



REPORT ON OPERATIONS AND FINANCIAL STATEMENTS 2016

REPORT ON OPERATIONS

ILMARINEN'S STRATEGY

Ilmarinen is a mutual pension insurance company owned by its customers. Our basic task is to ensure that the personnel of our client companies receive the statutory pension they earned from employment. The core values that guide our activities are responsibility, openness and succeeding together.

Ilmarinen wishes to be the most attractive earnings-related pension partner. The strategic goals derived from that vision include the best customer experience, a strong market position, efficient operations and solid solvency.

1 ECONOMIC DEVELOPMENT

The downturn that plagued the Finnish economy in 2012–2014 came to a close in 2015. However, economic growth did not restart until 2016. Recovery was slow in both Finland and in most other EU countries, with the growth of Finland's total production estimated at approximately 1.5 per cent. Total production thus remained clearly below its level preceding the financial crisis in 2008–2009.

Since 2009, the Finnish economy has suffered from poor export development. The economic growth that started in 2016 did not change the situation in this respect; rather than exports, growth was based on domestic drivers, i.e. the recovery of private consumption and construction activity. Industrial production and export volumes took an upward turn at the end of the year.

This economic recovery was obvious on the labour markets during 2016. The number of employed took a slight upward turn and unemployment declined somewhat, although the number of long-term unemployed persons continued to grow. The number of employed grew by 11,000 persons during the year and the unemployment rate declined from 9.4 per cent in the previous year to 8.8 per cent. The payroll for the whole economy grew by some two per cent and the average earnings level increased by over one per cent. The general pay increase in accordance with the Pact for Employment and Growth was 0.4 per cent. Prices continued to rise very moderately during the year under review, as a result of which average real earnings grew slightly.

Finland's public finances continued to show a deficit as in previous years, but the economic recovery improved the situation. Thanks to higher tax income, the state and municipal deficits shrunk slightly and the lower unemployment rate improved the balance of the Unemployment Insurance Fund. The total public sector deficit was approximately two per cent in relation to the value of total production. However, public debt continued to grow, and the EMU debt increased to some 64 per cent of the value of total production. However, thanks to the investment returns of earnings-related pension funds, the net assets of the public sector grew during 2016.

Competitiveness pact

In summer 2015, Prime Minister Sipilä's government set as its goal to create a comprehensive labour market solution to improve competitiveness. In February 2016, the lengthy negotiations held by labour market organisations resulted in an agreement between the central labour market organisations concerning a competitiveness pact. Following this, the outcome was negotiated between the trade unions of the different sectors, and by August, more than 90 per cent of employees were covered by the pact.

According to the pact, no new pay increases based on collective agreements will take place in 2017. Instead, annual working hours will be extended by 24 hours. The extended working hours have been agreed upon separately in the collective agreements of the different sectors. The calculated labour-cost-reducing effect of the extended working hours is 1.5 per cent in 2017.

In addition, it was agreed in the competitiveness pact that part of the employer's social security contributions, i.e. earnings-related pension contributions and unemployment insurance contributions, will be charged from employees' salaries and wages. The change will be implemented gradually in 2017–2020. In addition, the state will lower the employer's social security contributions by approximately one percentage point in 2017. These changes will reduce additional employer costs by some 2.5 percentage points by 2020 and labour costs by more than two per cent. The increase in the employee contribution will lead to lower net earnings, but for 2017, the state will compensate for this by lightening earnings taxation.

The competitiveness pact will thus reduce labour costs in 2017 and possibly even during the following years – depending on the earnings development beyond 2017. As labour costs are expected to rise in key competitor countries, the pact will improve the competitiveness of Finland's exports. This, in turn, is expected to drive export growth and increase employment.

In addition to the competitiveness pact, the central organisations agreed, on the government's request, in March 2016, that every effort would be made to adjust the pay development after 2017 to meet the competitiveness targets. This "Finnish model" aims at making the export industry's earnings development an anchor for the labour cost development of other sectors as well. Going forward, pay agreements will be increasingly made on the union and local levels and, for the time being, it is unclear how the policies for wage formation according to the Finnish model will be decided.

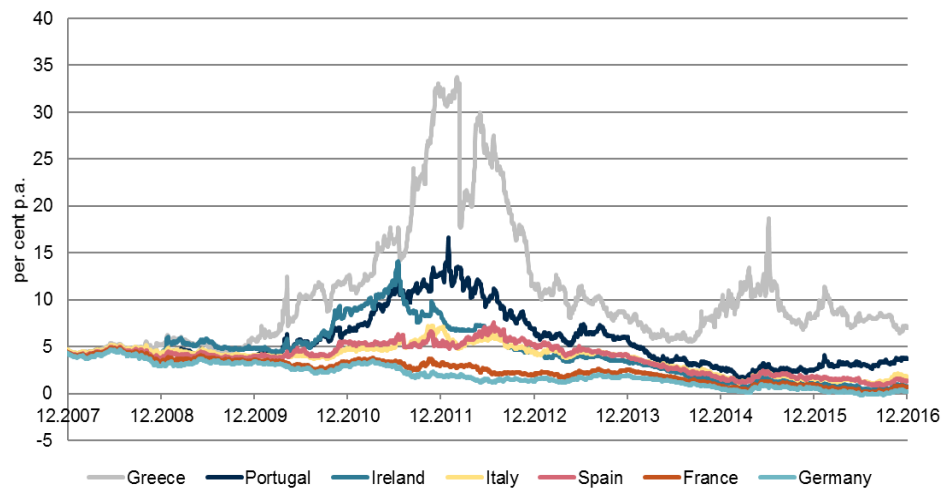
International economy and global investment environment

The development of the international economy was affected by political uncertainties. In spring, the investment markets were concerned about Britain's referendum concerning EU membership. However, the outcome of the referendum, i.e. Britain's possible exit from the EU, did not lead to the feared market reactions. Donald Trump's election as the new President of the United States in November 2016 was another major change. Contrary to expectations, this event did not cause adverse market reactions either; instead, it led to the strengthening of US shares and the dollar. In Europe, serious acts of terror and Italy's prolonged bank crisis fuelled uncertainty. Despite all this, the global economy and the economies of the EU countries also developed reasonably well during the year under review.

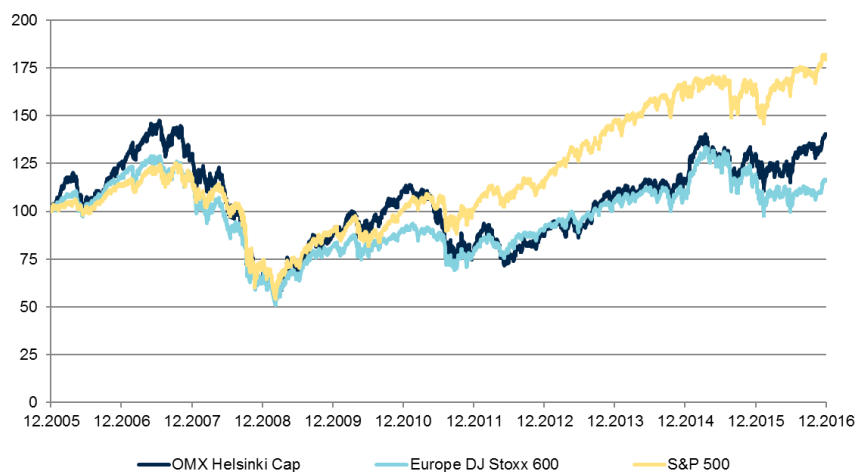
The central banks of Europe and Japan continued their monetary policy stimulus measures, maintaining the low interest rate level. In Europe the long-term interest rates of the states with the best credit ratings were close to zero and, at times, even negative. The US Federal Reserve raised its key interest rate at the end of the year for the first time in a long while.

Despite a weak start to the year, 2016 ended up being relatively good in terms of both equity and fixed-income investments. Share prices rose clearly also on the Helsinki stock exchange. The year-on-year change in the Eurostoxx index that measures the performance of European stocks remained minor, whereas share prices in the United States clearly strengthened.

Interest rates on 10-year government bonds in the eurozone



Stock market performance (31 Dec 2015 = 100)



2 DEVELOPMENTS IN THE EARNINGS-RELATED PENSION SYSTEM

Pension reform and the impact of the competitiveness pact on contributions

The pension reform that was agreed on by the labour market organisations during their negotiations in 2014 entered into force at the beginning of 2017. The reform will not lead to immediate changes in the age limits for old-age pension. Instead, it will change the pension accrual rules right at the beginning of 2017. As of the beginning of the year, pension calculation will be based on the employee's entire gross pay, and not the pay from which the employee's earnings-related pension contribution has been deducted. This change improves the pension accrual. At the same time, part-time pension will be replaced by the new partial early old-age pension.

According to the competitiveness pact between labour market organisations, the contributions of employees and employers to the funding of earnings-related pensions will change in 2017–2020. The changes will not affect the funding of the earnings-related pension system, because the average contribution will remain at the level agreed in the pension reform. The greatest reductions in the employer's contribution will take place in 2019 and 2020.

Year	Employer's contribution	Contribution of employees aged under 53 and 63 and over	Contribution of employees aged 53–62	Total contributions on average
2016*	18.00	5.70	7.20	24.00
2017	17.95	6.15	7.65	24.40
2018	17.75	6.35	7.85	24.40
2019	17.35	6.75	8.25	24.40
2020	16.95	7.15	8.65	24.40
2021	16.95	7.15	8.65	24.40

* In 2016, the contribution for employees aged under 53 was 5.70 per cent and 7.20 per cent for those aged 53 and over.

As a result of the changes in the contributions, employers' and employees' shares in the financing of earnings-related pensions will change. While employers' share of the total contribution in 2016 was 75 per cent, this percentage will decrease to 69 per cent by 2020. After that, the share will continue to decrease, as any possible increases in the contribution level will likely be divided equally between employers and employees. Because of the change in the contribution shares, the labour market organisations agreed, in connection with the competitiveness pact, on changes in the governance of earnings-related pension companies. Going forward, the proportion of representatives on the companies' Boards of Directors and Supervisory Boards named by employers' central organisations will be 1/6 (currently 1/4) and the proportion of representatives named by employees' central organisations will be 1/3 (currently 1/4). The representatives of customer companies will retain half of the positions. The change will enter into force in 2019 for the Supervisory Boards and in 2020 for the Boards of Directors.

Finnish Centre for Pensions' new long-term calculation

In autumn 2016, the Finnish Centre for Pensions published its new long-term estimate on the financing of the earnings-related pension system. Compared to the previous estimate made in 2014, the new calculation includes changes in certain background variables. According to Statistic Finland's population projection, the development of natality is expected to be weaker than previously, which will start to impact the number of working-age people in the 2040s. Net immigration is expected to remain at its current level (17, 000 people per year), which, in turn, will drive growth in the working-age population. The greatest attention was paid to the Finnish Centre for Pensions' estimate according to which the real investment return on earnings-related pension funds would decline to 3.0 per cent for 10 years, after which it would return to the 3.5 per cent level. As a result of the changed assumptions, the calculation anticipates the need to slightly increase earnings-related pension contributions after 2020 and for a more significant change beyond 2060. The latter change results from the expected decline in natality and it will markedly change the long-term outlook compared to the previous long-term calculation.

Solvency reform and other earnings-related pension sector regulation

As part of the labour market organisations' pension agreement it was agreed that the weight of the collective equity linked buffer fund of the pension companies would be increased from 10 to 20 per cent during 2017 and 2018. The change means that a higher

proportion of the fluctuations in the return on equity will be collectively 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 life expectancy of Finns has continued to increase, resulting in the need to supplement the funds reserved for old-age pensions. This was carried out at the end of 2016 by changing the mortality assumptions used in the calculation of old-age pension liabilities. Part of the supplementation was financed through the equalisation provision included in the solvency capital. The share financed through the equalisation provision was 0.5 per cent of the insured payroll on average. For the most part, the supplementation of old-age pension liabilities is financed through investment returns accumulated over previous years by reducing the equity linked buffer. The changes will slightly lower pension institutions' solvency.

The act on the calculation of a pension provider's solvency limit and on the diversification of investments entered 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 solvency limit will describe, also in future, 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. In addition, the risk management of earnings-related pension companies was amended.

3 ILMARINEN'S RESULT AND SOLVENCY

Despite the relatively modest economic development in Finland and other EU countries, 2016 was a fairly good investment year for Ilmarinen. Share prices increased on most markets during the year. Ilmarinen's annual return on investments was 4.8 (6.0) per cent, as a result of which the company's solvency capital strengthened by close to EUR 216 million. Due to a 1.0 percent rise in the consumer price index, the real return on investments was 3.8 (6.2) per cent. The figure was close to the long-term average of 4.2 per cent of Ilmarinen's real investment returns.

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 74.9 (75.5) per cent.

Solvency capital, i.e. the difference between the company's assets and liabilities measured at current value, increased to EUR 8,460.0 million (8,244.2). At the end of 2016, solvency capital amounted to 29.2 (29.6) 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. Ilmarinen's solvency capital at the end of the financial period was 2.0 times (2.0) the solvency limit required by the risk breakdown of the company's investments. Strong solvency is one of Ilmarinen's strategic goals.

Investment income at current value was EUR 410.5 (406.8) million, when taking into account the interest credited on technical provisions, EUR 1,132.9 (1,317.2) million,

and EUR 199.9 (346.6) million was transferred to the equity linked buffer. The equity linked buffer ties a certain percentage of the return requirement on 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 underwriting result under the company's own responsibility was EUR -35.5 (32.2) million. The underwriting result is the difference between contribution components intended to cover insurance risks and claims incurred. Supplementary pension insurance contributed to the underwriting result in the amount of EUR 3.1 million.

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. Ilmarinen's loading profit was EUR 36.1 (35.4) million.

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. In addition, EUR 85.5 million was transferred from the equalisation provision to old-age pension liabilities on account of the mortality base change implemented at the end of 2016. The total change in the equalisation provision thus amounted to EUR -121.0 million.

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. For this reason, when calculating solvency, the supplementary pension insurance portion, EUR 22.4 million, under the Employees Pensions Act shall also 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.

Ilmarinen's total financial result in 2016 at current value stood at EUR 405.2 (474.3) million. The result consists of the investment result, the underwriting result and the loading profit.

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 insurance risks. For 2016, EUR 102 (98) million will be allocated for client bonuses. This is 0.61 (0.59) per cent of the insured payroll and EUR 205 (196) 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 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 2016, the profit in the profit and loss account was EUR 4.5 (5.3) 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	2016	2015
Result in the profit and loss account	4.5	5.3
Change in technical provisions		
Change in equalisation provision entered in the profit and loss account	-35.5	32.2
Change in provision for future bonuses	-161.8	855.0
Transfer to client bonuses	102.0	98.0
Change in depreciation difference	0.3	1.7
Change in difference between current and book values	495.8	-517.8
Profit at current value	405.2	474.3

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.

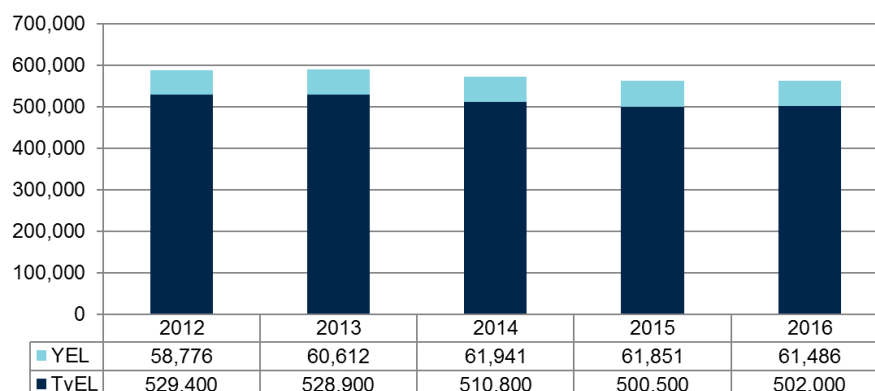
Ilmarinen's insurance portfolio declined slightly during the operating year. The number of TyEL insurance policies at the end of 2016 stood at 38,131, which is 223 or 0.6 per cent less than in the previous year. In addition to employers with insurance contracts with Ilmarinen, 5,078 (5,450) temporary employers paid TyEL contributions to the company.

The proportion of customers with insurance contracts, who report their insurance information monthly and pay their contributions based on these notifications, grew 30 per cent in Ilmarinen's insurance portfolio. Customers increasingly prefer to keep their insurance contributions more up-to-date rather than report them on an annual basis. At the end of the year, 502,000 (500,500) insured were covered by Ilmarinen's TyEL insurance policies. The number of insured grew by approximately 0.3 per cent. The number of employees covered by a TyEL insurance policy in Ilmarinen's customer companies in 2016 was on average 13 (13).

The TyEL payroll insured with Ilmarinen was EUR 16,788 (16,651) million, up 0.8 per cent from the payroll insured in the previous year. The market share calculated from the insured TyEL payroll amount is estimated to have declined slightly in 2016 compared to the previous year.

There were 61,486 YEL insurance policies at the end of the year, which is 365 policies or 0.6 per cent less than a year earlier. The average annual reported income for YEL insurance policies was EUR 23,917 (24,003), slightly down from the previous year.

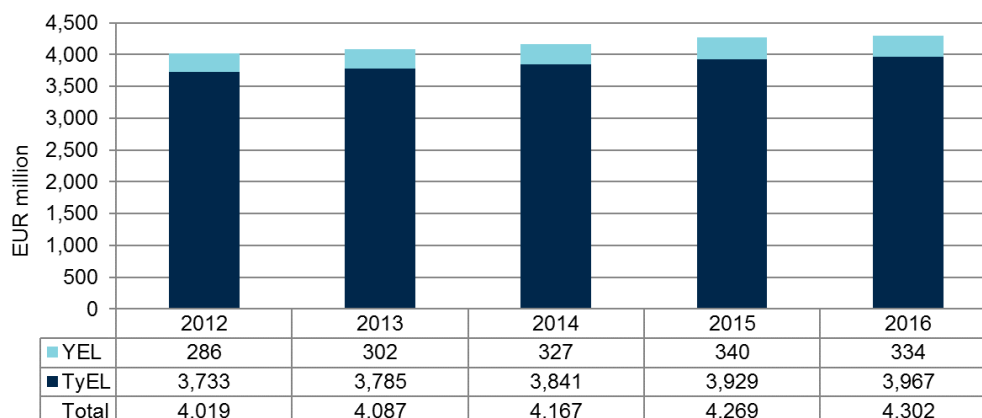
Number of insured



In 2016, Ilmarinen's premiums written stood at EUR 4,301.8 (4,268.7) million, up 0.8 per cent from the previous year. EUR 3,967.4 (3,929.0) million in TyEL insurance contributions were received, i.e. TyEL premiums written increased by 1.0 per cent compared to the premiums written in the previous year. In 2016, client bonuses granted as discounts in TyEL contributions totalled EUR 98.6 million, compared with EUR 94.1 million in the previous year.

YEL premiums written stood at EUR 334.5 (339.7) million, a decrease of 1.5 per cent.

Premiums written



The economic recovery has impacted credit losses, which continued to decline from the already good level reached in 2015. Credit losses on unpaid TyEL insurance contributions amounted to EUR 9.2 (11.3) million. They declined by close to 20 per cent and they only accounted for 0.23 (0.28) per cent of premiums written.

A total of 3,837 new TyEL insurance policies were sold. This increases the annual TyEL premiums written by EUR 95.2 million during 2017. Ilmarinen's TyEL insurance portfolio increased by 366 policies and premiums written decreased by EUR 37.2 million.

A total of 6,382 new YEL insurance policies were sold. This will increase the YEL premiums written by EUR 32.0 million. As a result of policy transfers between pension

companies, Ilmarinen's YEL insurance portfolio increased by 543 policies and premiums written by EUR 3.7 million.

Credit losses on unpaid YEL insurance contributions were EUR 2.0 (2.2) 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.

5 CONTRIBUTION LEVEL

The average TyEL contribution for 2016 was 24.4 per cent of an employee's salary or wages, which is 0.4 percentage points higher than in the previous year. In addition, an average temporary discount of 0.4 per cent of the salary or wages was granted in 2016, which meant that the contribution charged remained on average on par with the previous year's level. The 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 3.3 (3.1) per cent of the employer contribution.

The average confirmed TyEL contribution for 2017 is 24.4 per cent, i.e. 0.4 percentage points higher than the average contribution charged in 2016. The average employer contribution is 17.95 per cent of the payroll. Employees' contributions will rise by 0.45 percentage points. In 2017, the contribution for employees aged under 53 and those aged 63 and over is 6.15 per cent and 7.65 per cent for those aged 53–62.

The YEL contribution for 2016 was 23.6 per cent of confirmed earned income for self-employed persons under 53. The YEL contribution for self-employed persons who had turned 53 before the start of the financial year was 25.1 per cent. In 2017, self-employed persons' contributions will be increased by 0.5 percentage points. The contribution for self-employed persons who had turned 53 before the start of the financial year but are under 63 is 25.6 per cent and 24.1 per cent for the other self-employed persons.

6 PENSIONS AND ACTIVITIES BOOSTING WORKING CAPACITY

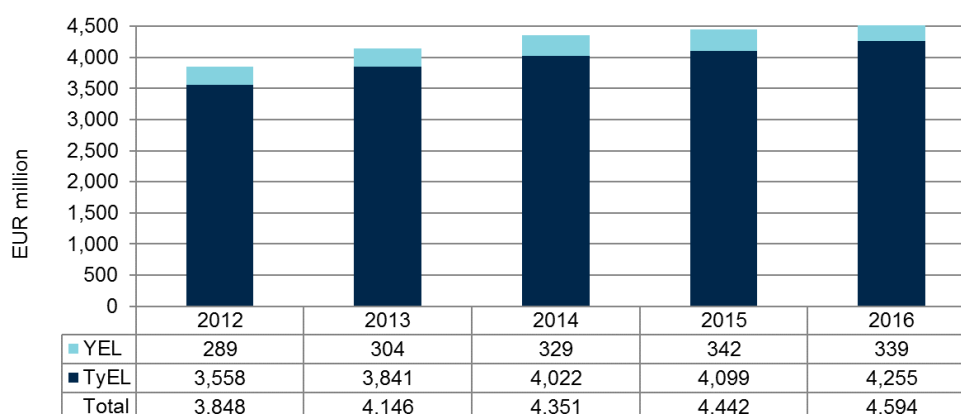
In 2016, new pension decisions made at Ilmarinen totalled 26,521, which is 16.3 per cent more than in the previous year. In 2016, Ilmarinen paid a total of EUR 4,594.1 (4,441.6) million in pensions. Pension expenditure increased by 3.4 per cent on the previous year, thus continuing to grow relatively quickly, just as in previous years.

Pension expenditure according to pension type in 2016

EUR million	TyEL	YEL	Total	%
Old-age pensions	3,343.0	262.0	3,605.0	78.5
Early old-age pensions	240.5	21.2	261.6	5.7
Part-time pensions	11.6	2.7	14.3	0.3
Disability pensions	374.3	25.0	399.2	8.7
Unemployment pensions	0.0	0.0	0.0	0.0
Survivors' pensions	285.7	28.2	313.9	6.8
Total	4,255.0	339.1	4,594.1	100.0

The majority of the EUR 4.6 billion in pension expenditure, i.e. 84.2 per cent, consisted of old-age pensions. Disability pensions made up 8.7 per cent of the pension expenditure and survivors' pensions 6.8 per cent.

Pensions paid



Ilmarinen's pension premiums written were just over EUR 4.30 billion. Pension expenditure excluding pension management costs was EUR 4.59 billion and thus some EUR 292 million more than premiums written.

