyt S.A.	114,103	0.07	4,723,665.05	5,413,616.84
KBC Groep N.V.	197,500	0.05	8,092,249.28	11,389,825.00
Proximus S.A.	50,682	0.01	1,166,905.02	1,519,953.18

**Bermuda**

Höegh LNG Holdings Ltd	315,000	0.41	1,959,359.94	3,083,411.43
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**Cayman Islands**

Alibaba Group Holding Ltd	140,000	0.01	10,448,241.02	10,448,241.02
Baidu, Inc.	15,000	0,01 / 0,00	2,604,436.48	2,604,436.48
China Resources Land Ltd	1,500,000	0.02	4,008,841.38	4,008,841.38
Tencent Holdings Ltd	1,200,000	0.01	20,206,750.78	21,674,409.78

**Spain**

Banco Bilbao Vizcaya Argentaria, S.A.	2,000,000	0.03	13,478,000.00	13,478,000.00
Banco Santander S.A.	5,200,000	0.04	23,701,600.00	23,701,600.00
Bankia S.A.	1,000,000	0.01	1,073,000.00	1,073,000.00
Endesa S.A.	106,350	0.01	1,906,956.69	1,968,538.50
Gas Natural SDG, S.A.	119,801	0.01	1,824,583.94	2,254,055.82
Iberdrola S.A.	1,796,617	0.03	8,032,845.49	11,767,841.35
Repsol S.A.	340,151	0.02	3,442,328.12	3,442,328.12
Telefonica S.A.	1,487,508	0.03	15,224,644.38	15,224,644.38

**Hong Kong**

AIA Group Ltd	2,800,000	0.02	14,894,360.77	15,464,113.02
China Mobile Ltd	1,950,000	0.01	20,210,427.14	20,210,427.14
China Overseas Land & Investment Ltd	1,300,000	0.01	3,405,864.59	4,175,357.92
China Vanke Co Ltd	1,200,000	0.01	2,677,851.93	3,256,850.29

**Ireland**

Accenture Plc	100,000	0.02	9,593,467.53	9,596,766.79
CRH Plc	50,000	0.01	1,108,608.62	1,328,750.00
Experian Plc	774,791	0.08	12,183,768.79	12,646,632.85
Shire Plc	373,000	0.06	21,761,280.99	23,875,659.10

**Great Britain**

Anglo American Plc	984,100	0.08	4,013,765.72	4,013,765.72
Arm Holdings Plc	430,000	0.03	4,724,140.58	6,087,199.40
AstraZeneca Plc	457,000	0.04	24,797,230.49	28,794,058.44
Aviva Plc	1,000,000	0.02	7,030,451.67	7,030,451.67
BAE Systems Plc	964,407	0.03	5,937,599.77	6,564,721.53
Balfour Beatty Plc	500,000	0.07	1,691,241.88	1,840,724.85
Barclays Plc	9,631,250	0.06	28,725,126.03	28,725,126.03
BG Group Plc	1,136,662	0.03	15,249,963.50	15,249,963.50
BHP Billiton Plc	1,425,000	0.03	14,738,299.61	14,738,299.61
BP Plc	6,606,028	0.04	31,862,305.50	31,862,305.50
British American Tobacco Plc	606,550	0.03	29,633,164.16	31,164,248.93
British Land Company Plc/The	1,250,000	0.12	7,708,493.30	13,386,470.47
Britvic Plc	779,022	0.30	7,649,073.49	7,716,451.99
BT Group Plc	2,890,507	0.03	7,278,389.79	18,576,907.85
Burberry Group Plc	524,346	0.12	8,537,277.33	8,537,277.33
Capita Group Plc	520,180	0.08	8,555,398.70	8,561,583.76
Centrica Plc	1,702,741	0.03	5,052,891.75	5,052,891.75
Compass Group Plc	404,360	0.02	1,392,361.65	6,473,506.37
Delphi Automotive Plc	75,000	0.03	5,800,519.20	5,905,208.05
Diageo Plc	908,000	0.04	22,967,531.85	22,967,531.85
Fiat Chrysler Automobiles N.V.	300,000	0.02	3,876,000.00	3,876,000.00
G4S Plc	1,500,000	0.10	4,606,580.83	4,606,580.83
GlaxoSmithKline Plc	2,412,000	0.05	42,255,046.99	45,121,275.29
Hammerson Plc	1,155,000	0.15	6,161,493.00	9,442,060.09
HSBC Holdings Plc	3,935,000	0.02	28,222,849.15	28,774,541.40
Imperial Tobacco Group Plc	640,590	0.07	28,831,699.81	31,263,619.87
Intertek Group Plc	226,921	0.14	8,570,406.87	8,570,406.87
Land Securities Group Plc	1,210,390	0.15	10,718,184.27	19,410,437.09
Legal & General Group Plc	1,000,000	0.02	3,647,617.11	3,648,749.91
Lloyds Banking Group Plc	33,625,434	0.05	31,277,814.34	33,476,537.39
Marks & Spencer Group Plc	1,899,883	0.12	11,710,703.30	11,710,703.30
National Grid Plc	1,276,837	0.03	10,339,983.82	16,300,787.10



## 10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2015

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Pearson Plc	200,000	0.02	2,004,223.72	2,004,223.72
Prudential Plc	680,000	0.03	6,060,869.29	14,184,617.48
Reckitt Benckiser Group Plc	155,000	0.02	11,514,152.54	13,247,700.80
Rio Tinto Plc	568,075	0.03	15,317,397.98	15,317,397.98
Rolls-Royce Holdings Plc	568,286	0.03	4,259,809.40	4,452,135.02
Royal & Sun Alliance Insurance Group Plc	500,000	0.05	2,865,489.31	2,904,830.03
Royal Dutch Shell Plc	2,236,365	0.03	47,164,937.85	47,164,937.85
SABMiller Plc	304,000	0.02	13,532,414.46	16,837,114.24
Scottish & Southern Energy Plc	344,765	0.03	6,261,721.61	7,168,218.41
Tate & Lyle Plc	825,543	0.18	6,261,693.07	6,731,895.71
Tesco Plc	2,773,350	0.03	5,649,101.78	5,649,101.78
Unilever Plc	327,000	0.01	7,681,791.12	13,038,565.30
Whitbread Plc	139,747	0.08	8,379,679.09	8,379,679.09
William Hill Plc	1,644,991	0.19	8,643,945.89	8,866,522.79
WPP Plc	800,000	0.06	12,497,841.87	17,036,582.87
Vodafone Group Plc	11,289,046	0.04	33,992,494.94	33,992,494.94
Other	39,205,112		570,745.26	591,457.18
<b>Italy</b>				
Assicurazioni Generali S.p.A.	470,000	0.03	7,952,400.00	7,952,400.00
Enel S.p.A.	2,285,398	0.02	8,894,769.02	8,894,769.02
ENI S.p.A.	851,025	0.02	11,744,145.00	11,744,145.00
Prysmian S.p.A.	425,812	0.20	8,567,872.85	8,626,951.12
Snam S.p.A.	712,190	0.02	2,649,351.76	3,438,453.32
Telecom Italia S.p.A.	4,984,235	0,03 / 0.04	4,708,378.20	5,854,231.13
Unicredit S.p.A.	5,075,000	0.09	25,420,754.28	26,060,125.00
<b>Austria</b>				
Erste Group Bank AG	220,000	0.05	5,497,546.97	6,363,500.00
UNIQA Insurance Group AG	400,000	0.13	3,011,600.00	3,011,600.00
<b>Japan</b>				
ASICS Corporation	270,000	0.14	5,186,198.21	5,197,299.15
Dai-ichi Life Insurance Co. Ltd/The	125,000	0.01	1,907,423.35	1,940,756.85
Mitsubishi UFJ Financial Group Inc.	900,000	0.01	5,198,672.47	5,198,672.47
Mizuho Financial Group, Inc.	4,230,000	0.02	7,858,434.42	7,858,434.42
Sumitomo Mitsui Financial Group, Inc.	440,000	0.03	15,462,272.07	15,462,272.07
Toyota Motor Corporation	200,000	0.01	11,425,955.60	11,425,955.60
<b>Canada</b>				
Bank of Montreal	220,000	0.03	11,363,852.87	11,363,852.87
Canadian Imperial Bank of Commerce	30,000	0.01	1,809,605.72	1,809,605.72
National Bank of Canada	290,000	0.09	7,733,461.23	7,733,461.23
Royal Bank of Canada	410,000	0.03	20,112,132.84	20,112,132.84
Toronto-Dominion Bank/The	395,000	0.02	14,170,977.77	14,170,977.77
<b>China</b>				
JD.com Inc	350,000	0,02 / 0.01	9,568,202.98	10,371,084.78
Other	3,500,000		0.00	0.00
<b>Luxembourg</b>				
Aperam S.A.	100,000	0.13	3,220,194.05	3,286,000.00
ArcelorMittal S.A.	459,861	0.03	1,791,158.60	1,791,158.60
Millicom International Cellular S.A.	25,000	0.02	1,328,690.35	1,328,690.35
RTL Group S.A.	161,158	0.10	12,428,504.96	12,428,504.96
Subsea 7 S.A.	831,833	0.25	5,461,529.80	5,461,529.80
Tenaris S.A.	129,060	0.01	1,411,916.40	1,411,916.40
<b>Norway</b>				
Atea ASA	260,162	0.25	1,991,243.05	1,991,243.05
DnB ASA	800,000	0.05	9,138,810.79	9,138,810.79
Gjensidige Forsikring ASA	200,000	0.04	2,898,532.29	2,959,491.83
Norsk Hydro ASA	5,000,000	0.24	17,249,817.77	17,249,817.77
Opera Software ASA	2,750,000	1.89	14,461,626.58	14,461,626.58
Orkla ASA	1,643,719	0.16	11,410,534.13	11,998,823.48
Statoil ASA	2,547,366	0.08	32,813,618.06	32,813,618.06
Storebrand ASA	1,000,000	0.22	3,639,487.66	3,639,487.66
Telenor ASA	1,374,530	0.09	21,226,991.46	21,226,991.46
TGS Nopec Geophysical Co. ASA	50,000	0.05	734,666.25	734,666.25
Yara International ASA	250,000	0.09	9,965,635.74	9,965,635.74
Other	1,194,906		444,988.47	660,599.84
<b>Portugal</b>				
EDP - Energias de Portugal, S.A.	778,646	0.02	2,194,525.68	2,585,883.37
<b>France</b>				
Air Liquide SA	72,536	0.02	5,600,094.19	7,518,356.40
Alcatel-Lucent	30,000,000	1.05	71,425,788.22	109,260,000.00
AXA SA	1,595,256	0.07	39,416,342.59	40,248,308.88
BNP Paribas SA	596,000	0.05	27,364,256.42	31,129,080.00
Bouygues SA	160,000	0.05	4,396,602.26	5,846,400.00
Cap Gemini SA	99,396	0.06	8,491,400.28	8,491,400.28
Compagnie de Saint-Gobain SA	147,389	0.03	5,732,627.35	5,872,714.71
Compagnie Générale des Etablissements Michelin	50,126	0.03	3,880,709.40	4,406,075.40
Credit Agricole SA	450,000	0.02	4,893,750.00	4,893,750.00
Electricite De France SA	88,851	0.00	1,205,708.07	1,205,708.07
Engie SA	682,955	0.03	11,145,825.60	11,145,825.60
Essilor International SA	49,000	0.02	5,094,648.52	5,637,450.00
Eutelsat Communications SA	342,628	0.15	9,453,106.52	9,453,106.52
Hermes International SA	4,146	0.00	1,161,004.38	1,292,515.50
IPSOS	136,356	0.30	2,697,951.80	2,867,566.68
Klepierre SA	228,796	0.07	6,192,803.48	9,364,620.28
Lagardere SCA	214,955	0.16	4,868,346.88	5,901,589.53
L'Oreal SA	22,408	0.00	2,695,601.34	3,479,962.40
LVMH Moet Hennessy Louis Vuitton SA	84,439	0.02	12,235,211.10	12,235,211.10
Orange SA	1,344,957	0.05	16,754,176.61	20,813,209.58
Pernod-Ricard SA	125,000	0.05	12,174,995.24	13,150,000.00
Publicis Groupe SA	141,986	0.06	8,577,076.91	8,715,100.68
Renault SA	33,000	0.01	3,033,263.90	3,056,790.00
Rexel SA	200,000	0.07	2,446,000.00	2,446,000.00
Sanofi SA	580,690	0.04	36,027,591.85	45,636,427.10
Schneider Electric SE	313,328	0.05	16,468,519.68	16,468,519.68
Societe Generale SA	993,123	0.12	31,813,359.74	42,262,349.27
Suez Environnement SA	200,000	0.04	2,675,506.43	3,447,000.00
Total SA	732,019	0.03	30,206,764.04	30,206,764.04
Unibail-Rodamco SE	82,242	0.08	11,689,481.49	19,277,524.80
Veolia Environnement SA	100,000	0.02	1,359,820.63	2,185,500.00
Vinci SA	243,625	0.04	11,509,366.96	14,403,110.00

## 10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2015

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Vivendi SA	580,406	0.04	10,558,081.40	11,506,548.95
Other	160,356		0.00	0.00
<b>Sweden</b>				
AB Electrolux	350,000	0,11 / 0,09	7,845,911.09	7,845,911.09
AB SKF	1,712,642	0,38 / 0,22	25,588,524.58	25,588,524.58
AB Volvo	1,683,581	0,08 / 0,03	14,537,477.81	14,537,477.81
Alimak Group AB	325,000	0.75	3,032,673.16	3,032,673.16
Assa Abloy AB	2,740,000	0,25 / 0,17	39,430,210.28	53,371,783.01
Atlas Copco AB	2,415,691	0,19 / 0,23	53,659,190.82	54,203,388.79
Atrium Ljungberg AB	1,405,000	1,05 / 0,83	13,270,696.34	20,181,729.15
Attendo AB	800,000	0.50	4,344,520.47	6,115,675.50
Autoliv Inc.	42,093	0.05	3,052,513.95	4,910,353.77
Boliden AB	1,274,884	0.47	19,866,520.35	19,866,520.35
Capio AB	600,000	0.43	3,157,894.74	3,737,961.80
Castellum AB	250,000	0.15	2,290,231.49	3,289,079.93
Coor Service Management Holding AB	2,128,506	2.22	8,639,942.56	9,056,486.71
Dometic Group AB	2,000,000	0.68	10,354,088.25	11,937,537.41
Dustin Group AB	725,000	0.95	4,003,283.82	4,990,070.19
Elekta AB	590,000	0,15 / 0,12	3,776,632.71	4,635,507.92
Eltel AB	455,000	0.73	3,271,823.62	4,159,094.62
Fabege AB	753,124	0.46	5,264,504.58	11,522,850.47
Getinge AB	203,331	0,09 / 0,05	4,512,199.34	4,927,560.12
H & M Hennes & Mauritz AB	2,148,000	0,13 / 0,06	69,892,620.70	70,894,869.14
Hexagon AB	72,700	0,02 / 0,01	1,863,853.57	2,495,193.43
Hufvudstaden AB	300,000	0,14 / 0,03	2,040,368.45	3,927,308.34
Husqvarna AB	550,000	0,10 / 0,03	3,348,658.80	3,348,658.80
Intrum Justitia AB	270,000	0.37	2,291,874.84	8,485,336.53
Inwido AB	890,000	1.54	7,817,122.33	10,774,525.27
Kungsleden AB	1,218,618	0.67	4,957,098.38	8,022,894.50
Lindab International AB	680,000	0.86	4,518,613.93	4,639,643.07
Lundin Petroleum AB	235,176	0.08	3,145,234.28	3,145,234.28
Nordea Bank AB EUR	18,040,016	0.44	165,631,220.59	183,775,771.16
Ratos AB	681,776	0,21 / 0,06	3,623,476.78	3,623,476.78
Saab AB	80,000	0,07 / 0,06	1,852,590.07	2,266,935.09
Sandvik AB	1,428,132	0.11	11,531,355.83	11,531,355.83
Securitas AB	300,000	0,08 / 0,06	3,231,800.38	4,266,826.27
Skandinaviska Enskilda Banken AB	3,120,000	0.14	30,386,854.56	30,386,854.56
Skanska AB	608,228	0,14 / 0,10	10,792,506.79	10,934,138.48
Sotkamo Silver AB	1,800,000	8.72	878,400.00	878,400.00
SSAB AB	1,169,318	0,21 / 0,36	2,877,009.63	2,877,009.63
Swedbank AB	1,400,000	0.12	28,549,975.52	28,549,975.52
Swedish Match AB	100,000	0.05	2,568,619.02	3,272,212.85
Svenska Cellulosa AB SCA	880,000	0,12 / 0,07	17,437,893.22	23,566,897.00
Svenska Handelsbanken AB	900,000	0.05	11,086,566.19	11,086,566.19
Telefonaktiebolaget LM Ericsson	358,630	0.01	3,221,601.45	3,221,601.45
TeliaSonera AB EUR	7,768,987	0.18	35,714,912.27	35,714,912.27
Thule Group AB/The	50,000	0.05	524,199.92	631,155.12
Tobii AB	700,000	0.80	3,325,205.76	5,084,607.43
Trelleborg AB	350,000	0,13 / 0,07	5,211,123.22	6,284,346.26
Other	6,869,305		492,115.68	570,635.83
<b>Germany</b>				
Adidas AG	67,706	0.03	4,513,746.11	6,095,571.18
Allianz SE	365,500	0.08	41,817,806.76	59,989,515.00
BASF SE	332,700	0.04	23,541,852.00	23,541,852.00
Bauer AG	111,028	0.65	1,777,997.09	1,941,879.72
Bayer AG	307,000	0.04	19,812,910.77	35,667,260.00
Bayerische Motoren Werke AG	201,300	0.03	13,505,226.23	19,673,049.00
Beiersdorf AG	118,307	0.05	8,371,171.98	9,982,744.66
Bilfinger SE	165,000	0.36	7,172,550.00	7,172,550.00
Brenntag AG	88,000	0.06	4,143,600.76	4,274,160.00
Commerzbank AG	1,496,739	0.12	14,352,230.27	14,352,230.27
Continental AG	28,000	0.01	2,093,421.40	6,296,640.00
Daimler AG	263,500	0.02	20,043,136.99	20,508,205.00
Deutsche Bank AG	160,000	0.01	3,614,400.00	3,614,400.00
Deutsche Boerse AG	91,500	0.05	4,940,064.25	7,463,655.00
Deutsche Euroshop AG	175,000	0.32	5,796,023.02	7,106,750.00
Deutsche Lufthansa AG	300,000	0.06	3,874,276.57	4,389,000.00
Deutsche Post AG	960,187	0.08	24,002,188.62	24,926,454.52
Deutsche Telekom AG	1,062,968	0.02	10,068,360.35	17,730,306.24
Deutsche Wohnen AG	698,868	0.21	8,861,867.58	17,995,851.00
Deutz AG	306,178	0.25	1,134,083.31	1,134,083.31
Draegerwerk AG & Co KGaA	35,575	0,35 / 0,00	2,456,098.00	2,456,098.00
E.On SE	1,068,197	0.05	9,530,453.63	9,530,453.63
Fresenius Medical Care AG & Co. KGaA	21,900	0.01	1,203,128.90	1,704,477.00
Fresenius SE & Co KGaA	96,000	0.02	4,101,246.72	6,339,840.00
GFK SE	26,501	0.07	812,123.15	812,123.15
Henkel AG & Co KGaA	50,000	0,01 / 0,00	5,100,178.81	5,167,500.00
Jenoptik AG	423,076	0.74	4,291,242.45	6,107,102.06
LEG Immobilien AG	200,000	0.32	8,755,854.00	15,102,000.00
Linde AG	129,500	0.07	17,378,900.00	17,378,900.00
Merck KGaA	27,000	0,01 / 0,02	2,424,060.00	2,424,060.00
Metro AG	220,000	0.07	6,398,050.41	6,495,500.00
Münchener Rückversicherungs-Gesellschaft AG	50,000	0.03	6,014,817.36	9,261,500.00
Porsche Automobil Holding SE	37,975	0,02 / 0,00	1,899,129.75	1,899,129.75
ProSiebenSat.1 Media SE	112,931	0.05	4,869,648.55	5,272,748.39
RIB Software AG	165,498	0.35	2,058,280.94	2,058,280.94
Siemens AG	382,597	0.04	31,116,528.32	34,391,644.33
Software AG	100,000	0.13	1,866,545.63	2,640,000.00
STADA Arzneimittel AG	60,000	0.10	1,821,078.53	2,239,800.00
Surteco SE	120,450	0.78	2,622,798.75	2,622,798.75
ThyssenKrupp AG	245,850	0.04	4,376,422.94	4,506,430.50
Wincor Nixdorf AG	40,000	0.12	1,578,620.72	1,842,200.00
Volkswagen AG	72,596	0,02 / 0,00	9,755,450.48	9,755,450.48
Vonovia SE	97,500	0.02	1,707,750.00	2,795,325.00
<b>Switzerland</b>				
ABB Ltd	1,050,272	0.04	16,839,315.26	17,431,273.26
Compagnie Financière Richemont SA	160,004	0.02	10,639,859.90	10,639,859.90
LafargeHolcim Ltd	245,043	0.04	11,111,871.53	11,407,683.53
Nestlé SA	1,243,890	0.04	70,603,931.62	85,585,601.75

## 10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2015

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Novartis AG	945,358	0.04	46,366,687.15	75,733,340.47
Oriflame Holding AG	285,036	0.51	3,860,351.32	4,221,491.88
Roche Holding AG	341,567	0,04 / 0,00	53,976,663.60	87,133,473.74
SGS SA	4,100	0.05	7,142,043.54	7,231,287.49
Sika AG	2,613	0.06	8,555,220.03	8,730,096.91
Swatch Group Ag/The	22,812	0.01	7,371,002.49	7,371,002.49
Swisscom AG	8,507	0.02	2,950,169.19	3,949,257.96
Syngenta AG	37,114	0.04	8,387,706.92	13,437,768.53
UBS Group AG	1,655,000	0.04	26,678,284.52	29,815,966.77
Zurich Insurance Group AG	53,500	0.04	11,104,743.05	12,754,083.99
<b>Denmark</b>				
AP Moeller - Maersk A/S	10,305	0,05 / 0,00	12,358,929.86	12,358,929.86
Carlsberg A/S	406,812	0,27 / 0,09	30,540,863.28	33,389,482.22
Coloplast A/S	90,000	0,04 / 0,02	5,307,577.98	6,705,437.78
Danske Bank A/S	1,535,000	0.15	35,224,921.42	38,011,952.94
DSV A/S	500,370	0.26	15,919,021.37	18,210,877.17
GN Store Nord A/S	142,000	0.09	2,384,236.06	2,384,236.06
ISS A/S	530,000	0.29	14,583,555.14	17,677,083.05
Novo Nordisk A/S	4,339,015	0,17 / 0,06	137,788,320.10	232,632,045.33
Novozymes A/S	179,100	0,06 / 0,02	3,949,169.52	7,931,893.71
Pandora A/S	208,000	0.17	16,887,056.54	24,234,985.13
TDC A/S	600,000	0.07	2,762,576.05	2,762,576.05
Vestas Wind Systems A/S	250,000	0.11	6,560,505.51	16,194,087.85
<b>United States</b>				
Adobe Systems Inc.	75,000	0.02	6,468,724.17	6,468,724.17
Alphabet Inc.	20,000	0.00	14,290,989.25	14,290,989.25
Amazon.com Inc.	25,000	0.01	15,519,886.10	15,519,886.10
Ameriprise Financial, Inc.	120,000	0.07	11,729,953.16	11,729,953.16
Apple Inc.	150,000	0.00	14,497,106.64	14,497,106.64
Bank of America Corporation	890,000	0.01	13,758,335.63	13,758,335.63
Ciena Corporation	3,000,000	2.21	55,859,960.47	56,985,395.43
Cisco Systems, Inc.	250,000	0.00	6,234,499.86	6,234,499.86
Citigroup, Inc.	230,000	0.01	10,932,763.85	10,932,763.85
Coca-Cola Company/The	140,000	0.00	5,488,744.41	5,523,100.95
Cognizant Technology Solutions Corporation	100,000	0.02	5,511,160.10	5,511,160.10
CST Brands Inc.	66,666	0.09	1,624,740.31	2,396,718.32
CVS Health Corporation	100,000	0.01	8,928,176.02	8,977,679.80
Electronic Arts Inc.	150,000	0.05	9,468,173.05	9,468,173.05
Equity Residential	850,000	0.23	37,156,758.53	63,685,588.32
Estee Lauder Companies Inc./The	100,000	0,03 / 0,01	7,973,525.16	8,084,871.87
Facebook Inc.	150,000	0,01 / 0,00	14,418,572.61	14,418,572.61
FedEx Corporation	75,000	0.03	10,118,694.38	10,258,335.63
Goldman Sachs Group, Inc./The	125,000	0.03	19,528,431.85	20,674,887.48
Hewlett Packard Enterprise Co	400,000	0.02	5,540,433.34	5,577,294.02
HP Inc.	400,000	0.02	4,346,468.26	4,346,468.26
Intel Corporation	75,000	0.00	2,372,554.42	2,372,554.42
International Business Machines Corporation	20,000	0.00	2,527,234.32	2,527,234.32
Intuit Inc.	75,000	0.03	6,647,836.87	6,647,836.87
Lincoln National Corporation	70,000	0.03	3,230,917.61	3,230,917.61
Microsoft Corporation	250,000	0.00	12,733,076.15	12,733,076.15
Morgan Stanley	350,000	0.02	9,899,763.88	10,223,201.98
NIKE Inc.	140,000	0.01	8,038,394.42	8,038,394.42
PayPal Holdings Inc.	200,000	0.02	6,650,133.19	6,650,133.19
Prudential Financial Inc.	75,000	0.02	5,606,227.61	5,606,227.61
Red Hat Inc.	75,000	0.04	5,662,934.90	5,703,361.81
Rockwell Automation Inc.	135,000	0.10	12,723,753.10	12,723,753.10
Salesforce.com Inc.	100,000	0.02	7,198,493.62	7,198,493.62
Texas Instruments Inc.	100,000	0.01	5,034,444.75	5,034,444.75
Tiffany & Co.	70,000	0.05	4,785,574.72	4,905,208.05
Under Armour Inc.	90,000	0,04 / 0,02	6,557,362.54	6,662,992.56
United Technologies Corporation	117,803	0.01	10,314,549.25	10,390,945.25
Valero Energy Corporation	600,000	0.12	17,856,558.41	38,969,413.06
Walt Disney Company/The	100,000	0.01	9,650,041.33	9,650,041.33
Whirlpool Corporation	50,000	0.06	6,686,532.65	6,743,822.91
<b>Total</b>			<b>3,815,749,190.86</b>	<b>4,474,057,528.26</b>
<b>Foreign companies, non-listed</b>				
<b>Ireland</b>				
Consumer Equity Investments Ltd	1,400,000,000	3.00	13,890,266.89	25,635,156.79
<b>Luxemburg</b>				
Aki Partners S.C.S	6,383,846,941	18.18	63,838,469.41	63,838,469.41
Lakeside Network Investments S.à r.l.	83,712,075	10.00	837,120.75	837,120.75
<b>Sweden</b>				
Ambea Finland Group AB	354,241	3,01 / 3,01	10,000,000.00	10,000,000.00
<b>United States</b>				
Other	68,255		92,626.05	92,626.05
<b>Total</b>			<b>88,658,483.10</b>	<b>100,403,373.00</b>