Number of pension recipients on 31 December 2016

Pensions in accordance with basic cover

	TyEL	YEL	Total	%
Old-age pensions	211,402	28,587	239,989	73
Early old-age pensions	14,312	3,119	17,431	5
Part-time pensions	1,268	265	1,533	0
Disability pensions	25,071	2,490	27,561	8
Survivors' pensions	35,923	6,886	42,809	13
Total	287,976	41,347	329,323	100

At year-end the number of pension recipients was 329,323, which is 1.9 per cent more than a year earlier, when they numbered 323,172. At the end of the year, 287,976 (282,432) pension recipients received TyEL pensions and 41,347 (40,740) received YEL pensions.

Pension decisions in 2016

	2016	2015	Change, %
New pension decisions			
Old-age pensions	12,482	10,627	17
Early old-age pensions	1	7	-86
Part-time pensions	821	618	33
Disability pensions	6,692	5,650	18
Survivors' pensions	3,126	2,827	11
Right to rehabilitation	3,399	3,084	10
Total new pension decisions	26,521	22,813	16
Total pension decisions	42,999	41,293	4

During 2016, Ilmarinen made a total of 42,999 pension decisions, which is 4.1 per cent more than in the previous year.

The number of new pension decisions increased by 16.3 per cent in 2016 and a total number of 26,521 were granted, including decisions concerning the right to rehabilitation. The number of disability pensions increased clearly from the previous year while a growing number of people made use of vocational rehabilitation. Substantial growth could also be seen in the number of old-age pensions compared to the previous year.

The increased number of pension decisions is partly attributable to the major investment carried out in the company involving the renewal of the pension processing system. The new processing system will automate Ilmarinen's pension processing and speed it up in the long run, while also enabling the company to provide better digital services for its pension customers. In the implementation phase in 2015–2016, the granting of pension decisions was distributed unevenly, and in 2016, more pension decisions were made than usual. As a result of the implementation phase, the company failed to achieve its usual shorter processing times compared to its peer group; instead, temporary delays occurred. At the end of the operating year, the situation is good and pensions are being processed without delay.

In 2016, Ilmarinen prepared for the implementation of the pension reform that entered into force on 1 January 2017. The implementation required extensive IT system changes involving both Ilmarinen's own and the earnings-related pension sector's shared system. Several training sessions were organised on the pension reform for both the company's own personnel and customers during autumn 2016. In April 2016, Ilmarinen launched a calculator that enables customers to calculate the effects of the pension reform on their old-age pensions. In addition, the calculator allows customers to estimate the amount of the new partial early old-age pension. Over 73,000 old-age pension estimates and 12,000 partial old-age pension estimates were made.

Pension records are sent every three years to people under the age of 60 and annually to people aged over 60. In 2016, people born between September and December as well as everyone over the age of 60 received their pension records. A total of 193,083 pension records were mailed during October–November, and 45,826 people retrieved their pension records from the online service during April–December.

For Ilmarinen's well-being at work services, 2016 was a record-breaking year in terms of customer co-operation. Ilmarinen organised 43 seminars on well-being at work for its customer companies throughout Finland, attracting 2,518 participants. During the year, Ilmarinen also had 2,139 distinct coaching or other well-being at work projects underway in co-operation with clients. These well-being at work projects covered around

150,000 employees insured with Ilmarinen. Co-operation with clients is systematic and goal-oriented and the projects are always targeted at jointly identified development areas to reduce disability risks. 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 3,399 vocational rehabilitation applicants received confirmation of support for changing careers or returning to work. This is 10 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. A total of 6,343 benefit decisions related to rehabilitation were made in 2016, which was a 7.9 per cent increase on the previous year.

Since the beginning of 2016, 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 2016, Ilmarinen's technical provisions totalled EUR 31,458.7 (30,630.2) million. The provision for future bonuses that acts as a buffer against investment losses decreased by net EUR 161.3 million and stood at EUR 1,522.6 (1,683.9) million at the end of the year. The equity linked buffer increased due to the rise in share prices by EUR 199.7 million and stood at EUR 1,435.0 (1,235.2) million at the end of the year before examining the exceeding of the upper limit.

The upper limit for the unit linked buffer was lowered at the end of 2016 to one per cent of technical provisions and this limit was exceeded by EUR 1,149.5 million. The portion exceeding the upper limit will be transferred to the equalisation provision and, after the transfer, the unit linked buffer stood at EUR 285.5 million at the end of the year. Of the portion exceeding the upper limit, EUR 877.6 million will be used to supplement the old-age pension liabilities resulting from the change in the mortality base.

The underwriting result under the company's own responsibility was EUR -35.5 (32.2) million. The equalisation provision decreased by EUR 121.0 million to EUR 927.6 million. In addition to the underwriting result, the decrease was partly explained by the fact that old-age pension liabilities were supplemented from the equalisation provision, which reduced the equalisation provision by EUR 85.5 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 interest credited on technical provisions totalled 4.3 per cent in 2016, of which the return tied to the equity linked buffer equalled 0.6 per cent. A 3.7 per cent return was credited on the remaining technical provisions.

As of 1 January 2016, insurance contributions will be calculated using the insurance contribution interest rate, which was 2.0 per cent throughout the year.

Assets that cover technical provisions stood at EUR 37,285.8 (35,141.8) million at the end of the reporting year.

Breakdown of technical provisions

EUR million	2016	2015
Provision for unearned premiums		
Future pensions	14,461.7	13,598.7
Provision for future bonuses	1,522.6	1,683.9
Provision for current bonuses	102.0	98.6
Equity linked buffer	285.5	1,235.2
Total provision for unearned premiums	16,371.8	16,616.5
Provision for claims outstanding		
New pensions awarded	14,159.2	12,965.1
Equalisation provision	927.6	1,048.6
Total provision for claims outstanding	15,086.9	14,013.8
Total technical provisions	31,458.7	30,630.2

8 INVESTMENT OPERATIONS

Pension assets must be invested in a profitable and secure manner. That is why 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 2016, Ilmarinen's key investment theses were cascaded, thus further strengthening the value platform of the entire organisation's investment operations. The investment strategy, which will steer investment operations in the long term, was updated in 2016. 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 change in the solvency regulations. As part of the strategy, the diversification of the real estate portfolio outside of Finland will also be continued as it was in 2016.

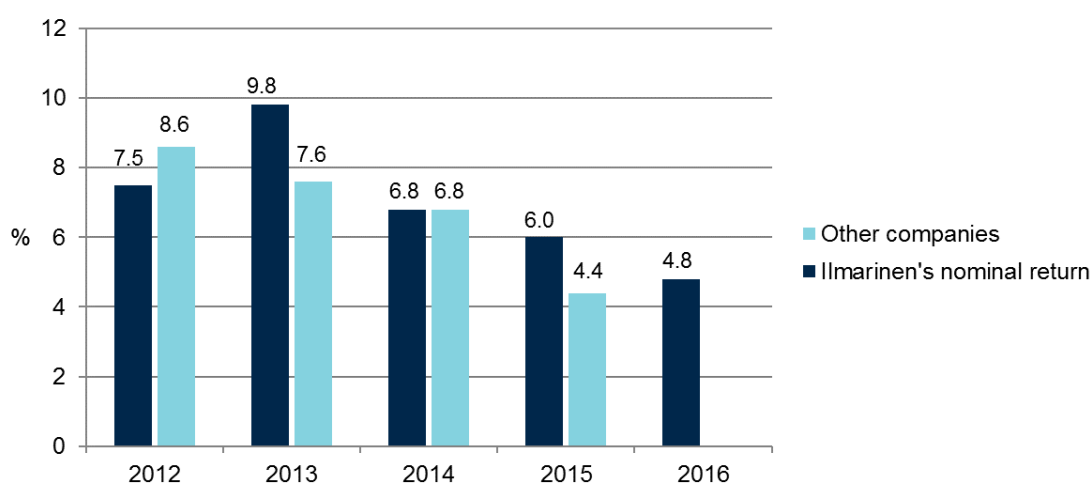
Economic growth and inflation were lower than expected in the reporting year. The development in the world economy was inconsistent. Monetary policy evolved in two directions, with the European Central Bank continuing its bond purchasing programme while the US Federal Reserve carried out its second interest rate hike in December 2016 since the first one carried out in December 2015. The price of oil declined strongly early in the year but took an upward turn towards the end of the year.

In 2016, regional return differences were large especially in the equity markets. Among Ilmarinen's investments, European equities and shares as a whole showed the weakest

performance, while equity investments in emerging markets and the United States generated good returns. The year was a good one also for Finnish equities and shares. The fixed-income portfolio's exposure to rising interest rates, i.e. duration, was small throughout the year. Also the successful currency insight had a positive effect on the investment result. Overall, 2016 was a good year for investors.

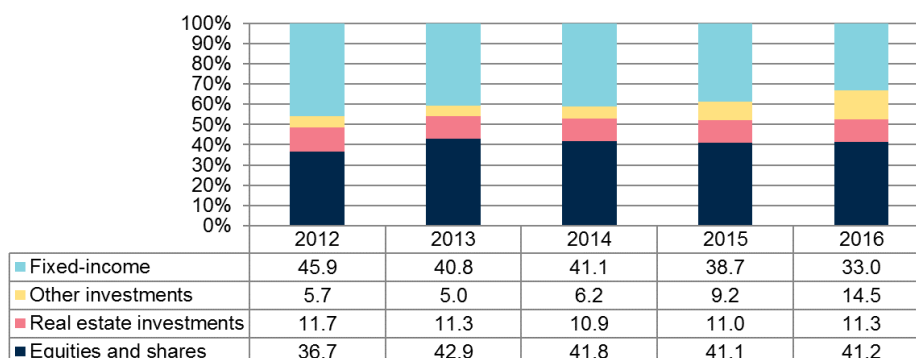
At the end of 2016, Ilmarinen's total investments at current value were EUR 37,214.4 (35,841.0) million. The return on investments at current value was 4.8 per cent. Inflation in Finland accelerated slightly at the end of the year. The year-on-year change in the consumer price index was 1.0 per cent. The real return on Ilmarinen's investments in 2016 was 3.8 per cent. In the previous year, the return on the investment portfolio was 6.0 per cent, i.e. 6.2 in real terms. Calculated at current value, the average annual income over the last five years has been 7.0 per cent, which corresponds to an average annual real income of 5.9 per cent. Calculated from 1997, the average annual returns at current value for Ilmarinen's investments have been 5.8 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 39.5 (40.4) per cent of the total value of Ilmarinen's investment assets. Their total market value, taking into account derivatives, was EUR 14,713.3 (14,475.8) million and return at current value was 3.7 (1.0) per cent. A total of EUR 4,139.8 (4,245.8) or 28.1 (29.3) per cent was invested in bonds issued by governments or other similar issuers. Ilmarinen had EUR 991.3 (469.3) million or about 6.7 (3.2) per cent in money market investments, yielding 5.8 (3.5) per cent. The remaining 65.1 per cent were corporate bonds, most of which had a high credit rating. The return on bonds with credit risk was 4.3 per cent. At the end of the year, the average maturity of the bond portfolio was 0.6 (0.8) years.

In Ilmarinen's corporate financing, substantially more loans other than premium loans were granted than before. The number of new TyEL premium loans also exceeded that of the previous year, which slowed down the shrinking of the loan portfolio. At the end of the year, loan receivables made up 2.7 (3.0) per cent of investment assets. New loans amounting to EUR 321.4 (183.1) million were drawn down during 2016. At the end of the year, the total loan portfolio was EUR 1,007.4 (1,088.5) million including accumulated interest. The return on loan receivables was 3.3 (3.7) per cent.

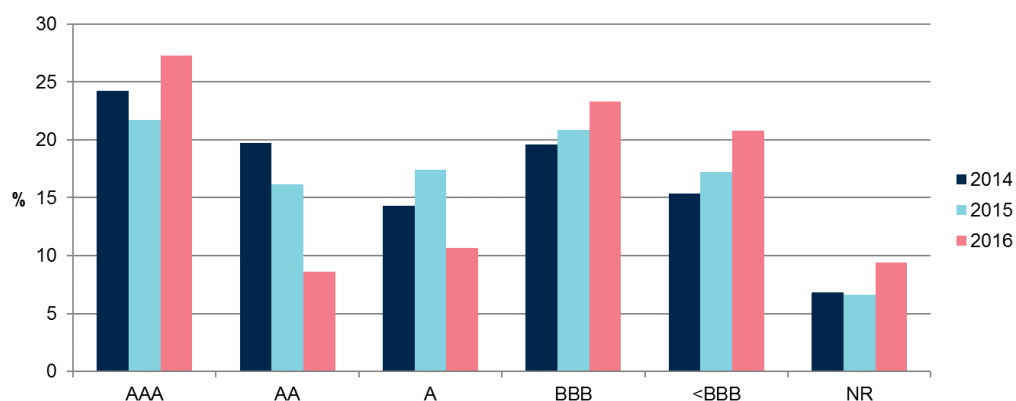
Corporate credit portfolio, EUR million

	2016 € million	Interest rate, %	Loans 2016	2015 € million	Interest rate, %
Lending other than premium loans*	631.9	3.4	173.3	682.4	3.6
Premium loans	375.5	2.9	148.0	406.1	4.0
Total	1,007.4	3.2	321.4	1,088.5	3.7

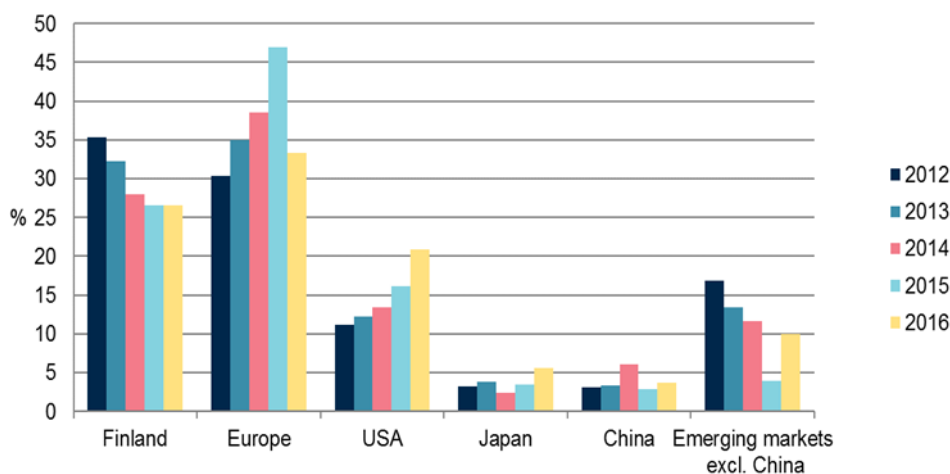
The above-mentioned investments together make up the fixed-income investment class. These investments accounted for 42.2 (43.4) per cent of the investment portfolio and their returns were 3.6 (1.2) per cent.

Listed and non-listed equities and shares as well as private equity investments made up 41.2 (40.2) per cent of all investments. Their value increased to EUR 15,321.8 (14,398.6) million in 2016. Of this, domestic equities made up about 27.2 (27.8) per cent, or EUR 4,169.9 (4,006.9) million. Domestic equities made up 26.5 (26.5) per cent of investments in listed equities and shares. The return on equity investments, calculated at current value, was 6.5 (11.6) per cent.

Credit risk breakdown of bond investments



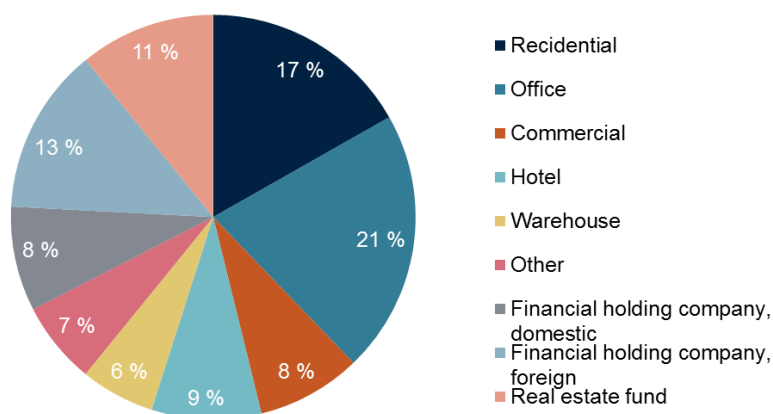
Geographical breakdown of listed equities



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 15,326.8 million, i.e. 41.2 per cent of investments. The effect of interest derivatives is included in the average maturity of the bond portfolio reported above.

Real estate investments at the end of 2016 stood at EUR 4,199.6 (3,935.5) million, a 6.7 per cent change from the previous year. The share of real estate investments was 11.3 (11.0) per cent, of which real estate funds made up 1.2 percentage points. The value of directly owned properties was EUR 3,744.0 (3,427.8) million. The lease rate of Finnish real estate owned by Ilmarinen declined slightly and was 87.4 (90.1) per cent at year-end.

Structure of real estate assets on 31 Dec 2016



The total return on the company's real estate investments was 6.4 (7.8) per cent. The return on direct real estate investments was 6.7 (7.0) per cent. The return on real estate

funds was 3.6 (13.0) per cent. The amount of direct foreign real estate investments grew to EUR 559.4 million.

Some 5.3 (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 2.9 percentage points, i.e. EUR 1,063.0 million and generated an average return of 5.6 per cent on capital employed.

According to Ilmarinen's responsible investment principles, Ilmarinen will start an engagement process with a company that fails to fulfil the criteria set forth in the policy, in other words if the company seriously violates the principles of the UN's Global Compact concerning human rights and working against environmental damage and corruption. Additionally, Ilmarinen refrains from acquiring investments whose operations do not fulfil the required criteria: Ilmarinen does not invest in manufacturers of tobacco products and controversial weapons or companies of whose business at least 30 per cent is related to coal. In 2016, Ilmarinen had two engagement processes of its own, eight engagement processes through Nordic engagement co-operation and three engagement processes through a service provider.

In addition to these engagement processes related to violations of international norms, we held discussions with 14 companies in connection with their Annual General Meetings on specific issues pertaining to the items on the agenda and our Ownership Policy. We approached six Finnish companies to further climate reporting and we also signed similar letters to international companies together with other investors.

9 DEVELOPMENT, IT AND INFORMATION SECURITY

During the reporting year, Ilmarinen had extensive IT system renewal projects underway to implement its strategy. The renewal of the pension processing information systems was completed and the last roll-out took place in September. The information system changes required by the pension reform 2017 were implemented according to plan, but with a tight schedule, both for the renewed processing system and the pension sector's shared information systems. The development of digital customer services was continued by expanding the service functionalities and improving the user experience. The services for accounting firms and customers making monthly notifications and payments were improved, and the service offering for enhancing working capacity and productivity in companies was expanded.

Development operations were organised into one unit during the reporting year and agile development methods were adopted. In preparation for the entry into force of the EU data protection regulation in 2018, information security was organised into an independent function. The company's contract management was also renewed both for system support and processes.

The business's continuous IT services will be provided together with the other continuous services, applying the same steering and service principles. The maintenance and development of the basic systems related to the insurance and pension processes was put out to tender. The new contract brought cost benefits and meant a gradual shift towards remote outsourcing. In office systems, cloud services were adopted on a broad scale. The production activities for information technology met the targets set both in terms of customer service and the company's own operations.

10 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 policy-holders 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 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 strategy approved by the Board of Directors and the investment plan drawn up to implement it, as well as 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, development work related to the reporting of operative risks was continued in 2016 during the call for tenders for a new reporting system. In continuity management, a business impact analysis was conducted for all of the company's functions to improve the management of disturbances. In addition, Ilmarinen drew up, for the first time, a risk and solvency assessment under the regulation entering into force at the beginning of 2017. In the assessment, the company's Board of Directors and executive management assess, as part of strategic decision-making, the impact of material risks on the company's targets and operations and the measures that are necessary to control these risks.

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

11 PERSONNEL

An average of 584 people worked for Ilmarinen Group in 2016 compared to 593 a year earlier. The average number of employees in the parent company Ilmarinen during the reporting year was 538 (535), measured in person years. This figure includes summer employees and 64 (65) part-time employees, whose work contribution has been adjusted to correspond with the average working hours of full-time employees. During the year, 55 (44) persons were on family leave or other unpaid leave. At the end of the year, the parent company Ilmarinen employed 592 (573) persons, of whom 540 (542) were permanent employees.

One of the key themes of Ilmarinen's strategy is an energising work community, which we promoted in several ways in 2016. At the beginning of the year, Ilmarinen's entire personnel moved to modernised premises and the feedback so far has been positive. According to surveys, the most positive aspects are straightforward interaction and improved flow of information. All in all, the personnel's satisfaction with the premises has grown somewhat, although the change was a major one.

The health percentage of Ilmarinen's employees continued to rise from its high level of the previous year, reaching 51 (47) percent. In other words, 325 persons were not absent from work due to illness, even for one day. Ilmarinen has supported personal well-being and good energy in a number of ways. For example, recruiting a fixed-term work community activation coach incorporates physical exercise into the workday, also helping individual employees find a way of being active that suits them.

The objective of personnel planning is to ensure that the company has the right people at the right place at the right time and at the right cost. We defined the strategic competencies that are required to achieve our goals. We set a quantitative target for resources, which covers the cost of both in-house personnel and purchased labour. During the strategy period, total costs must be reduced by one per cent a year.

According to the workplace atmosphere survey, the overall result on a scale of 1–5 remained the same (3.75) as in the previous year, although the period involved many changes. The employees' commitment, which continues to be strong (4), was one of the factors contributing to the high result. 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 3.89. Supervisors received especially good feedback for supporting shared success and for fairness, both of which achieved a score of more than 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 4 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). The response rate was record-high, at 83 percent.

12 OPERATING EXPENSES

Ilmarinen's cost-effectiveness improved compared to the previous year. Continuous improvement of operational efficiency is one of Ilmarinen's strategic goals. The efficiency of operations benefits Ilmarinen's customers in the form of client bonuses. The operating expenses financed using the loading income decreased by 1.3 per cent. The ratio of the above-mentioned operating expenses to the expense loading components available for them decreased slightly, equalling 74.9 (75.5) per cent.

Ilmarinen's total operating expenses were EUR 147.2 (150.7) million, down 2.3 per cent from the previous year. The loading profit improved 2.0 per cent and was EUR 36.1 (35.4) million.

The statutory charges, EUR 10.3 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 24.5 (25.3) million, or 0.07 per cent of the total investment amount. They are financed using the return on investments. EUR 4.7 (5.1) million was spent on activities for maintaining well-being at work and

work capacity, conducted together with clients and financed from the administrative cost component of the disability risk contained in the insurance contribution.

13 GOVERNANCE

In 2016, Matti Lievonen, President and CEO, Neste Oyj, served as the Chairman of Ilmarinen's Supervisory Board. Antti Herlin, Board Chairman of Kone Corporation, and, until 8 April 2016, 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.

The composition of the Board of Directors 1 Jan–31 Dec 2016:

- 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
- Minna Korkeaoja, Executive Vice President and CFO, Northern Power Company
- Olli Lehtilä, Managing Director, OP 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
- Kristian Pullola, Vice President, Corporate Controller, Nokia Corporation
- Pekka Vauramo, President and CEO, Finnair Oyj

Deputy members:

- Annukka Lantto, Executive Vice President, Antell Group
- 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. Pekka Vauramo started as a new member on 1 January 2016. Minna Korkeaoja, formerly a deputy member, became a full member on 1 January 2016 and Annukka Lantto started as a new deputy member.

Lauri Lyly's membership and deputy-chairmanship and Heikki Malinen's membership ended on 31 Dec 2016. The Supervisory Board elected, in its meeting on 25 Nov 2016, Jarkko Eloranta, Chairman of the Board, Central Organisation of Finnish Trade Unions, to replace Lauri Lyly for the term 1 Jan 2017–31 Dec 2017.