## 10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2015

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	State	Amount	Book value, EUR	Current value, EUR
<b>Fixed-income funds</b>				
Apollo Offshore Credit Fund A-Initial Series	Cayman Islands	12,928	10,569,034.87	10,569,034.87
Apollo Offshore Credit Fund Ltd A-02-07	Cayman Islands	15,001	10,134,203.37	10,134,203.37
AXA IM US Short Duration High Yield \$ A-class	Luxembourg	865,345	95,090,065.14	136,013,445.65
AXA WF US High Yield Bonds USD 1 CAP	Luxembourg	787,021	59,404,844.18	136,158,182.30
Deutsch Global L. Managed Euro Fund Reserved Inc	Ireland	212,400,201	212,400,201.47	212,400,201.47
Goldman Sach Global High Yield Portfolio Class I	Luxembourg	16,560,437	136,660,776.71	140,855,739.41
GS Euro Liquid Reserves Fund (inst.Dist)	Ireland	376,975,156	376,975,155.81	376,975,155.81
iShares iBoxx Investment Grade Corporate Bond ETF	United States	400,000	41,899,513.18	41,899,513.18
JPM Euro Liquidity Institutional (flex dist.)	Luxembourg	106,538,220	106,538,219.75	106,538,219.75
McDonnell Loan Opportunity Fund (Offshore) Class B	Cayman Islands	4,302,312	602,508.78	602,508.78
Morgan Stanley Institutional Liquidity Euro Fund	Luxembourg	220,158,523	220,158,522.72	220,158,522.72
OP-High Yield Fund A	Finland	177,720	19,998,132.80	31,326,767.72
OP-Likvidi A	Finland	976,878	100,000,000.00	100,892,004.06
SKY U.S. Short Duration High Yield Fund	Luxembourg	895,034	89,454,089.23	89,454,089.23
T.Rowe Global High Yield Bond Fund	Luxembourg	4,486,002	63,315,811.97	104,908,242.55
Other			471,065.65	471,159.05
<b>Total</b>			<b>1,543,672,145.63</b>	<b>1,719,356,989.92</b>
<b>Equity funds</b>				
Aberdeen Global Asian Smaller Companies Fund A2	Luxembourg	1,185,226	14,454,637.27	41,041,773.36
Aberdeen Global Sicav Asia Pacific Equity A2/C	Luxembourg	612,160	16,100,759.15	34,277,508.57
AQR Global Defensive Equity	Luxembourg	1,794,230	200,000,000.00	201,599,633.36
BlackRock Emerging Markets Index Sub-Fund	Ireland	18,592,091	172,685,981.67	172,685,981.67
Carnegie Global Health Care Fund	Luxembourg	35,640	3,657,426.46	12,147,981.84
Carnegie Medical	Luxembourg	197,462	6,428,256.07	20,844,115.33
Consumer Discretionary Select Sector SPDR Fund	United States	2,858,600	197,518,698.07	205,224,741.43
DB X-trackers EURO STOXX 50 UCITS DR -1C	Luxembourg	12,640,436	539,620,212.84	539,620,212.84
DB X-trackers MCSI Pan-Euro Index Ucits ETF	Luxembourg	3,183,186	56,183,232.90	56,183,232.90
East Capital Balkan Fund	Sweden	6,642,653	9,202,995.67	9,252,511.42
East Capital Bering Ukraine Fund Class R	Cayman Islands	676,262	1,583,969.30	1,583,969.30
East Capital China A-Shares Fund	Luxembourg	20,639	14,307,263.88	25,116,208.39
East Capital (LUX) - Frontier Markets Fund Class A USD	Luxembourg	68,693	5,517,516.22	5,536,130.73
eQ Kehittyvät Markkinat Osinko 1 K	Finland	210,127	25,000,000.00	25,977,438.39
FIM Brands	Finland	333,884	6,555,369.31	8,988,168.64
FIM Bric+	Finland	669,781	7,000,000.00	7,729,275.57
FIM Frontier C	Finland	335,448	3,854,297.42	3,854,297.42
FIM Kehittyvät Markkinat Pienemmät Yhtiöt	Finland	1,374,004	10,000,000.00	12,159,938.99
FIM Rohto	Finland	258,423	2,500,000.00	4,667,126.01
Fondita Nordic Micro Cap B	Finland	21,404	5,000,000.00	6,069,032.21
Fourton Hannibal	Finland	31,015	3,216,309.71	3,499,061.85
Fourton Odysseus A	Finland	76,966	14,472,356.20	19,825,624.34
Fourton Stamina A	Finland	142,363	19,791,013.50	41,530,014.14
Health Care Select Sector SPDR ETF Fund	United States	1,160,743	69,258,893.86	76,807,133.02
Investec Emerging Markets Equity -I	Luxembourg	2,724,574	39,521,871.46	40,516,999.28
Investec GS Asian Equity	Luxembourg	2,125,366	31,211,186.64	42,070,030.90
Investec GSF Asia Pacific Equity Fund I	Luxembourg	1,581,980	25,028,281.39	28,422,454.70
Investec Pan Africa Fund I S6 USD	Guernsey	1,374,463	16,212,778.75	16,212,778.75
iShares China Large-Cap ETF	China	435,000	14,104,436.48	14,104,436.48
ISHARES MSCI AUSTRALIA ETF	United States	878,348	15,288,596.12	15,288,596.12
iShares MSCI China ETF	United States	171,500	7,027,294.02	7,027,294.02
iShares MSCI Europe UCITS ETF	Ireland	16,949,775	387,042,258.13	388,149,847.50
iShares MSCI Hong Kong ETF	United States	188,500	3,431,679.99	3,431,679.99
JPMorgan Emerging Markets Opportunities Fund	Luxembourg	101,769	27,461,579.01	29,037,848.82
KJK Fund Baltic States B1 C	Luxembourg	4,127	1,774,780.25	7,808,274.21
KJK Fund II Balkan Discovery A June 2014	Luxembourg	1,250	1,250,000.00	1,366,450.00
KJK Fund II Sicav-SIF Balkan Discovery A Dec 2015	Luxembourg	689	750,000.00	750,000.00
KJK Fund II Sicav-SIF Balkan Discovery A June 2015	Luxembourg	730	750,000.00	794,271.58
KJK Fund II, Sicav-SIF, Balkan A	Luxembourg	9,221	9,221,254.00	14,530,390.99
Macquarie Fund Solutions - Macquarie China New Star	Luxembourg	152,000	1,430,268.76	1,430,268.76
Mirae Asset G D Fund - Asia Sector Leader Eq I	Luxembourg	2,986,669	30,999,683.54	30,999,683.54
Montanaro European Smaller Companies, Accum. Class	Ireland	4,981,618	13,975,624.12	25,226,913.54
Nordea 1, SICAV - Emerging Stars Equity Fund	Luxembourg	180,894	15,798,110.80	15,798,110.80
OP Kehittyvä Aasia	Finland	245,747	29,450,556.50	39,322,029.51
OP-Latinalainen Amerikka A	Finland	314,860	30,031,339.63	30,031,339.63
Osmosis MoRE World Resource Efficiency Fund plc	Ireland	1,500,594	15,452,050.65	17,127,193.15
PAM USA Fund I Ky	Finland	1,587,332	161,256,807.43	161,969,992.78
Pictet-Small Cap Z EUR	Luxembourg	36,104	13,960,019.96	45,835,612.62
Prosperity New Russian Generation, A share	Guernsey	14,864,250	1,365,321.03	1,365,321.03
Prosperity New Russian Generation, B share	Guernsey	14,864,250	1,638,385.23	1,638,385.23
Prosperity Quest Fund Unlisted Limited, Class C	Channel Islands	220,352	15,671,789.90	15,671,789.90
Prosperity Voskhod Fund Limited	Guernsey	5,891,631	3,301,088.37	3,301,088.37
Russel Japan Equity Fund A Accum	Ireland	391,933	50,011,755.13	73,007,713.03
Russell Emerging Equity Fund A	Ireland	259,952	49,056,454.62	73,785,627.04
Seligson & Co Global Top 25 Pharmaceuticals	Finland	606,031	10,000,000.00	16,722,285.03
Source MSCI Europe value ETF	Ireland	439,000	84,028,990.00	84,028,990.00
SPDR S&P 500 ETF Trust	United States	4,855,700	793,279,048.31	909,501,555.98
SSGA Emerging Markets Select Equity Fund	Luxembourg	1,659,648	15,433,066.23	15,433,066.23
Taaleri Rhein Value Equity A	Luxembourg	126,463	15,000,000.00	26,115,015.65
Taaleri Turkey Equity A	Luxembourg	81,616	8,700,986.19	8,700,986.19
Topix ETF	Japan	21,269,786	231,136,132.77	257,859,845.53
UBS Global Innovators I-A2-Acc	Luxembourg	71,213	9,562,417.59	9,562,417.59
Other			451,794.25	451,816.89
<b>Total</b>			<b>3,584,976,876.75</b>	<b>4,010,619,513.08</b>
<b>Real estate funds</b>				
Aberdeen Indirect Property Partners Asia	Luxembourg	17,473,383	8,847,322.48	8,847,322.48
Aberdeen Real Estate Fund Finland L.P.	Great Britain	64,416,061	55,731,294.65	55,731,294.65
Alternative Property Income Venture	Luxembourg	19,097,410	19,097,409.86	22,640,724.19
ARCH Capital - TRG Asian Partners, LP.	Cayman Islands	22,563,814	18,011,783.87	27,040,991.17
CapMan Hotels RE Ky	Finland	46,995,098	46,995,097.77	49,162,699.66
CapMan Nordic Real Estate FCP-SIF	Luxembourg	1,758,406	1,692,377.54	1,692,377.54
Capman Re II KY	Finland	13,962,019	13,962,019.00	16,633,469.83
Carlyle Europe Real Estate Partners III, L.P.	United States	25,934,215	17,463,348.29	17,463,348.29
Curzon Capital Partners III, LP.	Great Britain	32,455,174	32,455,174.00	35,560,939.42
ECE European Prime Shopping Centre Fund	Luxembourg	43,809,396	43,809,396.34	51,802,727.37
European Office Income Venture	Luxembourg	11,210,093	830,533.37	830,533.37

## 10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2015

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European Property Investors Special Opportunities	Great Britain	21,895,520	21,895,520.00	23,185,056.65
European Property Investors, LP	Great Britain	8,531,738	1,764,849.64	1,764,849.64
European Retail Income Venture	Luxembourg	21,527,883	5,066,802.63	5,066,802.63
Fosca II	Luxembourg	20,000,000	20,000,000.00	25,726,000.00
Franklin Templeton Asian Real Estate Fund	Luxembourg	28,150,258	20,150,116.58	21,673,501.19
Frogmore Real Estate Partners, L.P.	Great Britain	20,139,578	17,874,654.45	17,874,654.45
Goodman European Logistics Fund	Luxembourg	30,000,000	15,900,000.00	15,900,000.00
Partners Group Real Estate Secondary 2009, LP	Great Britain	44,220,728	44,220,728.25	56,378,509.95
Pradera European Retail Fund	Luxembourg	16,827,293	6,447,141.82	6,447,141.82
Real Estate Fund Finland I Ky	Finland	7,000,794	3,022,949.78	3,022,949.78
Rockspring German Retail Box Fund	Great Britain	25,000,000	16,242,400.00	16,242,400.00
Sierra Portugal Fund	Luxembourg	35,237,205	23,814,007.88	23,814,007.88
VTBC-Ashmore Real Estate Partners I, L.P.	Great Britain	3,129,522	3,129,522.00	3,197,999.07
<b>Total</b>			<b>458,424,450.20</b>	<b>507,700,301.03</b>
<b>Private equity funds *)</b>				
Alpha Private Equity Fund V	Jersey	9,611,834	9,611,833.81	9,649,819.78
Antin Infrastructure Partners FCPR	France	17,728,049	17,728,048.71	49,184,822.44
Apax Europe VI - A, L.P.	Great Britain	11,361,319	11,361,318.86	12,139,307.89
Apax Europe VII -B, L.P.	Great Britain	51,935,916	45,851,883.01	45,851,883.01
Apax VIII	Guernsey	85,920,191	85,920,191.22	102,004,021.42
Apollo Overseas Partners VII, L.P.	Cayman Islands	21,223,880	16,576,255.88	20,716,998.48
Apollo Overseas Partners VIII	United States	30,746,632	26,457,226.42	27,314,768.70
Arcadia II	Germany	2,663,845	1,524,427.97	1,524,427.97
Arcus European Infrastructure Fund 1 L.P.	Great Britain	18,658,680	18,658,680.49	40,537,998.50
Arlian Infrastructure Fund IV	Great Britain	11,820,000	11,527,395.90	11,527,395.90
Argos Co-investment-1 LP	Guernsey	15,000,000	13,364,563.24	13,364,563.24
Atlas Venture VI	United States	1,529,043	1,163,568.76	1,163,568.76
Baltic Investment Fund III L.P.	Jersey	621,586	593,219.75	593,219.75
BC European Capital IX, LP	Guernsey	50,173,491	50,173,491.00	54,381,140.30
BC European Capital VIII	Great Britain	11,409,248	3,775,719.38	3,775,719.38
Bluedrip L.P.	Great Britain	15,000,000	14,250,000.00	14,250,000.00
Bridgepoint Europe II B	Great Britain	5,177,874	1,167,388.01	1,167,388.01
Bridgepoint Europe III	Great Britain	16,977,283	15,791,318.17	15,791,318.17
Bridgepoint Europe IV	Great Britain	26,551,876	26,551,876.12	34,246,344.30
Broad Street Senior Partners Offshore L.P.	Cayman Islands	6,500,000	5,830,816.95	6,034,575.64
CapMan Buyout Fund IX	Guernsey	41,051,910	39,751,097.65	39,751,097.65
CapMan Buyout VIII Fund A L.P.	Guernsey	1,310,647	1,310,647.06	4,737,730.92
CapMan Buyout X Fund	Guernsey	20,074,084	20,074,084.22	20,860,928.10
CapMan Mezzanine V Fund FCP-SIF	Luxembourg	12,241,654	12,241,654.35	17,085,946.29
CapMan Russia II	Guernsey	2,569,200	942,495.53	942,495.53
Capman Technology Fund 2007 L.P.	Guernsey	560,314	560,313.55	748,623.73
Chiron Guernsey Holdings, LP INC	Guernsey	15,000,000	11,007,558.52	25,150,812.90
Cidron Childsafe Limited	Jersey	10,000,000	1,175,000.00	1,175,000.00
CVC Europe V	Cayman Islands	16,608,100	16,608,099.91	22,171,829.99
Darwin Private Equity I	Great Britain	10,990,731	9,483,190.98	9,483,190.98
Dasos FS Partnership SCSP	Luxembourg	10,000,000	9,289,970.00	9,289,970.00
Dasos Timberland Fund I	Luxembourg	16,265,000	16,264,999.51	17,522,300.24
Dasos Timberland Fund II	Luxembourg	12,346,833	11,463,984.89	11,463,984.89
Doughty Hanson & Co IV, Limited Partnership 4	Great Britain	12,448,489	3,613,410.45	3,613,410.45
Doughty Hanson V	Great Britain	17,870,085	12,766,263.63	12,766,263.63
EPE Overseas Co-Investors L.P.	Cayman Islands	8,941,143	2,940,409.89	2,940,409.89
EQT Credit II (No1)	Great Britain	34,684,291	34,684,291.42	38,640,728.54
EQT Infrastructure II, LP.	Great Britain	27,776,406	27,776,405.74	31,864,148.27
EQT VI Fund	Great Britain	39,918,335	39,918,334.52	49,539,491.42
European Mid Market Secondary Fund II LP	Great Britain	19,000,000	19,000,000.00	22,954,736.00
European Mid-Market Secondary Fund I	Great Britain	7,275,000	7,275,000.00	28,834,040.55
European Strategic Partners	Great Britain	9,492,236	1,770,444.32	1,770,444.32
HarbourVest Partners VI-Buyout Partnership Fund LP	United States	1,897,932	612,677.97	612,677.97
HarbourVest Partners VI-Partnership Fund L.P.	United States	8,116,367	1,751,523.48	1,751,523.48
HG Capital 5	Great Britain	4,846,502	3,429,906.67	3,429,906.67
Hg Capital Edge Co-Invest LP	Guernsey	7,593,374	9,112,737.95	15,890,776.86
HgCapital 6	Great Britain	18,082,728	21,454,154.73	33,880,150.09
HgCapital 7	Great Britain	29,508,780	38,066,307.61	40,524,385.73
ICG Senior Debt Partners Fund	Luxembourg	6,233,258	6,233,257.79	6,374,029.68
Ilmarisen Suomi-Rahasto I Ky	Finland	4,161,253	4,161,252.95	5,432,927.69
Intera Fund I Ky	Finland	1,170,846	1,170,846.37	3,761,683.51
Inventure Fund II Ky	Finland	1,789,381	1,682,338.44	1,682,338.44
Kasvurahastojen Rahasto II Ky	Finland	1,173,032	1,127,669.98	1,127,669.98
Kasvurahastojen Rahasto Ky	Finland	10,919,837	10,919,836.72	13,618,674.37
KKR 2006 Fund L.P.	United States	27,011,605	19,695,010.54	25,394,456.65
KKR Asian Fund II L.P.	Cayman Islands	19,281,182	15,046,956.32	23,211,323.39
KKR Asian Fund L.P.	Cayman Islands	16,213,666	12,065,287.35	16,436,549.92
KKR European Fund II, LP	Canada	11,943,048	8,106,415.49	8,106,415.49
KKR European Fund III	Cayman Islands	26,959,116	26,959,116.00	35,622,697.52
KKR European Fund IV (EEA) LP	Great Britain	7,241,989	7,241,989.00	8,275,181.84
Lifeline Ventures Fund I Ky	Finland	3,898,481	3,898,480.68	9,499,002.94
Lifeline Ventures III AB	Sweden	4,340,964	506,364.73	743,113.73
Living Bridge 4 L.P.	Great Britain	5,943,418	6,295,051.12	6,295,051.12
MB Equity Fund IV Ky	Finland	21,901,507	21,901,506.61	28,518,981.13
Montagu IV Co-Invest 1 LP	Great Britain	5,670,148	5,670,148.17	9,342,323.24
Montagu IV Co-Invest 2 LP	Great Britain	10,000,000	10,000,000.00	11,027,060.00
Montagu IV LP	Great Britain	35,387,190	35,387,190.18	38,541,674.74
Mount Kellett Capital Partners (Cayman), L.P.	Cayman Islands	13,842,236	10,276,329.35	14,671,931.29
Nordic Capital Alexander Co-Invest L.P.	Jersey	8,061,246	8,061,246.29	10,155,816.04
Nordic Capital Fund VIII	Jersey	48,329,097	48,329,097.22	49,325,836.52
Nordic Capital V	Jersey	7,255,491	1,809,592.00	1,809,592.00
Nordic Capital VI	Jersey	24,322,871	24,322,870.60	27,574,254.65
Nordic Capital VII	Jersey	67,386,117	67,386,116.63	87,965,432.33
PAI Europe V FCPR	France	16,871,414	16,871,413.51	22,786,834.77
PAI Europe V LP	Great Britain	2,142,828	1,580,581.72	1,580,581.72
Partners Group European Mezzanine 2008	Great Britain	33,586,495	31,037,447.59	31,037,447.59
Permira Credit Solutions II Master L.P.1	Great Britain	10,000,000	9,825,570.00	9,825,570.00
Permira Credit Solutions II Senior L.P.1	Great Britain	10,500,000	10,253,470.50	10,253,470.50
Permira Europe III LP	Guernsey	6,115,354	2,154,304.67	2,154,304.67
Permira IV LP	Guernsey	30,410,487	30,410,487.41	33,180,852.40
Permira V	Guernsey	65,074,300	65,074,300.35	66,256,700.39
Redtop Co-Invest LP	Great Britain	10,702,462	13,176,552.28	26,232,106.93
Salto LP Fund	Channel Island	8,862,459	8,862,458.62	10,858,434.96

## 10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2015

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Selected Mezzanine Funds I Ky	Finland	10,034,796	10,034,795.92	13,558,474.37
Selected Private Equity Funds I Ky	Finland	2,957,773	2,957,773.38	3,534,065.95
Sentica Buyout III Ky	Finland	13,100,383	13,100,383.17	19,687,694.00
Sentica Buyout IV Ky	Finland	7,203,631	7,203,631.00	8,323,334.59
Sentica Kasvurahasto II Ky	Finland	3,609,710	920,259.49	920,259.49
Silver Lake Partners III L.P.	United States	29,655,919	21,902,125.04	28,719,634.22
Silver Lake Partners IV	United States	63,047,751	51,420,444.41	69,985,204.23
SLP Denali Co-Invest L.P.	United States	15,072,857	11,023,004.97	20,767,232.02
Sponsor Fund III Ky	Finland	12,541,439	8,703,999.94	8,703,999.94
Sponsor Fund IV Ky	Finland	6,128,205	5,595,001.95	5,595,001.95
The Fifth Cinven Fund	Guernsey	92,427,154	92,427,153.64	106,509,169.91
The Fourth Cinven Fund Limited Partnership	Great Britain	26,699,980	21,633,952.83	21,633,952.83
The Third Cinven Fund Limited Partnership	Great Britain	6,261,979	1,562,639.22	1,562,639.22
Towerbrook III	Cayman Islands	21,798,722	16,442,332.64	18,578,149.54
Towerbrook Investors IV, L.P.	Cayman Islands	15,398,969	12,804,816.13	16,017,671.76
TPG Asia VI LP.	Cayman Islands	37,991,534	31,331,069.83	31,741,652.91
TPG Drone Co-Invest, L.P.	Cayman Islands	32,856,055	28,067,622.62	33,104,761.49
Vaaka Partners Buyout I (B,C,D,E,F) Ky	Finland	2,758,781	2,725,982.06	2,725,982.06
Vaaka Partners Buyout I Ky	Finland	1,444,630	1,444,629.73	1,513,483.67
Vaaka Partners Buyout II Ky	Finland	10,776,175	10,776,174.55	11,260,962.31
Valhalla Co-Invest L.P.	Cayman Islands	35,119,128	4,357,433.35	8,980,944.42
Verdane ETF III SPV K/S	Norway	1,356,327	1,356,327.00	1,570,231.97
Veronis Suhler Stevenson Communications PartnersIV	United States	8,277,736	2,674,247.80	2,674,247.80
Verso Fund II Ky	Finland	777,674	540,484.99	540,484.99
Victoria Co-invest L.P.	Cyprus	5,000,000	6,915,629.32	8,174,943.80
Other			3,293,823.99	49,250,719.86
<b>Total</b>			<b>1,670,940,484.35</b>	<b>2,088,931,508.17</b>
<b>Other Funds</b>				
Alyeska Aleutian Fund	Cayman Islands	33,000	30,377,563.03	30,377,563.03
Aquilo Fund	Bermuda	38,000	30,932,030.93	37,464,223.39
Bluecrest Capital International F EUR	Cayman Islands	66,412	20,018,530.92	20,257,041.11
Brevan Howard Fund B Class Limited	Cayman Islands	150,946	19,400,533.17	33,381,814.38
CatCo Arbitrage Fund Ltd A Sub 12	Bermuda	25,175	21,990,536.40	25,647,232.89
CatCo Diversified Fund II Ltd A Sub 7	Bermuda	12,500	10,059,552.55	13,399,122.81
CFM STRATUS Feeder Limited Class D	British Virgin Islands	18,456	29,970,000.00	36,829,671.92
Citadel Kensington Global Strategies LTD	Cayman Islands	42,158	29,932,643.90	81,243,562.51
D.E Shaw Composite International Fund s. New Issue	Cayman Islands	1,946	23,154,547.61	59,978,017.49
Davidson Kempner Int. Ltd. - Class C Tranche 4	British Virgin Islands	252,628	18,420,736.02	37,888,505.13
HBK Multi-Strategy Offshore Fund Ltd class A (Lead	Cayman Islands	33,918	19,034,574.69	31,270,843.31
Man Absolute Return Strategies I Ltd: Class ARS1 2	Cayman Islands	6,275	1,648,904.57	3,174,140.45
Markel Aquilo Fund	Bermuda	13,000	11,869,978.09	11,940,846.88
Markel CatCo Diversified Arbitrage Fund	Bermuda	13,000	11,869,978.09	11,940,846.88
Marshall Wace Market Neutral TOPS B Fund	Ireland	321,043	35,000,000.00	49,105,888.39
Och Ziff Europe Overseas Fund Ltd	Cayman Islands	20,433	18,589,418.46	36,981,087.41
Och-Ziff Asia Overseas Fund, Ltd	Cayman Islands	20,515	19,919,173.20	30,611,158.71
Palmetto Fund, Ltd. Class D 01Jan2008	Bermuda	29,043	16,927,990.65	31,417,338.95
Paulson Credit Opportunities Ltd. Class C	Cayman Islands	405,640	2,007,623.54	30,782,217.70
Pharo Macro Fund B	Cayman Islands	12,078	20,017,559.20	21,683,525.72
QVT Offshore Class 1-NI 1075	Cayman Islands	9,365	7,035,315.21	10,922,107.38
QVT SLV Offshore Ltd. B1146	Cayman Islands	1,147	512,472.36	950,592.50
Shepherd Investments International, Ltd. Class BQ	British Virgin Islands	785	766,353.84	766,461.11
Ursus International Ltd. B/1	Cayman Islands	5,156	6,950,582.57	6,950,582.57
Other			766,724.91	1,138,763.38
<b>Total</b>			<b>407,173,323.91</b>	<b>656,103,156.00</b>
<b>Total</b>			<b>14,198,543,877.80</b>	<b>17,374,955,296.10</b>

\*) Real estate funds are not included

The book value of shares and holdings listed here exceed EUR 0.5 million.  
 Loaned shares have not been deducted.

**11. OPEN SECURITIES AGREEMENTS, PARENT COMPANY 31 DEC**

	2015	2014
<b>Securities borrowed</b>		
Number	35,037,898.00	9,202,100.00
Current value	301,959,228.58	79,963,275.12

Borrowed equities are listed shares.

All loans have a maturity under one year and can be halted any time.

The current value of the assets pledged as security for lending is presented in the notes to the balance sheet under Securities and financial commitments.

**12. LOAN RECEIVABLES, PARENT COMPANY 31 DEC**

	2015	2014
<b>Other loans itemised by guarantee</b>		
Bank guarantee	94,491,990.97	151,467,969.58
Guarantee insurance	64,012,320.56	91,351,927.49
Other	129,457,001.11	142,807,869.85
Secured loans, remaining acquisition cost	287,961,312.64	385,627,766.92
Unsecured loans, remaining acquisition cost	241,020,760.06	391,777,059.17
Remaining acquisition cost, total	528,982,072.70	777,404,826.09
<b>Total premium loan receivables itemised by balance sheet item</b>		
Loans guaranteed by mortgages	218,688,419.82	300,851,752.52
Other loans	183,348,433.88	274,908,088.29
Remaining acquisition cost, total	402,036,853.70	575,759,840.81
<b>Inner circle loans</b>		
Loans granted to group companies	53,995,390.02	83,058,749.30
Loans granted to associated companies	631,759,162.72	190,920,489.78

The loan period is 10–30 years and the loans are both loans repayable in instalments within the loan period and single payment loans repayable at the expiry of the loan period. The interest is mainly tied either to the fixed or variable TyEL reference rate.