The Chairmen of the Board of Directors make up the Nomination and Compensation Committee. Mikko Helander was Chairman of the Board in 2016. Jyrki Häkämies and Lauri Lyly were the Deputy Chairmen, the latter of whom was the primary Deputy. In January 2017, the Board of Directors elected Jarkko Eloranta as its new Deputy Chairman, with Helander continuing as the Chairman and Häkämies as the second Deputy Chairman.

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

In 2016, the Election Committee was chaired by Matti Lievonen, with Matti Harjuniemi as Deputy Chairman and Sture Fjäder, Mikko Helander, Antti Herlin and Katarina Murto 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 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.

14 GROUP

At the end of 2016, Ilmarinen Group comprised 137 (125) subsidiaries and 44 (38) participating interests, of which 22 (19) have been consolidated into the Group as material associated companies. With the exception of Tietollmarinen, 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, Tietollmarinen belongs to Ilmarinen Group as Ilmarinen's ownership of Tietollmarinen'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.

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. Suomi will end its operations in 2017.

15 EVENTS AFTER THE FINANCIAL YEAR

Solvency calculation changed as of the start of 2017. The change affects the determination of the solvency limits of earnings-related pension companies but does not affect the solvency ratio. In addition, the weight of the equity linked buffer included in technical provisions rose to 15 per cent. The change will encourage pension insurers to increase their equity investments.

16 FUTURE PROSPECTS

Finland's economic recovery seems set to continue in 2017. As a result, employment and premiums written of the earnings-relation pension sector may grow slightly faster compared to 2016.

In terms of investment returns, the operating environment will remain uncertain. The US election result has increased optimism in the equity markets, but at the same time, uncertainty around the development of international politics and trade has increased. The UK's 2016 Brexit referendum and the resulting negotiations on the future relations between the UK and the EU countries will maintain uncertainty concerning the development of the EU countries. So far, the investment markets have been relatively confident about these change drivers. The European Central Bank is expected to continue its stimulating monetary policy, but the US Federal Reserve might continue its key interest rate hikes, which could lead to changes in exchange rates.

In its own operations, Ilmarinen focuses strongly on the development and digitalisation of operations to enhance the service offering and improve cost-effectiveness. 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.

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.

1 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.

2 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 direct costs. Shares in real estate entities and land and water areas are shown in the balance sheet at the lower of direct 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.

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.

3 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.

4 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	5–10 years
Other capitalised expenditures	5 years
Vehicles and computer hardware	5 years
Other equipment	10 years

5 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.

6 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.

7 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.

8 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.

9 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.

10 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.

11 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.

12 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.

13 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.

14 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

2016

PROFIT AND LOSS ACCOUNT, PARENT COMPANY		2016		2015	
TECHNICAL ACCOUNT					
Premiums written	<u>1</u>		4,301,841,167.01		4,268,706,200.73
Investment income	<u>3</u>		21,393,271,910.38		16,622,260,811.13
Claims incurred					
Claims paid	<u>2</u>		-4,634,462,854.76		-4,479,479,118.14
Change in provision for claims outstanding					
Total change		-1,073,108,040.00		-797,732,755.00	
Portfolio transfers		-25,125.00		23,660,698.00	
Insurance portfolio transfers		-1,082,367.00	-1,074,215,532.00	-32,677,953.00	-806,750,010.00
			-5,708,678,386.76		-5,286,229,128.14
Change in provision for unearned premiums					
Total change			244,683,553.00	-1,430,250,782.00	
Portfolio transfers			-386,625.00	42,374,207.00	
Insurance portfolio transfers			2,059,004.00	-91,381,464.00	-1,479,258,039.00
Operating expenses	<u>4</u>		-82,345,731.32		-87,430,447.43
Investment charges	<u>3</u>		-20,133,790,967.85		-14,020,205,758.11
Balance on technical account			16,653,923.46		17,843,639.18
NON-TECHNICAL ACCOUNT					
Balance on technical account			16,653,923.46		17,843,639.18
Other income			120,902.48		296,540.62
Income taxes on ordinary activities			-12,020,628.46		-11,170,934.36
Profit/loss on ordinary activities			4,754,197.48		6,969,245.44
Appropriations					
Change in depreciation difference			-274,644.32		-1,667,152.70
Profit/loss for the financial year			4,479,553.16		5,302,092.74

BALANCE SHEET, PARENT COMPANY 31 DEC		2016		2015	
ASSETS					
Intangible assets	13				
Intangible rights		36,482,825.65		23,283,082.08	
Prepayments		4,891,044.34	41,373,869.99	18,472,220.57	41,755,302.65
Investments	6				
Real estate	8				
Real estate and real estate shares		1,357,979,899.38		1,209,085,833.46	
Loans to group companies		853,555,325.44		840,166,050.09	
Loans to participating interests		533,262,734.61	2,744,797,959.43	532,093,816.71	2,581,345,700.26
Investments in group companies and participating interest					
Shares and participations in group companies	9	153,000.00		153,000.00	
Shares and participations in participating interests	9	91,055,116.06		94,548,304.04	
Loans to participating interests		141,396,329.33	232,604,445.39	152,373,937.33	247,075,241.37
Other investments					
Shares and participations	10	15,605,151,250.68		14,198,543,877.80	
Money market instruments		11,596,291,070.36		12,931,961,736.85	
Loans quaranteed by mortgages		467,413,203.42		399,730,598.56	
Other loans	12	390,609,076.30		528,982,072.70	
Deposits		0.00	28,059,464,600.76	100,068,444.44	28,159,286,730.35
			31,036,867,005.58		30,987,707,671.98
Receivables					
Direct insurance operations					
Policyholders		878,307,361.32		812,853,209.27	
Other receivables		4,214,021,649.89	5,092,329,011.21	3,146,799,222.19	3,959,652,431.46
Other assets					
Tangible assets	13				
Furniture and fixtures		2,055,925.15		2,030,306.94	
Other tangible assets		1,700,224.26	3,756,149.41	1,700,224.26	3,730,531.20
Cash at bank and in hand		1,043,718,765.31	1,047,474,914.72	595,221,659.26	598,952,190.46
Prepayments and accrued income					
Accrued interests and rent		150,537,381.18		172,061,380.87	
Other prepayments and accrued income		80,482,845.10	231,020,226.28	64,289,932.72	236,351,313.59
Total assets			37,449,065,027.78		35,824,418,910.14

BALANCE SHEET, PARENT COMPANY 31 DEC		2016		2015	
LIABILITIES					
Capital and reserves	15				
Initial fund		22,994,653.31		22,994,653.31	
Other reserves					
Funds and reserves under the Articles of Association		76,506,266.71		71,248,889.97	
Profit/loss for the financial year		4,479,553.16	103,980,473.18	5,302,092.74	99,545,636.02
Accumulated appropriations					
Depreciation difference		5,123,563.71	5,123,563.71	4,848,919.39	4,848,919.39
Technical provisions	16				
Provision for unearned premiums		16,371,776,053.00		16,616,459,606.00	
Provision for claims outstanding		15,086,887,182.00	31,458,663,235.00	14,013,779,142.00	30,630,238,748.00
Liabilities					
Direct insurance operations		743,353,190.93		737,700,695.63	
Other liabilities		4,713,084,563.89	5,456,437,754.82	3,829,018,979.87	4,566,719,675.50
Accruals and deferred income			424,860,001.07		523,065,931.23
Total liabilities			37,449,065,027.78		35,824,418,910.14

CASH FLOW STATEMENT, PARENT COMPANY	2016	2015
Cash flow from operations		
Profit /loss on ordinary activities	4,754,197.48	6,969,245.44
Adjustments		
Change in technical provisions	828,424,487.00	2,227,983,537.00
Impairments and revaluations on investments	644,772,113.70	585,678,938.92
Planned depreciations	14,658,823.26	14,707,905.69
Other adjustments	-999,371,069.89	-2,539,172,281.92
Cash flow before change in working capital	493,238,551.55	296,167,345.13
Change in working capital		
Short-term non-interest-bearing receivables increase(-) / decrease (+)	-1,127,345,492.44	-347,169,340.26
Short-term non-interest-bearing receivables increase(-) / decrease (+)	791,512,149.16	837,849,453.92
Cash flow from operations before financial items and taxes	157,405,208.27	786,847,458.79
Direct taxes paid	-12,020,628.46	-11,170,934.36
Cash flow from operations	145,384,579.81	775,676,524.43
Cash flow from investments		
Asset purchase (exl. financial assets)	-24,638,711,910.80	-25,747,404,787.65
Capital gains on investments (exl. financial assets)	24,947,587,978.92	25,050,515,336.52
Investments and capital gains (net) on intangible, tangible and other assets	-5,718,825.88	-8,367,624.72
Cash flow from investments	303,157,242.24	-705,257,075.85
Cash flow from financing		
Other profit distribution	-44,716.00	-15,875.00
Cash flow from financing	-44,716.00	-15,875.00
Change in financial resources	448,497,106.05	70,403,573.58
Financial resources at the start of the financial year	595,221,659.26	524,818,085.68
Financial resources at the end of the financial year	1,043,718,765.31	595,221,659.26

1. SPECIFICATION OF PREMIUMS WRITTEN, PARENT COMPANY		2016		2015	
Direct insurance					
TyEL basic coverage					
Employer contribution	2,990,396,575.10			2,973,050,828.83	
Employee contribution	1,015,676,544.00	4,006,073,119.10		997,381,620.00	3,970,432,448.83
TyEL supplementary coverage		1,800,408.66			2,210,735.64
YEL minimum coverage		334,488,236.76	4,342,361,764.52		339,716,843.18
Transition contribution to the State Pension Fund			-39,830,529.51		4,312,360,027.65
Reinsurance			1,639.00		-43,016,807.92
Premiums written before reinsurers' share			4,302,532,874.01		1,793.00
Reinsurers' share			-691,707.00		4,269,345,012.73
Premiums written			4,301,841,167.01		-638,812.00
Items deducted from premiums written					4,268,706,200.73
Credit loss on outstanding premiums					
TyEL	-9,191,168.17			-11,333,789.77	
YEL	-2,034,627.06		-11,225,795.23	-2,211,281.96	-13,545,071.73

2. SPECIFICATION OF CLAIMS PAID, PARENT COMPANY		2016		2015	
Direct insurance					
Paid to pensioners					
TyEL basic coverage	4,209,481,914.78			4,071,110,625.77	
TEL supplementary coverage	57,508,388.68			60,037,326.62	
YEL minimum coverage	377,900,795.50			364,114,911.17	
YEL supplementary coverage	1,617,427.43	4,646,508,526.39		1,669,766.59	4,496,932,630.15
Payments to/refunds from the provision for clearing PAYG pensions					
TyEL pensions	176,633,500.81			198,343,866.50	
YEL pensions	2,669,190.38			4,695,125.24	
Share of the unemployment insurance fund insurance contribution and division of the costs of pension components accrued on the basis of unsalaried periods	-187,230,599.83			-229,085,674.35	
YEL government share	-43,134,180.77			-28,124,157.84	
State compensation pursuant to VEKL	-676,069.07	-51,738,158.48	4,594,770,367.91	-572,572.09	-54,743,412.54
Reinsurance			35,642,584.98		4,442,189,217.61
Expenses incurred from disability risk management			4,729,202.87		32,787,881.35
Claims before reinsurers' share			4,635,142,155.76		5,131,548.18
Reinsurers' share			-679,301.00		4,480,108,647.14
Total claims paid			4,634,462,854.76		-629,529.00
					4,479,479,118.14

3. SPECIFICATION OF NET INVESTMENT INCOME, PARENT COMPANY		2016		2015	
Investment income					
Income from group companies					
Dividend income		0.00	0.00	812,423.49	812,423.49
Income from participating interests					
Dividend income		2,063,428.49		376,412.18	
Interest income		5,130,370.57	7,193,799.06	6,022,120.28	6,398,532.46
Income from investments in real estate					
Dividend income					
From other than group companies		246,145.17		610,242.19	
Interest income					
From group companies	15,329,857.20			14,069,935.45	
From other than group companies	34,066,002.69	49,395,859.89		16,653,761.25	30,723,696.70
Other income					
From group companies	1,076,960.10			912,463.50	
From other than group companies	170,885,549.56	171,962,509.66	221,604,514.72	199,233,019.61	200,145,483.11
Income from other investments					
Dividend income					
From other than group companies		385,231,473.66		307,965,831.57	
Interest income					
From group companies	144,549.91			223,958.42	
From other than group companies	438,900,056.08	439,044,605.99		348,216,816.16	348,440,774.58
Other income					
From other than group companies		2,440,955,196.96	3,265,231,276.61	2,102,644,989.43	2,759,051,595.58
Total			3,494,029,590.39		2,997,741,973.53
Value readjustments			186,006,985.93		163,647,751.15
Capital gains			17,713,235,334.06		13,460,871,086.45
Total			21,393,271,910.38		16,622,260,811.13
Investment charges					
Charges on real estate investments				-118,433,644.72	-116,614,578.15
Charges on other investments				-2,329,891,928.65	-2,166,925,070.69
Interest charges and other charges on liabilities					
To group companies		-325,548.82		-372,189.18	
To other than group companies		-143,932,927.39	-144,258,476.21	-65,902,280.80	-66,274,469.98
Total			-2,592,584,049.58		-2,349,814,118.82
Value adjustments and depreciation					
Value adjustments		-830,779,099.63		-749,326,690.07	
Planned depreciation on buildings		-8,584,182.93	-839,363,282.56	-10,537,079.05	-759,863,769.12
Capital loss			-16,701,843,635.71		-10,910,527,870.17
Total			-20,133,790,967.85		-14,020,205,758.11
Net investment income before revaluations and their adjustments				1,259,480,942.53	2,602,055,053.02
Net investment income in the profit and loss account				1,259,480,942.53	2,602,055,053.02

4. SPECIFICATION OF OPERATING EXPENSES, PARENT COMPANY	2016	2015
Total operating expenses by activity		
Claims paid		
Claims handling expenses	35,642,584.98	32,787,881.35
Expenses incurred from disability risk management	4,729,202.87	5,131,548.18
Operating expenses		
Acquisition costs		
Commissions, direct insurance	1,498,335.25	1,373,587.99
Other policy acquisition costs	11,640,531.58	11,271,357.69
Portfolio administration expenses		12,644,945.68
Administrative expenses;		43,908,584.00
Statutory charges:		
Cost component of the Finnish Pension Centre	8,790,220.78	9,583,127.55
Judicial administration charge	898,950.40	951,362.62
Supervision charge of the Insurance Supervisory Authority	650,369.14	577,027.40
Other administrative expenses	10,339,540.32	11,111,517.57
Operating expenses total	16,457,548.22	19,765,400.18
Investment charges		
Costs on real estate investment	2,679,896.26	3,972,323.74
Costs on other investment	21,815,183.76	21,337,045.54
Total operating expenses		25,309,369.28
	147,212,599.19	150,659,246.24

5. SPECIFICATION OF STAFF EXPENSES AND MEMBERS OF CORPORATE ORGANS, PARENT COMPANY	2016	2015
Staff expenses		
Salaries and bonuses	41,955,525.95	39,212,995.75
Pension expenditure	7,939,518.62	7,571,623.85
Other social security expenses	2,586,441.48	2,134,417.42
Change in reserves	-2,694,904.50	3,477,688.54
Total	49,786,581.55	52,396,725.56
 Salaries, bonuses and fringe benefits paid to management		
Managing director	812,302.79	1,050,069.41
Deputy managing director	303,625.55	267,028.72
Board members and deputy members	426,368.49	382,541.94
Members of Supervisory Board and deputy members	89,525.88	98,397.96
Total	1,631,822.71	1,798,038.03
 Pension commitments for the benefit of the executive management		
In addition to the statutory earnings-related pension, the President and CEO and his/her Deputy are covered by voluntary unit-linked defined-contribution supplementary pension insurance. The retirement age of Ilmarinen's President and CEO and Deputy CEO is 63 years. The costs resulting from the defined-contribution supplementary pension insurance are 20% of the annual earnings. The insurance contribution for the defined-contribution supplementary pension was altogether EUR 223,185.67 for 2016. Statutory earnings-related pension contributions have been paid on the remuneration paid to the members of the Board Directors and Supervisory Board.		
 Average staff number during the financial period	538	535
 Auditor's fee		
Auditing	159,697.41	219,134.45
Tax advice	27,567.47	33,156.71
Other services	62,784.80	450.00

6. INVESTMENTS, PARENT COMPANY 31 DEC			2016	2015		
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	323,535,527.08	323,535,527.08	595,089,687.02	309,358,097.94	309,358,097.94	544,177,571.26
Shares in group companies	558,222,134.94	562,426,833.10	1,242,125,702.15	547,448,649.46	551,653,347.62	1,134,959,704.74
Shares in participating interests	469,476,556.14	469,476,556.14	505,636,148.66	344,491,209.81	344,491,209.81	356,539,078.24
Other shares in real estate	2,540,983.06	2,540,983.06	2,737,124.45	3,583,178.09	3,583,178.09	4,028,604.30
Loans to group companies	853,555,325.44	853,555,325.44	853,555,325.44	840,166,050.09	840,166,050.09	840,166,050.09
Loans to participating interests	533,262,734.61	533,262,734.61	539,063,567.22	532,093,816.71	532,093,816.71	535,925,542.54
Investments in group companies						
Shares and participations	153,000.00	153,000.00	153,000.00	153,000.00	153,000.00	153,000.00
Investments in participating interests						
Shares and participations	91,055,116.06	91,055,116.06	119,131,011.47	94,548,304.04	94,548,304.04	107,176,651.95
Loan receivables	141,396,329.33	141,396,329.33	141,396,329.33	152,373,937.33	152,373,937.33	152,373,937.33
Other investments						
Shares and participations	15,605,151,250.68	15,605,151,250.68	19,107,104,234.53	14,198,543,877.80	14,198,543,877.80	17,374,955,296.10
Money market instruments	11,596,291,070.36	11,596,291,070.36	11,863,748,050.81	12,931,961,736.85	12,931,961,736.85	13,092,031,815.33
Loans guaranteed by mortgages	467,413,203.42	467,413,203.42	467,413,203.42	399,730,598.56	399,730,598.56	399,730,598.56
Other loan receivables	390,609,076.30	390,609,076.30	390,609,076.30	528,982,072.70	528,982,072.70	528,982,072.70
Deposits	0.00	0.00	0.00	100,068,444.44	100,068,444.44	100,068,444.44
	31,032,662,307.42	31,036,867,005.58	35,827,762,460.80	30,983,502,973.82	30,987,707,671.98	35,171,268,367.58
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 (-)			-39,413,129.91			-33,634,796.33
Book value comprises						
Revaluations entered as income			4,204,698.16			4,204,698.16
Difference between current and book value			4,790,895,455.22			4,183,560,695.60

7. INVESTMENTS, PARENT COMPANY 31 DEC		2016		2015	
FAIR VALUE OF DERIVATIVES AND VALUATION DIFFERENCE		Book value	Current value	Book value	Current value
Fair value of non-hedging derivatives and valuation difference					
Other receivables					
Price difference of derivatives		156,325,274.17	0.00	183,996,174.95	0.00
Prepayments for option contracts		1,216,341,810.57	1,824,961,404.59	1,212,981,068.00	1,900,431,244.59
Other debts					
Price difference of derivatives		-194,415,837.85	0.00	-261,187,843.72	0.00
Prepayments for option contracts		-666,886,485.32	-476,435,098.59	-536,605,003.48	-424,471,777.68
Other prepayments and debts					
Future and forward contracts and total return swaps		-279,861,930.13	55,967,073.06	-389,456,495.81	13,701,794.17
		231,502,831.44	1,404,493,379.06	209,727,899.94	1,489,661,261.08
Valuation difference, total			1,172,990,547.62		1,279,933,361.14
CURRENT VALUE OF SHORT SELLING AND VALUATION GAIN/LOSS		Book value	Current value	Book value	Current value
Current value of short selling and valuation gain/loss					
Other debts					
Liabilities on sold equity loans		-150,301,824.99	-149,951,874.35	-178,738,687.40	-173,797,805.05
Valuation difference, total			349,950.64		4,940,882.35

8. REAL ESTATE INVESTMENTS, PARENT COMPANY 31 DEC**2016**

	Real estate and real estate shares	Loans to group companies	Loans to participating interests
Changes in real estate investments:			
Acquisition cost Jan 1	1,438,564,384.95	840,166,050.09	533,108,535.50
Additions	179,513,790.57	53,001,189.15	140,276,633.54
Deductions	-20,133,636.07	-33,211,913.80	-134,413,680.35
Transfers between items	6,400,000.00	-6,400,000.00	0.00
Acquisition cost Dec 31	1,604,344,539.45	853,555,325.44	538,971,488.69
Accumulated depreciation and amortisation 1 Jan	-113,081,697.01		
Depreciation and amortisation for the financial year	-8,584,182.93		
Accumulated depreciation and amortisation 31 Dec	-121,665,879.94		
Depreciations Jan 1	-124,806,250.80		-1,014,718.79
Accumulated depreciation on disposals and transfers	6,408,650.72		0.00
Value adjustments for the financial year	-22,276,860.52		-4,984,197.30
Value readjustments	7,566,304.15		290,162.01
Depreciations Dec 31	-133,108,156.45		-5,708,754.08
Revaluations Jan 1	8,409,396.32		
Revaluations Dec 31	8,409,396.32		
Book value Dec 31	1,357,979,899.38	853,555,325.44	533,262,734.61

Owner-occupied properties and shares in real estate

Remaining acquisition cost	18,298,528.54
Book value	18,298,528.54
Current value	34,845,663.92

9. INVESTMENTS IN GROUP COMPANIES AND PARTICIPATING INTERESTS 31 DEC
2016

Changes:	Shares and participations in group companies	Shares and participations in participating interests
Acquisition cost Jan 1	153,000.00	102,186,928.07
Additions	0.00	11,370.55
Acquisition cost Dec 31	153,000.00	102,198,298.62
Depreciations Jan 1		-7,638,624.03
Value adjustments for the financial year		-3,504,558.53
Depreciations Dec 31		-11,143,182.56
Book value Dec 31	153,000.00	91,055,116.06

10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2016

1/2

Shares in group companies	Domicile	Percentage of shares/votes
Real estate shares		
Housing and real estate companies (136 pieces) listed in the notes to the accounts		
Other		
Tietollmarinen Oy	Helsinki	30,00 / 70,00
Shares in participating interests		
Real estate shares		
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 Kiltterinmetsä	Vantaa	33,54 / 33,54
BOC Frankfurt Management S.a.r.l.	Munsbach	49,00 / 49,00
Col REO Victoria Office A S.a.r.l.	Luxenburg	49,00 / 49,00
HL Covent Garden	Bryssel	95,02 / 47,60
ILMA Sarl	Senningerberg	49,50 / 49,50
Kauppakeskus REDI GP Oy	Helsinki	30,18 / 30,18
Kiinteistö Oy Espoon Anna Sahlsténin katu 11B	Espoo	33,33 / 33,33
Kiinteistö Oy Espoon Runoratsunkatu 9	Espoo	33,33 / 33,33
Kiinteistö Oy Kemin Portti	Kemi	23,87 / 23,87
Kiinteistö Oy Kluuvien Pysäköinti	Helsinki	38,61 / 38,61
Kiinteistö Oy Uusi Espoon Perkkäantalo	Espoo	33,33 / 33,33
KSK Redi Ky	Espoo	30,00 / 0,00
Lappeenrannan Villimiehen Vitonen Oy	Lappeenranta	50,00 / 50,00
Mercada Oy	Helsinki	33,33 / 33,33
Porin Puuvilla Oy	Pori	50,00 / 50,00
PH Buildings	Amsterdam	99,99 / 50,00
PP Property Management Oy	Pori	49,00 / 49,00
Redi Parkki GP Oy	Helsinki	30,18 / 30,18
Runoratsun Pysäköinti Oy	Espoo	33,33 / 33,33
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
Other		
Suomi Mutual Life Assurance Company, guarantee 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
The Forest Company Limited	St. Peter Port	21,25 / 21,25