**13. CHANGES IN INTANGIBLE AND TANGIBLE ASSETS, PARENT COMPANY 31 DEC****2015**

	<b>Intangible rights</b>	<b>Prepayments</b>	<b>Furniture and fixtures</b>	<b>Other tangible assets</b>	<b>Total</b>
Acquisition cost Jan 1	17,175,483.71	28,934,915.33	6,483,978.99	1,754,389.98	54,348,768.01
Fully amortised in previous year	-2,249,930.53		-4,451,713.72		-6,701,644.25
Additions	146,233.04	7,385,499.31	1,454,607.43	0.00	8,986,339.78
Deductions	-409,086.77	0.00	-493,995.34	-54,165.72	-957,247.83
Transfer between items	17,848,194.07	-17,848,194.07	0.00	0.00	0.00
Acquisition cost Dec 31	32,510,893.52	18,472,220.57	2,992,877.36	1,700,224.26	55,676,215.71
Accumulated depreciation and amortisation Jan 1	-7,621,593.85		-5,438,138.39		-13,059,732.24
Fully amortised in previous year	2,249,930.53		4,451,713.72		6,701,644.25
Accumulated depreciation and amortisation on deductions and transfers	0.00		338,532.77		338,532.77
Depreciation and amortisation for the financial year	-3,856,148.12		-314,678.52		-4,170,826.64
Accumulated depreciation and amortisation Dec 1	-9,227,811.44		-962,570.42		-10,190,381.86
Book value Dec 1	23,283,082.08	18,472,220.57	2,030,306.94	1,700,224.26	45,485,833.85

**14. RECEIVABLES, PARENT COMPANY 31 DEC****2015****2014**

Other receivables		
From group companies	8,151,775.48	16,800,036.77



15. CAPITAL AND RESERVES, PARENT COMPANY 31 DEC	2015		2014	
Capital and reserves				
Initial fund		22,994,653.31		22,994,653.31
Other reserves				
Reserves under the Articles of Association				
Jan 1	66,989,292.51		63,241,665.17	
Transfer from unused donation funds	34,125.00		23,990.00	
Transfer from previous year's profit	4,225,472.46	71,248,889.97	3,723,637.34	66,989,292.51
Profit/loss brought forward				
Jan 1	4,275,472.46		3,773,637.34	
Transfer to donations	-50,000.00		-50,000.00	
Transfer to reserves under the Articles of Association	-4,225,472.46	0.00	-3,723,637.34	0.00
Profit/loss for the financial year		5,302,092.74		4,275,472.46
		99,545,636.02		94,259,418.28
 Breakdown of capital and reserves after proposed distribution of profits:				
Policyholders' share		99,545,636.02		94,259,418.28
 <b>Distributable profits:</b>				
Profit/loss for the financial year		5,302,092.74		
+ Other funds				
Reserves under the Articles of Association		71,248,889.97		
Distributable profits, total		76,550,982.71		

16. TECHNICAL PROVISIONS, PARENT COMPANY 31	2015	2014
<b>Provision for unearned premiums</b>		
Future pensions	13,598,741,406.00	13,359,141,388.00
Provision for future bonuses	1,683,855,277.00	842,889,079.00
Provision for current bonuses	98,637,930.00	94,768,262.00
Supplementary insurance liability tied to income from shares	1,235,224,993.00	889,410,095.00
Total	16,616,459,606.00	15,186,208,824.00
<b>Provision for claims outstanding</b>		
New pension awarded	12,965,142,259.00	12,199,574,548.00
Equalisation provision	1,048,636,883.00	1,016,471,839.00
Total	14,013,779,142.00	13,216,046,387.00
<b>Total technical provisions</b>	<b>30,630,238,748.00</b>	<b>28,402,255,211.00</b>

17. LIABILITIES, PARENT COMPANY 31 DEC	2015	2014
Liabilities to group companies and participating interests		
Other liabilities		
To group companies	3,826,557.10	7,733,744.88

18. SECURITIES AND FINANCIAL COMMITMENTS, PARENT COMPANY 31	2015	2014
<b>As security for own debts</b>		
Mortgaged as security for rents	273,809.00	273,809.00
Assets pledged as security for derivative contracts		
Securities	411,163,750.00	199,400,800.00
Cash <sup>1)</sup>	121,815,798.81	98,842,915.01
Assets pledged as security for equity lending		
Cash <sup>1)</sup>	324,944,682.09	86,502,819.20
<sup>1)</sup> The cash collaterals EUR 446,760,480.90 provided as security in the transfer according to the Act of Financial Collateral Arrangements are included in the balance sheet item Other liabilities.		
The cash assets, EUR 1,464,038,790.65, pledged as security in the transfer according to the Act on Financial Collateral Arrangements, are included in the balance sheet item Other liabilities.		
<b>Off-balance-sheet commitments and liabilities</b>		
<b>Investment commitments</b>		
Private equity funds	1,711,169,472.27	1,602,295,878.59
Other	75,670,993.99	44,375,635.38
<b>Derivative contracts</b>		
Non-hedging		
Interest derivatives		
Future and forward contracts		
Open, underlying instrument fair value	-2,005,465,721.64	-1,459,092,138.90
	0.00	0.00
Option contracts		
Open, bought, underlying instrument fair value	23,549,788,680.84	21,605,532,515.72
	337,501,448.57	439,607,207.01
Open, written, underlying instrument fair value	-23,465,052,847.78	-15,476,030,439.22
	-87,900,321.16	-123,724,503.88
Interest rate and credit default swaps		
Open, underlying instrument fair value	-272,265,946.61	-1,371,456,441.63
	-96,791,295.33	106,466,580.88
Currency derivatives		
Forward contracts		
Open, underlying instrument fair value	8,047,720,332.92	4,528,718,879.47
	76,258,344.50	-29,130,571.14
Closed, fair value	8,252,134.93	-20,631,135.79
Option contracts		
Open, bought, underlying instrument fair value	12,142,410,200.88	19,495,658,818.88
	1,291,770,923.50	1,454,071,506.17
Open, written, underlying instrument fair value	-3,732,416,184.44	-5,546,752,512.00
	-164,005,360.95	-197,893,672.62
Currency swaps		
Open, underlying instrument fair value	0.00	0.00
	0.00	0.00
Equity derivatives		
Future and forward contracts		
Open, underlying instrument fair value	-112,127,874.50	-358,520,420.65
	-9,240,511.07	-5,105,834.34
Option contracts		
Open, bought, underlying instrument fair value	3,553,195,994.69	5,410,195,357.02
	226,442,999.69	381,961,795.43
Open, written, underlying instrument fair value	-2,573,130,423.28	-1,667,854,845.16
	-165,066,347.57	-102,614,927.99
Total returns swaps		
Open, underlying instrument fair value	57,716.52	57,374,325.35
	57,703.97	-1,116,998.79
Other derivatives		
Future and forward contracts		
Open, underlying instrument fair value	58,239,135.14	48,099,959.99
	51,945,235.80	42,244,259.34
Option contracts		
Open, bought, underlying instrument fair value	608,164,510.56	419,783,211.20
	44,715,872.83	62,677,377.94
Open, written, underlying instrument fair value	-86,690,548.36	-105,021,540.24
	-7,499,748.00	-7,415,039.21
Total returns swaps		
Open, underlying instrument fair value	1,286,305,001.10	164,256,710.73
	-16,779,818.63	-3,269,615.49

Profits on closed and mature derivatives have been recognised in full in profit and loss account.

18. SECURITIES AND FINANCIAL COMMITMENTS, PARENT COMPANY 31	2015	2014
<b>Valuation principles</b>		
The fair values of listed derivatives are calculated using the price quoted on the stock exchange. Bilateral OTC derivatives are valued based on the counterparty's valuation if market conditions do not prevent the valuation at market value of the derivatives transactions in question. Bilateral OTC derivatives transactions are valued at the theoretical model price if market conditions prevent the valuation at market value of the transaction in question. The European Market Infrastructure Regulation (EMIR) and the related technical standards define in more detail when market conditions prevent valuation at market value. Non-centrally-cleared derivatives are valued at the value received from the central counterparty.		
<b>Securities received in a transfer according to the Act on Financial Collateral Arrangements</b>		
Securities under repo agreements, current value	0.00	16,951,980.89
Ilmarinen is under obligation to return the securities it has received.		
<b>Amount of joint and several liability</b>		
The company belongs to a tax liability group represented by OP Cooperative Central Cooperative. Group members are collectively responsible for the value-added tax payable by the Group.		
<b>VAT deduction refund liabilities</b>	4,813,503.00	6,593,020.00
<b>Leasing and rent liabilities</b>		
Due in the next year	921,677.17	727,651.17
Due in subsequent years	997,189.45	777,769.57
<b>Other financial commitments</b>	-	4,870,000.00

19. SOLVENCY CAPITAL 31 DEC	2015	2014
Capital and reserves after proposed distribution of profits	99,495,636.02	94,209,418.28
Accumulated appropriations	4,848,919.39	3,181,766.69
Provision for future bonuses	1,683,855,277.00	842,889,079.00
Difference between current value and book value of assets	5,468,434,939.89	5,986,218,917.51
Equalisation provision	1,048,636,883.00	1,016,471,839.00
Off-balance-sheet commitments *	-19,309,813.00	0.00
Intangible assets	-41,755,302.65	-38,488,805.19
Minimum solvency capital required under the Employee Pension Insurance Companies Act (TVYL), sector 17	8,244,206,539.65 1,348,077,207.00	7,904,482,215.29 1,322,698,470.47

\* Takes into account the future transfer of the TEL supplementary pension insurance equalisation provision to the provision for pooled claims

KEY FIGURES IN BRIEF	2015	2014	2013	2012	2011
Premiums written, EUR mill.	4,268.7	4,167.4	4,086.9	4,019.3	3,725.5
Pensions and other payments made, EUR mill. <sup>1)</sup>	4,441.6	4,350.9	4,145.5	3,847.8	3,567.3
Net return on investments at fair value, EUR mill.	2,070.6	2,188.4	2,915.3	2,048.4	-1,153.0
ROCE, %	6.0	6.8	9.8	7.5	-4.0
Turnover, EUR mill.	6,885.2	5,716.9	5,900.7	5,269.2	3,210.3
Total operating expenses, EUR mill.	150.7	149.8	143.4	144.0	130.9
Total operating expenses, % of turnover	2.2	2.6	2.4	2.7	4.1
Operating expenses covered by loading income	109.1	108.1	105.6	108.7	95.9
Operating expenses covered by loading income, % of TyEL and YEL payroll	0.6	0.6	0.6	0.6	0.6
Total profit, EUR mill.	474.3	884.5	1,489.0	931.2	-1,791.9
Technical provisions, EUR mill.	30,630.2	28,402.3	27,188.9	25,585.9	24,205.5
Solvency capital, EUR mill. <sup>2)</sup>	8,244.2	7,904.5	7,122.6	5,752.4	4,808.7
% of technical provisions <sup>3)</sup>	29.6	29.8	28.0	23.9	21.1
in relation to solvency border	2.04	1.99	1.94	2.16	2.54
Equalisation provision, EUR mill. <sup>3)</sup>	1,048.6	1,016.5	971.2	986.0	996.9
Pension assets, EUR mill. <sup>4)</sup>	36,098.7	34,388.5	32,513.3	29,781.9	27,584.3
Transfer to client bonuses, % of TyEL payroll	0.59	0.56	0.51	0.37	0.35
TyEL payroll, EUR mill.	16,651.0	16,713.4	16,843.0	16,694.2	15,923.8
YEL payroll, EUR mill.	1,484.6	1,482.4	1,433.1	1,366.9	1,268.7
TyEL policies <sup>5)</sup>	38,354	38,487	38,237	37,462	36,511
Employees insured under TyEL	500,000	511,000	529,000	529,000	515,000
YEL policies	61,851	61,941	60,612	58,776	56,717
Pensioners	323,172	318,867	313,962	307,934	302,093

<sup>1)</sup> Claims paid in Profit and Loss account excluding costs for claims handling and working capacity maintenance

<sup>2)</sup> Until 2012 solvency capital computed according to the regulations in force at the time (the same principle also concerns other solvency key figures)

<sup>3)</sup> The ratio was calculated as a percentage of the technical provisions used in calculating the solvency border

<sup>4)</sup> Also includes the TEL supplementary pension insurance equalisation provision that is deducted from the equalisation provision used in solvency calculation

<sup>5)</sup> Technical provisions + differences between current and book values

<sup>6)</sup> Insurance policies of employers that have concluded insurance contracts

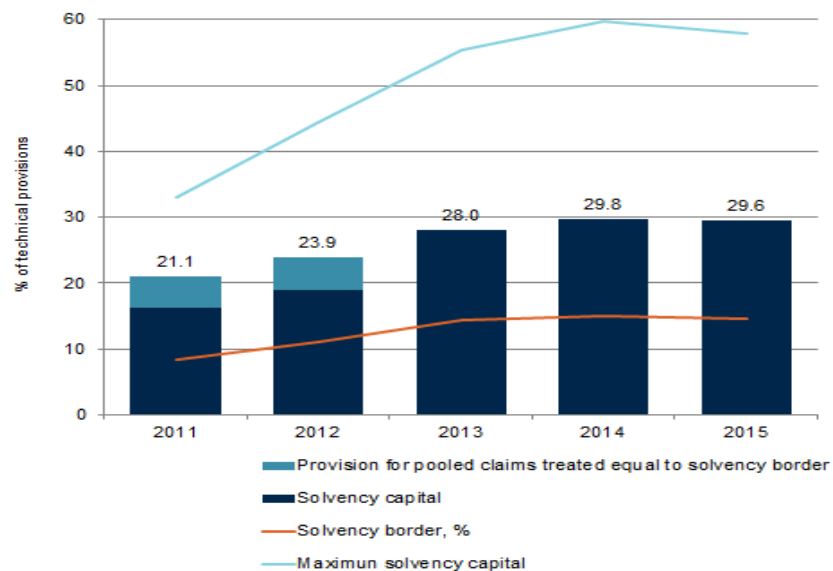
PERFORMANCE ANALYSIS, EUR mill.	2015	2014	2013	2012	2011
<b>Source of profits</b>					
Technical underwriting result	32.2	45.7	-14.8	-7.0	-69.4
Return on investments at fair value	406.8	804.8	1,468.6	911.3	-1,756.2
+ Net return on investments at fair value	2,070.6	2,188.4	2,915.3	2,048.4	-1,153.0
- Return requirement on technical provisions	-1,663.8	-1,383.6	-1,446.7	-1,137.1	-603.2
Loading profit	35.4	34.0	35.1	27.0	33.7
<b>Total result</b>	<b>474.3</b>	<b>884.5</b>	<b>1,489.0</b>	<b>931.2</b>	<b>-1,791.9</b>
<b>Distribution of profits</b>					
Increase/decrease solvency (+/-)	371.5	791.5	1,403.0	869.2	-1,846.9
Change in equalisation provision included in the solvency capital	27.3	45.3	-14.8	-10.9	-71.0
Change in provision for future bonuses	855.0	80.0	285.3	59.8	-1,153.9
Change in difference between current and book values	-517.8	661.8	1,128.4	817.1	-627.8
Change in accumulated appropriations	1.7	0.2	0.3	0.2	0.1
Profit for the financial year	5.3	4.3	3.8	3.0	5.8
Change in TEL supplementary pension insurance equalisation provision	4.8	0.0	0.0	0.0	0.0
Transfer to client bonuses	98.0	93.0	86.0	62.0	55.0
<b>Total</b>	<b>474.3</b>	<b>884.5</b>	<b>1,489.0</b>	<b>931.2</b>	<b>-1,791.9</b>

SOLVENCY	2015	2014	2013	2012	2011
<b>Solvency capital and limits</b> (% of the technical provision used in calculating the solvency border)	%	%	%	%	%
Solvency border	14.5	15.0	14.4	11.1	8.3
Maximum solvency capital <sup>1)</sup>	58.0	59.8	57.8	44.4	33.1
Solvency capital before equalisation provision <sup>2)</sup>	25.9	26.0	24.2		
Solvency capital (solvency ratio) <sup>1)</sup>	29.6	29.8	28.0	23.9	21.1

<sup>1)</sup> Until 2012 maximum solvency capital

<sup>2)</sup> Reported since 2013

<sup>3)</sup> Until 2012 solvency capital computed according to the regulations in force at the time (the same principle also concerns other solvency key figures)





BREAKDOWN OF INVESTMENTS (CURRENT VALUE)	Basic breakdown				Risk breakdown					
	31.12.2015		31.12.2014		31.12.2015		31.12.2014	31.12.2013	31.12.2012	31.12.2011
	EUR mill.	%	EUR mill.	%	EUR mill.	%	% <sup>9) 10)</sup>	% <sup>9) 10)</sup>	% <sup>9) 10)</sup>	% <sup>9) 10)</sup>
<b>Fixed-income investments total</b>	15,564.3	43.4	15,084.6	44.1	12,814.2	35.8	40.3	41.5	45.9	51.8
Loan receivables <sup>1)</sup>	1,088.5	3.0	1,448.5	4.2	1,088.5	3.0	4.2	5.5	8.0	10.2
Bonds	14,006.6	39.1	12,714.1	37.2	9,765.0	27.2	13.7	20.4	9.4	9.3
Other money market instruments and deposits <sup>1)2)</sup>	469.3	1.3	922.0	2.7	1,960.7	5.5	22.4	15.6	28.5	32.3
<b>Equities and shares total</b>	14,398.6	40.2	13,539.4	39.6	14,731.0	41.1	41.8	42.9	36.7	29.7
Listed equities and shares <sup>3)</sup>	11,393.6	31.8	10,708.1	31.3	11,726.0	32.7	33.5	35.1	29.4	23.5
Private equity investments <sup>4)</sup>	2,003.1	5.6	1,677.6	4.9	2,003.1	5.6	4.9	4.5	4.6	4.0
Non-listed equities and shares <sup>5)</sup>	1,001.9	2.8	1,153.7	3.4	1,001.9	2.8	3.4	3.3	2.7	2.2
<b>Real estate investments total</b>	3,935.5	11.0	3,735.4	10.9	3,935.5	11.0	10.9	11.3	11.7	11.8
Direct real estate investments	3,427.8	9.6	3,243.6	9.5	3,427.8	9.6	9.5	9.6	10.0	10.0
Real estate funds and joint investments	507.7	1.4	491.8	1.4	507.7	1.4	1.4	1.7	1.8	1.8
<b>Other investments total</b>	1,942.5	5.4	1,836.0	5.4	3,288.7	9.2	6.2	5.0	5.7	6.7
Hedge fund investments <sup>6)</sup>	670.8	1.9	522.3	1.5	670.8	1.9	1.5	1.3	1.2	1.3
Commodity investments	-7.8	0.0	-0.2	0.0	63.9	0.2	0.2	-0.1	0.1	0.0
Other investments <sup>7)</sup>	1,279.6	3.6	1,313.9	3.8	2,554.0	7.1	4.5	3.8	4.4	5.4
<b>Investments total</b>	35,841.0	100.0	34,195.5	100.0	34,769.4	97.0	99.2	100.7	100.0	100.0
Effect of derivatives <sup>8)</sup>					1,071.5	3.0	0.8	-0.7	0.0	0.0
<b>Investment return at current value total</b>	35,841.0	100.0	34,195.5	100.0	35,841.0	100.0	100.0	100.0	100.0	100.0
<b>Motified duration of bonds</b>	0.8		-0.9					0.2	0.7	0.2

<sup>1)</sup> Includes accrued interest

<sup>2)</sup> Includes cash at bank and in hand and consideration receivables and debt

<sup>3)</sup> Also includes mixed funds unless they can be allocated elsewhere

<sup>4)</sup> Includes private equity funds, mezzanine funds and infrastructure investments

<sup>5)</sup> Also includes unlisted real estate investment companies

<sup>6)</sup> Includes all types of hedge fund units regardless of the fund's strategy

<sup>7)</sup> Includes items that cannot be allocated to other investment classes

<sup>8)</sup> Includes the effect of derivatives on the difference between risk and basic breakdown

<sup>9)</sup> The relative share is calculated using the total of the "Total investment at current value" line as the divisor

<sup>10)</sup> Calculated based on the guidelines given by the return calculation group of the Finnish Pension Alliance TELA, in force at any given time

NET ROCE ON INVESTMENTS	31.12.2015			31.12.2014	31.12.2013	31.12.2012	31.12.2011
	Market value <sup>8)</sup> EUR mill.	Capital employed <sup>9)</sup> EUR mill.	ROCE, % %	ROCE, % <sup>10)</sup> %	ROCE, % %	ROCE, % <sup>10)</sup> %	ROCE, % <sup>10)</sup> %
<b>Return EUR/ROCE</b>							
<b>Fixed-income investments total</b>	209.1	16,744	1.2	2.4	4.5	6.9	-0.4
Loan receivables <sup>1)</sup>	48.0	1,294	3.7	4.3	4.0	3.4	3.3
Bonds	122.8	14,342	0.9	1.7	5.3	8.3	-1.1
Other money market instruments and deposits <sup>1) 2)</sup>	38.4	1,109	3.5	9.0	0.0	1.9	-10.9
<b>Equities and shares total</b>	1,418.9	12,213	11.6	10.9	20.9	9.5	-13.6
Listed equities and shares <sup>3)</sup>	1,009.8	9,507	10.6	9.8	21.9	9.1	-17.6
Private equity investments <sup>4)</sup>	360.2	1,691	21.3	16.3	9.8	15.4	12.6
Non-listed equities and shares <sup>5)</sup>	48.9	1,015	4.8	14.0	28.6	5.4	27.0
<b>Real estate investments total</b>	283.8	3,655	7.8	5.4	4.8	5.1	6.4
Direct real estate investments	222.7	3,184	7.0	4.9	5.0	5.6	5.9
Real estate funds and joint investments	61.0	471	13.0	8.5	3.2	2.2	8.9
<b>Other investments total</b>	179.6	1,745	10.3	17.7	-5.8	5.1	31.9
Hedge fund investments <sup>6)</sup>	72.6	569	12.8	6.8	5.6	7.7	1.1
Commodity investments	-44.4	13	-344.0	76.1	0.0	0.0	0.0
Other investments <sup>7)</sup>	151.3	1,162	13.0	21.8	0.0	0.0	0.0
<b>Investments total</b>	2,091.3	34,357	6.1	6.8	9.8	7.5	-4.0
Unallocated income, costs and operating expenses	-20.7		0.0				
<b>Investment return at current value total</b>	2,070.6	34,357	6.0	6.8	9.8	7.5	-4.0

<sup>1)</sup> Includes accrued interest

<sup>2)</sup> Includes cash at bank and in hand and consideration receivables and debt

<sup>3)</sup> Also includes mixed funds unless they can be allocated elsewhere

<sup>4)</sup> Includes private equity funds, mezzanine funds and infrastructure investments

<sup>5)</sup> Also includes unlisted real estate investment companies

<sup>6)</sup> Includes all types of hedge fund units regardless of the fund's strategy

<sup>7)</sup> Includes items that cannot be allocated to other investment classes

<sup>8)</sup> Change in market value between the beginning and end of the reporting period less cash flows during the period.

Cash flow means the difference between purchases/costs and sales/revenues

<sup>9)</sup> Capital employed = market value at the beginning of the reporting period + daily/monthly time-weighted cash flows

<sup>10)</sup> Calculated based on the guidelines given by the return calculation group of the Finnish Pension Alliance TELA, in force at any given time

<b>LOADING PROFIT, EUR mill.</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Expense loading components	135.9	133.2	131.5	126.6	122.6
Premium components available to be used to cover operating expenses resulting from claims settlements	7.3	7.0	7.1	6.8	6.2
Other income	1.4	1.9	2.2	2.2	0.8
Total loading income	144.5	142.1	140.7	135.6	129.6
Activity-based operating expenses <sup>1)</sup>	-109.1	-108.1	-105.6	-108.7	-95.9
Other expenses	0.0	0.0	0.0	0.0	0.0
Total operating expenses	-109.1	-108.1	-105.6	-108.7	-95.9
<b>Loading profit, total</b>	<b>35.4</b>	<b>34.0</b>	<b>35.1</b>	<b>26.9</b>	<b>33.7</b>
Operating expenses as a percentage of loading income	75.5 %	76.0 %	75.0 %	80.1 %	74.0 %

<sup>1)</sup> Excluding operating expenses from investment activities and activities to maintain ability to work and statutory charges

<b>MAINTENANCE OF WOR CAPACITY, EUR mill.</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Premiums written; disability risk administrative cost component	4.9	5.0	5.0	5.0	4.8
Claims incurred; maintenance of work capacity expenses	-5.1	-5.7	-4.3	-5.1	-5.2
Disability risk administrative cost component result	-0.2	-0.8	0.7	-0.1	-0.4
<b>Maintenance of work capacity expenses / Disability risk administrative cost component, %</b>	<b>104.1 %</b>	<b>115.3 %</b>	<b>86.9 %</b>	<b>102.6 %</b>	<b>109.0 %</b>

# RISK MANAGEMENT AT ILMARINEN

## 1. Risk management as a part of company management and internal control

Risk management is part of Ilmarinen's normal management and internal control. Risk management is made up of all of those procedures and practices used to identify and assess risks threatening the company's operations and objectives and carry out the measures required by the assessment in order to manage risks.

Ilmarinen takes risks in its operations based on considered risk-return analysis in order to achieve, among other things, better results such as, for example, returns on investment operations securing pension payments. The purpose of risk management is to ensure that the risks that are taken are in proportion with Ilmarinen's risk-bearing capacity and risk appetite. If risks cannot be seen to bring any strategic benefits, they are avoided as far as is financially reasonable.

Risk management is implemented through Ilmarinen's management and supervisory system and is based on the company's principles that enhance management and accountability. This makes risk management part of the company's operating practices, decision-making and processes, increasing the probability of achieving its goals and supporting compliance with legislation, regulations and international standards.

The greater the potential risks involved in the processes or decisions to be made, the more specified the form of the processes, decision-making authorisations and procedures, and their monitoring. The roles and responsibilities defined within the operating processes, the appropriate differentiation of duties, access rights, the verification of the accuracy of information, back-up arrangements and documentation of information systems and processes are essential means of risk management.

## 2. Organisation of risk management and responsibilities

### General framework for risk management at Ilmarinen

Risk management is not a distinct function, unrelated to the other operations and processes within the organisation, rather, at Ilmarinen, it is part of the management's field of responsibility and part of all of the organisation's processes, such as strategic planning and the processes involved in projects and change management. Risk management is also part of the company's operating principles, values and culture. Ilmarinen's risk management plan, supplemented by the investment plan in the area of investment operations, defines the framework for risk management.

### Responsibilities in risk management

The overall responsibility for ensuring that Ilmarinen has a functioning control and risk management system in place lies with the Board of Directors and the President and CEO. The Board of Directors reviews and approves Ilmarinen's risk management plan and investment plan annually. The Board of Directors' Audit and Risk Management Committee assists the Board of Directors in supervision tasks that concern the company's financial reporting, risk management, internal control and the work of the internal audit unit and external auditors. The Supervisory Board is responsible for supervising the corporate governance actions undertaken by the company's Board of Directors and President and CEO. Supervision of decision-making on pensions

and investment operations is carried out on behalf of the Supervisory Board by supervisors appointed by the Supervisory Board from among its members.

## Responsibilities of risk management implementation at Ilmarinen

The management and implementation of Ilmarinen’s risk management is based on a model in which the responsibilities related to risk management are divided into three areas:

1. Ilmarinen’s core and support operations are responsible for their own risks and their management.
2. Independent Risk Management functions prepare and develop risk management principles and support the smooth functioning of the divisions’ risk management and ensure its sufficiency.
3. Internal Audit assesses the sufficiency of internal control and risk management.



Ilmarinen’s core and support functions have the primary responsibility for the risks involved in their fields of responsibility and in the decisions they make as well as for their management. Thereby the owners of these risks are responsible for the implementation of the risk management process in their own fields of responsibility in accordance with the defined framework. In practice, this means identifying and assessing the risks related to the company’s goals and operations and taking action to manage these risks.

The company’s independent risk management function is responsible for developing the company’s risk management principles and framework. The risk management function monitors and supports the implementation and maintenance of effective risk management procedures and practices in the operations owning the risks and assists these in risk reporting. The risk management function also monitors and assesses the company’s risk situation and reports on it regularly to the company’s executive management and Board of Directors. Ilmarinen’s Risk Management Committee, chaired by the head of Actuarial Services and Risk Management, co-ordinates the implementation of risk management in the company.

Ilmarinen has an independent Compliance function that supports business operations in order to secure the functionality and sufficiency of reliable governance and internal control. The Compliance function means the

assurance and monitoring of the legality of operations and compliance with external and internal rules related to the operations. The aim of the Compliance function is to ensure the internal and external trust in the company's operations by strengthening the operating culture, both in terms of internal and external regulation and abiding by good market practices.

The Compliance function's task is to monitor and ensure that all of Ilmarinen's operations conform with legislation, guidelines and regulations given by authorities, good insurance practices, procedures and guidelines approved by the Board of Directors as well as guidelines concerning internal practices. The Compliance function monitors and ensures compliance with regulations by, among other things, evaluating internal processes and approaches and providing the management and business function with necessary improvement suggestions.

Ilmarinen's Internal Audit supports the company's Board of Directors and President and CEO in their supervisory tasks. Internal Audit's tasks are to assess the appropriateness, effectiveness, efficiency and adequacy of risk management, internal control and management and administrative procedures in Ilmarinen's operations and processes and to make recommendations to improve them. In addition to the Internal Audit, external auditors evaluate the effectiveness of the internal control system and the adequacy of risk management. The external auditors also evaluate the effectiveness of internal auditing and the relevance of its results to their own work.

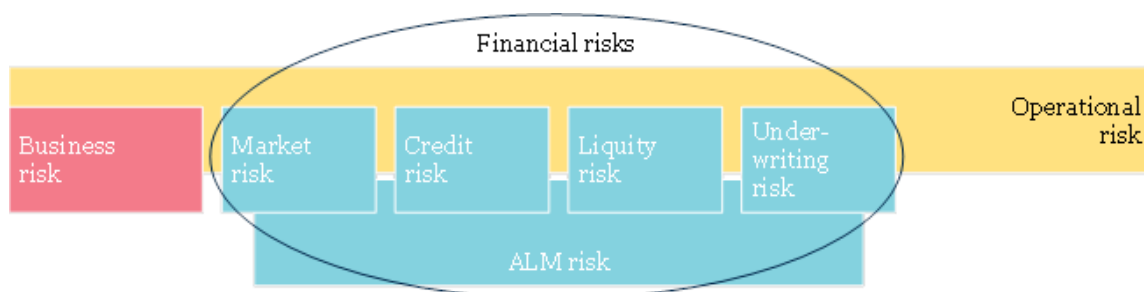
### 3. Risks and their classification

Risks that put Ilmarinen's successful operations in jeopardy can be any factors which

- adversely affect the company's possibilities to flawlessly perform its statutory task;
- adversely affect the company's possibilities to achieve its short or long term goals or
- otherwise threaten the continuity of the company's operations.