10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2016

2/2

Other investments, shares and participations	Numer of shares	Percentage of shares/votes	Book value, EUR	Current value, EUR
Domestic companies, listed				
Affecto Plc	1,088,461	4.85	3,069,460.02	3,069,460.02
Ahlstrom Corporation	382,674	0.82	5,724,803.04	5,724,803.04
Alma Media Corporation	2,177,095	2.64	10,950,787.85	10,950,787.85
Amer Sports Corporation	2,740,000	2.31	45,168,441.44	69,376,800.00
Apetit Plc	53,800	0.85	623,279.32	697,786.00
Asiakastieto Group Plc	175,000	1.16	2,532,250.00	3,370,500.00
Aspo Plc	1,000,676	3.23	6,816,154.60	8,185,529.68
Atria Plc	90,000	0.32 / 0.08	1,029,600.00	1,029,600.00
Basware Corporation	1,610,278	11.18	33,029,674.11	58,050,521.90
Bitium Corporation	1,296,529	3.63	4,105,784.74	7,351,319.43
CapMan plc	10,898,500	7.60	13,514,140.00	13,514,140.00
Cargotec Corporation	861,953	1.33 / 0.57	18,962,472.04	36,917,446.99
Caverion Corporation	5,013,946	3.99	28,635,687.66	39,760,591.78
Citycon Corporation	63,470,695	7.13	122,502,914.67	147,886,719.35
Componenta Corporation	13,952,281	7.92	2,497,458.30	2,497,458.30
Comptel Corporation	2,236,368	2.05	2,663,475.90	5,300,192.16
Consti Group Plc	311,000	3.96	3,020,523.75	4,599,690.00
Cramo Plc	1,145,603	2.56	18,925,976.31	27,311,175.52
Detection Technology Plc.	554,000	4.13	2,842,020.00	7,744,920.00
Digia Plc	3,043,270	14.58	4,629,246.58	9,495,002.40
DNA Plc	6,370,335	4.81	40,342,820.29	64,658,900.25
Efore Plc	1,578,048	2.83	860,036.16	860,036.16
Elisa Corporation	1,929,586	1.15	42,090,399.98	59,411,952.94
Evli Bank Plc	150,592	0.65 / 0.02	1,002,942.72	1,002,942.72
Exel Composites Plc	342,733	2.88	1,630,423.72	1,723,946.99
F-Secure Corporation	1,502,835	0.95	3,351,486.90	5,184,780.75
Faron Pharmaceuticals Ltd	636,721	2.42	1,421,593.08	1,933,559.06
Finnair Plc	2,701,390	2.11	10,886,601.70	10,886,601.70
Fiskars Corporation	1,202,500	1.47	15,082,907.74	21,164,000.00
Fortum Corporation	7,976,986	0.90	116,463,995.60	116,463,995.60
Herantis Pharma Plc	200,000	4.86	580,000.00	580,000.00
HKScan Oyj	218,298	0.4 / 0.14	696,370.62	696,370.62
Huhtamäki Oyj	1,895,318	1.76	36,338,792.72	66,961,584.94
Ilkka-Yhtymä Oyj	606,397	2.37	1,665,749.47	1,665,749.47
Incap Corporation	332,308	7.61	1,246,153.84	1,801,109.36
Innofactor Plc	1,550,000	4.71	1,286,927.50	1,767,000.00
Kemira Oyj	4,800,451	3.09	53,424,812.40	58,037,452.59
Kesko Corporation	1,990,632	1.99 / 1.45	65,880,212.27	92,889,393.12
Kone Corporation	4,300,860	0.82 / 0.36	101,903,113.98	182,786,550.00
Konecranes Plc	326,603	0.52	7,844,678.88	11,022,851.25
Lassila & Tikanoja Plc	934,836	2.40	10,207,723.61	17,948,851.20
Lemminkäinen Corporation	319,527	1.38	6,476,812.29	6,476,812.29
Marimekko Corporation	215,419	2.66	2,042,172.12	2,042,172.12
Martela Corporation	335,400	8.07 / 2.14	3,496,978.34	4,306,536.00
Metso Corporation	2,232,126	1.48	54,282,401.44	60,490,614.60
Metsä Board Oyj	16,327,817	4.59 / 8.05	65,282,297.49	110,739,690.04
Munksjö Oyj	4,101,899	8.03	33,130,142.20	64,440,833.29
Neste Corporation	4,820,849	1.88	84,051,221.76	175,960,988.50
Nixu Corporation	184,704	2.90	812,697.60	1,108,224.00
Nokia Corporation	29,820,440	0.51	136,040,847.28	136,040,847.28
Nokian Tyres plc	2,815,947	2.07	85,621,277.42	99,712,683.27
Olvi Plc	849,218	4.09 / 0.93	14,147,131.23	23,667,705.66
Oriola-KD Corporation	7,601,950	4.19 / 6.16	15,670,224.83	32,240,050.44
Orion Corporation	1,974,695	1.40 / 4.49	20,209,203.17	83,397,647.05
Outokumpu Oyj	8,060,673	1.94	42,202,858.40	68,193,293.58
Outotec Oyj	11,234,530	6.14	55,970,428.46	55,970,428.46
Pihlajalinna Plc	490,000	2.38	5,600,000.00	9,035,600.00
PKC Group Oyj	2,931,165	12.15	33,358,154.42	46,341,718.65
Ponsse Plc	392,666	1.40	3,288,005.71	9,416,130.68
Pöyry Plc	3,011,308	5.04	9,949,361.63	9,949,361.63
QT Group Plc	3,043,270	14.62	4,986,969.83	17,072,744.70
Raisio Plc	5,337,869	3.23 / 0.68	15,996,220.27	19,056,192.33
Ramirent Plc	3,445,154	3.17	23,774,102.68	25,425,236.52
Rapala VMC Corporation	408,899	1.05	1,684,663.88	1,684,663.88
Sampo plc	3,760,000	0.67	117,207,088.68	160,514,400.00
Sanoma Corporation	3,572,220	2.19	29,506,537.20	29,506,537.20
Scanfil plc	1,080,000	1.70	2,381,212.32	3,769,200.00
Siili Solutions Plc	213,000	3.08	497,000.00	1,746,600.00
SRV Yhtiöt Plc	308,003	0.51	1,666,296.23	1,666,296.23
SSH Communications Security Corporation	665,300	1.93	1,290,682.00	1,290,682.00
Stockmann Plc	1,720,160	2.39 / 0.99	12,126,156.90	12,126,156.90
Stora Enso Oyj	17,273,929	2.19 / 2.05	152,052,256.52	177,131,422.47
Suominen Corporation	3,251,811	6.29	10,678,978.93	13,462,497.54
Technopolis Plc	16,634,470	10.48	50,138,142.87	52,065,891.10
Teleste Corporation	1,084,475	5.71	9,500,001.00	9,500,001.00
Tieto Corporation	1,419,183	1.91	27,662,271.38	36,756,839.70
Tikkurila Oyj	2,458,938	5.57	37,702,008.68	46,301,802.54
Tokmanni Group Corporation	1,275,000	2.17	8,976,839.52	10,850,250.00
Tulikivi Corporation	3,720,562	6.21 / 2.88	762,715.21	762,715.21
UPM-Kymmene Corporation	7,314,789	1.37	87,360,285.54	171,092,914.71
Uponor Corporation	1,996,527	2.73	24,616,261.56	32,962,660.77
Vaisala Corporation	735,000	4.03 / 0.89	17,944,983.01	24,997,350.00
Valmet Corporation	3,388,055	2.26	22,591,537.73	47,263,367.25
Verkkokauppa.com Oyj	2,542,784	5.64	10,760,580.39	18,587,751.04
Vincit Group Plc	350,000	3.18	1,470,000.00	2,086,000.00
Wärtsilä Corporation	2,195,104	1.11	58,783,997.10	93,818,744.96
YIT Corporation	887,573	0.45	6,736,679.07	6,736,679.07
Ohter	1,279,643		126,026.09	126,026.09
Total			2,256,064,604	3,200,175,034
Domestic companies, non-listed				
Cinia Group Ltd	144,928	11.24	5,000,016	5,000,016
Enfo Oyj	12,322	1.86	859,818	1,096,658
Fingrid Oyj	661	19.88 / 17.15	135,726,628	221,953,473
Fira Oy	607,304	10.00	3,702,125	3,702,125
GreenStream Network Plc	1,450,000	17.18	849,110	849,110
H2H Performance Ltd B	37,127	1.16	1,499,994	1,499,994
Keliber Oy	70,929	9.40	1,804,078	2,837,160
Lounea Oy	1,093	1.16	596,249	596,249
M-Brain Oy	3,597	12.76	4,878,735	4,878,735

10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2016

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MultiTaction Ltd	502,789	12,25	2,799,428	2,799,428
Mustavaaran Kaivos Oy	333,703	12.81	500,555	500,555
Osuuskunta KPY	761,900	13.73	12,115,578	15,999,900
PHP Holding Oy	3,568	1,76 / 0,25	3,696,242	3,696,242
Northern Power Company Ltd.	595,291	1.87	61,434,036	61,434,036
Porasto Oy	2,080	12.82	556,312	556,312
PRT-Forest Oy	6,000	10.02	3,616,336	3,616,336
Tornator Oyj	844,000	16.88	44,404,781	101,448,800
Visedo Oy	364,884	5.70	2,511,922	2,511,922
VVO-group plc	1338076	18,08	37,180,203	313,016,119
Other	32231857		1,953,740	1,953,740
Total			325,685,886	749,946,910

	Domicile	Number of share	Percentage of shares/votes	Book value, EUR	Current value, EUR
Foreign companies, listed					
3M Company	United States	110,000	0.02	17488714.03	18646048.76
AB Electrolux	Sweden	350,000	0,11 / 0,09	7,834,557.28	8,302,538.60
AB Volvo	Sweden	1,000,000	0,05 / 0,02	9,998,110.39	11,148,913.90
ABB Ltd	Switzerland	120,000	0.01	1,974,059.69	2,415,702.70
ABB Ltd	Switzerland	217,700	0.01	4,354,405.44	4,354,405.44
AcadeMedia AB	Sweden	676,000	0.72	3,151,958.70	3,538,340.75
ACS Actividades de Construcción y Servicios, S.A.	Spain	40,000	0.01	1,007,504.99	1,200,400.00
Actelion Ltd	Switzerland	32,000	0.03	6,181,176.06	6,570,444.18
Activision Blizzard Inc	United States	275,000	0.04	9,420,595.77	9,420,595.77
Adecco Group AG	Switzerland	55,000	0.03	3,101,800.32	3,413,492.88
Adidas AG	Germany	112,706	0.05	12,465,309.59	16,872,088.20
Adobe Systems Inc.	United States	90,000	0.02	7,532,655.40	8,789,963.00
AECOM	United States	525,000	0.34	15,224,502.31	18,109,287.54
Ahlsell AB	Sweden	1,600,000	0.37	7,462,989.25	8,709,761.84
AIA Group Ltd	Hong Kong	2,600,000	0.02	13,914,202.88	13,914,202.88
Air Liquide S.A.	France	141,000	0.04	14,323,460.95	14,889,600.00
Akzo Nobel N.V.	Netherlands	172,431	0.07	9,504,417.98	10,235,504.16
Alibaba Group Holding Ltd	Cayman Islands	115,000	0.00	8,731,558.84	9,577,696.61
Allergan Inc.	Ireland	30,500	0.01	6,081,771.18	6,081,771.18
Allianz SE	Germany	79,000	0.02	9,453,973.16	12,384,040.00
Alphabet Inc.	United States	35,000	0,01 / 0,00	24,706,912.61	26,317,901.53
Alps Electric Co Ltd	Japan	450,000	0.23	8,235,805.40	10,294,570.50
Amazon.com Inc.	United States	13,000	0.00	7,916,698.21	9,249,843.47
Amgen, Inc.	United States	95,000	0.01	13,178,872.97	13,178,872.97
Anthem Inc	United States	77,000	0.03	10,199,908.31	10,502,855.52
Aperam S.A.	Luxembourg	100,000	0.13	3,220,194.05	4,342,500.00
Applied Materials Inc	United States	300,000	0.03	8,008,697.25	9,184,138.13
Arcus ASA	Norway	1,000,000	1.47	4,767,712.61	4,886,477.44
Asahi Group Holdings Ltd	Japan	400,000	0.08	11,803,954.11	11,961,102.11
ASICS Corporation	Japan	380,000	0.19	7,181,199.35	7,181,199.35
Assa Abloy AB	Sweden	740,000	0,07 / 0,05	10,827,459.56	13,130,594.09
Associated British Foods Plc	Great Britain	160,000	0.02	5,107,262.72	5,116,681.07
Atea ASA	Norway	260,162	0.25	2,055,989.21	2,261,954.59
Atlas Copco AB	Sweden	350,000	0,03 / 0,04	10,200,471.08	10,200,471.08
Atrium Ljungberg AB	Sweden	1,405,000	1,05 / 0,83	13,270,696.34	20,959,172.99
Attendo AB	Sweden	4,050,000	2.53	31,759,913.81	33,175,870.19
Autoliv Inc.	United States	50,000	0.06	4,816,257.04	5,422,664.22
AXA S.A.	France	2,353,000	0.10	51,017,350.74	56,424,940.00
Balfour Beatty Plc	Great Britain	500,000	0.07	1,564,507.46	1,564,507.46
Banco Santander S.A.	Spain	400,000	0.00	1,980,800.00	1,980,800.00
Bank of America Corporation	United States	800,000	0.01	14,214,131.50	16,802,959.87
Bank of China Ltd	China	17,500,000	0,01 / 0,01	7,363,824.30	7,363,824.30
Bank of Nova Scotia/The	Canada	150,000	0.01	6,307,075.02	7,903,862.42
Bankia S.A.	Spain	1,000,000	0.01	971,000.00	971,000.00
Barclays Plc	Great Britain	1,400,000	0.01	3,636,618.47	3,636,618.47
Barco N.V.	Belgium	46,449	0.36	2,623,967.61	3,717,777.96
Bauer AG	Germany	111,028	0.65	1,261,278.08	1,261,278.08
Bayer AG	Germany	110,000	0.01	10,306,706.91	10,870,200.00
Bayerische Motoren Werke AG	Germany	30,000	0.00	2,443,107.65	2,659,500.00
Best Buy Co., Inc.	United States	190,000	0.06	6,476,236.35	7,691,205.77
BHP Billiton Plc	Great Britain	280,000	0,01 / 0,01	3,693,015.69	4,267,794.16
Bilfinger SE	Germany	310,412	0.67	11,300,548.86	11,300,548.86
BlackRock, Inc.	United States	94,000	0,06 / 0,06	29,884,718.03	33,954,501.47
BNP Paribas S.A.	France	440,000	0.04	20,374,890.44	26,567,200.00
Boliden AB	Sweden	494,884	0.18	8,382,634.98	12,376,633.09
Bouygues S.A.	France	200,000	0.06	5,552,377.37	6,809,000.00
BP Plc	Great Britain	6,910,938	0.04	35,506,197.41	41,125,965.46
Brenntag AG	Germany	88,000	0.06	4,143,600.76	4,646,400.00
Bridgestone Corporation	Japan	200,000	0.02	6,350,636.58	6,829,821.72
Bristol-Myers Squibb Company	United States	195,000	0.01	10,015,826.82	10,810,928.75
British Land Company Plc/The	Great Britain	1,250,000	0.12	7,708,493.30	9,183,232.50
Broadcom Ltd	Singapore	55,000	0.01	8,406,971.15	9,224,931.22
BT Group Plc	Great Britain	3,750,000	0.04	12,772,105.78	16,065,546.96
Bunzl Plc	Great Britain	628,380	0.19	15,441,980.89	15,441,980.89
Buzzi Unicem S.p.A.	Italy	335,000	0,16 / 0,20	7,540,850.00	7,540,850.00
Cap Gemini S.A.	France	110,000	0.06	8,788,584.35	8,816,500.00
Capio AB	Sweden	810,000	0.57	4,061,659.25	4,061,659.25
Capita Plc	Great Britain	700,000	0.10	4,333,200.96	4,333,200.96
Carrefour SA	France	1,597,568	0.21	36,441,372.79	36,568,331.52
Casino Guichard-Perrachon SA	France	220,000	0.20	10,029,800.00	10,029,800.00
Castellum AB	Sweden	375,000	0.14	3,331,526.27	4,883,538.34
China Construction Bank Corporation	China	12,000,000	0.00	8,286,284.20	8,748,516.84
China Mobile Ltd	Hong Kong	1,000,000	0.00	10,048,806.74	10,048,806.74
Cisco Systems, Inc.	United States	250,000	0.00	7,171,995.07	7,171,995.07
Cobham Plc	Great Britain	1,500,000	0.09	2,817,311.41	2,867,971.69
Coca-Cola Company/The	United States	410,000	0.01	15,703,414.47	16,126,173.99
Cognizant Technology Solutions Corporation	United States	100,000	0.02	5,315,434.97	5,315,434.97
Coloplast A/S	Denmark	85,000	0,04 / 0,02	5,232,794.94	5,445,698.38
Comcast Corporation	United States	150,000	0,01 / 0,00	8,165,343.64	9,838,724.98
Commerzbank AG	Germany	896,061	0.07	6,500,922.56	6,500,922.56
Compagnie de Saint-Gobain S.A.	France	50,000	0.01	1,944,727.00	2,210,000.00
ConocoPhillips Company	United States	242,500	0.02	10,748,198.42	11,534,911.30
Consolidated Edison, Inc.	United States	150,000	0.05	10,285,630.66	10,484,773.74
Continental AG	Germany	35,000	0.02	6,443,500.00	6,443,500.00
Coor Service Management Holding AB	Sweden	3,178,506	3.32	12,708,090.28	16,886,592.99
Covestro AG	Germany	152,000	0.08	5,182,071.95	9,943,840.00
CRH Plc	Ireland	235,000	0.03	7,699,775.00	7,699,775.00
CSL Ltd	Australia	70,300	0.02	4,634,109.96	4,835,171.96
CVS Health Corporation	United States	60,000	0.01	4,379,828.08	4,493,311.83

10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2016

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Danske Bank A/S	Denmark	1,290,000	0.13	31,870,186.62	37,236,898.74
Delphi Automotive Plc	Jersey	170,000	0.06	10,861,872.69	10,861,872.69
Delta Air Lines, Inc.	United States	300,000	0.04	12,936,697.45	13,999,620.53
Denso Corporation	Japan	150,000	0.02	6,060,777.96	6,060,777.96
Deutsche Boerse AG	Germany	101,048	0,05 / 0,05	6,477,057.69	7,856,482.00
Deutsche Euroshop AG	Germany	175,000	0.32	5,796,023.02	6,784,750.00
Deutsche Post AG	Germany	525,000	0.04	16,036,264.30	16,361,625.00
Deutsche Telekom AG	Germany	250,000	0.01	3,083,384.22	4,072,500.00
Deutsche Wohnen AG	Germany	848,868	0.25	13,999,837.99	25,470,284.34
Deutz AG	Germany	306,178	0.25	1,169,166.00	1,643,869.68
DnB ASA	Norway	400,000	0.02	4,890,778.42	5,634,856.87
Dometic Group AB	Sweden	1,201,024	0.41	6,490,416.77	8,404,967.75
DONG Energy A/S	Denmark	182,500	0.04	6,057,150.29	6,566,602.55
Draegerwerk AG & Co KGaA	Germany	52,955	0,52 / 0,00	3,520,513.45	4,209,922.50
DSV A/S	Denmark	487,664	0.26	17,097,058.52	20,603,580.97
Dustin Group AB	Sweden	1,325,000	1.74	7,773,775.80	8,842,580.48
E.ON SE	Germany	550,000	0.03	3,691,050.00	3,691,050.00
Ecolab Inc.	United States	95,000	0.03	9,511,151.90	10,564,367.71
Electronic Arts Inc.	United States	100,000	0.03	7,137,553.04	7,471,776.87
Elekta AB	Sweden	790,000	0,21 / 0,15	5,124,501.43	6,665,689.61
Eli Lilly & Company	United States	160,000	0.01	9,978,118.89	11,167,061.95
Eitel AB	Sweden	1,065,445	1.70	6,943,098.80	6,943,098.80
Enbridge Inc	Canada	250,000	0.03	9,953,834.23	9,953,834.23
Endesa S.A.	Spain	300,000	0.03	5,651,254.18	6,037,500.00
Engie S.A.	France	200,000	0.01	2,424,000.00	2,424,000.00
ENI S.p.A.	Italy	661,025	0.02	10,212,836.25	10,212,836.25
Enterprise Products Partners L.P.	United States	300,000	0.01	7,692,818.52	7,692,818.52
Entra ASA	Norway	1,800,000	0.98	16,253,060.44	16,937,587.36
Equity Residential	United States	850,000	0.23	37,156,758.53	51,898,301.87
Essilor International S.A.	France	138,000	0.06	14,071,658.12	14,772,900.00
Estee Lauder Companies Inc./The	United States	120,000	0,03 / 0,01	8,707,712.74	8,707,712.74
Experian Plc	Jersey	245,734.00	0.03	3,864,224.33	4,508,959.73
Fabege AB	Sweden	753,124	0.46	5,264,504.58	11,707,816.17
Facebook Inc.	United States	90,000	0.00	8,819,145.57	9,830,756.10
FANUC Corporation	Japan	105,000	0.05	15,396,882.68	16,856,158.83
FedEx Corporation	United States	90,000	0.03	12,048,148.27	15,899,630.02
Ferrari NV	Netherlands	130,000	0.07	5,018,383.87	7,182,500.00
Fitbit Inc.	United States	100,000	0,04 / 0,01	693,482.59	693,482.59
ForFarmers NV	Netherlands	238,000	0.22	1,582,700.00	1,582,700.00
Fortive Corporation	United States	42,500	0.01	931,599.94	2,163,101.22
Fresenius Medical Care AG & Co. KGaA	Germany	119,400	0.04	8,678,535.14	9,651,102.00
G4S Plc	Great Britain	2,400,000	0.15	6,578,990.40	6,578,990.40
Galp Energia SGPS, S.A	Portugal	500,000	0.06	7,055,287.07	7,090,000.00
Gap Inc/The	United States	300,000	0.08	6,106,436.71	6,386,490.85
GEA Group	Germany	200,000	0.10	7,659,000.00	7,659,000.00
Gilead Sciences Inc	United States	106,000	0.01	7,202,087.09	7,202,087.09
GlaxoSmithKline Plc	Great Britain	2,082,000	0.04	36,904,332.35	37,947,172.32
Glencore Plc	Jersey	1,400,000	0.01	4,535,144.48	4,535,144.48
GN Store Nord A/S	Denmark	287,000	0.19	4,967,019.95	5,651,673.30
Group Danone S.A.	France	337,000	0.05	20,267,180.00	20,267,180.00
H & M Hennes & Mauritz AB	Sweden	420,000	0,03 / 0,01	11,120,551.41	11,176,550.64
Halliburton Co	United States	50,000	0.01	2,565,695.85	2,565,695.85
Hammerson Plc	Great Britain	1,155,000	0.15	6,161,493.00	7,723,113.13
Heijmans N.V.-CVA	Netherlands	320,417	1.50	1,751,078.91	1,751,078.91
Hella KGaA Hueck & Co	Germany	175,879	0.16	5,847,465.20	6,299,985.78
Henkel AG & Co. KGaA ordinary	Germany	250,000	0,06 / 0,10	22,497,044.03	24,797,500.00
Honda Motor Co Ltd	Japan	400,000	0.02	11,047,001.62	11,047,001.62
HSBC Holdings Plc	Great Britain	500,000	0.00	3,482,921.21	3,833,890.07
Hufvudstaden AB	Sweden	300,000	0,14 / 0,03	2,040,368.45	4,512,954.72
Höegh LNG Holdings Ltd	Bermuda	141,649	0.18	881,083.74	1,500,469.53
Iberdrola S.A.	Spain	3,366,666	0.05	19,321,945.61	20,970,962.51
IGM Financial Inc.	Canada	550,000	0.23	13,599,080.18	14,773,400.06
Illinois Tool Works Inc.	United States	165,000	0.05	14,925,536.48	19,168,864.43
Industria de Diseno Textil SA	Spain	450,000	0.01	14,577,750.00	14,577,750.00
Infineon Technologies Ag	Germany	500,000	0.04	6,060,511.66	8,291,500.00
ING Groep N.V.	Netherlands	2,900,000	0.07	31,685,902.30	38,715,000.00
Innogy SE	Germany	250,000	0.05	8,256,250.00	8,256,250.00
Intel Corporation	United States	200,000	0.00	6,885,494.73	6,885,494.73
International Business Machines Corporation	United States	110,000	0.01	15,127,790.65	17,321,791.10
Intrum Justitia AB	Sweden	170,000	0.23	1,443,032.31	5,475,948.70
Inwido AB	Sweden	890,000	1.54	7,817,122.33	8,757,916.78
IPSOS Group S.A.	France	163,256	0.37	3,253,966.90	4,871,559.04
ISS A/S	Denmark	407,000	0.22	11,827,568.35	13,062,278.06
Jenoptik AG	Germany	454,261	0.79	4,835,268.36	7,443,066.49
Johnson & Johnson Services, Inc.	United States	211,000	0.01	19,187,359.34	23,067,678.59
JP Morgan Chase & Co.	United States	390,000	0.01	25,308,573.09	31,940,707.71
KBC Groep N.V.	Belgium	300,000	0.07	14,072,596.78	17,649,000.00
KDDI Corp	Japan	350,000	0.01	8,392,625.61	8,392,625.61
Kendrion N.V.	Netherlands	170,252	1.27	3,738,736.78	4,535,513.28
Kering S.A.	France	75,000	0.06	15,048,746.02	15,997,500.00
Keyence Corporation	Japan	30,000	0.05	14,645,399.42	19,475,688.82
Kinder Morgan Inc.	United States	250,000	0.01	4,914,144.77	4,914,144.77
Klepierre S.A.	France	228,796	0.07	6,192,803.48	8,538,666.72
Koito Manufacturing Co Ltd	Japan	450,000	0.28	18,612,685.34	22,536,466.77
Koninklijke Ahold Delhaize NV	Netherlands	500,000	0.04	9,759,867.85	9,995,000.00
Koninklijke Bam Groep N.V.	Netherlands	3,584,136	1.32	12,578,786.26	15,702,099.82
Koninklijke KPN NV	Netherlands	3,000,000	0.07	8,410,502.17	8,442,000.00
Koninklijke Philips N.V.	Netherlands	740,000	0.08	20,333,883.40	21,437,800.00
Kraft Heinz Co/The	United States	100,000	0.01	7,738,834.81	8,286,690.07
Kungsleden AB	Sweden	1,218,618	0.67	4,957,098.38	7,335,308.56
Kyowa Hakko Kirin Co Ltd	Japan	750,000	0.13	9,821,717.99	9,821,717.99
L Brands Inc.	United States	75,000	0.03	4,684,565.03	4,684,565.03
LafargeHolcim Ltd	Switzerland	200,000	0.03	9,991,619.33	9,991,619.33
Land Securities Group Plc	Great Britain	1,210,390	0.15	10,718,184.27	15,041,871.57
LEG Immobilien AG	Germany	200,000	0.32	8,755,854.00	14,736,000.00
Legal & General Group Plc	Great Britain	8,800,000	0.15	24,039,321.89	25,418,019.58
Leroy Seafood Group ASA	Norway	197,662	0.33	8,708,252.20	10,430,970.69
Lindab International AB	Sweden	680,000	0.86	4,518,613.93	5,189,426.85
Link REIT	Hong Kong	800,000	0.04	4,927,156.85	4,927,156.85
Lloyds Banking Group Plc	Great Britain	4,000,000	0,01 / 0,01	2,919,012.36	2,919,012.36
L'Oreal S.A.	France	132,000	0.02	21,309,668.43	22,849,200.00
LUXOTTICA GROUP SPA	Italy	60,000	0.01	2,759,254.68	3,066,000.00
LVMH Moët Hennessy Louis Vuitton S.A.	France	30,000	0.01	4,757,946.34	5,434,500.00
Manulife Financial Corp	Canada	450,000	0.02	6,740,845.16	7,580,349.59
Mattel Inc.	United States	200,000	0.06	4,956,982.66	5,227,208.04