Risks, on the other hand, can be events that hinder or interfere with the company's operations or they can materialise as business opportunities which would be worth capturing but which remain untapped.

Strategically significant risks essentially threaten the achievement of the company's strategic goals and often, at the same time, the company's result or solvency. Like minor risks, strategically significant risks can be divided into business, financial and operational risks. This division is illustrated in the figure below.



Business risk refers to the probability of loss inherent in changes occurring in the competitive situation and in the industry as well as the failure of business decisions or their implementation.

Financial risks include insurance, market, credit and liquidity risks as well as the risk of not adequately meeting the requirements and targets set for asset/liability matching (Asset Liability Management, i.e. ALM risk).

Operational risks refer to the probability of loss inherent in inadequate or failed internal processes, human resources and systems or external events.

The possible effects of the risks cannot always be measured explicitly in money, as they can also, if they materialise, indirectly affect Ilmarinen's reputation. The materialisation of a risk in a risk category can lead to a weakening of Ilmarinen's reputation among various stakeholder groups and thus result in business losses. In the worst-case scenario, it can essentially weaken the company's possibilities to operate independently.

#### **4. Most important strategic risks**

The most important strategic risks related to Ilmarinen's operations are identified and assessed by the company's Executive Group annually. Ilmarinen's key business risks are identified and assessed as part of this mapping out of the most important strategic risks. Responsible persons have been assigned from the Executive Group for each identified risk, and it is their duty to ensure the sufficiency of risk management means and the implementation of necessary development measures.

According to the assessments made, strategically significant risks can materialise in particular in connection with the following events or activities relating to Ilmarinen's operations:

- significant changes in the operating environment
- development of service and operating models
- partnerships
- investments
- set-up and maintenance of information systems serving the business processes.

#### **5. Underwriting risks and their management**

##### **Insurance contributions and technical provisions**

Underwriting risks are related to the adequacy of insurance contributions and technical provisions. The calculation of both is determined by the company's calculation bases, which are confirmed by the Ministry of Social Affairs and Health (STM). The aim of risk management in the underwriting business is to ensure that the calculation bases meet the sustainability criteria required by law, which is the responsibility of the company's actuary.

Under the Employees Pensions Act (TyEL), the Ministry of Social Affairs and Health may not confirm differences in the pension insurance terms and conditions or calculation bases which would impede the implementation of TyEL or the handling of business under the joint responsibility of pension institutions, unless it has a special reason for doing so. Furthermore, the law requires that pension institutions co-operate to achieve this goal. As a consequence of the above, the bases for calculating insurance contributions and technical provisions are the same for all pension insurance companies, excluding certain exceptions.

The insurance contributions and the technical provisions include a component corresponding to the business under the company's own responsibility and a component corresponding to the business under the joint re-

sponsibility of pension institutions (pay-as-you-go business), which means that also risks can be classified accordingly. The classification can also be based on the type of insurance to be applied. 99 per cent of Ilmarinen's technical provisions are governed under TyEL, hence the risks are almost entirely related to TyEL activities. In practice, insurance under the Self-employed Persons' Pensions Act (YEL) is ultimately the responsibility of the State, which means that the risks faced by individual companies are negligible. This is why only TyEL insurance and related risks are examined in the following.

TyEL business under the company's own responsibility consists of old-age and disability pension business as well as a contribution loss component relating to unpaid contributions. An essential factor in risk management is taking into account the uncertainty relating to life expectancy, pension incidence and the amount of claims. From a financial viewpoint, the most significant risks concern the uncertainty related to mortality and incidence of disability pensions.

The mortality expectancy applied in the calculation bases depends on age, gender and birth year class. This dependency has proved to be necessary due to the trend of longer average life spans. The working group set up by the Finnish Pension Alliance TELA monitors the development of the average life span for those covered by the statutory earnings-related pension system and makes proposals to change the calculation bases if needed. The latest change will enter into force in connection with the pension reform at the end of 2016. A change in the mortality base makes it necessary to change the bases for the calculation of the technical provisions, the costs of which are the joint responsibility of pension institutions. Therefore a change in the bases does not involve any company-specific risks.

The risks in the disability pension business are related to the incidence of disability pensions, the amount of the granted pensions and the termination of the valid disability pensions. Disability pensions are funded when the pension commences. The cost from starting disability pensions is covered by the disability pension component included in the insurance contribution, which is dependent on age and, in the case of larger employers, also on the employer's contribution category. The cost is calculated until the age of retirement, also taking into account the expected termination of disability pensions. The disability pension component of the insurance contribution is confirmed annually and its adequacy is monitored by a working group set up by the Finnish Pension Alliance TELA. In 2016, it is on average 0.9 per cent of an employee's salary. The disability pension business involves a company-specific risk that the company's disability pension expenditure deviates from what was expected when determining the calculation bases. This risk is increased by the long delay between the commencement of the company's responsibility and the beginning of the pension. That is why Ilmarinen regularly monitors the development of the disability pension business and the incidence of pensions.

The risk inherent in contribution loss is related to a higher than expected amount of unpaid contributions. The contribution loss component of the insurance contribution has been dimensioned to correspond to the insurance portfolio structure to take into account the larger contribution loss risk of smaller employers. In Ilmarinen's insurance portfolio, contribution losses have been lower than the average.

### Equalisation provision

The calculation bases for the TyEL insurance contribution must be confirmed in advance for the following calendar year. It is not possible to dimension the contribution in advance to correspond exactly to the following year's expenditure, which means that the underwriting result fluctuates from year to year and is either positive or negative. The equalisation provision contained in technical provisions serves as a buffer against



fluctuations in the underwriting result. A positive underwriting result adds to the equalisation provision and a negative one reduces it. As of the beginning of 2013, the equalisation provision is considered part of the company's solvency capital in solvency calculation.

The equalisation provision involves a lower limit and an upper limit. If a company's equalisation provision falls short of the defined lower limit, it must be supplemented from the rest of the solvency capital. If the equalisation provision of a company exceeds its upper limit in two consecutive years, the excess will be dissolved within a certain time frame through client bonuses paid to policyholders. As a general rule, the equalisation provisions of pension insurance companies are on a high level, so the contribution has been kept lower than the expected expenditure in order to reduce the equalisation provisions.

At the end of 2015, Ilmarinen's TyEL insurance equalisation provision amounted to EUR 1,029.3 million, or 6.2 per cent of the payroll, and 79 per cent of the equalisation provision upper limit. Taking into account other insurance categories, the company's equalisation provision totalled EUR 1,048.6 million. Around two thirds of the equalisation provision is related to the disability pension business and the remaining one third essentially to the contribution loss.

In connection with the 2017 pension reform, the equalisation provision as a distinct notion will be abolished and will in future be considered to be an integral part of the solvency capital. In future, the solvency capital will serve as a buffer for both investment and underwriting risks.

### Risks inherent in the company's insurance portfolio structure

When preparing the calculation bases, the insurance contribution and technical provisions are dimensioned according to the companies' average insurance portfolio. In addition, TyEL contains a provision according to which, in the case that technical provision calculation bases prove to be insufficient for all pension institutions, the increase in technical provisions resulting from changing the calculation bases shall be covered in such a way that it does not entail a risk for an individual pension institution. The insufficiency can, however, only concern one individual pension insurance company. The underwriting business under the company's own responsibility thus involves the risk that its insurance portfolio structure deviates from the industry average in an adverse direction.

The old-age pension business involves the risk that the average life span and thus the pension span in the company's insurance portfolio are longer than expected when determining the calculation bases. In the old-age pension business, random fluctuations are minor, and significant, systematic differences in insurance portfolios are unlikely where companies with nation-wide operations are concerned.

There may be systematic company-specific differences in disability pension incidence when, for example, the company's operations are limited to a narrow geographical area or if the sector distribution of the insurance portfolio deviates from the average.

It is against the law to use risk selection as a means of risk management in earnings-related pension insurance business, in other words, insurance must be granted to a company having an obligation to take out insurance. This increases the risks inherent in contribution loss, in particular.

If the result of an individual pension insurance company is systematically lower than that of the others, the company's equalisation provision decreases but the contribution is not increased. If the equalisation provi-

sion has declined below its lower limit, it can be supplemented from the rest of the solvency capital, in which case it decreases future client bonuses. The primary bearer of the risk is thus the pension insurance company in question.

Ilmarinen's insurance portfolio's age and distribution structure do not deviate from the sector average. Ilmarinen's equalisation provision is sufficient in relation to the company's size and at the average level in the sector. Thus, Ilmarinen does not face the risk of a deviating insurance portfolio.

### Risks inherent in jointly financed pensions

The pension institutions are jointly responsible for the unfunded pension expenditure (pooled pension expenditure), of which the share of the pensions being paid out is financed by an annually collected pooled component contained in the TyEL contribution. The provision for pooled claims included in the technical provisions of each pension institution serves as a buffer for the underwriting business under the joint responsibility of the pension institutions.

The pay-as-you-go pensions are pooled annually between all of the pension institutions according to the size of their operations, determined by the insured payroll. The responsibility of the pension institution is limited to the pooled premiums written and the provision for pooled claims contained in the insurance contribution. Jointly financed pensions do not pose any risks to individual pension institutions.

A common risk to the pension institutions is created by a deterioration in the ratio between the jointly financed pension expenditure and the total payroll of the private sector, with respect to the assumptions used in determining the insurance contribution. In 2010, a life expectancy coefficient was added to the pension system. It reduces commencing old-age pensions in proportion to the increase in average life expectancy. This mechanism largely eliminates the risk related to the pay-as-you-go pension expenditure caused by the increase in life expectancy.

Factors that may lead to the materialisation of the risk inherent in an increased ratio of the pay-as-you-go pension expenditure and payroll are an unexpected increase in index increments in relation to real earnings, due to increased inflation or the work contribution proving to be smaller than expected due to demographic factors or unemployment. The law requires that the pooled component of the contribution is calculated so that it is sufficient with respect to the jointly financed expenses. The bearers of the risk inherent in an increased pooled component are thus the future contribution payers together – insured and policyholders in equal proportions – and the risk does not concern individual companies or other pension institutions.

### Provision for future and current bonuses

The technical provisions also include a provision for future bonuses, a provision for current bonuses and an equity linked provision for future and current bonuses.

The provision for future bonuses is accrued or reduced annually in the financial statements by the book result of investment operations, which is obtained by deducting the return requirement on technical provisions from the net accounting income. That means that it does not include changes in valuation gains or losses other than those entered in the accounts. The provision for future bonuses is included in the solvency capital. The provision for current bonuses includes the client bonuses that will be distributed in the following year as discounts on the insurance contribution.

In the beginning of 2007, the solvency regulations were amended so that part of the pension institutions' equity risk was passed on to the pension system. This was done by linking part of the return requirement on technical provisions to the development of equity returns. That way, the technical provisions also partly serve as a buffer against fluctuations in the investment result. The equity linked portion is ten per cent of the technical provisions used in solvency calculation. Following the pension reform, the percentage will be 15 as of 2017 and 20 as of 2018.

The linking is done through a specific technical provision item, the equity linked buffer, the annual change of which corresponds to the development of equity returns. This component of technical provisions develops in the same way in all pension institutions and can increase their technical provisions by a maximum of 5 per cent or reduce them by a maximum of 10 per cent. Following the entry into force of the pension reform, the new lower limit will be -20 per cent and the upper limit +1 per cent.

### Return requirement on technical provisions

In the long term, technical provisions must deliver at least a return which equals the weighted average of the technical interest rate specified in the TyEL calculation bases and the return on equity investments, the latter having a 10 per cent weight. Following the pension reform, the weight percentage will change to correspond with the change in the weight percentage of the equity-link technical provisions. The technical provisions for the pensions under the company's responsibility are credited annually with a 3 per cent discount rate and a return according to the pension liability supplementary factor, and the provision for pooled claims according to a return based on the technical rate of interest and the equalisation provision according to a return based on the discount rate. In addition, the development of the equity linked buffer is tied to the average return on equity of pension institutions.

The pension liability supplementary factor, which portrays the long-term return on investments, is based on the pension institutions' average solvency ratio (solvency capital in relation to technical provisions, from which the provision for future bonuses is deducted for the purposes of this calculation). In the solvency ratio that forms the basis for the supplementary factor, the equalisation provision is, exceptionally, included in the technical provisions instead of the solvency capital. The return according to the supplementary factor is used to increase the funded old-age pensions. If the equity linked buffer exceeds 5 per cent of the technical provisions used in the calculation, the exceeding amount is also used to increase funded old-age pensions.

The technical interest rate is also based on the pension institutions' average solvency ratio. The technical interest rate is used as the interest rate for insurance contributions, the payments related to the clearing system between the pension institutions and the Finnish Centre for Pensions and for certain technical provision items.

In 2015, the total return requirement calculated on Ilmarinen's technical provisions was 5.6 per cent, of which the return tied to the equity linked buffer was 1.2 per cent. A 4.5 per cent return was credited on the remaining technical provisions.

### Structure and duration of technical provisions

Ilmarinen's actual pension liability (technical provisions excluding provision for future bonuses and equity linked buffer) is expected to increase by about 4 per cent annually during the next few years. About 65 per

cent of the technical provisions are of a duration of more than 10 years and about 40 per cent of a duration of more than 20 years. The technical provisions must be covered at all times with assets according to the regulations. The financial statements for 2015 showed a total of EUR 35,142 million of such assets suitable for covering the technical provisions, which exceeded the amount of technical provisions to be covered by around 15 per cent.

The structure of Ilmarinen's technical provisions in the financial statements was as follows:

	Financial statements 31 Dec 2015		Financial statements 31 Dec 2014	
	EUR mill.	%	EUR mill.	%
Future old-age pension liability	13,180	48	12,917	49
Future disability pension liability	314	1	332	1
Current old-age pension liability	8,591	31	7,887	30
Current disability pension liability	1,287	5	1,335	5
Equalisation provision	1,029	4	1,002	4
Provision for pooled claims	2,910	11	2,792	11
<b>Total (TyEL, other than provision for future and current bonuses)</b>	<b>27,309</b>	<b>100</b>	<b>26,265</b>	<b>100</b>
Provision for future bonuses	1,685		843	
Provision for current bonuses	98		95	
Equity linked buffer	1,235		889	
<b>Total TyEL insurance</b>	<b>30,327</b>		<b>28,092</b>	
Other than TyEL insurance technical provisions	303		310	
<b>Total technical provisions</b>	<b>30,630</b>		<b>28,402</b>	

## 6. Investment risks and their management

### Objectives of investment operations

In the long term, investments must generate a return equalling at least the return to be credited on technical provisions. The risk faced by Ilmarinen in its investment operations is that if its long-term investment returns were to lag behind the average return of all pension institutions, this would weaken its solvency. As far as the equity-linked technical provisions are concerned, the company can reduce the risk by investing a corresponding share of its investment assets in equity, whereby the risk faced by the company is limited to the deviation of its own return on equity from the average return of pension institutions.

### Solvency management's relation to investment planning and risk management

The objective of solvency management is to ensure that Ilmarinen is able to carry out its investment strategy while taking into account the effect of uncertainty on assumptions and set goals. Ilmarinen's solvency management is based on continuous assessment of risks and the overall solvency requirement as well as risk management. A critical part of the risk management in investment operations is the measures carried out in the investment portfolio as a result of risk assessment. This ensures that the probability of the company end-

ing up in a situation in which it would have to give up its long-term investment strategy in order to secure its solvency in the short term, will not be too high.

The investment portfolio's risk profile may change rapidly as a result of changes in economic circumstances, for example, which is why the risk level of the portfolio must constantly be compared with Ilmarinen's risk tolerance. The effects of change factors on Ilmarinen's investment portfolio are estimated in short-term risk calculations as well as through complementary stress tests and long-term scenarios.

The statutory lower limit for solvency capital, solvency limit and other control limits depend on the extent of the company's risk-taking in investment operations and take into account the different investment asset structures of pension institutions. Riskier investments require greater solvency capital.

The basic quantity of the solvency requirements is the solvency capital's solvency limit. The theoretical base for its dimensioning has been determined in such a way that, within one year, the likelihood of a loss higher than the solvency limit taking place in the company's investment and insurance risks is at maximum 2.5 per cent. However, the solvency limit is always at least 5 per cent of the technical provisions used in solvency calculation. The riskier the investment allocation of the pension institution, the higher the solvency limit. For calculating the solvency limit, the investments are divided into five main groups that each have several sub-classes. The aim is that the main groups and sub-classes form entities with essentially the same return and risk characteristics. In addition, the calculations take into account correlations between the investments as well as between investment risks and insurance risks. The lower limit for solvency capital is one third of the solvency limit.

## Solvency capital and risk appetite

Ilmarinen must maintain its ability to pay current and future pensions under its responsibility, which is why investment operations must be profitable and sustainable. Profitable investing necessitates exposure to investment risks, which are restricted by the sustainability requirement.

When defining its investment strategy, Ilmarinen must achieve a balance between several simultaneous goals. Goals have been set for the long-term real return as well as the mid-term solvency development and it is, of course, necessary to continuously remain sufficiently solvent. In strategic allocation selection, the aim is to discover a strategy that best meets Ilmarinen's goals and simultaneously fulfils the company's solvency requirements with sufficient certainty. The definition of the risk appetite depicting this level of certainty is the most significant decision concerning investment operations. That risk taking is based on current investment opportunities, in other words the market-dependent risk-return ratio of the investment risk, is a prerequisite for successful investment operations. The company's Board decides on strategic allocation at least once a year in connection with investment planning.

The financial risks inherent in investment operations are limited by the statutory solvency regulations and Ilmarinen's internal limit framework, which contribute to ensuring a sufficient level of diversification and liquidity of the investment portfolio. In practice, however, the investment risk management process is about continuously identifying and analysing financial risks and making decisions on risk management measures.

The company's solvency capital, which is the difference between the company's assets and liabilities, serves as a buffer against investment risks. The most important items in the solvency capital are the company's capital and reserves, equalisation provision, provision for future bonuses and the valuation gains/losses on in-

vestments. The solvency capital other than the equalisation provision is meant primarily for covering losses on investments. If investment income exceeds the interest to be credited on technical provisions, the difference is added to the solvency capital. In the opposite scenario, the necessary amount is deducted from the solvency capital.

Ilmarinen's solvency capital at the end of 2015 was EUR 8,244 (7,904) million and its solvency limit was 14.5 (15.0) per cent of the technical provisions used in solvency calculation. Ilmarinen's solvency ratio, i.e. the ratio of the solvency capital to the technical provisions stood at 29.6 (29.8) per cent. Ilmarinen's solvency position, i.e. the ratio of the solvency capital to the solvency limit was thus 2.04 (1.99). The solvency ratio describes the company's risk-bearing ability and the solvency position portrays the risk taken by the company in relation to its risk-bearing ability.

## Authorisations, supervising and reporting in investment operations

Ilmarinen's Board of Directors confirms the authorisations for operational investment activities annually in conjunction with the investment plan. The management, within the framework of its investment authorisations, may deviate from the weightings for the asset classes specified under strategic allocation. The extent of the risk related to investment operations is monitored by the Asset Management Group, whose members represent the Investments division and the Finance, Actuarial Services and Risk Management division. In its monitoring, the group takes into account the requirements set for the underwriting business and proposes adjustments to the risk level of the investment plan or to the investment authorisations, if necessary.

The chosen operative risk level and the company's solvency situation are evaluated at the weekly Investment Committee meetings, in which the Risk Management division is also represented. Compliance with the limits for investment risk-taking and the achievement of investment targets are reported to the Board of Directors monthly by the Risk Management division, which is independent of the function taking the investment risk. The correctness of the reported information is ensured through sufficiently frequent real-time reporting, regular matching routines and the organisational separation of decision-making on investments and reporting.

## Risk assessment and risk management methods

### Market risks

Market risk arises as a consequence of the daily changes in prices and values on the financial market. The market risks directed at Ilmarinen's investment assets are equity, interest-rate, interest-rate-differential, real estate, currency, commodity and volatility risks. Market risks are limited by setting limits on maximum losses occurring with a certain likelihood (Value at Risk, VaR). Further aspects to be taken into account in investment risk management are the ever-present possibility of new risk factors emerging and the narrow perspective of the risk calculation based on historical time series data. For these reasons, financial risk analysis must be continually supplemented by stress tests and scenario analyses to support decisions concerning the investment portfolio composition.

The table below illustrates the effects of market changes on Ilmarinen's solvency: Here the other asset classes are expected to change according to the historical dependencies between them and equities and shares, in connection with a 10-per-cent decline in share prices. In addition a situation in which the current values of

real estate have declined by 10 per cent and, at the same time, the current values of other asset classes have remained unchanged is examined.

	Change in share prices	Current value of real estate
	-10%	-10%
<b>Effect</b>		
- on solvency capital (€ mill.)	-833.2	-319.2
- on solvency position	-0.13	-0.09
- on return percentage (percentage units)	-3.3	-0.9
- on solvency ratio (percentage units)	-3.0	-1.1

If the investments on 31 December 2015 are taken as the starting point, there was a 2.5 per cent likelihood that the value of the investments could drop by at least EUR 1,469 million within one month. This Value at Risk was 4.1 per cent of the amount of investments and 17.8 per cent of the solvency capital at the end of the year. If such a risk had actually materialised, the solvency capital would have dropped to 25.7 per cent of the technical provisions.

### Credit risk

Credit risks related to Ilmarinen's operations result from direct lending and counterparty risks from bonds and OTC derivatives.

The primary instruments of managing credit risks in direct lending are company analyses and lending in proportion to the company's future solvency. The risks are also managed through collateral arrangements.

Counterparty risks relating to bonds are managed through analyses of the issuers' credit ratings and by restricting both the total amount of investments in bonds of specific credit ratings and the percentage of bonds issued by a single issuer.

The counterparty risks of OTC derivatives are managed both in accordance with risk reporting under regulations issued by the authorities and through more detailed counterparty-specific market risk simulations. Counterparty risks relating to non-standard derivatives are also managed by using international standard agreements approved by the International Swaps and Derivatives Association (ISDA) with all parties.

### Liquidity risks

Liquidity risks in relation to Ilmarinen's liabilities are easily managed, as pension expenditure can be forecasted quite accurately, more than 72 per cent of the assets consist of liquid investments in securities and taking on debt is not allowed. Short-term liquidity risks based on the poor convertibility of investment instruments are managed by making the company's own investments proportional to their average daily turnover in the market by investment object.

## Investment portfolio allocation by asset class

The breakdown of Ilmarinen's investments into main asset classes on 31 December 2015 and the income from these investments are presented in the notes to the accounts under "Key figures and analyses". The table below follows the method agreed together with the pension institutions on describing investment returns and risks.

The modified duration of bonds on 31 December 2015 was 0.8 (-0.9) years.

	Basic break-down at current value, EUR mill.	Risk break-down at current value, EUR mill.	ROCE	Volatility, %
<b>Fixed-income investments</b>	<b>15,664</b>	<b>12,814</b>	<b>1.2</b>	
Loan receivables	1,088	1,088	3.7	
Bonds	14,007	9,765	0.9	1.8
- Public corporation bonds	4,246	3,668	0.0	
- Other bonds	9,761	6,097	1.3	
Other money market instruments and deposits	469	1,961	3.5	
<b>Equities and shares</b>	<b>14,399</b>	<b>14,731</b>	<b>11.6</b>	
Listed equities and shares	11,394	11,726	10.6	13.7
Private equity investments	2,003	2,003	21.3	
Non-listed equities and shares	1,002	1,002	4.8	
<b>Real estate investments</b>	<b>3,935</b>	<b>3 935</b>	<b>7.8</b>	
Direct real estate investments	3,428	3,428	7.0	
Real estate funds and joint investments	508	508	13.0	
<b>Other</b>	<b>1,943</b>	<b>3,289</b>	<b>10.3</b>	
Hedge fund investments	671	671	12.8	7.1
Commodity investments	-8	64	-	
Other investments	1,280	2,554	13.0	
<b>Investments total, %</b>		<b>97.0</b>		
<b>Effect of derivatives, %</b>		<b>3.0</b>		
<b>Total investments at current value, %</b>	<b>100.0</b>	<b>100.0</b>		
<b>Total investments at current value, EUR mill.</b>	<b>35,841</b>	<b>35,841</b>		<b>4.7</b>
<b>Net investment return at current value, %</b>			<b>6.0</b>	



Breakdown of Ilmarinen's investments into solvency groups pursuant to the Solvency Act			
Group	Expected return %	Volatility %	Investments, % 31 Dec 2015
I	4.2	0.0	-0.4
II	5.5	7.4	19.7
III	7.1	10.2	8.9
IV	8.7	20.0	42.7
V	6.4	12.3	29.1

Breakdown of investments in listed equities and shares		Breakdown of credit rating of bonds including fixed-income funds	
Share, %		Share, %	
	2015	2014	
Finland	27	28	AAA
Europe	47	38	AA
USA	16	13	A
Japan	4	2	BBB or worse
China	3	6	Not rated
Other	4	12	

\* the share of fixed-income funds is 5 (4) percentage units

Breakdown of loan portfolio by collateral		
EUR mill.	2015	2014
Loans with real security	645.6	768.3
Loans with guarantee	175.1	264.8
Loans to guarantor corporations	1.4	2.0
Unsecured	259.0	403.0
Interest receivables	7.4	10.4
Total	1,088.5	1,448.5

Structure of real estate investments	Share, %	
	2015	2014
Residential premises	15	19
Office premises	22	32
Commercial premises	9	12
Hotels	8	8
Warehouse premises	7	7
Other	15	7
Indirect investments	10	1

The occupancy rate of the real estate portfolio (locations under renovation excluded) was 90.6 per cent (88.3 per cent).

## 7. Operational risks and their management

Operational risks refer to the probability of loss inherent in inadequate or failed internal processes, human resources and systems or external events. Operational risks include legal risks and compliance risk related to compliance with regulations, but not business risks. Operational risks are related to all operations and it is not possible to hedge against them fully. These risks are limited as far as is financially reasonable.

The majority of operational risks are managed as part of the management of the business units' normal operations, under the responsibility of the head of each unit. The objective is for the operations of each unit to be carefully performed, maintain a high quality, and be economical and efficient. The management of significant operational risks has been taken care of by ensuring the personnel's expertise and employing a range of means relating to information technology and operating practices, such as backup systems and backup communication connections, documenting of processes as well as the use of benchmark data and monitoring systems.

Identifying risks is at the core of managing operational risks. This includes both identifying and assessing risks as well as ensuring the sufficiency of control and management measures. The key operational risks of Ilmarinen's operations are identified annually on a regular basis according to the company's risk identification plan. The most serious operational risks in terms of the company's basic task are errors and disturbances that could prevent the correct calculation or timely payment of pensions if they were to materialise. They also include disturbances in the operational information systems and online services, which compromise their performance, management or security.

According to the risk management plan approved by Ilmarinen's Board of Directors, all of Ilmarinen's core and support functions must report any operational risk events related to their operations, i.e. realised operational risks and near-miss situations. Risk events are recorded at Ilmarinen using a shared model in the operational risk management reporting system that enables, among other things, the monitoring of up-to-date information pertaining to operational risks and its utilisation in planning and decision-making.

Ilmarinen has a statutory obligation to prepare, which requires the company to prepare for serious disruptions and exceptional circumstances. Ilmarinen has drawn up plans for ensuring the continuity of operations and for steering operations in disturbances, and they are monitored and maintained every year to keep them up to date.

In order to ensure disturbance-free operations under both normal and exceptional conditions, the company has drawn up plans for ensuring the continuity of operations and for controlling operations in exceptional circumstances, and they are monitored and maintained every year to keep them up-to-date.

## 8. Continuous development of risk management

Risk management is being developed continuously, just like the rest of the organisation. Risks are assessed and managed on various levels in the organisation, such as the strategic and operational levels and in development projects.

The purpose of risk management is to promote the achievement of goals, as a result of which risk management procedures and external and internal communications related to risk management are improved constantly.

It is important for Ilmarinen that the level of risk management procedures is in line with the significance of the operations concerned and the decisions made within them. This is meant to ensure that Ilmarinen's risks are on an optimal level in view of the criteria defined by the company. Risk management leads to Ilmarinen having an up-to-date, accurate and all-encompassing picture of the company's risks, which are in line with the company's risk-bearing capacity and risk appetite.

# FINANCIAL STATEMENTS GROUP

2015

PROFIT AND LOSS ACCOUNT, GROUP		2015		2014	
<b>PROFIT AND LOSS ACCOUNT</b>					
<b>Premiums written</b>			4,268,706,200.73		4,167,385,942.90
<b>Investment income</b>			16,613,746,891.38		8,577,892,329.28
<b>Claims incurred</b>					
Claims paid		-4,480,316,155.52		-4,389,591,601.53	
Change in provision for claims outstanding					
Total change	-797,732,755.00			-646,894,239.00	
Portfolio transfers	23,660,698.00			0.00	
Insurance portfolio transfers	-32,677,953.00	-806,750,010.00	-5,287,066,165.52	0.00	-5,036,485,840.53
<b>Change in provision for unearned premiums</b>					
Total change		-1,430,250,782.00		-566,475,464.00	
Portfolio transfers		42,374,207.00		0.00	
Insurance portfolio transfers		-91,381,464.00	-1,479,258,039.00	0.00	-566,475,464.00
<b>Operating expenses</b>			-88,470,089.01		-89,113,325.93
<b>Investment charges</b>			-14,013,957,000.73		-7,057,698,481.03
<b>Balance on technical account</b>			13,701,797.85		-4,494,839.31
<b>NON-TECHNICAL ACCOUNT</b>					
<b>Balance on technical account</b>			13,701,797.85		-4,494,839.31
<b>Other income</b>			2,544,211.46		1,589,291.45
<b>Other expenses</b>			0.00		-215,134.41
<b>Income taxes on ordinary activities</b>			-11,381,257.12		-4,666,138.62
<b>Profit/loss on ordinary activities</b>			4,864,752.19		-7,786,820.89
<b>Minority interests</b>			-337,390.11		-536,701.91
<b>Profit/loss for the financial year</b>			4,527,362.08		-8,323,522.80

**BALANCE SHEET, GROUP 31 DEC 2015**

2015

2014

	2015		2014	
<b>ASSETS</b>				
<b>Intangible assets</b>				
Intangible rights		23,283,082.08		9,553,889.86
Ennakkomaksut		12,533,105.15	35,816,187.23	24,153,092.15
				33,706,982.01
<b>Investments</b>				
Real estate				
Real estate and real estate shares	2,182,430,514.99		2,267,995,093.83	
Loans to participating interests	327,612,019.81	2,510,042,534.80	73,283,593.95	2,341,278,687.78
Investments in group companies and participating interests				
Shares and participations in participating interests	99,686,896.37		49,130,316.34	
Loans to participating interests	152,373,937.33	252,060,833.70	180,990,177.33	230,120,493.67
Other investments				
Shares and participations	14,198,543,877.80		13,048,211,013.59	
Money market instruments	12,931,961,736.85		11,397,048,107.59	
Loans guaranteed by mortgages	399,730,598.56		479,708,685.01	
Other loans	528,982,072.70		777,404,826.09	
Deposits	100,068,444.44	28,159,286,730.35	30,921,390,098.85	25,702,372,632.28
				28,273,771,813.73
<b>Receivables</b>				
Direct insurance operations				
Policyholders		812,853,209.27		763,968,325.70
Other receivables		3,142,573,790.39	3,955,426,999.66	2,819,977,995.76
				3,583,946,321.46
<b>Other assets</b>				
Tangible assets				
Furniture and fixtures	2,030,306.94		1,046,193.94	
Other tangible assets	1,700,224.26	3,730,531.20	1,754,389.98	2,800,583.92
Cash at bank and in hand		601,332,064.43	605,062,595.63	529,669,901.63
				532,470,485.55
<b>Prepayments and accrued income</b>				
Accrued interests and rent		172,167,575.03		186,687,494.86
Other prepayments and accrued income		64,575,502.10	236,743,077.13	62,848,057.83
				249,535,552.69
<b>Total assets</b>			35,754,438,958.49	32,673,431,155.44

BALANCE SHEET, GROUP 31 DEC 2015		2015		2014	
<b>LIABILITIES</b>					
<b>Capital and reserves</b>					
Initial fund		22,994,653.31		22,994,653.31	
Other reserves					
Funds and reserves under the Articles of Association	71,248,889.97			66,989,292.51	
Other funds	584,855.10	71,833,745.07		584,855.10	67,574,147.61
Profit/loss brought forward		-84,235,966.13			-71,636,970.87
Profit/loss for the financial year		4,527,362.08	15,119,794.33		-8,323,522.80
					10,608,307.25
<b>Minority interests</b>			7,800,649.29		14,800,623.92
<b>Technical provisions</b>					
Provision for unearned premiums		16,616,459,606.00		15,186,208,824.00	
Provision for claims outstanding		14,013,779,142.00	30,630,238,748.00	13,216,046,387.00	28,402,255,211.00
<b>Liabilities</b>					
Direct insurance operations		737,700,695.63		689,773,811.91	
Other liabilities		3,837,797,260.55	4,575,497,956.18	2,865,083,425.21	3,554,857,237.12
<b>Accruals and deferred income</b>			525,781,810.70		690,909,776.15
<b>Total liabilities</b>			35,754,438,958.49		32,673,431,155.44

CASH FLOW STATEMENT, GROUP	2015		2014	
<b>Cash flow from operations</b>				
Profit /loss on ordinary activities	4,864,752.19		-7,786,820.89	
Adjustments				
Change in technical provisions	2,227,983,537.00		1,213,369,703.00	
Impairments and revaluations on investments	572,012,376.52		828,517,364.51	
Planned depreciations	59,791,954.95		67,346,116.95	
Other adjustments	-2,545,550,378.50		-1,443,197,102.93	
Cash flow before change in working capital	319,102,242.16		658,249,260.64	
Change in working capital				
Short-term non-interest-bearing receivables increase(-) / decrease (+)	-358,688,202.64		-1,022,098,074.51	
Short-term non-interest-bearing receivables increase(-) / decrease (+)	855,512,753.60		873,079,558.67	
Cash flow from operations before financial items and taxes	815,926,793.13		509,230,744.80	
Direct taxes paid	-11,381,257.12		-4,666,138.62	
Cash flow before exceptional items	804,545,536.01		504,564,606.18	
<b>Cash flow from operations</b>		804,545,536.01		504,564,606.18
<b>Cash flow from investments</b>				
Asset purchase (exl. financial assets)	-25,729,797,683.51		-19,044,435,284.77	
Capital gains on investments (exl. financial assets)	25,004,140,517.83		18,706,032,258.66	
Investments and capital gains (net) on intangible, tangible and other assets	-7,210,332.48		-9,666,978.15	
<b>Cash flow from investments</b>		-732,867,498.16		-348,070,004.26
<b>Cash flow from financing</b>				
Other profit distribution	-15,875.00		-26,010.00	
<b>Cash flow from financing</b>		-15,875.00		-26,010.00
<b>Change in financial resources</b>		71,662,162.85		156,468,591.92
<b>Financial resources at the start of the financial year</b>		529,669,901.63		373,201,309.70
<b>Financial resources at the end of the financial year</b>		601,332,064.43		529,669,901.63



1. SPECIFICATION OF PREMIUMS WRITTEN, GROUP		2015		2014	
Direct insurance					
TyEL basic coverage					
Employer contribution	2,973,050,828.83			2,877,753,880.21	
Employee contribution	997,381,620.00	3,970,432,448.83		981,073,650.00	3,858,827,530.21
TyEL supplementary coverage			2,210,735.64		2,398,985.68
YEL minimum coverage			339,716,843.18	4,312,360,027.65	326,848,792.88
Transition contribution to the State Pension Fund				-43,016,807.92	-20,077,423.87
Reinsurance				1,793.00	1,855.00
<b>Premiums written before reinsurers' share</b>				4,269,345,012.73	4,167,999,739.90
Reinsurers' share				-638,812.00	-613,797.00
<b>Premiums written</b>				4,268,706,200.73	4,167,385,942.90
Items deducted from premiums written					
Credit loss on outstanding premiums					
TyEL	-11,333,789.77			-14,534,220.55	
YEL	-2,211,281.96		-13,545,071.73	-2,303,579.41	-16,837,799.96

2. SPECIFICATION OF CLAIMS PAID, GROUP		2015		2014	
Direct insurance					
Paid to pensioners					
TyEL basic coverage	4,071,110,625.77			3,917,724,313.63	
TEL supplementary coverage	60,037,326.62			61,291,829.57	
YEL minimum coverage	364,114,911.17			350,419,610.55	
YEL supplementary coverage	1,669,766.59	4,496,932,630.15		1,663,061.49	4,331,098,815.24
Payments to/refunds from the provision for clearing PAYG pensions					
TyEL pensions	198,343,866.50			227,944,492.52	
YEL pensions	4,695,125.24			-196,517.32	
Share of the unemployment insurance fund insurance contribution and division of the costs of pension components accrued on the basis of unsalaried periods	-229,085,674.35			-184,422,109.59	
YEL government share	-28,124,157.84			-22,515,756.44	
State compensation pursuant to VEKL	-572,572.09	-54,743,412.54	4,442,189,217.61	-422,923.14	20,387,186.03
Reinsurance			33,624,918.73		32,983,226.90
Working capacity maintenance costs			5,131,548.18		5,722,172.36
<b>Claims before reinsurers' share</b>			4,480,945,684.52		4,390,191,400.53
Reinsurers' share			-629,529.00		-599,799.00
<b>Total claims paid</b>			4,480,316,155.52		4,389,591,601.53

**3. SPECIFICATION OF NET INVESTMENT INCOME,  
GROUP**

	2015		2014	
<b>Investment income</b>				
<b>Income from participating interests</b>				
Share of profit/loss of associated companies	-5,016,012.66		1,207,616.97	
Dividend income from other participating interests	30,273.83		30,273.83	
Interest income from other participating interests	6,022,120.28	1,036,381.45	6,436,520.54	7,674,411.34
<b>Income from investments in real estate</b>				
Share of profit/loss of associated companies	-1,105,956.49		1,000,833.92	
Dividend income other than group companies	13,624.54		7,575.70	
Interest income other than group companies	11,966,212.73		1,630,467.97	
Other income other than group companies	210,931,223.49	221,805,104.27	219,119,217.76	221,758,095.35
<b>Other income</b>				
Dividend income other than group companies	308,411,055.06		342,907,230.90	
Interest income other than group companies	348,216,816.16		443,268,417.50	
Other income other than group companies	2,102,644,989.43	2,759,272,860.65	1,165,442,603.70	1,951,618,252.10
<b>Total</b>		2,982,114,346.37		2,181,050,758.79
<b>Value readjustments</b>		164,342,049.51		240,085,161.01
<b>Capital gains</b>		13,467,290,495.50		6,156,756,409.48
<b>Total</b>		16,613,746,891.38		8,577,892,329.28
<b>Investment charges</b>				
<b>Charges on real estate investments</b>		-78,591,360.32		-73,180,099.81
<b>Charges on other investments</b>		-2,167,123,906.86		-1,103,261,031.60
<b>Interest charges and other charges on liabilities</b>				
To other than group companies	-65,907,672.67	-65,907,672.66	-39,048,046.74	-39,048,046.74
<b>Total</b>		-2,311,622,939.85		-1,215,489,178.15
<b>Value adjustments and depreciation</b>				
Value adjustments	-736,354,426.03		-1,068,602,525.52	
Planned depreciation on buildings	-55,620,774.97	-791,975,201.00	-64,713,609.43	-1,133,316,134.95
<b>Capital loss</b>		-10,910,358,859.88		-4,708,893,167.93
<b>Total</b>		-14,013,957,000.73		-7,057,698,481.03
<b>Net investment income before revaluations and their adjustments</b>		2,599,789,890.65		1,520,193,848.25
<b>Net investment income in the profit and loss account</b>		2,599,789,890.65		1,520,193,848.25

4. SPECIFICATION OF OPERATING EXPENSES, GROUP	2015		2014	
<b>Total operating expenses by activity</b>				
<b>Claims paid</b>				
Claims handling expenses		33,624,918.73		32,983,226.90
Working capacity maintenance costs		5,131,548.18	38,756,466.91	5,722,172.36
<b>Operating expenses</b>				
Acquisition costs				
Commissions, direct insurance		1,373,587.99		1,511,664.01
Other policy acquisition costs		11,366,784.22	12,740,372.21	16,122,705.05
Portfolio administration expenses			44,813,745.83	
Administrative expenses;				
Statutory charges:				
Cost component of the Finnish Pension Centre	9,583,127.55			10,768,846.76
Judicial administration charge	951,362.62			1,054,046.65
Supervision charge of the Insurance Supervisory Authority	577,027.40	11,111,517.57		689,828.86
Other administrative expenses		19,804,453.40	30,915,970.97	16,924,392.42
<b>Operating expenses total</b>			88,470,089.01	29,437,114.69
<b>Investment charges</b>				89,113,325.93
Costs on real estate investment		3,907,529.98		2,591,671.20
Other		21,535,881.71	25,443,411.69	23,234,960.89
<b>Other expenses</b>			0.00	211,792.32
<b>Total operating expenses</b>			152,669,967.61	151,265,478.40

5. SPECIFICATION OF STAFF EXPENSES AND MEMBERS OF CORPORATE ORGANS, GROUP	2015	2014
<b>Staff expenses</b>		
Salaries and bonuses	43,117,218.82	43,197,909.94
Pension expenditure	8,325,463.26	8,260,860.81
Other social security expenses	2,307,181.14	2,154,103.04
Change in reserves	3,564,835.03	607,952.20
<b>Total</b>	<b>57,314,698.25</b>	<b>54,220,825.99</b>
<b>Salaries, bonuses and fringe benefits paid to management</b>		
Managing director	1,206,780.63	817,993.84
Deputy managing director	267,028.72	622,481.25
Board members and deputy members	382,541.94	395,500.00
Members of Supervisory Board and deputy members	98,397.96	109,169.44
<b>Total</b>	<b>1,954,749.25</b>	<b>1,945,144.53</b>
<b>Pension commitments for the benefit of the executive management</b>		
<p>In 2015 the retirement age of Ilmarinen's President and CEO and Deputy CEO was 62 years. The President and CEO and his Deputy are covered by voluntary defined-benefit supplementary pension insurance. The amount of voluntary defined-benefit supplementary pension insurance in 2015 was EUR 194,712.07. The total pension, which consists of the earnings-related pension and supplementary pension, is 60 per cent of the salary on which the supplementary pension is based. Statutory earnings-related pension contributions have been paid on the remuneration paid to the members of the Board of Directors and Supervisory Board.</p>		
<b>Average staff number during the financial period</b>	<b>593</b>	<b>600</b>
<b>Auditor's fee</b>		
Auditing	259,411.77	263,444.58
Tax advice	44,025.71	14,514.20
Other services	3,148.66	9,609.76

6. INVESTMENTS, GROUP 31 DEC	2015			2014		
FAIR VALUE OF INVESTMENTS AND DIFFERENCE BETWEEN CURRENT AND BOOK VALUE	Remaining acquisition cost	Book value	Current value	Remaining acquisition cost	Book value	Current value
Investments in real estate						
Real estate	1,851,639,238.99	1,861,345,784.93	2,764,862,828.32	2,123,777,491.65	2,134,603,714.84	3,040,742,233.83
Shares in group companies	310,758,611.14	310,758,611.14	324,985,819.96	124,911,450.12	124,911,450.12	134,134,371.43
Other shares in real estate	10,326,118.92	10,326,118.92	10,771,545.13	8,473,631.87	8,473,631.87	9,106,384.72
Loans to participating interests	327,612,019.81	327,612,019.81	331,443,745.64	73,283,593.95	73,283,593.95	73,283,593.95
Investments in participating interests						
Shares and participations in associated companies	99,174,259.57	99,174,259.57	111,802,607.48	48,617,679.54	48,617,679.54	69,729,146.97
Shares and participations in other than participating interests	512,636.80	512,636.80	512,636.80	512,636.80	512,636.80	512,636.80
Loan receivables	152,373,937.33	152,373,937.33	152,373,937.33	180,990,177.33	180,990,177.33	181,137,582.61
Other investments						
Shares and participations	14,198,543,877.80	14,198,543,877.80	17,374,955,296.10	13,048,217,310.59	13,048,217,310.59	16,381,988,786.71
Money market instruments	12,931,961,736.85	12,931,961,736.85	13,092,031,815.33	11,397,048,107.59	11,397,048,107.59	11,792,362,519.09
Loans guaranteed by mortgages	399,730,598.56	399,730,598.56	399,730,598.56	479,708,685.01	479,708,685.01	479,708,685.01
Other loan receivables	528,982,072.70	528,982,072.70	528,982,072.70	777,404,826.09	777,404,826.09	777,404,826.09
Deposits	100,068,444.44	100,068,444.44	100,068,444.44	0.00	0.00	0.00
	30,911,683,552.91	30,921,390,098.85	35,192,521,347.79	28,262,945,590.54	28,273,771,813.73	32,940,110,767.21
Remaining acquisition cost of money market instruments includes:						
The difference between the nominal value and acquisition cost, released to interest income (+) or charged to interest income (-)			-33,634,796.33			-34,182,381.44
Book value comprises						
Revaluations entered as income		0.00			26,455.73	
Other revaluations		9,706,545.94	9,706,545.94		10,799,767.46	10,826,223.19
<b>Difference between current and book value</b>			4,271,131,248.94			4,666,338,953.48

7. INVESTMENTS, GROUP 31 DEC	2015		2014	
<b>FAIR VALUE OF DERIVATIVES AND VALUATION DIFFERENCE</b>	<b>Book value</b>	<b>Current value</b>	<b>Book value</b>	<b>Current value</b>
<b>Fair value of non-hedging derivatives and valuation difference</b>				
Other receivables				
Price difference of derivatives	183,996,174.95	0.00	177,816,853.06	0.00
Prepayments for option contracts	1,212,981,068.00	1,900,431,244.59	1,536,241,084.99	2,216,715,272.13
Other debts				
Price difference of derivatives	-261,187,843.72	0.00	-176,395,678.19	0.00
Prepayments for option contracts	-536,605,003.48	-424,471,777.68	-391,690,077.23	-310,045,529.28
Other prepayments and debts				
Future and forward contracts and total return swaps	-389,456,495.81	13,701,794.17	-556,466,597.49	89,456,684.67
	209,727,899.94	1,489,661,261.08	589,505,585.14	1,996,126,427.52
<b>Valuation difference, total</b>		1,279,933,361.14		1,406,620,842.38
<b>CURRENT VALUE OF SHORT SELLING AND VALUATION GAIN/LOSS</b>	<b>Kirjanpitoarvo</b>	<b>Käypä arvo</b>	<b>Kirjanpitoarvo</b>	<b>Käypä arvo</b>
<b>Current value of short selling and valuation gain/loss</b>				
Other debts				
Liabilities on sold equity loans	-178,738,687.40	-173,797,805.05	-27,708,713.22	-27,630,718.83
Liabilities on sold bonds	0.00	0.00	-16,951,980.89	-16,951,980.89
	-178,738,687.40	-173,797,805.05	-44,660,694.11	-44,582,699.72
<b>Valuation difference, total</b>		4,940,882.35		77,994.39

**8. REAL ESTATE INVESTMENTS, GROUP 31 DEC****2015**

	<b>Real estate and real estate shares</b>	<b>Loans to participating interests</b>
<b>Changes in real estate investments:</b>		
Acquisition cost Jan 1	2,969,265,674.77	73,709,601.73
Additions	496,032,464.36	256,300,272.37
Deductions	-709,323,462.49	-1,655,263.57
Acquisition cost Dec 31	2,755,974,676.64	328,354,610.53
Accumulated depreciation and amortisation Jan 1	-653,541,117.14	
Accumulated depreciation and amortisation on deductions and transfers	165,116,464.14	
Depreciation and amortisation for the financial year	-55,213,636.37	
Accumulated depreciation and amortisation Dec 31	-543,638,289.37	
Depreciations Jan 1	-73,096,940.90	-426,007.78
Impairments on deductions and transfers	41,231,893.42	0.00
Value adjustments for the financial year	-29,432,049.57	-316,582.94
Value readjustments	16,386,759.15	0.00
Depreciations Dec 31	-44,910,337.90	-742,590.72
Revaluations Jan 1	22,599,378.04	
Transfers between items	-7,594,912.42	
Revaluations Dec 31	15,004,465.62	
Book value Dec 31	2,182,430,514.99	327,612,019.81
Associated companies, the remaining consolidation 31 Dec 2015	4,398,331.95	
<b>Owner-occupied properties and shares in real estate</b>		
Remaining acquisition cost	72,858,920.34	
Book value	72,858,920.34	
Current value	102,261,207.75	

**9. INVESTMENTS IN PARTICIPATING INTERESTS,  
GROUP**
**2015**

<b>Changes</b>	<b>Shares and participations in participating interests</b>
Acquisition cost Jan 1	51,894,184.13
Additions	-3,613,671.32
Deductions	-14,201,860.32
Transfer between items	65,608,243.88
Acquisition cost Dec 31	99,686,896.37
Book value Dec 31	99,686,896.37



## 10. SHARES AND PARTICIPATIONS, GROUP 31 DEC 2015

1/2

Shares in group companies	Domicile	Percentage of shares/votes
<b>Real estate shares</b>		
Housing and real estate companies (124 pieces) listed in the notes to the accounts		
<b>Other</b>		
Tietollmarinen Oy	Helsinki	30,00 / 70,00
<b>Shares in participating interests</b>		
<b>Real estate shares</b>		
Ankkurikadun Kiinteistöt Oy	Helsinki	33,33 / 33,33
Antilooppi GP Oy	Helsinki	50,00 / 50,00
Antilooppi Ky	Helsinki	50,00 / 0,00
Antilooppi Management Oy	Helsinki	50,00 / 50,00
Asunto Oy Eerikinkatu 43	Helsinki	24,32 / 24,32
Asunto Oy Espoon Jousi	Espoo	33,70 / 33,70
Asunto Oy Espoon Kaari	Espoo	32,76 / 32,76
Asunto Oy Ruoholahdenkatu 24	Helsinki	20,41 / 20,41
Asunto Oy Vantaa Kiltterinmetsä	Vantaa	33,54 / 33,54
HL Covent Garden	Bryssel	95,02 / 47,60
ILMA Srl	Senningerberg	49,50 / 49,50
Kauppakeskus REDI GP Oy	Helsinki	30,18 / 30,18
Kiinteistö Oy Espoon Perkaantalo	Espoo	33,33 / 33,33
Kiinteistö Oy Kemin Portti	Kemi	23,87 / 23,87
Kiinteistö Oy Kluuvun Pysäköinti	Helsinki	38,61 / 38,61
KSK Redi Ky	Espoo	23,25 / 0,00
Lappeenrannan Villimiehen Vitonen Oy	Lappeenranta	50,00 / 50,00
Porin Puuvilla Oy	Pori	50,00 / 50,00
PP Property Management Oy	Pori	49,00 / 49,00
Redi Parkki GP Oy	Helsinki	30,18 / 30,18
Russia Invest B.V.	Amsterdam	27,23 / 27,23
Sipoonranta Oy	Sipoo	24,99 / 24,99
Taivas Tysons Corner Inc	Delaware	50,00 / 50,00 (1)
Tamina Homes, Inc.	Delaware	99,99 / 40,00
Technopolis Holding 2 AS	Oslo	49,00 / 49,00
World Trade Center Helsinki Oy	Helsinki	50,00 / 50,00
<b>Other</b>		
Forest Company Limited/The	St. Peter Port	24,89 / 24,89
Kesk. Henkivakuutusyhtiö Suomen takuusuuksia	Helsinki	100,00 / 0,00
Kruunuvuoren Satama Oy	Helsinki	33,00 / 33,00
Navidom Oy	Espoo	25,00 / 25,00
SSC Ahti Oy	Helsinki	50,00 / 50,00
SSC Esko Oy	Helsinki	50,00 / 50,00
SSC Futlaiva Oy	Helsinki	50,00 / 50,00
SSC Kiisla Oy	Helsinki	50,00 / 50,00
SSC Maslaiva Oy	Helsinki	50,00 / 50,00
SSC Neslaiva Oy	Helsinki	50,00 / 50,00
SSC Suula Oy	Helsinki	50,00 / 50,00
SSC Ukko Oy	Helsinki	50,00 / 50,00

1) Mutual Pension Company Ilmarinen's shareholding entitles to 100 per cent of the company's performance, so consolidated as 100%.