10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2016

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McCormick & Company, Inc.	United States	60,000	0,05 / 0,00	4,913,712.83	5,312,399.20
McDonald's Corporation	United States	100,000	0.01	11,549,188.88	11,549,188.88
Medtronic, Inc.	Ireland	141,000	0.01	9,530,642.25	9,530,642.25
Michael Kors Holdings Ltd	British Virgin Islands	120,000	0.07	4,892,894.41	4,892,894.41
Micron Technology, Inc.	United States	475,000	0.05	7,488,469.15	9,877,620.72
Microsoft Corporation	United States	500,000	0.01	28,320,433.41	29,480,125.23
Mitsubishi UFJ Financial Group, Inc.	Japan	2,356,100	0.02	11,636,697.82	13,750,917.50
Mitsui Chemicals Inc.	Japan	1,100,000	0.11	4,670,988.65	4,670,988.65
Mizuho Financial Group, Inc.	Japan	7,000,000	0.03	11,057,829.23	11,878,444.08
Modern Times Group MTG AB	Sweden	210,000	0,31 / 0,19	5,183,500.73	5,942,214.08
Monsanto Company	United States	50,000	0.01	4,396,131.42	4,993,359.26
Murata Manufacturing Co Ltd	Japan	50,000	0.02	6,337,115.07	6,337,115.07
National Bank of Canada	Canada	570,000	0.17	16,276,039.94	21,883,211.16
National Grid Plc	Great Britain	1,351,837	0.04	14,954,998.56	14,999,709.76
NCC Group Plc	Great Britain	1,110,000	0.40	2,343,344.86	2,343,344.86
NIKE Inc.	United States	200,000	0,01 / 0,01	9,644,246.28	9,644,246.28
Nippon Telegraph & Telephone Corporation	Japan	200,000	0,01 / 0,00	7,956,239.87	7,956,239.87
Nitto Denko Corporation	Japan	151,000	0.09	9,982,165.73	10,960,348.46
Nobel Energy Inc.	United States	125,000	0.03	4,055,601.55	4,514,514.75
Nobia AB	Sweden	100,000	0.06	803,452.29	883,538.34
Nordea Bank AB	Sweden	13,970,016	0.34	122,977,556.11	148,408,955.05
Norsk Hydro ASA	Norway	1,750,000	0.08	6,528,489.67	7,954,282.82
Novartis AG registered	Switzerland	898,000	0.03	59,442,761.68	61,962,752.58
Novo Nordisk A/S	Denmark	1,259,015	0,05 / 0,02	39,980,862.43	43,014,878.13
NTT Docomo Inc	Japan	350,000	0.01	7,547,406.81	7,547,406.81
NVIDIA Corporation	United States	50,000	0.01	2,761,906.87	5,062,612.66
Occidental Petroleum Corporation	United States	168,000	0.02	11,223,560.84	11,352,471.30
Orange S.A.	France	550,000	0.02	7,554,717.62	7,925,500.00
Oriflame Holding AG	Switzerland	179,080	0.32	2,387,571.04	5,155,404.34
Orkla ASA	Norway	1,100,000	0.11	9,466,999.77	9,466,999.77
Otsuka Holdings Co. Ltd	Japan	310,000	0.06	10,029,662.70	12,776,823.34
Palo Alto Networks Inc.	United States	50,000	0.05	5,931,126.08	5,931,126.08
Panasonic Corp	Japan	1,000,000	0.04	9,623,176.66	9,623,176.66
Pandora A/S	Denmark	78,000	0.07	8,134,727.21	9,673,410.09
PayPal Holdings Inc.	United States	250,000	0.02	8,627,717.65	9,361,066.31
Pearson Plc	Great Britain	350,000	0.04	3,343,923.01	3,343,923.01
PepsiCo, Inc.	United States	155,000	0.01	14,131,070.55	15,391,186.79
Pfizer, Inc.	United States	440,000	0.01	12,961,957.19	13,561,901.15
Procter & Gamble Company	United States	125,000	0.00	9,983,635.33	9,983,635.33
Prudential Plc	Great Britain	2,300,000	0.09	37,901,755.53	43,599,476.75
Ralph Lauren Corporation	United States	50,000	0,06 / 0,02	4,284,223.51	4,284,223.51
Randgold Resources Ltd	Jersey	84,000	0.09	6,283,958.98	6,283,958.98
Randstad Holding N.V.	Netherlands	52,000	0.03	2,424,732.21	2,678,520.00
Ratos AB	Sweden	418,330	0,13 / 0,04	1,887,466.42	1,887,466.42
Reckitt Benckiser Group Plc	Great Britain	250,000	0.04	19,669,146.93	20,062,954.05
Red Hat Inc.	United States	225,000	0.13	14,877,620.72	14,877,620.72
Refresco Gerber NV	Netherlands	250,000	0.31	3,404,699.41	3,607,500.00
Renault S.A.	France	45,000	0.02	3,382,799.33	3,802,950.00
Repsol S.A.	Spain	500,000	0.03	6,710,000.00	6,710,000.00
Rexel S.A.	France	65,898	0.02	822,564.82	1,028,667.78
RIB Software AG	Germany	500,401	1.07	5,117,149.36	6,194,964.38
Rio Tinto Plc	Great Britain	333,075	0,02 / 0,02	9,680,750.66	12,269,832.86
Roche Holding AG	Switzerland	327,600	0,04 / 0,00	63,185,017.23	70,956,103.92
Rockwell Automation Inc.	United States	180,000	0.14	17,558,823.07	22,955,507.07
Ross Stores, Inc.	United States	200,000	0.05	11,350,767.69	12,446,636.94
Royal Bank of Canada	Canada	353,000	0.02	18,553,092.36	22,608,619.96
Royal Dutch Shell Plc	Great Britain	506,365	0,01 / 0,01	11,838,753.57	13,157,894.53
Royal Unibrew A/S	Denmark	216,000	0.40	7,908,533.30	7,908,533.30
Saipem S.p.A.	Italy	10,000,000	0,10 / 0,10	5,023,438.20	5,350,000.00
Salesforce.com Inc.	United States	200,000	0.03	12,991,177.31	12,991,177.31
Sandvik AB	Sweden	1,428,132	0.11	14,014,074.63	16,878,942.98
Sanofi S.A.	France	314,400	0.02	20,809,272.42	24,155,352.00
Schlumberger Limited	Colombia	150,000	0.01	10,630,553.95	11,946,210.04
Schneider Electric SE	France	291,548	0.05	15,822,634.28	19,236,337.04
Scottish & Southern Energy Plc	Great Britain	550,000	0.05	9,976,290.03	9,976,290.03
Securitas AB	Sweden	600,000	0,16 / 0,12	8,065,773.14	9,013,347.29
SGS SA- REG	Switzerland	9,000	0.12	15,777,647.68	17,356,364.65
Shimano Inc.	Japan	40,000	0.04	5,722,507.59	5,931,928.69
Shionogi & Co Ltd	Japan	230,000	0.07	10,114,514.96	10,428,282.01
Shire Plc	Jersey	273,000	0.03	14,933,723.05	14,933,723.05
Siemens AG	Germany	32,597	0.00	2,916,634.25	3,791,846.03
Sika AG	Switzerland	1,800	0,04 / 0,04	6,094,539.44	8,199,646.15
Skandinaviska Enskilda Banken AB	Sweden	3,300,000	0,15 / 0,15	30,141,076.18	33,112,274.27
SoftBank Group Corp.	Japan	150,000	0.01	6,698,187.75	9,431,523.50
Software AG	Germany	100,000	0.13	1,866,545.63	3,441,000.00
SONY Corp	Japan	400,000	0.03	10,599,675.85	10,599,675.85
Sotkamo Silver AB	Sweden	10,011,952	9.70	4,184,880.44	4,425,282.78
Sotkamo Silver Aug17 warrant	Sweden	2,052,988		0.00	279.39
Spectris Plc	Great Britain	100,000	0.08	2,328,774.09	2,701,534.72
SPIE S.A.	France	110,143	0.07	1,784,945.04	2,204,512.15
STADA Arzneimittel AG	Germany	46,252	0.07	1,403,808.73	2,271,204.46
Standard Life Plc	Great Britain	1,750,000	0.09	7,110,974.48	7,587,189.61
Starbucks Corporation	United States	100,000	0.01	5,267,052.46	5,267,052.46
STMicroelectronics N.V.	Netherlands	150,000	0.02	922,143.08	1,614,750.00
Suez SA	France	770,000	0.14	10,505,522.88	10,787,700.00
Sumitomo Chemical Co Ltd	Japan	1,050,000	0.06	4,722,447.33	4,722,447.33
Sumitomo Mitsui Financial Group, Inc.	Japan	384,050	0.03	12,181,495.67	13,693,841.17
Suncor Energy Inc	Canada	500,000	0.03	15,470,820.41	15,470,820.41
Suncorp Group Ltd	Australia	1,050,000	0.08	8,942,666.64	9,711,564.81
Surteco SE	Germany	120,450	0.78	2,722,063.15	2,839,608.75
Swedbank AB	Sweden	900,000	0.08	17,504,591.74	20,821,774.40
Svenska Cellulosa AB SCA	Sweden	880,000	0,12 / 0,07	18,906,273.01	23,684,689.87
Svenska Stål AB	Sweden	520,115	0,05 / 0,10	1,511,947.61	1,793,575.73
Symantec Corporation	United States	100,000	0.02	1,946,419.82	2,266,388.39
Syngenta AG	Switzerland	20,114	0.02	6,476,054.31	7,536,896.92
Target Corporation	United States	200,000	0.04	13,710,274.17	13,710,274.17
Tate & Lyle Plc	Great Britain	525,543	0.11	3,986,211.46	4,342,797.93
TDC A/S	Denmark	600,000	0.07	2,927,203.27	2,927,203.27
Telecom Italia S.p.A	Italy	12,510,000	0,06 / 0,08	9,354,370.34	10,469,370.00
Telefonaktiebolaget LM Ericsson	Sweden	600,000	0,02 / 0,01	3,357,236.33	3,357,236.33
Telenor ASA	Norway	500,000	0.03	7,098,598.99	7,098,598.99
Telia Company AB	Sweden	7,718,987	0.18	29,657,857.20	29,657,857.20
Tencent Holdings Ltd	Cayman Islands	450,000	0.00	8,140,948.22	10,442,074.10
Tesco Plc	Great Britain	4,000,000	0.05	9,661,519.77	9,661,519.77
Tesoro Corporation	United States	125,000	0.11	9,185,274.32	10,370,221.04

10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2016

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Thermo Fisher Scientific Inc.	United States	73,000	0.02	9,773,038.61	9,773,038.61
ThyssenKrupp AG	Germany	615,850	0.11	11,331,217.92	13,970,557.25
Tiffany & Co.	United States	100,000	0.08	6,415,570.99	7,346,551.56
Tobii AB	Sweden	1,106,166	1.14	5,673,872.47	7,722,651.87
Toray Industries Inc	Japan	650,000	0.04	4,977,714.75	4,977,714.75
Toronto-Dominion Bank/The	Canada	650,000	0.03	23,383,472.62	30,333,027.91
Total S.A.	France	850,000	0.03	40,185,530.05	41,344,000.00
Toyota Motor Corporation	Japan	285,000	0.01	15,707,333.87	15,707,333.87
Tullow Oil Plc	Great Britain	2,000,000	0.22	6,009,572.09	7,292,858.98
Under Armour, Inc.	United States	310,000	0.17	8,549,188.88	8,549,188.88
Unibail-Rodamco SE	France	82,242	0.08	11,689,481.49	18,607,252.50
Unicredit S.p.A.	Italy	800,000	0,01 / 0,01	2,185,600.00	2,185,600.00
Unilever N.V.	Netherlands	1,581,000	0,05 / 0,05	59,281,619.67	61,832,910.00
UNIQA Insurance Group AG	Austria	550,000	0.18	3,967,150.00	3,967,150.00
Valero Energy Corporation	United States	50,000	0.01	3,241,627.93	3,241,627.93
Walt Disney Company/The	United States	150,000	0.01	14,183,996.41	14,839,199.32
Veolia Environnement S.A.	France	125,000	0.02	2,003,048.72	2,020,625.00
Vestas Wind Systems A/S	Denmark	375,000	0.17	18,012,888.57	23,142,419.03
Whirlpool Corporation	United States	50,000	0.07	6,618,465.82	8,624,418.94
Vinci S.A.	France	234,213	0.04	13,201,705.51	15,099,712.11
Vivendi S.A.	France	200,000	0.02	3,502,704.69	3,598,000.00
VMware, Inc.	United States	125,000	0,03 / 0,00	8,865,051.60	9,336,163.55
Vodafone Group Plc	Great Britain	26,980,000	0.10	62,961,117.00	62,961,106.31
Vonovia SE	Germany	547,500	0.12	16,925,962.50	16,925,962.50
WPP Plc	Jersey	500,000	0.04	10,587,726.88	10,587,726.88
Xilinx, Inc.	United States	76,250	0.03	3,249,103.58	4,366,236.60
Zalando SE	Germany	200,000	0.08	7,177,910.74	7,262,000.00
Zurich Insurance Group AG	Switzerland	99,000	0.07	23,940,260.19	25,849,334.20
Other	Bermuda	3,500,000		0.00	0.00
Other	Norway	273,444		203,850.46	203,850.46
Other	France	160,356		0.00	0.00
Other	Sweden	50,000		202,041.35	202,041.35
Other	Germany	55,100		13,338.00	734,938.00
Other	United States	1,497		30,221.19	30,221.19
Total				3,469,374,982.24	3,899,782,445.77

Foreign companies, non-listed

Aki Partners S.C.S	Luxembourg	6,383,846,941	18.18	63,838,469.41	63,838,469.41
Mehiläinen Holding AB	Sweden	390,250	2,69 / 2,69	1,880,424.12	11,130,611.10
Consumer Equity Investments Ltd	Ireland	334,223	3.34	6,095,884.16	19,478,930.31
Lakeside Network Investments S.à r.l.	Luxembourg	83,712,075	10.00	837,120.75	837,120.75
Other	Luxembourg	1,412,872		191,111.66	191,111.66
Other	United States	68,255		95,666.43	95,666.43
Total				72,938,676.53	95,571,909.66

	Domicile	Amount	Kirjanpitoarvo, EUR	Käypä arvo, EUR
Fixed-income funds				
Apollo Offshore Credit Fund A-Initial Series	Cayman Islands	15,001	9,954,122.07	11,603,149.26
Apollo Offshore Credit Fund Ltd A-02-07	Cayman Islands	12,928	10,381,226.86	12,101,008.92
AXA IM US Short Duration High Yield \$ A-class	Luxembourg	18,049,375	18,049,374.54	18,049,374.54
AXA WF US High Yield Bonds USD 1 CAP	Finland	178,273	19,998,132.80	34,012,741.08
Deutsch Global L. Managed Euro Fund Reserved Inc	Luxembourg	787,802	59,404,844.18	161,984,814.45
Goldman Sach Global High Yield Portfolio Class I	Luxembourg	895,034	93,201,692.47	99,157,659.80
GS Euro Liquid Reserves Fund (inst.Dist)	Luxembourg	865,345	95,090,065.14	148,621,630.58
iShares iBoxx Investment Grade Corporate Bond ETF	Ireland	767,963	100,000,000.00	107,000,322.97
JPM Euro Liquidity Institutional (flex dist.)	Finland	977,025	100,000,000.00	100,916,922.00
McDonnell Loan Opportunity Fund (Offshore) Class B	Ireland	121,538,526	121,538,525.93	121,538,525.93
Morgan Stanley Institutional Liquidity Euro Fund	Luxembourg	17,542,990	145,588,294.41	165,760,532.52
OP-High Yield Fund A	Luxembourg	147,831	149,664,976.26	149,664,976.26
OP-Likvidi A	Luxembourg	10,065,202	196,909,495.59	278,724,261.09
SKY U.S. Short Duration High Yield Fund	Ireland	415,507,465	415,507,464.53	415,507,464.53
T.Rowe Global High Yield Bond Fund	United States	4,300,000	469,335,854.28	478,135,850.49
Other			1,195,084.27	1,195,084.27
Total			2,005,819,153.33	2,303,974,318.69

Equity funds

KJK Fund II Sicav-SIF Balkan Discovery A June 2015	Luxembourg	730	750,000.00	980,024.82
KJK Fund II Sicav-SIF Balkan Discovery A May 2016	Luxembourg	793	1,020,000.00	1,075,309.18
KJK Fund II Sicav-SIF Balkan Discovery A June 2014	Luxembourg	1,250	1,250,000.00	1,696,787.50
Macquarie Fund Solutions - Macquarie China New Star	Luxembourg	152,000	1,297,746.32	1,297,746.32
KJK Fund Baltic States B1 C	Luxembourg	3,564	1,533,011.03	8,143,327.41
East Capital Bering Ukraine Fund Class R	Cayman Islands	676,262	1,680,870.61	1,680,870.61
KJK Fund II Sicav-SIF Balkan Discovery A Dec 2015	Luxembourg	1,482	1,740,000.00	1,903,811.27
Prosperity New Russian Generation, A share	Guernsey	14,864,250	2,115,204.91	2,115,204.91
FIM Rohto	Finland	261,760	2,500,000.00	4,609,588.92
Fourton Hannibal	Finland	31,116	3,216,309.71	4,614,477.99
Carnegie Global Health Care Fund	Luxembourg	35,640	3,657,426.46	9,993,171.86
FIM Frontier C	Finland	339,663	4,000,000.00	4,215,221.93
Prosperity New Russian Generation, B share	Guernsey	14,240,818	4,022,229.10	4,188,078.53
Fondita Nordic Micro Cap B	Finland	21,720	5,000,000.00	6,437,116.49
DB X-trackers MCSI Europe Small Cap Index Ucit ETF	Luxembourg	150,000	5,226,506.95	5,533,500.00
East Capital Global Frontier Markets Fund A USD	Luxembourg	68,693	5,517,516.22	5,939,686.59
Carnegie Medical	Luxembourg	200,538	6,428,256.07	18,126,666.70
FIM Brands	Finland	338,323	6,555,369.31	8,935,104.02
FIM Bric+	Finland	678,240	7,000,000.00	8,613,653.28
KJK Fund II, Sicav-SIF, Balkan A July 2012	Luxembourg	8,939	8,939,168.00	16,484,451.53
East Capital Balkan Fund	Sweden	6,679,736	9,202,995.67	9,789,720.35
iShares MSCI China ETF	United States	224,800	9,319,571.20	9,319,571.20
ISHARES MSCI SOUTH AFRICA ET	United States	195,761	9,698,848.44	9,712,835.88
UBS Global Innovators I-A2-Acc	Luxembourg	71,213	9,999,999.97	10,903,349.40
Seligson & Co Global Top 25 Pharmaceuticals	Finland	608,182	10,000,000.00	15,920,134.01
FIM Kehittyvät Markkinat Pienemmät Yhtiöt	Finland	1,395,563	10,000,000.00	12,741,487.61
ISHARES MSCI MEXICO CAPPED	United States	310,857	12,963,925.36	12,963,925.36
PineBridge Japan Small Cap Equity Fund	Ireland	250,706	13,094,286.12	13,094,286.12
Pictet-Small Cap Z EUR	Luxembourg	36,104	13,960,019.96	45,979,665.75
Montanaro European Smaller Companies, Accum. Class	Ireland	5,029,288	13,975,624.12	23,753,327.53
iShares MSCI Hong Kong ETF	United States	760,598	14,056,018.44	14,056,018.44
East Capital China A-Shares Fund	Luxembourg	20,808	14,307,263.88	27,303,922.92
Aberdeen Global Asian Smaller Companies Fund A2	Luxembourg	1,185,226	14,454,637.27	42,719,959.30
iShares MSCI Brazil Index Fund	United States	142,000	14,462,048.14	14,924,352.53
Fourton Odysseus A	Finland	77,136	14,472,356.20	21,984,638.50
iShares MSCI Taiwan ETF	United States	549,048	15,030,355.88	15,297,922.17
Osmosis MoRE World Resource Efficiency Fund plc	Ireland	1,500,594	15,452,050.65	19,282,363.48
Aberdeen Global Sicav Asia Pacific Equity A2/C	Luxembourg	612,160	16,100,759.15	36,735,442.46