## 10. HOLDINGS IN OTHER COMPANIES, GROUP 31 DEC 2015

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	Number of shares	Percentage of shares/votes	Book value, EUR	Current value, EUR
<b>Other investments, shares and participations</b>				
<b>Domestic companies, listed</b>				
Affecto Plc	888,461	3.96	2,612,075.34	2,612,075.34
Ahlstrom Corporation	382,674	0.82	2,766,733.02	2,766,733.02
Alma Media Corporation	2,177,095	2.64	6,509,514.05	6,509,514.05
Amer Sports Corporation	2,650,000	2.24	33,267,318.25	71,364,500.00
Apetit Plc	53,800	0.85	623,279.32	683,798.00
Asiakastieto Group Plc	175,000	1.16	2,581,250.00	2,614,500.00
Aspo Plc	1,000,676	3.23	6,816,154.60	7,465,042.96
Atria Plc	90,000	0,32 / 0,08	809,100.00	809,100.00
Basware Corporation	1,530,278	10.76	30,200,977.68	56,161,202.60
Biotie Therapies Oyj	27,132,271	2.50	4,314,031.09	4,314,031.09
Bittium Corporation	1,316,203	3.70	4,168,087.40	9,226,583.03
CapMan Plc	7,178,500	8,32 / 5,20	7,178,500.00	7,178,500.00
Cargotec Corporation	861,953	1,33 / 0,57	18,962,472.04	29,737,378.50
Caverion Corporation	4,030,000	3.21	22,077,657.46	36,431,200.00
Citycon Corporation	63,470,695	7.13	131,388,811.96	152,329,668.00
Componenta Corporation	6,952,281	7.15	4,623,266.87	4,623,266.87
Comptel Corporation	2,236,368	2.06	2,663,475.90	4,047,826.08
Consti Group Plc	246,000	3.13	2,337,000.00	2,361,600.00
Cramo Plc	1,145,603	2.57	18,925,976.31	21,903,929.36
Detection Technology Plc.	554,000	4.28	2,686,900.00	2,686,900.00
Digia Plc	3,043,270	14.58	9,616,216.41	21,363,755.40
Efore Plc	1,578,048	2.83	1,183,536.00	1,183,536.00
Elisa Corporation	2,079,586	1.24	44,207,479.63	72,244,817.64
Evli Bank Plc	150,592	0,65 / 0,02	1,016,496.00	1,233,348.48
F-Secure Corporation	1,502,835	0.95	3,351,486.90	3,877,314.30
Faron Pharmaceuticals Ltd	636,721	2.75	1,421,593.08	2,082,063.36
Finnair Plc	3,675,564	2.87	17,995,320.47	19,737,778.68
Fiskars Oyj Abp	1,302,500	1.59	16,337,203.60	24,447,925.00
FIT Biotech Ltd	960,000	3.47	739,200.00	739,200.00
Fortum Corporation	10,226,986	1.15	142,564,184.84	142,564,184.84
HKScan Oyj	218,298	0,40 / 0,14	831,715.38	831,715.38
Huhtamäki Oyj	1,895,318	1.76	36,338,792.72	63,568,965.72
Ilkka-Yhtymä Oyj	606,397	2.37	1,263,636.34	1,263,636.34
Incap Corporation	16,615,384	7.61	1,246,153.84	2,591,999.90
Kemira Oyj	4,800,451	3.09	52,372,920.41	52,372,920.41
Kesko Corporation	1,970,632	1,97 / 1,45	61,288,587.83	63,295,929.92
Kone Corporation	4,820,860	0,92 / 0,40	114,223,817.12	188,495,626.00
Konecranes Plc	501,603	0.79	11,526,836.94	11,526,836.94
Lassila & Tikanoja Plc	934,836	2.41	10,207,723.61	16,883,138.16
Lemminkäinen Corporation	319,527	1.38	4,377,519.90	4,377,519.90
Marimekko Corporation	215,419	2.66	1,777,206.75	1,777,206.75
Martela Oyj	335,400	8,07 / 2,14	1,177,254.00	1,177,254.00
Metsä Corporation	3,302,126	2.20	68,453,071.98	68,453,071.98
Metsä Board Corporation	16,327,817	4,59 / 8,05	65,282,297.49	111,704,173.25
Munksjö Oyj	4,101,899	8.03	34,360,711.90	37,368,299.89
Neste Corporation	6,567,849	2.56	114,510,065.09	181,469,667.87
Nexstim Plc	319,643	3.99	2,064,893.78	2,064,893.78
Nixu Corporation	184,704	3.02	812,697.60	901,355.52
Nokia Corporation	27,893,982	0.70	130,354,038.69	184,379,221.02
Nokian Tyres plc	3,170,947	2.35	94,271,878.47	104,863,217.29
Okmetic Oyj	1,004,985	5.81	4,189,669.43	7,235,892.00
Olvi Plc	849,218	4,09 / 0,93	14,147,131.23	18,708,272.54
Oriola-KD Corporation	7,601,950	4,19 / 6,16	15,670,224.83	32,291,679.46
Orion Corporation	1,974,695	1,40 / 4,43	20,209,203.17	62,428,478.55
Outokumpu Oyj	3,685,673	0.89	10,084,001.33	10,084,001.33
Outotec Oyj	11,126,539	6.08	37,941,497.99	37,941,497.99
Pihlajalinna Plc	490,000	2.38	5,600,000.00	8,692,600.00
PKC Group Oyj	2,931,165	12.16	33,358,154.42	47,572,807.95
Ponsse Plc	392,666	1.40	3,288,005.71	7,193,641.12
Powerflute Plc	935,000	0.32	1,124,242.11	1,124,242.11
Pöyry Plc	3,011,308	5.04	11,171,952.68	11,171,952.68
Raisio Plc	5,837,869	3,53 / 0,74	17,494,591.65	24,752,564.56
Ramirent Plc	3,445,154	3.17	22,152,340.22	22,152,340.22
Rapala VMC Corporation	408,899	1.05	1,913,647.32	1,913,647.32
Sampo plc	4,641,000	0,83 / 0,82	137,038,969.53	218,312,640.00
Sanoma Corporation	3,572,220	2.19	13,924,513.56	13,924,513.56
Scanfil plc	580,000	1.00	878,962.32	2,215,600.00
Sillit Solutions Plc	71,000	3.52	497,000.00	1,696,900.00
SRV Yhtiöt Plc	308,003	0.51	954,809.30	954,809.30
Stockmann plc	1,920,160	2,67 / 1,05	11,993,342.48	11,993,342.48
Stora Enso Oyj	17,013,929	2,16 / 2,04	142,500,123.66	142,500,123.66
Suominen Corporation	16,259,056	6.44	10,678,979.59	20,161,229.44
Technopolis Plc	11,089,647	10.41	36,830,568.03	41,364,383.31
Teleste Corporation	963,860	5.08	9,445,828.00	9,445,828.00
Tieto Corporation	1,258,840	1.70	23,369,088.77	31,080,759.60
Tikkurila Oyj	2,458,938	5.57	37,702,008.68	40,056,100.02
Tulikivi Corporation	3,720,562	6,21 / 2,88	647,377.79	647,377.79
UPM-Kymmene Corporation	7,114,789	1.33	84,069,236.36	122,943,553.92
Uponor Corporation	1,996,527	2.73	24,616,261.56	27,192,697.74
Vaisala Corporation	735,000	4,03 / 0,89	17,279,850.00	17,279,850.00
Valmet Corporation	2,980,055	1.99	18,750,584.93	26,552,290.05
Verkkokauppa.com Oyj	2,308,728	5.12	8,832,097.64	16,391,968.80
Wärtsilä Corporation	3,978,914	2.02	106,553,707.31	168,188,694.78
YIT Corporation	887,573	0.70	4,650,882.52	4,650,882.52
Other	200,001		196,017.51	196,017.51
<b>Total</b>			<b>2,240,441,989.69</b>	<b>3,025,681,102.93</b>

## 10. HOLDINGS IN OTHER COMPANIES, GROUP 31 DEC 2015

2/2

## Domestic companies, non-listed

Aloitusrahasto Vera Oy	1,500	2.29	2,589,000.00	2,589,000.00
Cinia Group Ltd	144,928	11.24	5,000,016.00	5,000,016.00
DNA Ltd	424,689	4.42	40,342,820.23	40,342,820.23
Ekokem Corporation	540,700	15.36	22,429,342.90	35,145,500.00
Enfo Oyj	11,202	1.86	766,365.34	961,131.60
Fingrid Oyj	661	19.88 / 17.15	135,726,627.55	221,953,472.70
GreenStream Network Plc	1,200,000	19.87	599,109.60	599,109.60
Keliber Oy	50,835	8.55	660,855.00	660,855.00
Lounea Oy	1,093	1.16	602,096.92	602,096.92
M-Brain Oy	1,572	6.66	2,132,157.83	2,132,157.83
Multi Touch Ltd	502,789	13.01	2,799,428.09	2,799,428.09
Mustavaaran Kaivos Oy	333,703	12.81	500,554.50	500,554.50
Osuuskaunta KPY	761,900	13.73	12,115,578.15	15,999,900.00
PHP Holding Oy	3,568	1.76 / 0.24	3,696,242.35	3,696,242.35
Northern Power Company Ltd.	1,500,000	3.88	70,680,000.00	70,680,000.00
Porasto Oy	2,080	12.82	556,312.36	556,312.36
PRT-Forest Oy	6,000	10.02	3,616,335.60	3,616,335.60
Tornator Oyj	844,000	16.88	44,557,428.00	76,466,400.00
VVO-group plc	1,338,076	18.08	37,180,202.96	305,844,031.32
Other	29,144,739		1,956,459.93	1,956,459.61
<b>Total</b>			<b>388,506,933.31</b>	<b>792,101,823.71</b>

## OTHER INVESTMENTS

## Foreign companies, listed

## Netherlands

Airbus Group SE	311,500	0.04	14,892,541.75	19,313,000.00
Akzo Nobel N.V.	91,431	0.04	4,347,921.81	5,639,464.08
ING Groep N.V.	3,491,396	0.09	39,950,942.49	43,467,880.20
Kendrion N.V.	170,252	1.29	3,738,736.78	4,118,395.88
Koninklijke Ahold N.V.	594,700	0.07	10,250,581.15	11,581,782.50
Koninklijke Bam Groep N.V.	2,207,638	0.81	7,633,942.42	11,294,276.01
Koninklijke Philips N.V.	850,000	0.09	20,021,750.00	20,021,750.00
Randstad Holding N.V.	149,211	0.08	8,547,947.32	8,584,108.83
Unilever N.V.	681,000	0.02	23,461,153.17	27,297,885.00
Other	28,202		375,368.62	375,368.62

## Australia

Australia & New Zealand Banking Group Ltd	825,000	0.03	15,451,097.54	15,451,097.54
Westpac Banking Corporation	800,000	0.02	17,871,979.83	18,017,050.41

## Belgium

Anheuser-Busch InBev N.V.	260,000	0.02	27,612,946.76	29,744,000.00
Barco N.V.	46,449	0.36	2,623,967.61	2,861,258.40
Colruyt S.A.	114,103	0.07	4,723,665.05	5,413,616.84
KBC Groep N.V.	197,500	0.05	8,092,249.28	11,389,825.00
Proximus S.A.	50,682	0.01	1,166,905.02	1,519,953.18

## Bermuda

Höegh LNG Holdings Ltd	315,000	0.41	1,959,359.94	3,083,411.43
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## Cayman Islands

Alibaba Group Holding Ltd	140,000	0.01	10,448,241.02	10,448,241.02
Baidu, Inc.	15,000	0.01 / 0.00	2,604,436.48	2,604,436.48
China Resources Land Ltd	1,500,000	0.02	4,008,841.38	4,008,841.38
Tencent Holdings Ltd	1,200,000	0.01	20,206,750.78	21,674,409.78

## Spain

Banco Bilbao Vizcaya Argentaria, S.A.	2,000,000	0.03	13,478,000.00	13,478,000.00
Banco Santander S.A.	5,200,000	0.04	23,701,600.00	23,701,600.00
Bankia S.A.	1,000,000	0.01	1,073,000.00	1,073,000.00
Endesa S.A.	106,350	0.01	1,906,956.69	1,968,538.50
Gas Natural SDG, S.A.	119,801	0.01	1,824,583.94	2,254,055.82
Iberdrola S.A.	1,796,617	0.03	8,032,845.49	11,767,841.35
Repsol S.A.	340,151	0.02	3,442,328.12	3,442,328.12
Telefonica S.A.	1,487,508	0.03	15,224,644.38	15,224,644.38

## Hong Kong

AIA Group Ltd	2,800,000	0.02	14,894,360.77	15,464,113.02
China Mobile Ltd	1,950,000	0.01	20,210,427.14	20,210,427.14
China Overseas Land & Investment Ltd	1,300,000	0.01	3,405,864.59	4,175,357.92
China Vanke Co Ltd	1,200,000	0.01	2,677,851.93	3,256,850.29

## Ireland

Accenture Plc	100,000	0.02	9,593,467.53	9,596,766.79
CRH Plc	50,000	0.01	1,108,608.62	1,328,750.00
Experian Plc	774,791	0.08	12,183,768.79	12,646,632.85
Shire Plc	373,000	0.06	21,761,280.99	23,875,659.10

## Great Britain

Anglo American Plc	984,100	0.08	4,013,765.72	4,013,765.72
Arm Holdings Plc	430,000	0.03	4,724,140.58	6,087,199.40
AstraZeneca Plc	457,000	0.04	24,797,230.49	28,794,058.44
Aviva Plc	1,000,000	0.02	7,030,451.67	7,030,451.67
BAE Systems Plc	964,407	0.03	5,937,599.77	6,564,721.53
Balfour Beatty Plc	500,000	0.07	1,691,241.88	1,840,724.85
Barclays Plc	9,631,250	0.06	28,725,126.03	28,725,126.03
BG Group Plc	1,136,662	0.03	15,249,963.50	15,249,963.50
BHP Billiton Plc	1,425,000	0.03	14,738,299.61	14,738,299.61
BP Plc	6,606,028	0.04	31,862,305.50	31,862,305.50
British American Tobacco Plc	606,550	0.03	29,633,164.16	31,164,248.93
British Land Company Plc/The	1,250,000	0.12	7,708,493.30	13,386,470.47
Britvic Plc	779,022	0.30	7,649,073.49	7,716,451.99
BT Group Plc	2,890,507	0.03	7,278,389.79	18,576,907.85
Burberry Group Plc	524,346	0.12	8,537,277.33	8,537,277.33
Capita Group Plc	520,180	0.08	8,555,398.70	8,561,583.76
Centrica Plc	1,702,741	0.03	5,052,891.75	5,052,891.75
Compass Group Plc	404,360	0.02	1,392,361.65	6,473,506.37
Delphi Automotive Plc	75,000	0.03	5,800,519.20	5,905,208.05
Diageo Plc	908,000	0.04	22,967,531.85	22,967,531.85
Fiat Chrysler Automobiles N.V.	300,000	0.02	3,876,000.00	3,876,000.00

## 10. HOLDINGS IN OTHER COMPANIES, GROUP 31 DEC 2015

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G4S Plc	1,500,000	0.10	4,606,580.83	4,606,580.83
GlaxoSmithKline Plc	2,412,000	0.05	42,255,046.99	45,121,275.29
Hammerson Plc	1,155,000	0.15	6,161,493.00	9,442,060.09
HSBC Holdings Plc	3,935,000	0.02	28,222,849.15	28,774,541.40
Imperial Tobacco Group Plc	640,590	0.07	28,831,699.81	31,263,619.87
Intertek Group Plc	226,921	0.14	8,570,406.87	8,570,406.87
Land Securities Group Plc	1,210,390	0.15	10,718,184.27	19,410,437.09
Legal & General Group Plc	1,000,000	0.02	3,647,617.11	3,648,749.91
Lloyds Banking Group Plc	33,625,434	0.05	31,277,814.34	33,476,537.39
Marks & Spencer Group Plc	1,899,883	0.12	11,710,703.30	11,710,703.30
National Grid Plc	1,276,837	0.03	10,339,983.82	16,300,787.10
Pearson Plc	200,000	0.02	2,004,223.72	2,004,223.72
Prudential Plc	680,000	0.03	6,060,869.29	14,184,617.48
Reckitt Benckiser Group Plc	155,000	0.02	11,514,152.54	13,247,700.80
Rio Tinto Plc	568,075	0.03	15,317,397.98	15,317,397.98
Rolls-Royce Holdings Plc	568,286	0.03	4,259,809.40	4,452,135.02
Royal & Sun Alliance Insurance Group Plc	500,000	0.05	2,865,489.31	2,904,830.03
Royal Dutch Shell Plc	2,236,365	0.03	47,164,937.85	47,164,937.85
SABMiller Plc	304,000	0.02	13,532,414.46	16,837,114.24
Scottish & Southern Energy Plc	344,765	0.03	6,261,721.61	7,168,218.41
Tate & Lyle Plc	825,543	0.18	6,261,693.07	6,731,895.71
Tesco Plc	2,773,350	0.03	5,649,101.78	5,649,101.78
Unilever Plc	327,000	0.01	7,681,791.12	13,038,565.30
Whitbread Plc	139,747	0.08	8,379,679.09	8,379,679.09
William Hill Plc	1,644,991	0.19	8,643,945.89	8,866,522.79
WPP Plc	800,000	0.06	12,497,841.87	17,036,582.87
Vodafone Group Plc	11,289,046	0.04	33,992,494.94	33,992,494.94
Other	39,205,112		570,745.26	591,457.18
<b>Italy</b>				
Assicurazioni Generali S.p.A.	470,000	0.03	7,952,400.00	7,952,400.00
Enel S.p.A.	2,285,398	0.02	8,894,769.02	8,894,769.02
ENI S.p.A.	851,025	0.02	11,744,145.00	11,744,145.00
Prysmian S.p.A.	425,812	0.20	8,567,872.85	8,626,951.12
Snam S.p.A.	712,190	0.02	2,649,351.76	3,438,453.32
Telecom Italia S.p.A.	4,984,235	0.03 / 0.04	4,708,378.20	5,854,231.13
Unicredit S.p.A.	5,075,000	0.09	25,420,754.28	26,060,125.00
<b>Austria</b>				
Erste Group Bank AG	220,000	0.05	5,497,546.97	6,363,500.00
UNIQA Insurance Group AG	400,000	0.13	3,011,600.00	3,011,600.00
<b>Japan</b>				
ASICS Corporation	270,000	0.14	5,186,198.21	5,197,299.15
Dai-ichi Life Insurance Co. Ltd/The	125,000	0.01	1,907,423.35	1,940,756.85
Mitsubishi UFJ Financial Group Inc.	900,000	0.01	5,198,672.47	5,198,672.47
Mizuho Financial Group, Inc.	4,230,000	0.02	7,858,434.42	7,858,434.42
Sumitomo Mitsui Financial Group, Inc.	440,000	0.03	15,462,272.07	15,462,272.07
Toyota Motor Corporation	200,000	0.01	11,425,955.60	11,425,955.60
<b>Canada</b>				
Bank of Montreal	220,000	0.03	11,363,852.87	11,363,852.87
Canadian Imperial Bank of Commerce	30,000	0.01	1,809,605.72	1,809,605.72
National Bank of Canada	290,000	0.09	7,733,461.23	7,733,461.23
Royal Bank of Canada	410,000	0.03	20,112,132.84	20,112,132.84
Toronto-Dominion Bank/The	395,000	0.02	14,170,977.77	14,170,977.77
<b>China</b>				
JD.com Inc	350,000	0.02 / 0.01	9,568,202.98	10,371,084.78
Other	3,500,000		0.00	0.00
<b>Luxembourg</b>				
Aperam S.A.	100,000	0.13	3,220,194.05	3,286,000.00
ArcelorMittal S.A.	459,861	0.03	1,791,158.60	1,791,158.60
Millicom International Cellular S.A.	25,000	0.02	1,328,690.35	1,328,690.35
RTL Group S.A.	161,158	0.10	12,428,504.96	12,428,504.96
Subsea 7 S.A.	831,833	0.25	5,461,529.80	5,461,529.80
Tenaris S.A.	129,060	0.01	1,411,916.40	1,411,916.40
<b>Norway</b>				
Atea ASA	260,162	0.25	1,991,243.05	1,991,243.05
DnB ASA	800,000	0.05	9,138,810.79	9,138,810.79
Gjensidige Forsikring ASA	200,000	0.04	2,898,532.29	2,959,491.83
Norsk Hydro ASA	5,000,000	0.24	17,249,817.77	17,249,817.77
Opera Software ASA	2,750,000	1.89	14,461,626.58	14,461,626.58
Orkla ASA	1,643,719	0.16	11,410,534.13	11,998,823.48
Statoil ASA	2,547,366	0.08	32,813,618.06	32,813,618.06
Storebrand ASA	1,000,000	0.22	3,639,487.66	3,639,487.66
Telenor ASA	1,374,530	0.09	21,226,991.46	21,226,991.46
TGS Neotec Geophysical Co. ASA	50,000	0.05	734,666.25	734,666.25
Yara International ASA	250,000	0.09	9,965,635.74	9,965,635.74
Other	1,194,906		444,988.47	660,599.84
<b>Portugal</b>				
EDP - Energias de Portugal, S.A.	778,646	0.02	2,194,525.68	2,585,883.37
<b>France</b>				
Air Liquide SA	72,536	0.02	5,600,094.19	7,518,356.40
Alcatel-Lucent	30,000,000	1.05	71,425,788.22	109,260,000.00
AXA SA	1,595,256	0.07	39,416,342.59	40,248,308.88
BNP Paribas SA	596,000	0.05	27,364,256.42	31,129,080.00
Bouygues SA	160,000	0.05	4,396,602.26	5,846,400.00
Cap Gemini SA	99,396	0.06	8,491,400.28	8,491,400.28
Compagnie de Saint-Gobain SA	147,389	0.03	5,732,627.35	5,872,714.71
Compagnie Générale des Etablissements Michelin	50,126	0.03	3,880,709.40	4,406,075.40
Credit Agricole SA	450,000	0.02	4,893,750.00	4,893,750.00
Electricite De France SA	88,851	0.00	1,205,708.07	1,205,708.07
Engie SA	682,955	0.03	11,145,825.60	11,145,825.60
Essilor International SA	49,000	0.02	5,094,648.52	5,637,450.00
Eutelsat Communications SA	342,628	0.15	9,453,106.52	9,453,106.52
Hermes International SA	4,146	0.00	1,161,004.38	1,292,515.50
IPSO	126,356	0.30	2,697,951.80	2,867,566.68
Klepierre SA	228,796	0.07	6,192,803.48	9,364,620.28
Lagardere SCA	214,955	0.16	4,868,346.88	5,901,589.53
L'Oréal SA	22,408	0.00	2,695,601.34	3,470,962.40

## 10. HOLDINGS IN OTHER COMPANIES, GROUP 31 DEC 2015

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LVMH Moët Hennessy Louis Vuitton SA	84,439	0.02	12,235,211.10	12,235,211.10
Orange SA	1,344,957	0.05	16,754,176.61	20,813,209.58
Pernod-Ricard SA	125,000	0.05	12,174,995.24	13,150,000.00
Publicis Groupe SA	141,986	0.06	8,577,076.91	8,715,100.68
Renault SA	33,000	0.01	3,033,263.90	3,056,790.00
Rexel SA	200,000	0.07	2,446,000.00	2,446,000.00
Sanofi SA	580,690	0.04	36,027,591.85	45,636,427.10
Schneider Electric SE	313,328	0.05	16,468,519.68	16,468,519.68
Societe Generale SA	993,123	0.12	31,813,359.74	42,262,349.27
Suez Environnement SA	200,000	0.04	2,675,506.43	3,447,000.00
Total SA	732,019	0.03	30,206,764.04	30,206,764.04
Unibail-Rodamco SE	82,242	0.08	11,689,481.49	19,277,524.80
Veolia Environnement SA	100,000	0.02	1,359,820.63	2,185,500.00
Vinci SA	243,625	0.04	11,509,366.96	14,403,110.00
Vivendi SA	580,406	0.04	10,558,081.40	11,506,548.95
Other	160,356		0.00	0.00
<b>Sweden</b>				
AB Electrolux	350,000	0,11 / 0,09	7,845,911.09	7,845,911.09
AB SKF	1,712,642	0,38 / 0,22	25,588,524.58	25,588,524.58
AB Volvo	1,683,581	0,08 / 0,03	14,537,477.81	14,537,477.81
Alimak Group AB	325,000	0.75	3,032,673.16	3,032,673.16
Assa Abloy AB	2,740,000	0,25 / 0,17	39,430,210.28	53,371,783.01
Atlas Copco AB	2,415,691	0,19 / 0,23	53,659,190.82	54,203,388.79
Atrium Ljungberg AB	1,405,000	1,05 / 0,83	13,270,696.34	20,181,729.15
Attendo AB	800,000	0.50	4,344,520.47	6,115,675.50
Autoliv Inc.	42,093	0.05	3,052,513.95	4,910,353.77
Boliden AB	1,274,884	0.47	19,866,520.35	19,866,520.35
Capio AB	600,000	0.43	3,157,894.74	3,737,961.80
Castellum AB	250,000	0.15	2,290,231.49	3,289,079.93
Coor Service Management Holding AB	2,128,506	2.22	8,639,942.56	9,056,486.71
Dometic Group AB	2,000,000	0.68	10,354,088.25	11,937,537.41
Dustin Group AB	725,000	0.95	4,003,283.82	4,990,070.19
Elekta AB	590,000	0,15 / 0,12	3,776,632.71	4,635,507.92
Eltel AB	455,000	0.73	3,271,823.62	4,159,094.62
Faberge AB	753,124	0.46	5,264,504.58	11,522,850.47
Getinge AB	203,331	0,09 / 0,05	4,512,199.34	4,927,560.12
H & M Hennes & Mauritz AB	2,148,000	0,13 / 0,06	69,892,620.70	70,894,869.14
Hexagon AB	72,700	0,02 / 0,01	1,863,853.57	2,495,193.43
Hufvudstaden AB	300,000	0,14 / 0,03	2,040,368.45	3,927,308.34
Husqvarna AB	550,000	0,10 / 0,03	3,348,658.80	3,348,658.80
Intrum Justitia AB	270,000	0.37	2,291,874.84	8,485,336.53
Inwido AB	890,000	1.54	7,817,122.33	10,774,525.27
Kungsleden AB	1,218,618	0.67	4,957,098.38	8,022,894.50
Lindab International AB	680,000	0.86	4,518,613.93	4,639,643.07
Lundin Petroleum AB	235,176	0.08	3,145,234.28	3,145,234.28
Nordea Bank AB EUR	18,040,016	0.44	165,631,220.59	183,775,771.16
Ratos AB	681,776	0,21 / 0,06	3,623,476.78	3,623,476.78
Saab AB	80,000	0,07 / 0,06	1,852,590.07	2,266,935.09
Sandvik AB	1,428,132	0.11	11,531,355.83	11,531,355.83
Securitas AB	300,000	0,08 / 0,06	3,231,800.38	4,266,826.27
Skandinaviska Enskilda Banken AB	3,120,000	0.14	30,386,854.56	30,386,854.56
Skanska AB	608,228	0,14 / 0,10	10,792,506.79	10,934,138.48
Sotkamo Silver AB	1,800,000	8.72	878,400.00	878,400.00
SSAB AB	1,169,318	0,21 / 0,36	2,877,009.63	2,877,009.63
Swedbank AB	1,400,000	0.12	28,549,975.52	28,549,975.52
Swedish Match AB	100,000	0.05	2,568,619.02	3,272,212.85
Svenska Cellulosa AB SCA	880,000	0,12 / 0,07	17,437,893.22	23,566,897.00
Svenska Handelsbanken AB	900,000	0.05	11,086,566.19	11,086,566.19
Telefonaktiebolaget LM Ericsson	358,630	0.01	3,221,601.45	3,221,601.45
TeliaSonera AB EUR	7,768,987	0.18	35,714,912.27	35,714,912.27
Thule Group AB/The	50,000	0.05	524,199.92	631,155.12
Tobii AB	700,000	0.80	3,325,205.76	5,084,607.43
Trelleborg AB	350,000	0,13 / 0,07	5,211,123.22	6,284,346.26
Other	6,869,305		492,115.68	570,635.83
<b>Germany</b>				
Adidas AG	67,706	0.03	4,513,746.11	6,095,571.18
Allianz SE	365,500	0.08	41,817,806.76	59,989,515.00
BASF SE	332,700	0.04	23,541,852.00	23,541,852.00
Bauer AG	111,028	0.65	1,777,997.09	1,941,879.72
Bayer AG	307,000	0.04	19,812,910.77	35,667,260.00
Bayerische Motoren Werke AG	201,300	0.03	13,505,226.23	19,673,049.00
Beiersdorf AG	118,307	0.05	8,371,171.98	9,982,744.66
Bilfinger SE	165,000	0.36	7,172,550.00	7,172,550.00
Brenntag AG	88,000	0.06	4,143,600.76	4,274,160.00
Commerzbank AG	1,496,739	0.12	14,352,230.27	14,352,230.27
Continental AG	28,000	0.01	2,093,421.40	6,296,640.00
Daimler AG	263,500	0.02	20,043,136.99	20,508,205.00
Deutsche Bank AG	160,000	0.01	3,614,400.00	3,614,400.00
Deutsche Boerse AG	91,500	0.05	4,940,064.25	7,463,655.00
Deutsche Euroshop AG	175,000	0.32	5,796,023.02	7,106,750.00
Deutsche Lufthansa AG	300,000	0.06	3,874,276.57	4,389,000.00
Deutsche Post AG	960,187	0.08	24,002,188.62	24,926,454.52
Deutsche Telekom AG	1,062,968	0.02	10,068,360.35	17,730,306.24
Deutsche Wohnen AG	698,868	0.21	8,861,867.58	17,995,851.00
Deutz AG	306,178	0.25	1,134,083.31	1,134,083.31
Draegerwerk AG & Co KGaA	35,575	0,35 / 0,00	2,456,098.00	2,456,098.00
E.ON SE	1,068,197	0.05	9,530,453.63	9,530,453.63
Fresenius Medical Care AG & Co. KGaA	21,900	0.01	1,203,128.90	1,704,477.00
Fresenius SE & Co KGaA	96,000	0.02	4,101,246.72	6,339,840.00
GfK SE	26,501	0.07	812,123.15	812,123.15
Henkel AG & Co KGaA	50,000	0,01 / 0,00	5,100,178.81	5,167,500.00
Jenoptik AG	423,076	0.74	4,291,242.45	6,107,102.06
LEG Immobilien AG	200,000	0.32	8,755,854.00	15,102,000.00
Linde AG	129,500	0.07	17,378,900.00	17,378,900.00
Merck KGaA	27,000	0,01 / 0,02	2,424,060.00	2,424,060.00
Metro AG	220,000	0.07	6,398,050.41	6,495,500.00