10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2016

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Prosperity Quest Fund Unlisted Limited, Class C	Cayman Islands	220,352	16,477,401.33	21,458,269.96
Nordea 1, SICAV - Emerging Stars Equity Fund	Luxembourg	181,452	17,442,834.40	17,442,834.40
iShares MSCI South Korea Capped ETF	United States	383,400	19,360,954.37	19,360,954.37
Fourton Stamina A	Finland	143,978	19,791,013.50	47,135,402.04
Taalieri Rhein Value Equity A	Luxembourg	162,879	21,851,779.41	33,861,801.02
iShares MSCI India ETF	United States	903,396	22,916,999.37	22,916,999.37
DB X-trackers EURO STOXX 50 UCITS DR -1C	Luxembourg	577,687	24,271,960.82	25,435,558.61
Investec GSF Asia Pacific Equity Fund I	Luxembourg	1,587,197	25,028,281.39	31,364,500.90
JPMorgan Emerging Markets Opportunities Fund	Luxembourg	101,769	27,461,579.01	33,400,991.60
OP Kehittyvä Aasia	Finland	245,747	29,450,556.50	42,401,243.49
Evli GEM B	Finland	292,606	30,000,000.00	38,270,852.91
Mirae Asset G D Fund - Asia Sector Leader Eq I	Luxembourg	2,997,566	30,769,061.74	30,769,061.74
Investec GS Asian Equity	Luxembourg	2,125,366	31,211,186.64	45,184,951.73
OP-Latinalainen Amerikka A	Finland	317,681	33,012,231.38	36,139,438.77
iShares Core FTSE 100 UCITS ET	Great Britain	4,453,000	35,406,999.50	36,469,476.04
Investec Emerging Markets Equity -I	Luxembourg	2,739,840	39,521,871.46	45,018,518.52
eQ Kehittyvät Markkinat Osinko 1 K	Finland	353,849	45,000,000.00	53,793,440.24
Evli Europe B	Finland	478,421	50,000,000.00	59,473,425.15
Russel Japan Equity Fund A Accum	Ireland	393,104	50,011,755.13	79,260,642.43
iShares European Property Yield UCITS ETF	Ireland	1,635,000	60,756,600.00	60,756,600.00
BlackRock Emerging Markets Index Sub-Fund	Ireland	6,927,713	66,553,844.01	73,726,477.52
Nordea Stable Emerging Markets Equity	Luxembourg	2,344,498	126,163,870.07	142,302,414.63
Robeco Global Conservative	Netherlands	1,495,874	150,000,000.00	158,906,661.30
PAM USA Fund I Ky	Finland	1,802,367	184,236,508.69	188,563,700.03
AQR Global Defensive Equity	Luxembourg	1,794,230	200,000,000.00	222,807,426.76
Topix ETF	Japan	21,295,786	241,510,466.85	268,527,090.89
iShares MSCI Europe UCITS ETF	Ireland	15,877,775	358,248,729.46	358,361,381.75
iShares MSCI Emerging Markets ETF	United States	23,946,186	795,328,689.74	795,328,689.74
SPDR S&P 500 ETF Trust	United States	6,791,143	1,326,782,044.76	1,440,178,451.97
Other		9,221	825,422.16	825,592.65
Total			4,383,393,016.83	4,902,509,573.40
Real estate funds				
European Office Income Venture	Luxembourg	11,210,093	530,584.91	530,584.91
CapMan Nordic Real Estate FCP-SIF	Luxembourg	1,459,334	1,470,445.05	1,929,799.69
VTBC-Ashmore Real Estate Partners I, L.P.	Great Britain	3,129,522	3,129,522.00	3,474,999.32
European Retail Income Venture	Luxembourg	21,680,309	4,288,993.86	4,288,993.86
Aberdeen Indirect Property Partners Asia	Luxembourg	16,100,272	7,451,626.34	7,451,626.34
Carlyle Europe Real Estate Partners III, L.P.	United States	16,043,179	7,874,345.20	7,874,345.20
Pradera European Retail Fund	Luxembourg	16,827,293	7,889,829.81	7,889,829.81
Frogmore Real Estate Partners, L.P.	Great Britain	15,536,558	11,015,970.79	11,015,970.79
ARCH Capital - TRG Asian Partners, LP.	Cayman Islands	19,563,225	15,783,261.67	19,254,585.94
Capman Re II KY	Finland	16,688,794	16,310,859.72	16,310,859.72
Goodman European Logistics Fund	Luxembourg	30,000,000	16,370,610.00	16,370,610.00
Rockspring German Retail Box Fund	Great Britain	25,000,000	16,471,825.00	16,471,825.00
Franklin Templeton Asian Real Estate Fund	Luxembourg	24,255,068	16,798,837.54	16,798,837.54
Alternative Property Income Venture	Luxembourg	17,606,142	17,606,141.86	19,224,674.48
European Property Investors Special Opportunities	Great Britain	18,633,483	18,633,483.00	22,201,403.69
Fosca II	Luxembourg	18,800,000	18,800,000.00	24,826,001.60
Sierra Portugal Fund	Luxembourg	36,890,536	25,973,335.23	25,973,335.23
Curzon Capital Partners III, LP.	Great Britain	31,588,133	31,588,133.00	33,221,744.89
Partners Group Real Estate Secondary 2009, LP	Great Britain	42,242,584	42,242,584.10	46,179,761.91
ECE European Prime Shopping Centre Fund	Luxembourg	44,865,492	44,865,492.01	58,239,940.04
Aberdeen Real Estate Fund Finland L.P.	Great Britain	59,503,561	45,764,188.98	45,764,188.98
CapMan Hotels RE Ky	Finland	46,995,098	46,995,097.77	50,021,018.13
Other			252,681.16	252,681.16
Total			418,107,849.00	455,567,618.23
Private equity funds *)				
Capman Technology Fund 2007 L.P.	Guernsey	517,589	517,589.13	633,235.10
Baltic Investment Fund III L.P.	Jersey	621,586	590,811.72	590,811.72
Lifeline Ventures Fund III Ky	Finland	690,986	598,857.99	598,857.99
Sentica Kasvurahasto II Ky	Finland	3,625,003	762,947.22	762,947.22
Permira Europe III LP	Guernsey	6,002,920	912,719.97	912,719.97
Vaaka Partners Buyout I Ky	Finland	1,160,772	1,002,054.78	1,002,054.78
Atlas Venture VI	United States	1,313,949	1,031,106.24	1,031,106.24
KKR European Fund II, LP	Canada	3,455,052	1,042,413.37	1,042,413.37
Intera Fund I Ky	Finland	6,890,936	1,130,775.03	1,130,775.03
CapMan Russia II	Guernsey	2,891,075	1,163,833.97	1,163,833.97
CapMan Buyout VIII Fund A L.P.	Guernsey	1,166,640	1,166,640.38	5,593,165.64
HarbourVest Partners VI-Partnership Fund L.P.	United States	7,872,477	1,269,902.76	1,269,902.76
Verso Fund II Ky	Finland	1,650,987	1,355,696.42	1,355,696.42
Verdane ETF III SPV K/S	Norway	1,356,327	1,356,327.00	1,471,637.85
Nordic Capital V	Jersey	7,095,147	1,522,554.68	1,522,554.68
PAI Europe V LP	Great Britain	2,107,297	1,694,915.60	1,694,915.60
Vaaka Partners Buyout I (B,C,D,E,F) Ky	Finland	2,193,874	1,733,838.54	1,733,838.54
Arcadia II	Germany	5,362,117	1,748,672.28	1,748,672.28
Selected Private Equity Funds I Ky	Finland	1,792,773	1,792,773.38	2,886,519.32
HG Capital 5	Great Britain	4,270,875	1,874,295.35	1,874,295.35
Hg Capital Edge Co-Invest LP	Guernsey	2,000,000	2,379,943.47	2,379,943.47
Sentica Buyout III Ky	Finland	2,460,566	2,460,566.17	9,271,186.96
EPE Overseas Co-Investors L.P.	Cayman Islands	8,978,643	2,617,716.08	2,617,716.08
Doughty Hanson & Co IV, Limited Partnership 4	Great Britain	12,397,099	2,717,220.95	2,717,220.95
Kasvurahastojen Rahasto II Ky	Finland	2,946,928	2,789,620.55	2,789,620.55
Sponsor Fund III Ky	Finland	7,507,320	3,043,002.15	3,043,002.15
Inventure Fund II Ky	Finland	3,109,035	3,109,035.00	3,126,644.57
Living Bridge 4 L.P.	Great Britain	4,569,064	3,426,482.98	3,426,482.98
Intera Fund III Ky	Finland	3,930,000	3,717,182.64	3,717,182.64
Ilmarinen Suomi-Rahasto I Ky	Finland	4,182,016	4,182,016.38	4,443,810.61
BC European Capital VIII	Great Britain	11,403,508	4,206,628.48	4,206,628.48
Apax Europe VI - A, L.P.	Great Britain	10,417,633	4,327,911.97	4,327,911.97
Valhalla Co-Invest L.P.	Cayman Islands	35,119,128	4,357,433.35	12,166,022.25
Lifeline Ventures Fund I Ky	Finland	4,396,719	4,396,718.83	9,560,448.66
Sponsor Fund IV Ky	Finland	6,197,719	5,244,013.74	5,244,013.74
Antin Infrastructure Partners FCPR	France	5,421,337	5,421,336.95	41,983,532.69
Darwin Private Equity I	Great Britain	8,936,134	5,506,120.92	5,506,120.92
Selected Mezzanine Funds I Ky	Finland	5,552,286	5,552,286.23	8,443,295.04
Montagu IV Co-Invest 1 LP	Great Britain	5,637,408	5,637,408.39	10,553,155.22
The Fourth Civen Fund Limited Partnership	Great Britain	19,987,389	5,741,297.64	5,741,297.64
KKR Asian Fund L.P.	Cayman Islands	9,235,133	6,889,505.31	7,183,270.61
Victoria Co-invest L.P.	Cayman Islands	5,000,000	6,915,629.32	8,759,840.22
Cidron Childsafe Limited	Jersey	11,690,658	7,694,802.79	7,694,802.79
CapMan Mezzanine V Fund FCP-SIF	Luxembourg	7,785,561	7,785,561.07	13,765,144.47
KKR Lending Partners Europe (Euro) Unlevered L.P.	Great Britain	8,000,400	8,000,400.00	8,163,904.17
Nordic Capital Alexander Co-Invest L.P.	Jersey	8,061,246	8,061,246.29	16,153,971.75

10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2016

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Argos Co-investment-1 LP	Guernsey	9,235,858	8,302,641.42	27,428,010.84
Alpha Private Equity Fund V	Jersey	8,331,600	8,331,600.08	9,372,933.45
Innovestor Kasvurahasto 1 KY	Finland	8,456,695	8,456,415.97	8,456,415.97
Mount Kellett Capital Partners (Cayman), L.P.	Cayman Islands	11,625,180	8,630,410.50	10,502,364.97
Salto LP Fund	Channel Island	8,862,459	8,862,458.62	15,834,005.34
Dasos FS Partnership SCSP	Luxembourg	10,000,000	10,000,000.00	11,599,800.00
Montagu IV Co-Invest 2 LP	Great Britain	10,000,000	10,000,000.00	14,767,540.00
Towerbrook III	Cayman Islands	17,935,300	11,073,622.76	11,073,622.76
Sentica Buyout IV Ky	Finland	11,502,875	11,502,875.00	11,587,789.22
Chiron Guernsey Holdings, LP INC	Guernsey	15,878,707	11,794,577.45	24,882,555.44
AP VIII Prime Security Services Holdings LP	United States	14,005,657	12,391,096.67	14,434,941.04
Partners Group Direct Infrastructure 2015 S.C.A.	Luxembourg	13,505,990	12,610,501.96	12,610,501.96
Broad Street Senior Partners Offshore L.P.	Cayman Islands	14,000,000	12,615,092.03	13,526,037.38
KKR Blue Co-invest LP	Cayman Islands	10,000,000	12,847,765.66	12,847,765.66
Kasvurahastojen Rahasto Ky	Finland	12,929,291	12,929,291.49	15,643,705.73
Nordic Capital VI	Jersey	13,021,419	13,021,418.54	17,849,382.91
Bridgepoint Europe III	Great Britain	15,774,808	13,164,913.12	13,164,913.12
Redtop Co-Invest LP	Great Britain	10,702,462	13,176,552.28	24,298,543.82
Doughty Hanson V	Great Britain	17,870,085	13,257,959.02	13,257,959.02
CVC Europe V	Cayman Islands	14,056,753	14,056,753.14	26,234,511.97
PAI Europe V FCPR	France	14,069,607	14,069,607.00	16,296,685.09
ICG Senior Debt Partners Fund	Luxembourg	14,103,465	14,103,465.48	14,387,918.28
Bluedrip L.P.	Gra	15,000,000	15,000,000.00	22,667,910.00
Towerbrook Investors IV, L.P.	Cayman Islands	17,487,206	15,040,505.66	21,020,746.39
Dasos Timberland Fund I	Luxembourg	15,049,597	15,049,597.04	16,919,675.02
Apollo Overseas Partners VII, L.P.	Cayman Islands	19,456,964	15,282,520.20	17,016,306.32
Dasos Timberland Fund II	Luxembourg	15,421,754	15,421,753.97	15,719,393.82
European Mid Market Secondary Fund II LP	Great Britain	15,750,000	15,750,000.00	26,273,031.75
Vaaka Partners Buyout II Ky	Finland	15,769,614	15,769,614.45	17,171,722.41
Aradian Infrastructure Fund IV	Great Britain	15,900,000	15,819,084.90	15,819,084.90
HgCapital 6	Great Britain	13,614,859	16,151,466.67	31,172,059.98
Barings Global Private Loan Fund	United States	17,500,000	16,212,924.44	16,722,569.02
KKR 2006 Fund L.P.	United States	23,571,249	17,251,360.96	19,463,867.74
Permira Credit Solutions II Master L.P.1	Great Britain	17,400,000	17,400,000.00	18,134,332.20
NC Mighty Co-invest Beta LP	Jersey	20,000,000	17,719,500.31	18,960,952.47
Permira IV LP	Guernsey	22,281,743	19,086,429.96	19,086,429.96
Bridgepoint Europe IV B LP	Great Britain	22,465,992	19,562,015.08	19,562,015.08
European Mid-Market Secondary Fund I	Great Britain	19,836,012	19,836,012.49	22,390,057.79
TPG Partners VII LP.	United States	23,070,847	20,680,680.12	20,680,680.12
SLP Denali Co-Invest L.P.	United States	26,857,093	21,487,515.67	40,252,083.31
KKR European Fund III	Cayman Islands	21,594,850	21,594,850.00	28,409,903.93
CapMan Buyout Fund IX	Guernsey	22,152,571	22,152,570.51	25,979,116.93
Silver Lake Partners III L.P.	United States	30,209,847	22,948,803.09	35,828,173.52
CapMan Buyout X Fund A	Guernsey	23,014,486	23,010,814.50	24,355,448.50
Bridgepoint Europe IV E LP	Great Britain	23,146,700	23,146,700.26	26,081,910.17
MB Equity Fund IV Ky	Finland	23,636,006	23,636,005.91	34,464,369.30
EQT VII Fund	Great Britain	26,186,223	24,361,907.45	24,361,907.45
Permira Credit Solutions II Senior L.P.1	Great Britain	24,600,000	24,600,000.00	25,005,826.20
Apax Europe VII -B, L.P.	Great Britain	45,875,977	24,843,722.51	24,843,722.51
KKR Asian Fund II L.P.	Cayman Islands	31,090,710	25,810,190.51	46,668,303.06
EQT Infrastructure II, L.P.	Great Britain	28,242,359	25,937,754.56	25,937,754.56
Partners Group European Mezzanine 2008	Great Britain	31,354,123	26,276,887.55	26,276,887.55
TPG Drone Co-Invest, L.P.	Cayman Islands	32,856,055	28,067,622.62	46,542,202.48
Bridgepoint Europe V 'C' LP	Great Britain	28,131,028	28,131,027.99	28,298,463.87
EQT Credit II (No1)	Great Britain	30,123,347	30,123,346.56	36,941,374.45
KKR European Fund IV (EEA) LP	Great Britain	35,881,571	32,520,006.02	32,520,006.02
Montagu IV LP	Great Britain	34,283,030	34,283,030.58	40,621,859.72
TPG Asia VI LP.	Cayman Islands	47,420,751	40,142,609.65	50,588,912.66
EQT VI Fund	Great Britain	46,565,059	46,565,059.44	61,590,486.56
Apollo Overseas Partners VIII	United States	56,349,491	49,512,208.67	59,113,080.26
Nordic Capital Fund VIII	Jersey	52,567,499	52,567,498.76	62,134,941.24
BC European Capital IX, LP	Guernsey	54,835,890	54,835,889.60	72,328,812.56
HgCapital 7	Great Britain	44,006,679	56,084,375.63	64,078,295.69
Nordic Capital VII	Jersey	63,006,786	63,006,785.97	86,537,111.24
Permira V	Guernsey	85,974,300	85,974,300.35	97,380,596.75
Silver Lake Partners IV	United States	105,573,884	91,092,748.99	118,156,716.53
Apax VIII	Guernsey	97,054,834	97,054,834.09	114,765,788.43
The Fifth Civen Fund	Guernsey	113,071,100	113,071,100.43	135,862,163.72
Other			4,241,699.91	35,242,228.34
Total			1,909,764,165.68	2,447,013,312.86
Other Funds				
CatCo Arbitrage Fund Ltd A Sub 12 SP 2015	Bermuda	815	749,030.42	917,783.85
Shepherd Investments International, Ltd. Class BQ	British Virgin Islands	785	755,420.07	755,420.07
Aquilo Fund Side Pocket 2015	Bermuda	1,018	934,745.85	962,421.13
QVT Roiv Hldgs Offshore Ltd A-1075	Cayman Islands	1,217	1,116,996.31	1,137,192.99
Man Absolute Return Strategies I Ltd: Class ARS12	Cayman Islands	5,038	1,323,705.99	2,586,223.19
Paulson Credit Opportunities Ltd. Class C	Cayman Islands	405,640	2,007,623.54	35,576,557.39
Ursus International Ltd. B/1	Cayman Islands	5,156	5,645,424.81	5,645,424.81
QVT Offshore Class 1-NI 1075	Cayman Islands	8,406	6,314,583.99	9,705,669.12
Markel CatCo Diversified Fund II Ltd A Sub 8	Bermuda	14,029	12,891,331.52	14,853,737.28
Palmetto Fund, Ltd. Class D 01Jan2008	Bermuda	28,931	16,862,752.61	33,303,124.25
Och Ziff Europe Overseas Fund Ltd	Cayman Islands	20,433	18,589,418.46	39,040,788.36
HBK Multi-Strategy Offshore Fund Ltd class A (Lead	Cayman Islands	33,918	19,034,574.69	34,936,937.79
Brevan Howard Fund B Class Limited	Cayman Islands	150,946	19,400,533.17	34,008,242.28
Och-Ziff Asia Overseas Fund, Ltd	Cayman Islands	20,515	19,919,173.20	30,610,620.82
Pharo Macro Fund B	Cayman Islands	12,078	20,017,559.20	23,061,935.14
HBK Merger strategies Fund	Cayman Islands	23,000	20,598,924.90	22,398,585.24
D.E Shaw Composite International Fund s. New Issue	Cayman Islands	1,946	23,154,547.61	64,962,899.92
Citadel Kensington Global Strategies LTD	Cayman Islands	42,158	29,932,643.90	87,870,669.30
Marshall Wace Liquid Alpha Plus H Fund	Ireland	300,000	30,000,000.00	30,054,000.00
Pharo Gaia Fund	Cayman Islands	14,457	30,016,878.63	33,569,735.39
Alyeska Aleutian Fund	Cayman Islands	33,000	30,256,442.51	30,256,442.51
Davidson Kempner Int. Ltd. - Class C Tranche 4	British Virgin Islands	348,078	32,765,365.75	57,438,663.11
Palmetto Fund, Ltd. Class E	Bermuda	35,000	33,203,680.87	33,203,680.87
Brevan Howard Fund W Class Limited	Cayman Islands	340,000	34,000,000.00	34,000,000.00
CFM STRATUS Feeder Limited Class D	British Virgin Islands	21,067	34,970,000.00	40,551,744.61
Markel CatCo Limited Diversified Arbitrage Fund	Bermuda	37,000	35,101,034.06	35,101,034.06
Markel CatCo Diversified Arbitrage Fund A Sub 6	Bermuda	39,824	36,506,349.90	40,180,047.78

10. HOLDINGS IN OTHER COMPANIES, PARENT COMPANY 31 DEC 2016**2/2**

Marshall Wace Market Neutral TOPS B Fund	Ireland	352,720	40,000,000.00	60,125,723.88
AQR Managed Futures Fund	Cayman Islands	50,000	44,032,856.26	44,032,856.26
Markel Aquilo Fund	Bermuda	77,256	73,438,466.18	78,114,323.64
AQR Style Premia Fund	Cayman Islands	83,627	88,828,580.92	91,050,675.41
Other			1,634,271.94	2,456,077.04
Total			764,002,917.26	1,052,469,237.49
Total			15,605,151,250.68	19,107,010,359.84

*) 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	2016	2015
Securities borrowed		
Number	24,252,642.00	35,037,898.00
Current value	307,099,215.95	301,959,228.58

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	2016	2015
Other loans itemised by guarantee		
Bank guarantee	88,685,232.35	94,491,990.97
Guarantee insurance	78,669,457.03	64,012,320.56
Other	126,535,308.08	129,457,001.11
Secured loans, remaining acquisition cost	293,889,997.46	287,961,312.64
Unsecured loans, remaining acquisition cost	96,719,078.84	241,020,760.06
Remaining acquisition cost, total	390,609,076.30	528,982,072.70
Total premium loan receivables itemised by balance sheet item		
Loans guaranteed by mortgages	186,115,696.50	218,688,419.82
Other loans	186,556,551.25	183,348,433.88
Remaining acquisition cost, total	372,672,247.75	402,036,853.70
Inner circle loans		
Loans granted to group companies	48,104,126.32	53,995,390.02
Loans granted to associated companies	625,540,416.79	631,759,162.72

The loan periods are 1–12 years or they do not have a specific maturity date

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 loans are tied either to a fixed interest rate or variable reference rate.

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

	2016				
	Intangible rights	Prepayments	Furniture and fixtures	Other tangible assets	Total
Acquisition cost Jan 1	32,510,893.52	18,472,220.57	2,992,877.36	1,700,224.26	55,676,215.71
Fully amortised in previous year	-1,679,378.05		-478,409.68		-2,157,787.73
Additions	14,409.35	5,601,762.32	443,453.38	0.00	6,059,625.05
Deductions	-284,015.69	0.00	-204,853.84	0.00	-488,869.53
Transfer between items	19,182,938.55	-19,182,938.55	0.00	0.00	0.00
Acquisition cost Dec 31	49,744,847.68	4,891,044.34	2,753,067.22	1,700,224.26	59,089,183.50
Accumulated depreciation and amortisation Jan 1	-9,227,811.44		-962,570.42		-10,190,381.86
Fully amortised in previous year	1,679,378.05		478,409.68		2,157,787.73
Accumulated depreciation and amortisation on deductions and transfers	76,399.56		71,670.80		148,070.36
Depreciation and amortisation for the financial year	-5,789,988.20		-284,652.13		-6,074,640.33
Accumulated depreciation and amortisation Dec 1	-13,262,022.03		-697,142.07		-13,959,164.10
Book value Dec 1	36,482,825.65	4,891,044.34	2,055,925.15	1,700,224.26	45,130,019.40

14. RECEIVABLES, PARENT COMPANY 31 DEC

	2016	2015
Other receivables		
From group companies	802,219.30	8,151,775.48

15. CAPITAL AND RESERVES, PARENT COMPANY 31 DEC		2016	2015
Capital and reserves			
Initial fund		22,994,653.31	22,994,653.31
Other reserves			
Reserves under the Articles of Association			
Jan 1	71,248,889.97		66,989,292.51
Transfer from unused donation funds	5,284.00		34,125.00
Transfer from previous year's profit	5,252,092.74	76,506,266.71	4,225,472.46
Profit/loss brought forward			
Jan 1	5,302,092.74		4,275,472.46
Transfer to donations	-50,000.00		-50,000.00
Transfer to reserves under the Articles of Association	-5,252,092.74	0.00	-4,225,472.46
Profit/loss for the financial year		4,479,553.16	5,302,092.74
		103,980,473.18	99,545,636.02
Breakdown of capital and reserves after proposed distribution of profits:			
Policyholders' share		103,980,473.18	99,545,636.02
Distributable profits:			
Profit/loss for the financial year		4,479,553.16	
+ Other funds			
Reserves under the Articles of Association		76,506,266.71	
Distributable profits, total		80,985,819.87	

16. TECHNICAL PROVISIONS, PARENT COMPANY 31 DEC	2016	2015
Provision for unearned premiums		
Future pensions	14,461,704,166.00	13,598,741,406.00
Provision for future bonuses	1,522,579,329.00	1,683,855,277.00
Provision for current bonuses	102,000,000.00	98,637,930.00
Supplementary insurance liability tied to income from shares	285,492,558.00	1,235,224,993.00
Total	16,371,776,053.00	16,616,459,606.00
Provision for claims outstanding		
New pension awarded	14,159,246,091.00	12,965,142,259.00
Equalisation provision	927,641,091.00	1,048,636,883.00
Total	15,086,887,182.00	14,013,779,142.00
Total technical provisions	31,458,663,235.00	30,630,238,748.00

17. LIABILITIES, PARENT COMPANY 31 DEC	2016	2015
Liabilities to group companies and participating interests		
Other liabilities		
To group companies	4,678,536.31	3,826,557.10
To associated companies	8,929.81	0.00

18. SECURITIES AND FINANCIAL COMMITMENTS, PARENT COMPANY 31 DEC**2016****2015****As security for own debts**

Mortgaged as security for rents	273,808.00	273,809.00
Assets pledged as security for derivative contracts		
Securities	676,591,529.41	411,163,750.00
Cash ¹⁾	24,887,918.91	121,815,798.81
Assets pledged as security for equity lending		
Cash ¹⁾	324,116,500.73	324,944,682.09

¹⁾ The cash collaterals EUR 348,712,407.73 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 1,128,864,280.48, pledged as security in the transfer according to the Act on Financial Collateral Arrangements, are included in the balance sheet item Other liabilities.

Off-balance-sheet commitments and liabilities**Investment commitments**

Private equity funds	2,201,128,247.99	1,711,169,472.27
Other	80,380,504.08	75,670,993.99

Derivative contracts**Non-hedging****Interest derivatives****Future and forward contracts**

Open, underlying instrument fair value	-1,344,701,390.76	-2,005,465,721.64
	0.00	0.00

Option contracts

Open, bought, underlying instrument fair value	19,311,578,549.94	23,549,788,680.84
	377,367,652.49	337,501,448.57
Open, written, underlying instrument fair value	-14,034,446,566.74	-23,465,052,847.78
	-81,756,397.26	-87,900,321.16

Interest rate and credit default swaps

Open, underlying instrument fair value	1,507,827,281.46	-272,265,946.61
	-5,229,515.20	-96,791,295.33

Currency derivatives**Forward contracts**

Open, underlying instrument fair value	12,587,372,959.96	8,047,720,332.92
	78,228,177.48	76,258,344.50
Closed, fair value	-64,443,710.97	8,252,134.93

Option contracts

Open, bought, underlying instrument fair value	10,844,849,208.64	12,142,410,200.88
	1,063,570,636.62	1,291,770,923.50
Open, written, underlying instrument fair value	-4,618,284,079.04	-3,732,416,184.44
	-251,845,669.70	-164,005,360.95

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	-106,847,984.74	-112,127,874.50
	0.00	-9,240,511.07

Option contracts

Open, bought, underlying instrument fair value	7,204,378,779.32	3,553,195,994.69
	310,859,664.16	226,442,999.69
Open, written, underlying instrument fair value	-5,472,682,702.45	-2,573,130,423.28
	-136,627,631.63	-165,066,347.57

Total returns swaps

Open, underlying instrument fair value	0.00	57,716.52
	10,663.50	57,703.97

Other derivatives**Future and forward contracts**

Open, underlying instrument fair value	146,897,985.92	58,239,135.14
	40,188,890.66	51,945,235.80

Option contracts

Open, bought, underlying instrument fair value	186,006,399.17	608,164,510.56
	73,163,451.32	44,715,872.83
Open, written, underlying instrument fair value	-95,004,269.04	-86,690,548.36
	-6,205,400.00	-7,499,748.00

Total returns swaps

Open, underlying instrument fair value	3,333,747,680.19	1,286,305,001.10
	7,212,567.59	-16,779,818.63

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

18. SECURITIES AND FINANCIAL COMMITMENTS, PARENT COMPANY 31 DEC**2016****2015****Valuation principles**

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.

Amount of joint and several liability

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.

VAT deduction refund liabilities

4,000,516.00

4,813,503.00

Rent liabilities (incl. leasing liabilities)

Due in the next year

882,460.42

921,677.17

Due in subsequent years

931,132.19

997,189.45

19. SOLVENCY CAPITAL 31 DEC	2016	2015
Capital and reserves after proposed distribution of profits	103,880,473.18	99,495,636.02
Accumulated appropriations	5,123,563.71	4,848,919.39
Provision for future bonuses	1,522,579,329.00	1,683,855,277.00
Difference between current value and book value of assets	5,964,232,296.16	5,468,434,939.89
Equalisation provision	927,641,091.00	1,048,636,883.00
Off-balance-sheet commitments*	-22,081,558.00	-19,309,813.00
Intangible assets	-41,373,869.99	-41,755,302.65
	8,460,001,325.06	8,244,206,539.65
Minimum solvency capital required under the Employee Pension Insurance Companies Act (TVYL), sector 17	1,409,341,047.00	1,348,077,207.00

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

KEY FIGURES IN BRIEF	2016	2015	2014	2013	2012
Premiums written, EUR mill.	4,301.8	4,268.7	4,167.4	4,086.9	4,019.3
Pensions and other payments made, EUR mill. ¹⁾	4,594.1	4,441.6	4,350.9	4,145.5	3,847.8
Net return on investments at fair value, EUR mill.	1,743.3	2,070.6	2,188.4	2,915.3	2,048.4
ROCE, %	4.8	6.0	6.8	9.8	7.5
Turnover, EUR mill.	5,573.4	6,885.2	5,716.9	5,900.7	5,269.2
Total operating expenses, EUR mill.	147.2	150.7	149.8	143.4	144.0
Total operating expenses, % of turnover	2.6	2.2	2.6	2.4	2.7
Operating expenses covered by loading income	107.6	109.1	108.1	105.6	108.7
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.	405.2	474.3	884.5	1,489.0	931.2
Technical provisions, EUR mill.	31,458.7	30,630.2	28,402.3	27,188.9	25,585.9
Solvency capital, EUR mill. ²⁾	8,460.0	8,244.2	7,904.5	7,122.6	5,752.4
% of technical provisions ³⁾	29.2	29.6	29.8	28.0	23.9
in relation to solvency border	2.00	2.04	1.99	1.94	2.16
Equalisation provision, EUR mill.	927.6	1,048.6	1,016.5	971.0	986.0
Pension assets, EUR mill. ⁴⁾	37,422.9	36,098.7	34,388.5	32,513.3	29,781.9
Transfer to client bonuses, % of TyEL payroll	0.61	0.59	0.56	0.51	0.37
TyEL payroll, EUR mill.	16,788.0	16,651.0	16,713.8	16,843.0	16,694.2
YEL payroll, EUR mill.	1,470.6	1,484.6	1,482.4	1,433.1	1,366.9
TyEL policies ⁵⁾	38,131	38,354	38,487	38,237	37,462
Employees insured under TyEL	502,000	500,500	510,800	528,900	529,400
YEL policies	61,486	61,851	61,941	60,612	58,776
Pensioners	329,323	323,172	318,867	313,962	307,934

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

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

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

⁴⁾ Technical provisions + differences between current and book values

⁵⁾ Insurance policies of employers that have concluded insurance contracts

Key figures and analyses

PERFORMANCE ANALYSIS, EUR mill.	2016	2015	2014	2013	2012
Source of profits					
Technical underwriting result	-35.5	32.2	45.7	-14.8	-7.0
Return on investments at fair value	410.5	406.8	804.8	1,468.6	911.3
+ Net return on investments at fair value	1,743.3	2,070.6	2,188.4	2,915.3	2,048.4
- Return requirement on technical provisions	-1,332.7	-1,663.8	-1,383.6	-1,446.7	-1,137.1
Loading profit	36.1	35.4	34.0	35.1	27.0
Other profit*	-5.9	-	-	-	-
Total result	405.2	474.3	884.5	1,488.9	931.3
Tuloksen käyttö					
Increase/decrease solvency (+/-)	300.1	371.5	791.5	1,403.0	869.2
Change in equalisation provision included in the solvency capital	-38.7	27.3	45.3	-14.8	-10.9
Change in provision for future bonuses	-161.8	855.0	80.0	285.3	59.8
Change in difference between current and book values	495.8	-517.8	661.8	1,128.4	817.1
Change in accumulated appropriations	0.3	1.7	0.2	0.3	0.2
Profit for the financial year	4.5	5.3	4.3	3.8	3.0
Change in TEL supplementary pension insurance equalisation provision	3.2	4.8	0.0	0.0	0.0
Transfer to client bonuses	102.0	98.0	93.0	86.0	62.0
Total	405.2	474.3	884.5	1,489.0	931.2

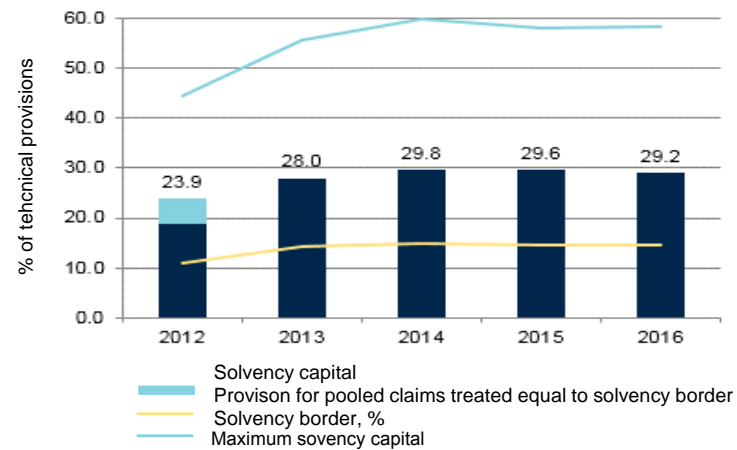
*Other result includes other interest items and other income and expenses. In 2012–2015 the other result is included in the investment income.

Solvency	2016	2015	2014	2013	2012
Solvency capital and limits					
(% of the technical provision used in calculating the solvency border)					
	%	%	%	%	%
Solvency border	14.6	14.5	15.0	14.4	11.1
Maximum solvency capital ¹⁾	58.3	58.0	59.8	57.8	44.4
Solvency capital before equalisation provision ²⁾	26.1	25.9	26.0	24.2	
Solvency capital (solvency ratio) ¹⁾	29.2	29.6	29.8	28.0	23.9

¹⁾ Until 2012 maximum solvency capital

²⁾ Reported since 2013

³⁾ 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						
	31.12.2016	31.12.2015	31.12.2016	31.12.2015	31.12.2014	31.12.2013	31.12.2012		
	EUR mill.	%	EUR mill.	%	EUR mill.	% ⁹⁾	% ^{9) 10)}	% ^{9) 10)}	% ^{9) 10)}
Fixed-income investments total	15,720.7	42.2	15,564.3	43.4	13,161.1	35.4	35.8	40.3	41.5
Loan receivables ¹⁾	1,007.4	2.7	1,088.5	3.0	1,007.4	2.7	3.0	4.2	5.5
Bonds	13,722.0	36.9	14,006.6	39.1	7,146.1	19.2	27.2	13.7	20.4
Other money market instruments and deposits ^{1) 2)}	991.3	2.7	469.3	1.3	5,007.6	13.5	5.5	22.4	15.6
Equities and shares total	15,321.8	41.2	14,398.6	40.2	15,326.8	41.2	41.1	41.8	42.9
Listed equities and shares ³⁾	12,053.5	32.4	11,393.6	31.8	12,058.4	32.4	32.7	33.5	35.1
Private equity investments ⁴⁾	2,303.5	6.2	2,003.1	5.6	2,303.5	6.2	5.6	4.9	4.5
Non-listed equities and shares ⁵⁾	964.8	2.6	1,001.9	2.8	964.8	2.6	2.8	3.4	3.3
Real estate investments total	4,199.6	11.3	3,935.5	11.0	4,199.6	11.3	11.0	10.9	11.3
Direct real estate investments	3,744.0	10.1	3,427.8	9.6	3,744.0	10.1	9.6	9.5	9.6
Real estate funds and joint investments	455.6	1.2	507.7	1.4	455.6	1.2	1.4	1.4	1.7
Other investments total	1,972.2	5.3	1,942.5	5.4	5,392.4	14.5	9.2	6.2	5.0
Hedge fund investments ⁶⁾	1,063.0	2.9	670.8	1.9	1,063.0	2.9	1.9	1.5	1.3
Commodity investments	-9.9	0.0	-7.8	0.0	136.5	0.4	0.2	0.2	-0.1
Other investments ⁷⁾	919.1	2.5	1,279.6	3.6	4,193.0	11.3	7.1	4.5	3.8
Investments total	37,214.4	100.0	35,841.0	100.0	38,079.9	102.3	97.0	99.2	100.7
Effect of derivatives ⁸⁾					-865.5	-2.3	3.0	0.8	-0.7
Investment return at current value total	37,214.4	100.0	35,841.0	100.0	37,214.4	100.0	100.0	100.0	100.0
Motified duration of bonds	0.6		0.8				-0.9	0.2	0.7

¹⁾ Includes accrued interest

²⁾ Includes cash at bank and in hand and consideration receivables and debt

³⁾ Also includes mixed funds unless they can be allocated elsewhere

⁴⁾ Includes private equity funds, mezzanine funds and infrastructure investments

⁵⁾ Also includes unlisted real estate investment companies

⁶⁾ Includes all types of hedge fund units regardless of the fund's strategy

⁷⁾ Includes items that cannot be allocated to other investment classes

⁸⁾ Includes the effect of derivatives on the difference between risk and basic breakdown

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

¹⁰⁾ 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	31.12.2016			31.12.2015	31.12.2014	31.12.2013	31.12.2012
	Market value ⁸⁾	Capital employed ⁹⁾	ROCE	ROCE ¹⁰⁾	ROCE ¹⁰⁾	ROCE ¹⁰⁾	ROCE ¹⁰⁾
	EUR mill.	EUR mill.	%	%	%	%	%
Return EUR/ROCE							
Fixed-income investments total	589.4	16,168	3.6	1.2	2.4	4.5	6.9
Loan receivables ¹⁾	36.7	1,128	3.3	3.7	4.3	4.0	3.4
Bonds	506.6	14,246	3.6	0.9	1.7	5.3	8.3
Other money market instruments and deposits ^{1) 2)}	46.1	794	5.8	3.5	9.0	0.0	1.9
Equities and shares total	924.8	14,126	6.5	11.6	10.9	20.9	9.5
Listed equities and shares ³⁾	397.0	11,202	3.5	10.6	9.8	21.9	9.1
Private equity investments ⁴⁾	337.8	1,999	16.9	21.3	16.3	9.8	15.4
Non-listed equities and shares ⁵⁾	190.0	925	20.5	4.8	14.0	28.6	5.4
Real estate investments total	253.1	3,982	6.4	7.8	5.4	4.8	5.1
Direct real estate investments	235.9	3,503	6.7	7.0	4.9	5.0	5.6
Real estate funds and joint investments	17.2	479	3.6	13.0	8.5	3.2	2.2
Other investments total	-15.1	1,723	-0.9	10.3	17.7	-5.8	5.1
Hedge fund investments ⁶⁾	42.8	760	5.6	12.8	6.8	5.6	7.7
Commodity investments	-0.6	0	-159.8	-344.0	76.1	0.0	0.0
Other investments ⁷⁾	-57.3	962	-6.0	13.0	21.8	0.0	0.0
Investments total	1,752.2	35,998	4.9	6.1	6.8	9.8	7.5
Unallocated income, costs and operating expenses	-8.9		0.0				
Investment return at current value total	1,743.3	35,998	4.8	6.0	6.8	9.8	7.5

¹⁾ Includes accrued interest

²⁾ Includes cash at bank and in hand and consideration receivables and debt

³⁾ Also includes mixed funds unless they can be allocated elsewhere

⁴⁾ Includes private equity funds, mezzanine funds and infrastructure investments

⁵⁾ Also includes non-listed real estate investment companies

⁶⁾ Includes all types of hedge fund units regardless of the fund's strategy

⁷⁾ Includes items that cannot be allocated to other investment classes

⁸⁾ 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

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

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

LOADING PROFIT, EUR mill.	2016	2015	2014	2013	2012
Expense loading components	134.9	135.9	133.2	131.5	126.6
Premium components available to be used to cover operating expenses resulting from claims settlements					6.8
Other income	1.2	1.4	1.9	2.2	2.2
Total loading income	143.7	144.5	142.1	140.7	135.6
Activity-based operating expenses ¹⁾	-107.6	-109.1	-108.1	-105.6	-108.7
Other expenses	0.0	0.0	0.0	0.0	0.0
Total operating expenses	-107.6	-109.1	-108.1	-105.6	-108.7
Loading profit, total	36.1	35.4	34.0	35.1	26.9
Operating expenses as a percentage of loading income	74.9 %	75.5 %	76.0 %	75.0 %	80.1 %

¹⁾ Excluding operating expenses from investment activities and activities to maintain ability to work and statutory charges

DISABILITY RISK MANAGEMENT, EUR mill.	2016	2015	2014	2013	2012
Premiums written; disability risk administrative cost component	5.0	4.9	5.0	5.0	5.0
Claims incurred; work capacity maintenance	4.7	5.1	5.7	4.3	5.1
Disability risk administrative cost component result ²⁾	4.8	4.9	4.6	4.6	2.4
Work capacity maintenance expenses / Disability risk administrative cost component, %	94.8 %	104.1 %	115.3 %	86.9 %	102.6 %

²⁾ As of 2016, does not include personnel costs related to the management of the disability risk of the company's own personnel.

UNDERWRITING RESULT, EUR million	2016	2015	2014	2013	2012
Net premiums written	569.9	625.6	647.9	576.6	652.3
Interest on net technical provisions	727.4	701.3	676.3	653.3	635.9
Total technical underwriting profit	1,297.3	1,327.0	1,324.2	1,229.9	1,288.1
Funded pensions paid	923.0	867.2	819.9	773.4	736.6
Premium loss	9.1	11.6	14.9	16.5	12.9
Net change in technical provisions	400.7	415.9	443.7	454.8	545.7
Total claims expenditure	1,332.8	1,294.8	1,278.5	1,244.6	1,295.2
Underwriting result	-35.5	32.2	45.7	-14.8	-7.0

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 the targeted benefits, they are avoided through financially reasonable methods.

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

2.1 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.

2.2 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.

2.3 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.

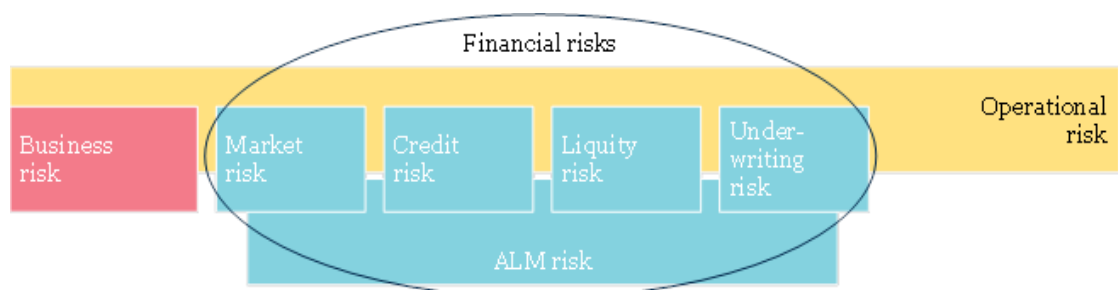
3 Risks and their classification

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

5.1 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 responsibility 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 old-age pension business risk is the deviation of the actual mortality from the expected mortality. Part of the old-age pension is funded during the active period as the pension accrues. The amount of accrued pension liability depends on the expected mortality. When the actual mortality deviates from the assumption, the funded pension turns into either profit or loss for the company. The expected mortality applied in the old-age pension business 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 2017, 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.

5.2 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 2016, Ilmarinen's TyEL insurance equalisation provision amounted to EUR 905.2 million, or 5.4 per cent of the payroll, and 70 per cent of the equalisation provision upper limit. Taking into account other insurance categories, the company's equalisation provision totalled EUR 972.6 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.

5.3 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, it directly reduces, as of the beginning of 2017, the company's solvency capital, which reduces 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.

5.4 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.

5.5 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 1 per cent or reduce them by a maximum of 20 per cent. The upper limit was exceeded at the end of 2016 and the resulting excess was mainly used to fund the mortality base change with the surplus remaining in the equalisation provision.

5.6 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 20 per cent weight (15 per cent in 2017). 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 2016, the total return requirement calculated on Ilmarinen's technical provisions was 4.3 per cent, of which the return tied to the equity linked buffer was 0.6 per cent. A 3.7 per cent return was credited on the remaining technical provisions.