## 10. HOLDINGS IN OTHER COMPANIES, GROUP 31 DEC 2015

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Münchener Rückversicherungs-Gesellschaft AG	50,000	0.03	6,014,817.36	9,261,500.00
Porsche Automobil Holding SE	37,975	0,02 / 0,00	1,899,129.75	1,899,129.75
ProSiebenSat.1 Media SE	112,931	0.05	4,869,648.55	5,272,748.39
RIB Software AG	165,498	0.35	2,058,280.94	2,058,280.94
Siemens AG	382,597	0.04	31,116,528.32	34,391,644.33
Software AG	100,000	0.13	1,866,545.63	2,640,000.00
STADA Arzneimittel AG	60,000	0.10	1,821,078.53	2,239,800.00
Surteco SE	120,450	0.78	2,622,798.75	2,622,798.75
ThyssenKrupp AG	245,850	0.04	4,376,422.94	4,506,430.50
Wincor Nixdorf AG	40,000	0.12	1,578,620.72	1,842,200.00
Volkswagen AG	72,596	0,02 / 0,00	9,755,450.48	9,755,450.48
Vonovia SE	97,500	0.02	1,707,750.00	2,795,325.00
<b>Switzerland</b>				
ABB Ltd	1,050,272	0.04	16,839,315.26	17,431,273.26
Compagnie Financière Richemont SA	160,004	0.02	10,639,859.90	10,639,859.90
LafargeHolcim Ltd	245,043	0.04	11,111,871.53	11,407,683.53
Nestlé SA	1,243,890	0.04	70,603,931.62	85,585,601.75
Novartis AG	945,358	0.04	46,366,687.15	75,733,340.47
Oriflame Holding AG	285,036	0.51	3,860,351.32	4,221,491.88
Roche Holding AG	341,567	0,04 / 0,00	53,976,663.60	87,133,473.74
SGS SA	4,100	0.05	7,142,043.54	7,231,287.49
Sika AG	2,613	0.06	8,555,220.03	8,730,096.91
Swatch Group Ag/The	22,812	0.01	7,371,002.49	7,371,002.49
Swisscom AG	8,507	0.02	2,950,169.19	3,949,257.96
Syngenta AG	37,114	0.04	8,387,706.92	13,437,768.53
UBS Group AG	1,655,000	0.04	26,678,284.52	29,815,966.77
Zurich Insurance Group AG	53,500	0.04	11,104,743.05	12,754,083.99
<b>Denmark</b>				
AP Moeller - Maersk A/S	10,305	0,05 / 0,00	12,358,929.86	12,358,929.86
Carlsberg A/S	406,812	0,27 / 0,09	30,540,863.28	33,389,482.22
Coloplast A/S	90,000	0,04 / 0,02	5,307,577.98	6,705,437.78
Danske Bank A/S	1,535,000	0.15	35,224,921.42	38,011,952.94
DSV A/S	500,370	0.26	15,919,021.37	18,210,877.17
GN Store Nord A/S	142,000	0.09	2,384,236.06	2,384,236.06
ISS A/S	530,000	0.29	14,583,555.14	17,677,083.05
Novo Nordisk A/S	4,339,015	0,17 / 0,06	137,788,320.10	232,632,045.33
Novozymes A/S	179,100	0,06 / 0,02	3,949,169.52	7,931,893.71
Pandora A/S	208,000	0.17	16,887,056.54	24,234,985.13
TDC A/S	600,000	0.07	2,762,576.05	2,762,576.05
Vestas Wind Systems A/S	250,000	0.11	6,560,505.51	16,194,087.85
<b>United States</b>				
Adobe Systems Inc.	75,000	0.02	6,468,724.17	6,468,724.17
Alphabet Inc.	20,000	0.00	14,290,989.25	14,290,989.25
Amazon.com Inc.	25,000	0.01	15,519,886.10	15,519,886.10
Ameriprise Financial, Inc.	120,000	0.07	11,729,953.16	11,729,953.16
Apple Inc.	150,000	0.00	14,497,106.64	14,497,106.64
Bank of America Corporation	890,000	0.01	13,758,335.63	13,758,335.63
Ciena Corporation	3,000,000	2.21	55,859,960.47	56,985,395.43
Cisco Systems, Inc.	250,000	0.00	6,234,499.86	6,234,499.86
Citigroup, Inc.	230,000	0.01	10,932,763.85	10,932,763.85
Coca-Cola Company/The	140,000	0.00	5,488,744.41	5,523,100.95
Cognizant Technology Solutions Corporation	100,000	0.02	5,511,160.10	5,511,160.10
CST Brands Inc.	66,666	0.09	1,624,740.31	2,396,718.32
CVS Health Corporation	100,000	0.01	8,928,176.02	8,977,679.80
Electronic Arts Inc.	150,000	0.05	9,468,173.05	9,468,173.05
Equity Residential	850,000	0.23	37,156,758.53	63,685,588.32
Estee Lauder Companies Inc./The	100,000	0,03 / 0,01	7,973,525.16	8,084,871.87
Facebook Inc.	150,000	0,01 / 0,00	14,418,572.61	14,418,572.61
FedEx Corporation	75,000	0.03	10,118,694.38	10,258,335.63
Goldman Sachs Group, Inc./The	125,000	0.03	19,528,431.85	20,674,887.48
Hewlett Packard Enterprise Co	400,000	0.02	5,540,433.34	5,577,294.02
HP Inc.	400,000	0.02	4,346,468.26	4,346,468.26
Intel Corporation	75,000	0.00	2,372,554.42	2,372,554.42
International Business Machines Corporation	20,000	0.00	2,527,234.32	2,527,234.32
Intuit Inc.	75,000	0.03	6,647,836.87	6,647,836.87
Lincoln National Corporation	70,000	0.03	3,230,917.61	3,230,917.61
Microsoft Corporation	250,000	0.00	12,733,076.15	12,733,076.15
Morgan Stanley	350,000	0.02	9,899,763.88	10,223,201.98
NIKE Inc.	140,000	0.01	8,038,394.42	8,038,394.42
PayPal Holdings Inc.	200,000	0.02	6,650,133.19	6,650,133.19
Prudential Financial Inc.	75,000	0.02	5,606,227.61	5,606,227.61
Red Hat Inc.	75,000	0.04	5,662,934.90	5,703,361.81
Rockwell Automation Inc.	135,000	0.10	12,723,753.10	12,723,753.10
Salesforce.com Inc.	100,000	0.02	7,198,493.62	7,198,493.62
Texas Instruments Inc.	100,000	0.01	5,034,444.75	5,034,444.75
Tiffany & Co.	70,000	0.05	4,785,574.72	4,905,208.05
Under Armour Inc.	90,000	0,04 / 0,02	6,557,362.54	6,662,992.56
United Technologies Corporation	117,803	0.01	10,314,549.25	10,390,945.25
Valero Energy Corporation	600,000	0.12	17,856,558.41	38,969,413.06
Walt Disney Company/The	100,000	0.01	9,650,041.33	9,650,041.33
Whirlpool Corporation	50,000	0.06	6,686,532.65	6,743,822.91
<b>Total</b>			<b>3,815,749,190.86</b>	<b>4,474,057,528.26</b>
<b>Foreign companies, non-listed</b>				
<b>Ireland</b>				
Consumer Equity Investments Ltd	1,400,000,000	3.00	13,890,266.89	25,635,156.79
<b>Luxembourg</b>				
Aki Partners S.C.S	6,383,846,941	18.18	63,838,469.41	63,838,469.41
Lakeside Network Investments S.à r.l.	83,712,075	10.00	837,120.75	837,120.75
<b>Sweden</b>				
Ambea Finland Group AB	354,241	3,01 / 3,01	10,000,000.00	10,000,000.00
<b>United States</b>				
Other	68,255		92,626.05	92,626.05
<b>Total</b>			<b>88,658,483.10</b>	<b>100,403,373.00</b>

## 10. HOLDINGS IN OTHER COMPANIES, GROUP 31 DEC 2015

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	State	Amount	Book value, EUR	Current value, EUR
<b>Fixed-income funds</b>				
Apollo Offshore Credit Fund A-Initial Series	Cayman Islands	12,928	10,569,034.87	10,569,034.87
Apollo Offshore Credit Fund Ltd A-02-07	Cayman Islands	15,001	10,134,203.37	10,134,203.37
AXA IM US Short Duration High Yield \$ A-class	Luxembourg	865,345	95,090,065.14	136,013,445.65
AXA WF US High Yield Bonds USD 1 CAP	Luxembourg	787,021	59,404,844.18	136,158,182.30
Deutsch Global L. Managed Euro Fund Reserved Inc	Ireland	212,400,201	212,400,201.47	212,400,201.47
Goldman Sach Global High Yield Portfolio Class I	Luxembourg	16,560,437	136,660,776.71	140,855,739.41
GS Euro Liquid Reserves Fund (inst.Dist)	Ireland	376,975,156	376,975,155.81	376,975,155.81
iShares iBoxx Investment Grade Corporate Bond ETF	United States	400,000	41,899,513.18	41,899,513.18
JPM Euro Liquidity Institutional (flex dist.)	Luxembourg	106,538,220	106,538,219.75	106,538,219.75
McDonnell Loan Opportunity Fund (Offshore) Class B	Cayman Islands	4,302,312	602,508.78	602,508.78
Morgan Stanley Institutional Liquidity Euro Fund	Luxembourg	220,158,523	220,158,522.72	220,158,522.72
OP-High Yield Fund A	Finland	177,720	19,998,132.80	31,326,767.72
OP-Likvidi A	Finland	976,878	100,000,000.00	100,892,004.06
SKY U.S. Short Duration High Yield Fund	Luxembourg	895,034	89,454,089.23	89,454,089.23
T.Rowe Global High Yield Bond Fund	Luxembourg	4,486,002	63,315,811.97	104,908,242.55
Other			471,065.65	471,159.05
<b>Total</b>			<b>1,543,672,145.63</b>	<b>1,719,356,989.92</b>
<b>Equity funds</b>				
Aberdeen Global Asian Smaller Companies Fund A2	Luxembourg	1,185,226	14,454,637.27	41,041,773.36
Aberdeen Global Sicav Asia Pacific Equity A2/C	Luxembourg	612,160	16,100,759.15	34,277,508.57
AQR Global Defensive Equity	Luxembourg	1,794,230	200,000,000.00	201,599,633.36
BlackRock Emerging Markets Index Sub-Fund	Ireland	18,592,091	172,685,981.67	172,685,981.67
Carnegie Global Health Care Fund	Luxembourg	35,640	3,657,426.46	12,147,981.84
Carnegie Medical	Luxembourg	197,462	6,428,256.07	20,844,115.33
Consumer Discretionary Select Sector SPDR Fund	United States	2,858,600	197,518,698.07	205,224,741.43
DB X-trackers EURO STOXX 50 UCITS DR -1C	Luxembourg	12,640,436	539,620,212.84	539,620,212.84
DB X-trackers MCSI Pan-Euro Index Ucits ETF	Luxembourg	3,183,186	56,183,232.90	56,183,232.90
East Capital Balkan Fund	Sweden	6,642,653	9,202,995.67	9,252,511.42
East Capital Bering Ukraine Fund Class R	Cayman Islands	676,262	1,583,969.30	1,583,969.30
East Capital China A-Shares Fund	Luxembourg	20,639	14,307,263.88	25,116,208.39
East Capital (LUX) - Frontier Markets Fund Class A USD	Luxembourg	68,693	5,517,516.22	5,536,130.73
eQ Kehittyvät Markkinat Osinko 1 K	Finland	210,127	25,000,000.00	25,977,438.39
FIM Brands	Finland	333,884	6,555,369.31	8,988,168.64
FIM Bric+	Finland	669,781	7,000,000.00	7,729,275.57
FIM Frontier C	Finland	335,448	3,854,297.42	3,854,297.42
FIM Kehittyvät Markkinat Pienemmät Yhtiöt	Finland	1,374,004	10,000,000.00	12,159,938.99
FIM Rohto	Finland	258,423	2,500,000.00	4,667,126.01
Fondita Nordic Micro Cap B	Finland	21,404	5,000,000.00	6,069,032.21
Fourton Hannibal	Finland	31,015	3,216,309.71	3,499,061.85
Fourton Odysseus A	Finland	76,966	14,472,356.20	19,825,624.34
Fourton Stamina A	Finland	142,363	19,791,013.50	41,530,014.14
Health Care Select Sector SPDR ETF Fund	United States	1,160,743	69,258,893.86	76,807,133.02
Investec Emerging Markets Equity -I	Luxembourg	2,724,574	39,521,871.46	40,516,999.28
Investec GS Asian Equity	Luxembourg	2,125,366	31,211,186.64	42,070,030.90
Investec GSF Asia Pacific Equity Fund I	Luxembourg	1,581,980	25,028,281.39	28,422,454.70
Investec Pan Africa Fund I S6 USD	Guernsey	1,374,463	16,212,778.75	16,212,778.75
iShares China Large-Cap ETF	China	435,000	14,104,436.48	14,104,436.48
ISHARES MSCI AUSTRALIA ETF	United States	878,348	15,288,596.12	15,288,596.12
iShares MSCI China ETF	United States	171,500	7,027,294.02	7,027,294.02
iShares MSCI Europe UCITS ETF	Ireland	16,949,775	387,042,258.13	388,149,847.50
iShares MSCI Hong Kong ETF	United States	188,500	3,431,679.99	3,431,679.99
JPMorgan Emerging Markets Opportunities Fund	Luxembourg	101,769	27,461,579.01	29,037,848.82
KJK Fund Baltic States B1 C	Luxembourg	4,127	1,774,780.25	7,808,274.21
KJK Fund II Balkan Discovery A June 2014	Luxembourg	1,250	1,250,000.00	1,366,450.00
KJK Fund II Sicav-SIF Balkan Discovery A Dec 2015	Luxembourg	689	750,000.00	750,000.00
KJK Fund II Sicav-SIF Balkan Discovery A June 2015	Luxembourg	730	750,000.00	794,271.58
KJK Fund II, Sicav-SIF, Balkan A	Luxembourg	9,221	9,221,254.00	14,530,390.99
Macquire Fund Solutions - Macquarie China New Star	Luxembourg	152,000	1,430,268.76	1,430,268.76
Mirae Asset G D Fund - Asia Sector Leader Eq I	Luxembourg	2,986,669	30,999,683.54	30,999,683.54
Montanaro European Smaller Companies, Accum. Class	Ireland	4,981,618	13,975,624.12	25,226,913.54
Nordea 1, SICAV - Emerging Stars Equity Fund	Luxembourg	180,894	15,798,110.80	15,798,110.80
OP Kehittyvä Aasia	Finland	245,747	29,450,556.50	39,322,029.51
OP-Latinalainen Amerikka A	Finland	314,860	30,031,339.63	30,031,339.63
Osmosis MoRE World Resource Efficiency Fund plc	Ireland	1,500,594	15,452,050.65	17,127,193.15
PAM USA Fund I Ky	Finland	1,587,332	161,256,807.43	161,969,992.78
Pictet-Small Cap Z EUR	Luxembourg	36,104	13,960,019.96	45,835,612.62
Prosperity New Russian Generation, A share	Guernsey	14,864,250	1,365,321.03	1,365,321.03
Prosperity New Russian Generation, B share	Guernsey	14,864,250	1,638,385.23	1,638,385.23
Prosperity Quest Fund Unlisted Limited, Class C	Channel Islands	220,352	15,671,789.90	15,671,789.90
Prosperity Voskhod Fund Limited	Guernsey	5,891,631	3,301,088.37	3,301,088.37
Russel Japan Equity Fund A Accum	Ireland	391,933	50,011,755.13	73,007,713.03
Russell Emerging Equity Fund A	Ireland	259,952	49,056,454.62	73,785,627.04
Seligson & Co Global Top 25 Pharmaceuticals	Finland	606,031	10,000,000.00	16,722,285.03
Source MSCI Europe value ETF	Ireland	439,000	84,028,990.00	84,028,990.00
SPDR S&P 500 ETF Trust	United States	4,855,700	793,279,048.31	909,501,555.98
SSGA Emerging Markets Select Equity Fund	Luxembourg	1,659,648	15,433,066.23	15,433,066.23
Taaleri Rhein Value Equity A	Luxembourg	126,463	15,000,000.00	26,115,015.65
Taaleri Turkey Equity A	Luxembourg	81,616	8,700,986.19	8,700,986.19
Topix ETF	Japan	21,269,786	231,136,132.77	257,859,845.53
UBS Global Innovators I-A2-Acc	Luxembourg	71,213	9,562,417.59	9,562,417.59
Other			451,794.25	451,816.89
<b>Total</b>			<b>3,584,976,876.75</b>	<b>4,010,619,513.08</b>
<b>Real estate funds</b>				
Aberdeen Indirect Property Partners Asia	Luxembourg	17,473,383	8,847,322.48	8,847,322.48
Aberdeen Real Estate Fund Finland L.P.	Great Britain	64,416,061	55,731,294.65	55,731,294.65
Alternative Property Income Venture	Luxembourg	19,097,410	19,097,409.86	22,640,724.19
ARCH Capital - TRG Asian Partners, LP.	Cayman Islands	22,563,814	18,011,783.87	27,040,991.17
CapMan Hotels RE Ky	Finland	46,995,098	46,995,097.77	49,162,699.66
CapMan Nordic Real Estate FCP-SIF	Luxembourg	1,758,406	1,692,377.54	1,692,377.54
Capman Re II KY	Finland	13,962,019	13,962,019.00	16,633,469.83

## 10. HOLDINGS IN OTHER COMPANIES, GROUP 31 DEC 2015

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Carlyle Europe Real Estate Partners III, L.P.	United States	25,934,215	17,463,348.29	17,463,348.29
Curzon Capital Partners III, LP.	Great Britain	32,455,174	32,455,174.00	35,560,939.42
ECE European Prime Shopping Centre Fund	Luxembourg	43,809,396	43,809,396.34	51,802,727.37
European Office Income Venture	Luxembourg	11,210,093	830,533.37	830,533.37
European Property Investors Special Opportunities	Great Britain	21,895,520	21,895,520.00	23,185,056.65
European Property Investors, LP	Great Britain	8,531,738	1,764,849.64	1,764,849.64
European Retail Income Venture	Luxembourg	21,527,883	5,066,802.63	5,066,802.63
Fosca II	Luxembourg	20,000,000	20,000,000.00	25,726,000.00
Franklin Templeton Asian Real Estate Fund	Luxembourg	28,150,258	20,150,116.58	21,673,501.19
Frogmore Real Estate Partners, L.P.	Great Britain	20,139,578	17,874,654.45	17,874,654.45
Goodman European Logistics Fund	Luxembourg	30,000,000	15,900,000.00	15,900,000.00
Partners Group Real Estate Secondary 2009, LP	Great Britain	44,220,728	44,220,728.25	56,378,509.95
Pradera European Retail Fund	Luxembourg	16,827,293	6,447,141.82	6,447,141.82
Real Estate Fund Finland I Ky	Finland	7,000,794	3,022,949.78	3,022,949.78
Rockspring German Retail Box Fund	Great Britain	25,000,000	16,242,400.00	16,242,400.00
Sierra Portugal Fund	Luxembourg	35,237,205	23,814,007.88	23,814,007.88
VTBC-Ashmore Real Estate Partners I, L.P.	Great Britain	3,129,522	3,129,522.00	3,197,999.07
<b>Total</b>			<b>458,424,450.20</b>	<b>507,700,301.03</b>
<b>Private equity funds *)</b>				
Alpha Private Equity Fund V	Jersey	9,611,834	9,611,833.81	9,649,819.78
Antin Infrastructure Partners FCPR	France	17,728,049	17,728,048.71	49,184,822.44
Apax Europe VI - A, L.P.	Great Britain	11,361,319	11,361,318.86	12,139,307.89
Apax Europe VII -B, L.P.	Great Britain	51,935,916	45,851,883.01	45,851,883.01
Apax VIII	Guernsey	85,920,191	85,920,191.22	102,004,021.42
Apollo Overseas Partners VII, L.P.	Cayman Islands	21,223,880	16,576,255.88	20,716,998.48
Apollo Overseas Partners VIII	United States	30,746,632	26,457,226.42	27,314,768.70
Arcadia II	Germany	2,663,845	1,524,427.97	1,524,427.97
Arcus European Infrastructure Fund 1 L.P.	Great Britain	18,658,680	18,658,680.49	40,537,998.50
Ardian Infrastructure Fund IV	Great Britain	11,820,000	11,527,395.90	11,527,395.90
Argos Co-investment-1 LP	Guernsey	15,000,000	13,364,563.24	13,364,563.24
Atlas Venture VI	United States	1,529,043	1,163,568.76	1,163,568.76
Baltic Investment Fund III L.P.	Jersey	621,586	593,219.75	593,219.75
BC European Capital IX, LP	Guernsey	50,173,491	50,173,491.00	54,381,140.30
BC European Capital VIII	Great Britain	11,409,248	3,775,719.38	3,775,719.38
Bluedrip L.P.	Great Britain	15,000,000	14,250,000.00	14,250,000.00
Bridgepoint Europe II B	Great Britain	5,177,874	1,167,388.01	1,167,388.01
Bridgepoint Europe III	Great Britain	16,977,283	15,791,318.17	15,791,318.17
Bridgepoint Europe IV	Great Britain	26,551,876	26,551,876.12	34,246,344.30
Broad Street Senior Partners Offshore L.P.	Cayman Islands	6,500,000	5,830,816.95	6,034,575.64
CapMan Buyout Fund IX	Guernsey	41,051,910	39,751,097.65	39,751,097.65
CapMan Buyout VIII Fund A L.P.	Guernsey	1,310,647	1,310,647.06	4,737,730.92
CapMan Buyout X Fund	Guernsey	20,074,084	20,074,084.22	20,860,928.10
CapMan Mezzanine V Fund FCP-SIF	Luxembourg	12,241,654	12,241,654.35	17,085,946.29
CapMan Russia II	Guernsey	2,569,200	942,495.53	942,495.53
Capman Technology Fund 2007 L.P.	Guernsey	560,314	560,313.55	748,623.73
Chiron Guernsey Holdings, LP INC	Guernsey	15,000,000	11,007,558.52	25,150,812.90
Cidron Childsafe Limited	Jersey	10,000,000	1,175,000.00	1,175,000.00
CVC Europe V	Cayman Islands	16,608,100	16,608,099.91	22,171,829.99
Darwin Private Equity I	Great Britain	10,990,731	9,483,190.98	9,483,190.98
Dasos FS Partnership SCSp	Luxembourg	10,000,000	9,289,970.00	9,289,970.00
Dasos Timberland Fund I	Luxembourg	16,265,000	16,264,999.51	17,522,300.24
Dasos Timberland Fund II	Luxembourg	12,346,833	11,463,984.89	11,463,984.89
Doughty Hanson & Co IV, Limited Partnership 4	Great Britain	12,448,489	3,613,410.45	3,613,410.45
Doughty Hanson V	Great Britain	17,870,085	12,766,263.63	12,766,263.63
EPE Overseas Co-Investors L.P.	Cayman Islands	8,941,143	2,940,409.89	2,940,409.89
EQT Credit II (No1)	Great Britain	34,684,291	34,684,291.42	38,640,728.54
EQT Infrastructure II, LP.	Great Britain	27,776,406	27,776,405.74	31,864,148.27
EQT VI Fund	Great Britain	39,918,335	39,918,334.52	49,539,491.42
European Mid Market Secondary Fund II LP	Great Britain	19,000,000	19,000,000.00	22,954,736.00
European Mid-Market Secondary Fund I	Great Britain	7,275,000	7,275,000.00	28,834,040.55
European Strategic Partners	Great Britain	9,492,236	1,770,444.32	1,770,444.32
HarbourVest Partners VI-Buyout Partnership Fund LP	United States	1,897,932	612,677.97	612,677.97
HarbourVest Partners VI-Partnership Fund L.P.	United States	8,116,367	1,751,523.48	1,751,523.48
HG Capital 5	Great Britain	4,846,502	3,429,906.67	3,429,906.67
Hg Capital Edge Co-Invest LP	Guernsey	7,593,374	9,112,737.95	15,890,776.86
HgCapital 6	Great Britain	18,082,728	21,454,154.73	33,880,150.09
HgCapital 7	Great Britain	29,508,780	38,066,307.61	40,524,385.73
ICG Senior Debt Partners Fund	Luxembourg	6,233,258	6,233,257.79	6,374,029.68
Ilmarinen Suomi-Rahasto I Ky	Finland	4,161,253	4,161,252.95	5,432,927.69
Intera Fund I Ky	Finland	1,170,846	1,170,846.37	3,761,683.51
Inventure Fund II Ky	Finland	1,789,381	1,682,338.44	1,682,338.44
Kasvurahastojen Rahasto II Ky	Finland	1,173,032	1,127,669.98	1,127,669.98
Kasvurahastojen Rahasto Ky	Finland	10,919,837	10,919,836.72	13,618,674.37
KKR 2006 Fund L.P.	United States	27,011,605	19,695,010.54	25,394,456.65
KKR Asian Fund II L.P.	Cayman Islands	19,281,182	15,046,956.32	23,211,323.39
KKR Asian Fund L.P.	Cayman Islands	16,213,666	12,065,287.35	16,436,549.92
KKR European Fund II, LP	Canada	11,943,048	8,106,415.49	8,106,415.49
KKR European Fund III	Cayman Islands	26,959,116	26,959,116.00	35,622,697.52
KKR European Fund IV (EEA) LP	Great Britain	7,241,989	7,241,989.00	8,275,181.84
Lifeline Ventures Fund I Ky	Finland	3,898,481	3,898,480.68	9,499,002.94
Lifeline Ventures III AB	Sweden	4,340,964	506,364.73	743,113.73
Living Bridge 4 L.P.	Great Britain	5,943,418	6,295,051.12	6,295,051.12
MB Equity Fund IV Ky	Finland	21,901,507	21,901,506.61	28,518,981.13
Montagu IV Co-Invest 1 LP	Great Britain	5,670,148	5,670,148.17	9,342,323.24
Montagu IV Co-Invest 2 LP	Great Britain	10,000,000	10,000,000.00	11,027,060.00
Montagu IV LP	Great Britain	35,387,190	35,387,190.18	38,541,674.74
Mount Kelleth Capital Partners (Cayman), L.P.	Cayman Islands	13,842,236	10,276,329.35	14,671,931.29
Nordic Capital Alexander Co-Invest L.P.	Jersey	8,061,246	8,061,246.29	10,155,816.04
Nordic Capital Fund VIII	Jersey	48,329,097	48,329,097.22	49,325,836.52
Nordic Capital V	Jersey	7,255,491	1,809,592.00	1,809,592.00
Nordic Capital VI	Jersey	24,322,871	24,322,870.60	27,574,254.65
Nordic Capital VII	Jersey	67,386,117	67,386,116.63	87,965,432.33
PAI Europe V FCPR	France	16,871,414	16,871,413.51	22,786,834.77
PAI Europe V LP	Great Britain	2,142,828	1,580,581.72	1,580,581.72
Partners Group European Mezzanine 2008	Great Britain	33,586,495	31,037,447.59	31,037,447.59



## 10. HOLDINGS IN OTHER COMPANIES, GROUP 31 DEC 2015

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Permira Credit Solutions II Master L.P. 1	Great Britain	10,000,000	9,825,570.00	9,825,570.00
Permira Credit Solutions II Senior L.P. 1	Great Britain	10,500,000	10,253,470.50	10,253,470.50
Permira Europe III LP	Guernsey	6,115,354	2,154,304.67	2,154,304.67
Permira IV LP	Guernsey	30,410,487	30,410,487.41	33,180,852.40
Permira V	Guernsey	65,074,300	65,074,300.35	66,256,700.39
Redtop Co-Invest LP	Great Britain	10,702,462	13,176,552.28	26,232,106.93
Salto LP Fund	Channel Island	8,862,459	8,862,458.62	10,858,434.96
Selected Mezzanine Funds I Ky	Finland	10,034,796	10,034,795.92	13,558,474.37
Selected Private Equity Funds I Ky	Finland	2,957,773	2,957,773.38	3,534,065.95
Sentica Buyout III Ky	Finland	13,100,383	13,100,383.17	19,687,694.00
Sentica Buyout IV Ky	Finland	7,203,631	7,203,631.00	8,323,334.59
Sentica Kasvurahasto II Ky	Finland	3,609,710	920,259.49	920,259.49
Silver Lake Partners III L.P.	United States	29,655,919	21,902,125.04	28,719,634.22
Silver Lake Partners IV	United States	63,047,751	51,420,444.41	69,985,204.23
SLP Denali Co-Invest L.P.	United States	15,072,857	11,023,004.97	20,767,232.02
Sponsor Fund III Ky	Finland	12,541,439	8,703,999.94	8,703,999.94
Sponsor Fund IV Ky	Finland	6,128,205	5,595,001.95	5,595,001.95
The Fifth Cinven Fund	Guernsey	92,427,154	92,427,153.64	106,509,169.91
The Fourth Cinven Fund Limited Partnership	Great Britain	26,699,980	21,633,952.83	21,633,952.83
The Third Cinven Fund Limited Partnership	Great Britain	6,261,979	1,562,639.22	1,562,639.22
Towerbrook III	Cayman Islands	21,798,722	16,442,332.64	18,578,149.54
Towerbrook Investors IV, L.P.	Cayman Islands	15,398,969	12,804,816.13	16,017,671.76
TPG Asia VI LP.	Cayman Islands	37,991,534	31,331,069.83	31,741,652.91
TPG Drone Co-Invest, L.P.	Cayman Islands	32,856,055	28,067,622.62	33,104,761.49
Vaaka Partners Buyout I (B,C,D,E,F) Ky	Finland	2,758,781	2,725,982.06	2,725,982.06
Vaaka Partners Buyout I Ky	Finland	1,444,630	1,444,629.73	1,513,483.67
Vaaka Partners Buyout II Ky	Finland	10,776,175	10,776,174.55	11,260,962.31
Valhalla Co-Invest L.P.	Cayman Islands	35,119,128	4,357,433.35	8,980,944.42
Verdane ETF III SPV K/S	Norway	1,356,327	1,356,327.00	1,570,231.97
Veronis Suhler Stevenson Communications PartnersIV	United States	8,277,736	2,674,247.80	2,674,247.80
Verso Fund II Ky	Finland	777,674	540,484.99	540,484.99
Victoria Co-invest L.P.	Cyprus	5,000,000	6,915,629.32	8,174,943.80
Other			3,293,823.99	49,250,719.86
<b>Total</b>			<b>1,670,940,484.35</b>	<b>2,088,931,508.17</b>
<b>Other funds</b>				
Alyeska Aleutian Fund	Caymansaaret	33,000	30,377,563.03	30,377,563.03
Aquilo Fund	Bermuda	38,000	30,932,030.93	37,464,223.39
Bluecrest Capital International F EUR	Caymansaaret	66,412	20,018,530.92	20,257,041.11
Brevan Howard Fund B Class Limited	Caymansaaret	150,946	19,400,533.17	33,381,814.38
CatCo Arbitrage Fund Ltd A Sub 12	Bermuda	25,175	21,990,536.40	25,647,232.89
CatCo Diversified Fund II Ltd A Sub 7	Bermuda	12,500	10,059,552.55	13,399,122.81
CFM STRATUS Feeder Limited Class D	Brittiläiset Neitsytsaaret	18,456	29,970,000.00	36,829,671.92
Citadel Kensington Global Strategies LTD	Caymansaaret	42,158	29,932,643.90	81,243,562.51
D.E Shaw Composite International Fund s. New Issue	Caymansaaret	1,946	23,154,547.61	59,978,017.49
Davidson Kempner Int. Ltd. - Class C Tranche 4	Brittiläiset Neitsytsaaret	252,628	18,420,736.02	37,888,505.13
HBK Multi-Strategy Offshore Fund Ltd class A (Lead	Caymansaaret	33,918	19,034,574.69	31,270,843.31
Man Absolute Return Strategies I Ltd: Class ARS1 2	Caymansaaret	6,275	1,648,904.57	3,174,140.45
Markel Aquilo Fund	Bermuda	13,000	11,869,978.09	11,940,846.88
Markel CatCo Diversified Arbitrage Fund	Bermuda	13,000	11,869,978.09	11,940,846.88
Marshall Wace Market Neutral TOPS B Fund	Irlanti	321,043	35,000,000.00	49,105,888.39
Och Ziff Europe Overseas Fund Ltd	Caymansaaret	20,433	18,589,418.46	36,981,087.41
Och-Ziff Asia Overseas Fund, Ltd	Caymansaaret	20,515	19,919,173.20	30,611,158.71
Palmetto Fund, Ltd. Class D 01Jan2008	Bermuda	29,043	16,927,990.65	31,417,338.95
Paulson Credit Opportunities Ltd. Class C	Caymansaaret	405,640	2,007,623.54	30,782,217.70
Pharo Macro Fund B	Caymansaaret	12,078	20,017,559.20	21,683,525.72
QVT Offshore Class 1-NI 1075	Caymansaaret	9,365	7,035,315.21	10,922,107.38
QVT SLV Offshore Ltd. B1146	Caymansaaret	1,147	512,472.36	950,592.50
Shepherd Investments International, Ltd. Class BQ	Brittiläiset Neitsytsaaret	785	766,353.84	766,461.11
Ursus International Ltd. B/1	Caymansaaret	5,156	6,950,582.57	6,950,582.57
Other funds			766,724.91	1,138,763.38
<b>Total</b>			<b>407,173,323.91</b>	<b>656,103,156.00</b>
<b>Total</b>			<b>14,198,543,877.80</b>	<b>17,374,955,296.10</b>

\*) Real estate funds are not included

The book value of shares and holdings listed here exceed EUR 0.5 million.  
Loaned shares have not been deducted.

11. OPEN SECURITIES AGREEMENTS, GROUP 31 DEC	2015	2014
<b>Securities borrowed</b>		
Number	35,037,898.00	9,202,100.00
Current value	301,959,228.58	79,963,275.12

Borrowed equities are listed shares.

All loans have a maturity under one year and can be halted any time.

The current value of the assets pledged as security for lending is presented in the notes to the balance sheet under Securities and financial commitments.

12. LOAN RECEIVABLES, GROUP 31 DEC	2015	2014
<b>Other loans itemised by guarantee</b>		
Bank guarantee	94,491,990.97	151,467,969.58
Guarantee insurance	64,012,320.56	91,351,927.49
Other	129,457,001.11	142,807,869.85
Secured loans, remaining acquisition cost	287,961,312.64	385,627,766.92
Unsecured loans, remaining acquisition cost	241,020,760.06	391,777,059.17
Remaining acquisition cost, total	528,982,072.70	777,404,826.09
<b>Total premium loan receivables itemised by balance sheet item</b>		
Loans guaranteed by mortgages	218,688,419.82	300,851,752.52
Other loans	183,348,433.88	274,908,088.29
Remaining acquisition cost, total	402,036,853.70	575,759,840.81
<b>Inner circle loans</b>		
Loans granted to associated companies	631,759,162.72	180,990,177.33

The loan period is 10–30 years and the loans are both loans repayable in instalments within the loan period and single payment loans repayable at the expiry of the loan period.

**13. CHANGES IN INTANGIBLE AND TANGIBLE ASSETS, GROUP****2015**

	<b>Intangible rights</b>	<b>Prepayments</b>	<b>Furniture and fixtures</b>	<b>Other</b>	<b>Yhteensä</b>
Acquisition cost Jan 1	17,175,483.71	24,153,092.15	6,737,581.72	1,754,389.98	49,820,547.56
Fully amortised in previous year	-2,249,930.53		-4,451,713.72		-6,701,644.25
Additions	146,233.04	5,177,147.77	1,454,607.43	0.00	6,777,988.24
Deductions	-409,086.77		-493,995.34	-54,165.72	-957,247.83
Transfer between items	17,848,194.07	-16,797,134.77	0.00	0.00	1,051,059.30
Acquisition cost Dec 31	32,510,893.52	12,533,105.15	3,246,480.09	1,700,224.26	49,990,703.02
Accumulated depreciation and amortisation Jan 1	-7,621,593.85		-5,691,387.78		-13,312,981.63
Fully amortised in previous year	2,249,930.53		4,451,713.72		6,701,644.25
Accumulated depreciation and amortisation on deductions and transfers	0.00		338,532.77		338,532.77
Depreciation and amortisation for the financial year	-3,856,148.12		-315,031.86		-4,171,179.98
Accumulated depreciation and amortisation Dec 1	-9,227,811.44		-1,216,173.15		-10,443,984.59
Book value 31 Dec	23,283,082.08	12,533,105.15	2,030,306.94	1,700,224.26	39,546,718.43

14. CAPITAL AND RESERVES, GROUP 31 DEC	2015		2014	
Capital and reserves				
Initial fund		22,994,653.31		22,994,653.31
Other reserves				
Reserves under the Articles of Association				
Jan 1	66,989,292.51		63,241,665.17	
Transfer from unused donation funds	34,125.00		23,990.00	
Transfer from previous year's profit	4,225,472.46	71,248,889.97	3,723,637.34	66,989,292.51
Other reserves				
Jan 1		584,855.10		584,855.10
Profit/loss brought forward				
Jan 1	-79,960,493.67		-67,863,333.53	
Transfer to donations	-50,000.00		-50,000.00	
Transfer to reserves under the Articles of Association	-4,225,472.46	-84,235,966.13	-3,723,637.34	-71,636,970.87
Profit/loss for the financial year		4,527,362.08		-8,323,522.80
		15,119,794.33		10,608,307.25
<b>Breakdown of capital and reserves after proposed distribution of profits:</b>				
Policyholders' share		15,119,794.33		10,608,307.25

15. TECHNICAL PROVISIONS, GROUP 31 DEC	2015	2014
<b>Provision for unearned premiums</b>		
Future pensions	13,598,741,406.00	13,359,141,388.00
Provision for future bonuses	1,683,855,277.00	842,889,079.00
Provision for current bonuses	98,637,930.00	94,768,262.00
Supplementary insurance liability tied to income from shares	1,235,224,993.00	889,410,095.00
<b>Total</b>	<b>16,616,459,606.00</b>	<b>15,186,208,824.00</b>
<b>Provision for claims outstanding</b>		
New pension awarded	12,965,142,259.00	12,199,574,548.00
Equalisation provision	1,048,636,883.00	1,016,471,839.00
<b>Total</b>	<b>14,013,779,142.00</b>	<b>13,216,046,387.00</b>
<b>Total technical provisions</b>	<b>30,630,238,748.00</b>	<b>28,402,255,211.00</b>

16. SECURITIES AND FINANCIAL COMMITMENTS, GROUP 31 DEC	2015	2014
<b>As security for own debts</b>		
Mortgaged as security for rents	3,589,081.00	10,581,583.00
Assets pledged as security for derivative contracts		
securities	411,163,750.00	199,400,800.00
cash <sup>(1)</sup>	121,815,798.81	98,842,915.01
Assets pledged as security for equity lending		
cash <sup>(1)</sup>	324,944,682.09	86,502,819.20
<sup>(1)</sup> The cash collaterals EUR 446,760,480.90 provided as security in the transfer according to the Act of Financial Collateral Arrangements are included in the balance sheet item Other liabilities.		
The cash assets, EUR 1,464,038,790.65, pledged as security in the transfer according to the Act on Financial Collateral Arrangements, are included in the balance sheet item Other liabilities.		
<b>Off-balance-sheet commitments and liabilities</b>		
<b>Investment commitments</b>		
Private equity funds	1,711,169,472.27	1,602,295,878.59
Other	75,670,993.99	44,375,635.38
<b>Derivative contracts</b>		
Non-hedging		
Interest derivatives		
Future and forward contracts		
Open, underlying instrument fair value	-2,005,465,721.64	-1,459,092,138.90
fair value	0.00	0.00
Option contracts		
Open, bought, underlying instrument fair value	23,549,788,680.84	21,605,532,515.72
fair value	337,501,448.57	439,607,207.01
Open, written, underlying instrument fair value	-23,465,052,847.78	-15,476,030,439.22
fair value	-87,900,321.16	-123,724,503.88
Interest rate and credit default swaps		
Open, underlying instrument fair value	-272,265,946.61	-1,371,456,441.63
fair value	-96,791,295.33	106,466,580.88
Currency derivatives		
Forward contracts		
Open, underlying instrument fair value	8,047,720,332.92	4,528,718,879.47
fair value	76,258,344.50	-29,130,571.14
Closed, fair value	8,252,134.93	-20,631,135.79
Option contracts		
Open, bought, underlying instrument fair value	12,142,410,200.88	19,495,658,818.88
fair value	1,291,770,923.50	1,454,071,506.17
Open, written, underlying instrument fair value	-3,732,416,184.44	-5,546,752,512.00
fair value	-164,005,360.95	-197,893,672.62
Currency swaps		
Open, underlying instrument fair value	0.00	0.00
fair value	0.00	0.00
Equity derivatives		
Future and forward contracts		
Open, underlying instrument fair value	-112,127,874.50	-358,520,420.65
fair value	-9,240,511.07	-5,105,834.34
Option contracts		
Open, bought, underlying instrument fair value	3,553,195,994.69	5,410,195,357.02
fair value	226,442,999.69	381,961,795.43
Open, written, underlying instrument fair value	-2,573,130,423.28	-1,667,854,845.16
fair value	-165,066,347.57	-102,614,927.99
Total returns swaps		
Open, underlying instrument fair value	57,716.52	57,374,325.35
fair value	57,703.97	-1,116,998.79
Other derivatives		
Future and forward contracts		
Open, underlying instrument fair value	58,239,135.14	48,099,959.99
fair value	51,945,235.80	42,244,259.34
Option contracts		
Open, bought, underlying instrument fair value	608,164,510.56	419,783,211.20
fair value	44,715,872.83	62,677,377.94
Open, written, underlying instrument fair value	-86,690,548.36	-105,021,540.24
fair value	-7,499,748.00	-7,415,039.21
Total returns swaps		
Open, underlying instrument fair value	1,286,305,001.10	164,256,710.73
fair value	-16,779,818.63	-3,269,615.49

Profits on closed and mature derivatives have been recognised in full in profit and loss account.

16. SECURITIES AND FINANCIAL COMMITMENTS, GROUP 31 DEC	2015	2014
<b>Valuation principles</b>		
The fair values of listed derivatives are calculated using the price quoted on the stock exchange. Bilateral OTC derivatives are valued based on the counterparty's valuation if market conditions do not prevent the valuation at market value of the derivatives transactions in question. Bilateral OTC derivatives transactions are valued at the theoretical model price if market conditions prevent the valuation at market value of the transaction in question. The European Market Infrastructure Regulation (EMIR) and the related technical standards define in more detail when market conditions prevent valuation at market value. Non-centrally-cleared derivatives are valued at the value received from the central counterparty.		
<b>Securities received in a transfer according to the Act on Financial Collateral Arrangements</b>		
Securities under repo agreements, current value Ilmarinen is under obligation to return the securities it has received.	0.00	16,951,980.89
<b>Amount of joint and several liability</b>		
The company belongs to a tax liability group represented by OP Cooperative Central Cooperative. Group members are collectively responsible for the value-added tax payable by the Group.		
<b>VAT deduction refund liabilities</b>	38,410,686.00	49,913,375.00
<b>Leasing and rent liabilities</b>		
Due in the next year	1,211,479.95	1,006,062.35
Due in subsequent years	2,041,243.44	929,989.05
<b>Other financial commitments</b>	2,891,000.00	7,979,000.00

## 17. SUBSIDIARIES AND ASSOCIATED COMPANIES CONSOLIDATED IN THE CONSOLIDATED FINANCIAL STATEMENTS 31 DEC

	Ilmarinen's subsidiaries	Domicile	Participating interest, %
1	Kiinteistö Oy Aleksanterinkatu 13	Helsinki	100.00
2	Antilooppi kortteli Oy	Helsinki	100.00
3	Elielin Pysäköinti Oy	Helsinki	100.00
4	Espagalleria Oy	Helsinki	100.00
5	Asunto Oy Espoon Itsehallintotie 1	Espoo	100.00
6	Kiinteistö Oy Espoon Keilarannantorni	Espoo	100.00
7	Kiinteistö Oy Espoon Keilaranta 19	Espoo	100.00
8	Kiinteistö Oy Espoon Kutojankulma 2	Helsinki	100.00
9	Kiinteistö Oy Espoon Kutojantie 4	Espoo	100.00
10	Asunto Oy Espoon Markkinakatu 2	Helsinki	100.00
11	Asunto Oy Espoon Merivalkama 18	Espoo	100.00
12	Asunto Oy Espoon Neulaspolku 1	Helsinki	100.00
13	Asunto Oy Espoon Postipuuntalo	Espoo	100.00
14	Asunto Oy Espoon Puntaritie 2	Espoo	100.00
15	Asunto Oy Espoon Puntaritie 5	Espoo	100.00
16	Kiinteistö Oy Espoon Trillakatu 5	Helsinki	100.00
17	Kiinteistö Oy Haminan Sibeliuskatu 27	Helsinki	100.00
18	Kiinteistö Oy Helsingin Aleksanterinkatu 17	Helsinki	92.76
19	Kiinteistö Oy Helsingin Armfeltintie 8	Helsinki	100.00
20	Kiinteistö Oy Helsingin Bulevardi 26	Helsinki	100.00
21	Asunto Oy Helsingin Eerikinkatu 41	Helsinki	100.00
22	Asunto Oy Helsingin Gyldeintie 5 - 7	Helsinki	100.00
23	Asunto Oy Helsingin Hanuripolku 4-6	Helsinki	100.00
24	Asunto Oy Helsingin Hellemäenpolku 10	Helsinki	100.00
25	Asunto Oy Helsingin Hiomotie 42	Helsinki	100.00
26	Asunto Oy Helsingin Hiomotie 44	Helsinki	100.00
27	Asunto Oy Helsingin Hiomotie 46	Helsinki	100.00
28	Asunto Oy Helsingin Hiomotie 48	Helsinki	100.00
29	Asunto Oy Helsingin Hiitsaajankatu 15	Helsinki	100.00
30	Asunto Oy Helsingin Kap Hornin katu 8	Helsinki	100.00
31	Asunto Oy Helsingin Kiviparantie 2	Helsinki	100.00
32	Asunto Oy Helsingin Laivalahdenportti 3	Helsinki	93.92
33	Asunto Oy Helsingin Leikosaarentie 26	Helsinki	100.00
34	Kiinteistö Oy Helsingin Lepakko	Helsinki	100.00
35	Asunto Oy Helsingin Länsisatamankatu 2	Helsinki	100.00
36	Asunto Oy Helsingin Merikaapeli	Helsinki	100.00
37	Kiinteistö Oy Helsingin Merkurius	Helsinki	100.00
38	Kiinteistö Oy Helsingin Mikonkatu 9	Helsinki	100.00
39	Kiinteistö Oy Helsingin Mustalahdentie 3	Helsinki	100.00
40	Asunto Oy Helsingin Neitsytsaarentie	Helsinki	100.00
41	Asunto Oy Helsingin Näyttelijäntie 13	Helsinki	100.00
42	Asunto Oy Helsingin Palikkapolku 1	Helsinki	100.00
43	Asunto Oy Helsingin Piispantalot	Helsinki	100.00
44	Kiinteistö Oy Helsingin Punanotkonkatu 2	Helsinki	100.00
45	Kiinteistö Oy Helsingin Pääpostitalo	Helsinki	100.00
46	Kiinteistö Oy Helsingin Satamakaari 22	Helsinki	100.00
47	Kiinteistö Oy Helsingin Satamakaari 24	Helsinki	100.00
48	Asunto Oy Helsingin Tulvaniitynpolku 3	Helsinki	100.00
49	Asunto Oy Helsingin Ulappasaarentie 4	Helsinki	100.00
50	Asunto Oy Helsingin Vanha Viertotie 9	Helsinki	100.00
51	Asunto Oy Helsingin Viulutie 9	Helsinki	100.00
52	Kiinteistö Oy Helsingin Väinämöisenlinna	Helsinki	100.00
53	Kiinteistö Oy Huittisten Lauttakylänkatu 12	Helsinki	100.00
54	Asunto Oy Hyvinkään Kankurinkatu 5	Hyvinkää	100.00
55	Kiinteistö Oy Iso-Ylläksentie 42	Helsinki	100.00
56	Kiinteistö Oy Julininkulma	Turku	79.09
57	Kiinteistö Oy Jyväskylän Kauppakatu 39	Jyväskylä	100.00
58	Kiinteistö Oy Jyväskylän Kiilatie 1	Helsinki	100.00
59	Asunto Oy Järvenpään Sahankaari 1-3	Järvenpää	100.00
60	Kiinteistö Oy Kangasalan Mäkirinteentie 1	Helsinki	100.00
61	Kiinteistö Oy Kaskisten Bladintie 35	Helsinki	100.00
62	Kiinteistö Oy Keravan Alikervantie 34	Helsinki	100.00
63	Kiinteistö Oy Keravan Isoahjo	Helsinki	100.00
64	Kiinteistö Oy Kolarin Lomarova III	Kolari	100.00
65	Kiinteistö Oy Kotkan Metsäkulmankatu 21	Kotka	100.00
66	Kiinteistö Oy Kotkan Siikasaarentie 78	Helsinki	100.00
67	Kiinteistö Oy Kuopion Leväsentie 23	Helsinki	100.00
68	Kiinteistö Oy Kuopion Puijonkatu 29	Helsinki	100.00
69	Kiinteistö Oy Kuopion Telkkistentie 2	Kuopio	100.00
70	Kiinteistö Oy Kutomotie 9	Helsinki	100.00
71	Kämp Galleria Oy	Helsinki	100.00
72	Kämp-Kiinteistöt Oy	Helsinki	100.00
73	Kiinteistö Oy Lappeenrannan Kauppatori	Lappeenranta	78.79
74	Asunto Oy Lappeenrannan Kievarinkatu 1	Lappeenranta	100.00
75	Asunto Oy Lappeenrannan Valto Käkelän katu 4-6	Lappeenranta	100.00
76	Kiinteistö Oy Lielahden Kauppapuisto 1	Tampere	100.00
77	Kiinteistö Oy Lielahden Kauppapuisto 2	Tampere	100.00
78	Kiinteistö Oy Lohjan Ojamonharjuntie 86	Helsinki	100.00
79	Kiinteistö Oy Luumäen Suoanttilantie 101	Helsinki	100.00
80	Kiinteistö Oy Nokian Kivimiehenkatu 4	Helsinki	100.00
81	Kiinteistö Oy Nummelan Ratastie 3	Helsinki	100.00
82	Kiinteistö Oy Oulun Isopurjeentie 3	Oulu	100.00
83	Kiinteistö Oy Oulun Jääsalontie 12	Helsinki	100.00
84	Kiinteistö Oy Oulun Kauppurienkatu 9	Helsinki	100.00
85	Kiinteistö Oy Oulun Pekurinkulma	Helsinki	100.00
86	Oy F.W. Grönqvist Ab	Helsinki	88.42



**17. SUBSIDIARIES AND ASSOCIATED COMPANIES CONSOLIDATED IN THE CONSOLIDATED FINANCIAL STATEMENTS 31 DEC**

87	Kiinteistö Oy	Paraisten Liikekeskus	Parainen	71.92
88	Kiinteistö Oy	Porin Itäkeskuksenkaari 2	Helsinki	100.00
89	Kiinteistö Oy	Salomonkatu 7-9	Helsinki	79.34
90	Asunto Oy	Tampereen Ankkarinraitti 4	Tampere	100.00
91	Asunto Oy	Tampereen lidesranta 14	Tampere	100.00
92	Asunto Oy	Tampereen lidesranta 16	Tampere	100.00
93	Asunto Oy	Tampereen Kalevan puistotie 14	Tampere	100.00
94	Asunto Oy	Tampereen Lapinkaari 8	Tampere	100.00
95	Kiinteistö Oy	Tampereen Lokomonkatu 27	Helsinki	100.00
96	Kiinteistö Oy	Tampereen Sellukatu 30	Tampere	100.00
97	Asunto Oy	Tampereen Tapettikatu 5	Tampere	100.00
98	Kiinteistö Oy	Tampereen Turvesuonkatu 10	Tampere	100.00
99	Kiinteistö Oy	Teuvan Tuokkolantie 14	Teuva	100.00
100		Tietollmarinen	Helsinki	30.00 (1)
101	Kiinteistö Oy	Tuusulan Huurrekuja 2	Helsinki	100.00
102	Kiinteistö Oy	Tuusulan Högberginhaara	Helsinki	100.00
103	Kiinteistö Oy	Vaasan Mäkikaivontie 22	Vaasa	100.00
104	Kiinteistö Oy	Vaasan Tehokatu 10	Vaasa	100.00
105	Kiinteistö Oy	Vainikkalan Huolintatie 13	Helsinki	100.00
106	Kiinteistö Oy	Valkeakosken Hakalantie 1	Helsinki	100.00
107	Kiinteistö Oy	Vantaan Ainontie 1	Helsinki	100.00
108	Kiinteistö Oy	Vantaan Ainontie 5	Helsinki	100.00
109	Kiinteistö Oy	Vantaan Asolantie 14	Helsinki	100.00
110	Asunto Oy	Vantaan Helmikuja 2	Vantaa	100.00
111	Asunto Oy	Vantaan Helmikuja 4	Vantaa	100.00
112	Kiinteistö Oy	Vantaan Jönsaksentie 4	Helsinki	100.00
113	Asunto Oy	Vantaan Kranssi	Vantaa	100.00
114	Asunto Oy	Vantaan Paakari	Vantaa	100.00
115	Asunto Oy	Vantaan Pakkalanrinne 2	Helsinki	100.00
116	Kiinteistö Oy	Vantaan Pakkalanrinne 4	Helsinki	100.00
117	Kiinteistö Oy	Vantaan Pakkalantie 27	Vantaa	100.00
118	Kiinteistö Oy	Vantaan Rälssitie 9	Helsinki	100.00
119	Asunto Oy	Vantaan Solkikuja 4	Vantaa	100.00
120	Kiinteistö Oy	Vantaan Tikkurilantie 5	Helsinki	100.00
121	Asunto Oy	Vantaan Tädyketie 4	Vantaa	100.00
122	Asunto Oy	Vantaan Valtuustokatu 6	Vantaa	100.00
123	Kiinteistö Oy	Vantaan Öljykuja 2	Helsinki	100.00
124	Kiinteistö Oy	Värtsilän Teollisuustie 5	Helsinki	100.00
125	Kiinteistö Oy	Äänekosken Kauppakatu 5	Helsinki	100.00

1) Ilmarinen Mutual Pension Insurance Company's share of the vote is 70%

	<b>Ilmarinen's associated companies</b>	<b>Kotipaikka</b>	<b>Omistusosuus, %</b>
1	Ankkurikadun Kiinteistöt Oy	Helsinki	33.33
2	Antilooppi konserni	Helsinki	50.00
3	Forest Company Limited/The	St. Peter Port	24.90
4	HL Covent Garden	Bryssel	95.02
5	ILMA Sari	Senningerberg	49.50
6	Kruunuvuoren Satama Oy	Helsinki	33.00
7	Navidom Oy	Espoo	25.00
8	Russia Invest B.V.	Amsterdam	27.23
9	SSC Ahti Oy	Helsinki	50.00
10	SSC Esko Oy	Helsinki	50.00
11	SSC Futlaiva Oy	Helsinki	50.00
12	SSC Kiisla Oy	Helsinki	50.00
13	SSC Maslaiva Oy	Helsinki	50.00
14	SSC Neslaiva Oy	Helsinki	50.00
15	SSC Suula Oy	Helsinki	50.00
16	SSC Ukko Oy	Helsinki	50.00
17	Taivas Tysons Corner Inc	Delaware	50.00 (2)
18	Tamina Homes, Inc	Delaware	99.99 (3)
19	Technopolis Holding 2 AS	Oslo	49.00

2) Mutual Pension Company Ilmarinen's shareholding entitles to 100 per cent of the company's performance, so consolidated as 100%.

3) Ilmarinen Mutual Pension Insurance Company's share of the vote is 40%

## Proposal of the Board of Directors for the disposal of profit

The parent company's distributable capital and reserves in the financial statements on 31 December 2015 amount to EUR 76,550,982.71, of which the profit for the financial year is EUR 5,302,092.74.

The Board of Directors proposes that a maximum of EUR 50,000 be reserved for use by the Board of Directors as donations for purposes of general interest, or similar purposes, and authorises the Board of Directors to decide on the recipients of the donations, their purpose and other conditions for donations. The authorisation will be in force until the 2017 Annual General Meeting and any donation funds that remain unused at the end of the authorisation shall be transferred to the contingency fund.

In addition, the Board of Directors proposes that the remainder of the profit, i.e. EUR 5,252,092.74 be transferred to the contingency fund.

Helsinki, 18 February 2016

Mikko Helander

Lauri Lyly

Jyri Häkämies

Sture Fjäder

Hille Korhonen

Minna Korkea-  
oja

Olli Lehtilä

Hannu Leinonen

Heikki Malinen

Katarina Murto

Kristian Pullola

Pekka Vauramo

Timo Ritakallio  
President and CEO

## AUDITOR'S REPORT

### To the Annual General Meeting of Ilmarinen Mutual Pension Insurance Company

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of Ilmarinen Mutual Pension Insurance Company for the financial period 1.1. - 31.12.2015. The financial statements comprise the consolidated balance sheet, income statement and cash flow statement and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements.

### Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of financial statements and report of the Board of Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the report of the Board of Directors are free from material misstatement, and whether the members of the Supervisory Board as well as of the Board of Directors of the parent company or the Managing Director are guilty of an act or negligence which may result in liability in damages towards the company or have violated the Limited Liability Companies Act, the Employee Pension Insurance Companies Act, the Insurance Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements and report of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Helsinki 7 March, 2016

Ernst & Young Oy  
Authorized Public Accountant Firm

Harri Pärssinen  
Authorized Public Accountant