5.7 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. Roughly one third of the technical provisions are of a duration of less than 10 years, one third between 10 and 20 years and one third more than 20 years. The technical provisions must be covered at all times with assets according to the regulations. The financial statements for 2016 showed a total of EUR 37,285.8 million of such assets suitable for covering the technical provisions, which exceeded the amount of technical provisions to be covered by around 18 per cent.

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

	Financial statements 31 Dec 2016		Financial statements 31 Dec 2015	
	EUR mill.	%	EUR mill.	%
Future old-age pension liability	14,047	48	13,180	48
Future disability pension liability	317	1	314	1
Current old-age pension liability	9,064	31	8,591	31
Current disability pension liability	1,234	4	1,287	5
Equalisation provision	905	3	1,029	4
Provision for pooled claims	3,687	13	2,910	11
Total (TyEL, other than provision for future and current bonuses)	29,254	100	27,309	100
Provision for future bonuses	1,523		1,685	
Provision for current bonuses	102		98	
Equity linked buffer	285		1,235	
Total TyEL insurance	31,164		30,327	
Other than TyEL insurance technical provisions	295		303	
Total technical provisions	31,459		30,630	

6 Investment risks and their management

6.1 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.

6.2 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 ending 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 regulations that came into force in 2016, 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.

6.3 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 investments. 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 2016 was EUR 8,2460 (8,244) million and its solvency limit was 14.6 (14.5) 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 29.2 (29.6) per cent. Ilmarinen's solvency position, i.e. the ratio of the solvency capital to the solvency limit was thus 2.00 (2.04). 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.

6.4 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.

6.5 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 -10%	Current value of real estate -10%
Effect		
- on solvency capital (€ mill.)	-1,071.2	-412.6
- on solvency position	-0.18	-0.10
- on return percentage (percentage units)	-3.8	-1.2
- on solvency ratio (percentage units)	-3.7	-1.4

If the investments on 31 December 2016 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 1,548 million within one month. This Value at Risk was 4.2 per cent of the amount of investments and 18.3 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 25.2 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 71 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.

6.6 Investment portfolio allocation by asset class

The breakdown of Ilmarinen's investments into main asset classes on 31 December 2016 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.

	Basic breakdown at current value, EUR mill.	Risk breakdown at current value, EUR mill.	ROCE	Volatility, %
Fixed-income investments	15,721	13,161	1.2	
Loan receivables	1,007	1,007	3.7	
Bonds	13,722	7,146	0.9	1.8
- Public corporation bonds	4,140	3,082	0.0	
- Other bonds	9,582	4,064	1.3	
Other money market instruments and deposits	991	5,008	3.5	
Equities and shares	15,322	15,327	11.6	
Listed equities and shares	12,054	12,058	10.6	14.7
Private equity investments	2,304	2,304	21.3	
Non-listed equities and shares	965	965	4.8	
Real estate investments	4,200	4,200	7.8	
Direct real estate investments	3,744	3,744	7.0	
Real estate funds and joint investments	456	456	13.0	
Other	1,972	5,392	10.3	
Hedge fund investments	1,063	1,063	12.8	7.9
Commodity investments	-10	136	-	
Other investments	919	4,193	13.0	
Investments total, %	0	102		
Effect of derivatives, %	0	-2		
Total investments at current value, %	100.0	100.0		
Total investments at current value, EUR mill.	37,214	37,214		5.1
Net investment return at current value, %			4.8	

The modified duration of bonds on 31 December 2016 was 0.6 (0.8) years.

Breakdown of Ilmarinen's investments into solvency groups pursuant to the Solvency Act			
Group	Expected return %	Volatility %	Investments, % 31 Dec 2016
I	3.6	0.8	-5.4
II	4.9	6.4	31.3
III	7.2	10.7	11.1
IV	8.8	20.5	40.7
V	7.5	16.8	22.3

Breakdown of investments in listed equities and shares			Breakdown of credit rating of bonds including fixed-income funds		
	Share, %			Share, %	
	2016	2015		2016	2015
Finland	27	27	AAA	27	22
Europe	33	47	AA	9	16
USA	21	16	A	11	17
Japan	6	4	BBB or worse	44	38
China	4	3	Not rated	9	7
Other	10	4			

Breakdown of loan portfolio by collateral		
EUR mill.	2016	2015
Loans with real security	697.9	645.6
Loans with guarantee	181.7	175.1
Loans to guarantor corporations	0.9	1.4
Unsecured	119.8	259.0
Interest receivables	7.2	7.4
Total	1,007.4	1,088.5

Structure of real estate investments		Share, %	
		2016	2015
Residential premises		17	15
Office premises		21	22
Commercial premises		8	9
Hotels		9	8
Warehouse premises		6	7
Other		7	7
Financial holding company, domestic		8	9
Financial holding company, foreign		13	10
Indirect investments		11	13

The occupancy rate of the real estate portfolio (locations under renovation excluded) was 88.5 per cent (90.6 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

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PROFIT AND LOSS ACCOUNT, GROUP		2016		2015	
TECHNICAL ACCOUNT					
Premiums written	<u>1</u>		4,301,841,167.01		4,268,706,200.73
Investment income	<u>3</u>		21,369,448,830.78		16,613,746,891.38
Claims incurred					
Claims paid	<u>2</u>		-4,635,391,189.16		-4,480,316,155.52
Change in provision for claims outstanding					
Total change		-1,073,108,040.00		-797,732,755.00	
Portfolio transfers		-25,125.00		23,660,698.00	
Insurance portfolio transfers		-1,082,367.00	-1,074,215,532.00	-32,677,953.00	-806,750,010.00
			-5,709,606,721.16		-5,287,066,165.52
Change in provision for unearned premiums					
Total change			244,683,553.00		-1,430,250,782.00
Portfolio transfers			-386,625.00		42,374,207.00
Insurance portfolio transfers			2,059,004.00	246,355,932.00	-91,381,464.00
					-1,479,258,039.00
Operating expenses	<u>4</u>		-83,445,364.92		-88,470,089.01
Investment charges	<u>3</u>		-20,141,986,313.83		-14,013,957,000.73
Balance on technical account			-17,392,470.11		13,701,797.85
NON-TECHNICAL ACCOUNT					
Balance on technical account			-17,392,470.11		13,701,797.85
Other income			2,639,604.45		2,544,211.46
Income taxes on ordinary activities			-12,021,446.86		-11,381,257.12
Profit/loss on ordinary activities			-26,774,312.52		4,864,752.19
Minority interests			843,673.11		-337,390.11
Profit/loss for the financial year			-25,930,639.41		4,527,362.08

BALANCE SHEET, GROUP 31 DEC 2015		2016		2015	
ASSETS					
Intangible assets	13				
Intangible rights		36,482,825.65		23,283,082.08	
Prepayments		0.00	36,482,825.65	12,533,105.15	35,816,187.23
Investments	6				
Real estate	8				
Real estate and real estate shares		2,415,023,590.11		2,182,430,514.99	
Loans to participating interests		353,996,053.21	2,769,019,643.32	327,612,019.81	2,510,042,534.80
Investments in participating interests					
Shares and participations in participating interests	9	92,535,260.73		99,686,896.37	
Loans to participating interests		141,396,329.33	233,931,590.06	152,373,937.33	252,060,833.70
Other investments					
Shares and participations	10	15,605,151,250.68		14,198,543,877.80	
Money market instruments		11,596,291,070.36		12,931,961,736.85	
Loans quaranteed by mortgages		467,413,203.42		399,730,598.56	
Other loans	12	390,609,076.30		528,982,072.70	
Deposits		0.00	28,059,464,600.76	100,068,444.44	28,159,286,730.35
			31,062,415,834.14		30,921,390,098.85
Receivables					
Direct insurance operations					
Policyholders		878,307,361.32		812,853,209.27	
Other receivables		4,216,016,893.87	5,094,324,255.19	3,142,573,790.39	3,955,426,999.66
Other assets					
Tangible assets	13				
Furniture and fixtures		2,055,925.15		2,030,306.94	
Other tangible assets		1,700,224.26	3,756,149.41	1,700,224.26	3,730,531.20
Cash at bank and in hand			1,050,893,611.51		601,332,064.43
			1,054,649,760.92		605,062,595.63
Prepayments and accrued income					
Accrued interests and rent		151,179,712.76		172,167,575.03	
Other prepayments and accrued income		81,538,168.49	232,717,881.25	64,575,502.10	236,743,077.13
Total assets			37,480,590,557.15		35,754,438,958.49

BALANCE SHEET, GROUP 31 DEC 2015		2016		2015	
LIABILITIES					
Capital and reserves	14				
Initial fund		22,994,653.31		22,994,653.31	
Other reserves					
Funds and reserves under the Articles of Association		76,506,266.71		71,248,889.97	
Other funds		584,855.10	77,091,121.81	584,855.10	71,833,745.07
Profit/loss brought forward		-85,010,696.79		-84,235,966.13	
Profit/loss for the financial year		-25,930,639.41	-10,855,561.09	4,527,362.08	15,119,794.33
Minority interests			7,111,081.55		7,800,649.29
Technical provisions	15				
Provision for unearned premiums		16,371,776,053.00		16,616,459,606.00	
Provision for claims outstanding		15,086,887,182.00	31,458,663,235.00	14,013,779,142.00	30,630,238,748.00
Liabilities					
Direct insurance operations		743,353,190.93		737,700,695.63	
Other liabilities		4,853,146,282.13	5,596,499,473.06	3,837,797,260.55	4,575,497,956.18
Accruals and deferred income			429,172,328.63		525,781,810.70
Total liabilities			37,480,590,557.15		35,754,438,958.49

CASH FLOW STATEMENT, GROUP	2016	2015
Cash flow from operations		
Profit /loss on ordinary activities	-26,774,312.52	4,864,752.19
Adjustments		
Change in technical provisions	828,424,487.00	2,227,983,537.00
Impairments and revaluations on investments	639,691,679.40	572,012,376.52
Planned depreciations	65,405,848.21	59,791,954.95
Other adjustments	-999,598,278.42	-2,545,550,378.50
Cash flow before change in working capital	507,149,423.67	319,102,242.16
Change in working capital		
Short-term non-interest-bearing receivables increase(-) / decrease	-1,134,872,059.66	-358,688,202.64
Short-term non-interest-bearing receivables increase(-) / decrease	924,392,034.81	855,512,753.60
Cash flow from operations before financial items and taxes	296,669,398.82	815,926,793.13
Direct taxes paid	-12,021,446.86	-11,381,257.12
Cash flow from operations	284,647,951.96	804,545,536.01
Cash flow from investments		
Asset purchase (exl. financial assets)	-24,767,247,693.49	-25,729,797,683.51
Capital gains on investments (exl. financial assets)	24,938,972,901.57	25,004,140,517.83
Investments and capital gains (net) on intangible, tangible and other assets	-6,766,896.96	-7,210,332.48
Cash flow from investments	164,958,311.12	-732,867,498.16
Cash flow from financing		
Other profit distribution	-44,716.00	-15,875.00
Cash flow from financing	-44,716.00	-15,875.00
Change in financial resources	449,561,547.09	71,662,162.85
Financial resources at the start of the financial year	601,332,064.43	529,669,901.63
Financial resources at the end of the financial year	1,050,893,611.51	601,332,064.43

1. SPECIFICATION OF PREMIUMS WRITTEN, GROUP	2016			2015		
Direct insurance						
TyEL basic coverage						
Employer contribution	2,990,396,575.10			2,973,050,828.83		
Employee contribution	1,015,676,544.00	4,006,073,119.10		997,381,620.00	3,970,432,448.83	
TyEL supplementary coverage		1,800,408.66			2,210,735.64	
YEL minimum coverage		334,488,236.76	4,342,361,764.52		339,716,843.18	4,312,360,027.65
Transition contribution to the State Pension Fund			-39,830,529.51			-43,016,807.92
Reinsurance			1,639.00			1,793.00
Premiums written before reinsurers' share			4,302,532,874.01			4,269,345,012.73
Reinsurers' share			-691,707.00			-638,812.00
Premiums written			4,301,841,167.01			4,268,706,200.73
Items deducted from premiums written						
Credit loss on outstanding premiums						
TyEL	-9,191,168.17			-11,333,789.77		
YEL	-2,034,627.06		-11,225,795.23	-2,211,281.96		-13,545,071.73

2. SPECIFICATION OF CLAIMS PAID, GROUP	2016			2015		
Direct insurance						
Paid to pensioners						
TyEL basic coverage	4,209,481,914.78			4,071,110,625.77		
TEL supplementary coverage	57,508,388.68			60,037,326.62		
YEL minimum coverage	377,900,795.50			364,114,911.17		
YEL supplementary coverage	1,617,427.43	4,646,508,526.39		1,669,766.59	4,496,932,630.15	
Payments to/refunds from the provision for clearing PAYG pensions						
TyEL pensions	176,633,500.81			198,343,866.50		
YEL pensions	2,669,190.38			4,695,125.24		
Share of the unemployment insurance fund insurance contribution and division of the costs of pension components accrued on the basis of unsalaried periods	-187,230,599.83			-229,085,674.35		
YEL government share	-43,134,180.77			-28,124,157.84		
State compensation pursuant to VEKL	-676,069.07	-51,738,158.48	4,594,770,367.91	-572,572.09	-54,743,412.54	4,442,189,217.61
Reinsurance			36,570,919.38			33,624,918.73
Expenses incurred from disability risk management			4,729,202.87			5,131,548.18
Claims before reinsurers' share			4,636,070,490.16			4,480,945,684.52
Reinsurers' share			-679,301.00			-629,529.00
Total claims paid			4,635,391,189.16			4,480,316,155.52

3. SPECIFICATION OF NET INVESTMENT INCOME, GROUP	2016	2015
Investment income		
Income from participating interests		
Share of profit/loss of associated companies	-5,129,851.53	-5,016,012.66
Dividend income from other participating interests	30,273.83	30,273.83
Interest income from other participating interests	5,130,370.57	6,022,120.28
	30,792.87	1,036,381.45
Income from investments in real estate		
Share of profit/loss of associated companies	-13,917,305.68	-1,105,956.49
Dividend income other than group companies	261,169.17	13,624.54
Interest income other than group companies	23,227,276.52	11,966,212.73
Other income other than group companies	196,866,732.20	210,931,223.49
	206,437,872.21	221,805,104.27
Other income		
Dividend income other than group companies	385,231,473.66	308,411,055.06
Interest income other than group companies	438,900,056.08	348,216,816.16
Other income other than group companies	2,440,955,196.96	2,102,644,989.43
	3,265,086,726.70	2,759,272,860.65
Total	3,471,555,391.77	2,982,114,346.37
Value readjustments	184,658,104.95	164,342,049.51
Capital gains	17,713,235,334.06	13,467,290,495.50
Total	21,369,448,830.78	16,613,746,891.38
Investment charges		
Charges on real estate investments	-82,568,207.34	-78,591,360.32
Charges on other investments	-2,330,111,136.08	-2,167,123,906.86
Interest charges and other charges on liabilities		
To other than group companies	-144,010,369.40	-65,907,672.67
	-144,010,369.40	-65,907,672.67
Total	-2,556,689,712.82	-2,311,622,939.85
Value adjustments and depreciation		
Value adjustments	-824,349,784.35	-736,354,426.03
Planned depreciation on buildings	-59,331,207.88	-55,620,774.97
	-883,680,992.23	-791,975,201.00
Capital loss	-16,701,615,608.78	-10,910,358,859.88
Total	-20,141,986,313.83	-14,013,957,000.73
Net investment income before revaluations and their adjustments	1,227,462,516.96	2,599,789,890.65
Net investment income in the profit and loss account	1,227,462,516.96	2,599,789,890.65

4. SPECIFICATION OF OPERATING EXPENSES, GROUP	2016	2015
Total operating expenses by activity		
Claims paid		
Claims handling expenses	36,570,919.38	33,624,918.73
Expenses incurred from disability risk management	4,729,202.87	5,131,548.18
Operating expenses		
Acquisition costs		
Commissions, direct insurance	1,498,335.25	1,373,587.99
Other policy acquisition costs	11,755,248.52	11,366,784.22
Administrative expenses;		
Statutory charges:		
Cost component of the Finnish Pension Centre		
Judicial administration charge	8,790,220.78	9,583,127.55
Supervision charge of the Insurance Supervisory Authority	898,950.40	951,362.62
Finanssivalvonnän valvontamaksu	650,369.14	577,027.40
Other administrative expenses	10,339,540.32	11,111,517.57
Operating expenses total	16,483,647.63	19,804,453.40
Investment charges		
Costs on real estate investment	2,573,700.96	3,907,529.98
Costs on other investment	22,034,391.19	21,535,881.71
Total operating expenses		
	149,353,579.32	152,669,967.61

5. SPECIFICATION OF STAFF EXPENSES AND MEMBERS OF CORPORATE ORGANS, GROUP	2016	2015
Staff expenses		
Salaries and bonuses	44,998,617.28	43,117,218.82
Pension expenditure	8,556,721.69	8,325,463.26
Other social security expenses	2,735,518.78	2,307,181.14
Change in reserves	-2,645,258.34	3,564,835.03
Total	53,645,599.41	57,314,698.25
 Salaries, bonuses and fringe benefits paid to management		
Managing director	951,668.42	1,206,780.63
Deputy managing director	303,625.55	267,028.72
Board members and deputy members	426,368.49	382,541.94
Members of Supervisory Board and deputy members	89,525.88	98,397.96
Total	1,771,188.34	1,954,749.25
 Pension commitments for the benefit of the executive management		
In addition to the statutory earnings-related pension, the President and CEO and his/her Deputy are covered by voluntary unit-linked defined-contribution supplementary pension insurance. The retirement age of Ilmarinen's President and CEO and Deputy CEO is 63 years. The costs resulting from the defined-contribution supplementary pension insurance are 20% of the annual earnings. The insurance contribution for the defined-contribution supplementary pension was altogether EUR 223,185.67 for 2016. Statutory earnings-related pension contributions have been paid on the remuneration paid to the members of the Board Directors and Supervisory Board.		
 Average staff number during the financial period	584	593
 Auditor's fee		
Auditing	214,661.65	259,411.77
Tax advice	27,567.47	44,025.71
Other services	62,784.80	3,148.66

6. INVESTMENTS, GROUP 31 DEC						
	2016			2015		
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	1,973,913,580.56	1,983,311,619.55	3,080,664,727.30	1,851,639,238.99	1,861,345,784.93	2,764,862,828.32
Shares in participating interest	421,881,357.50	421,881,357.50	474,082,890.38	310,758,611.14	310,758,611.14	324,985,819.96
Other shares in real estate	9,830,613.06	9,830,613.06	10,026,754.45	10,326,118.92	10,326,118.92	10,771,545.13
Loans to participating interests	353,996,053.21	353,996,053.21	359,796,985.82	327,612,019.81	327,612,019.81	331,443,745.64
Investments in participating interests						
Shares and participations in associated companies	92,022,623.93	92,022,623.93	120,098,519.34	99,174,259.57	99,174,259.57	111,802,607.48
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	141,396,329.33	141,396,329.33	141,396,329.33	152,373,937.33	152,373,937.33	152,373,937.33
Other investments						
Shares and participations	15,605,151,250.68	15,605,151,250.68	19,107,104,234.53	14,198,543,877.80	14,198,543,877.80	17,374,955,296.10
Money market instruments	11,596,291,070.36	11,596,291,070.36	11,863,748,050.81	12,931,961,736.85	12,931,961,736.85	13,092,031,815.33
Loans guaranteed by mortgages	467,413,203.42	467,413,203.42	467,413,203.42	399,730,598.56	399,730,598.56	399,730,598.56
Other loan receivables	390,609,076.30	390,609,076.30	390,609,076.30	528,982,072.70	528,982,072.70	528,982,072.70
Deposits	0.00	0.00	0.00	100,068,444.44	100,068,444.44	100,068,444.44
	31,053,017,795.15	31,062,415,834.14	36,015,453,408.48	30,911,683,552.91	30,921,390,098.85	35,192,521,347.79
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 (-)			-39,413,129.91			-33,634,796.33
Book value comprises						
Other revaluations			9,398,038.99			9,706,545.94
Difference between current and book value			4,953,037,574.34			4,271,131,248.94

7. INVESTMENTS, GROUP 31 DEC		2016		2015	
FAIR VALUE OF DERIVATIVES AND VALUATION DIFFERENCE	Book value	Current value	Book value	Current value	
Fair value of non-hedging derivatives and valuation difference					
Other receivables					
Price difference of derivatives	156,325,274.17	0.00	183,996,174.95	0.00	
Prepayments for option contracts	1,216,341,810.57	1,824,961,404.59	1,212,981,068.00	1,900,431,244.59	
Other debts					
Price difference of derivatives	-194,415,837.85	0.00	-261,187,843.72	0.00	
Prepayments for option contracts	-666,886,485.32	-476,435,098.59	-536,605,003.48	-424,471,777.68	
Other prepayments and debts					
Future and forward contracts and total return swaps	-279,861,930.13	55,967,073.06	-389,456,495.81	13,701,794.17	
	231,502,831.44	1,404,493,379.06	209,727,899.94	1,489,661,261.08	
Valuation difference, total		1,172,990,547.62		1,279,933,361.14	
CURRENT VALUE OF SHORT SELLING AND VALUATION GAIN/LOSS	Book value	Current value	Book value	Current value	
Current value of short selling and valuation gain/loss					
Other debts					
Liabilities on sold equity loans	-150,301,824.99	-149,951,874.35	-178,738,687.40	-173,797,805.05	
Valuation difference, total		349,950.64		4,940,882.35	

8. REAL ESTATE INVESTMENTS, GROUP 31 DEC		2016
	Real estate and real estate shares	Loans to participating interests
Changes in real estate investments:		
Acquisition cost Jan 1	2,757,067,898.16	328,354,610.53
Additions	363,540,330.02	140,276,633.54
Deductions	-70,951,131.88	-109,198,564.85
Acquisition cost Dec 31	3,049,657,096.30	359,432,679.22
Accumulated depreciation and amortisation Jan 1	-543,638,289.37	
Accumulated depreciation and amortisation on deductions and transfers	6,072,930.15	
Depreciation and amortisation for the financial year	-58,258,296.48	
Accumulated depreciation and amortisation Dec 31	-595,823,655.70	
Depreciations Jan 1	-44,910,337.90	-742,590.72
Impairments on deductions and transfers	5,632,430.86	0.00
Value adjustments for the financial year	-19,352,103.77	-4,984,197.30
Value readjustments	6,217,423.17	290,162.01
Depreciations Dec 31	-52,412,587.64	-5,436,626.01
Revaluations Jan 1	13,911,244.10	
Deductions	-308,506.95	
Revaluations Dec 31	13,602,737.15	
Book value Dec 31	2,415,023,590.11	353,996,053.21
Associated companies, the remaining consolidation 31 Dec 2016	5,976,208.90	
Owner-occupied properties and shares in real estate		
Remaining acquisition cost	39,969,471.13	
Book value	39,969,471.13	
Current value	59,045,044.09	

9. INVESTMENTS IN PARTICIPATING INTERESTS, GROUP	2016
Changes:	Shares and participations in participating interests
Acquisition cost Jan 1	99,686,896.37
Additions	2,876,103.99
Deductions	-10,027,739.63
Acquisition cost Dec 31	92,535,260.73
Book value Dec 31	92,535,260.73

10. SHARES AND PARTICIPATIONS, GROUP 31 DEC 2016

1/2

Shares in group companies	Domicile	Percentage of shares/votes
Real estate shares		
Housing and real estate companies (136 pieces) listed in the notes to the accounts		
Other		
Tietollmarinen Oy	Helsinki	30,00 / 70,00
Shares in participating interests		
Real estate shares		
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 Kiltterinmetsä	Vantaa	33,54 / 33,54
BOC Frankfurt Management S.a.r.l.	Munsbach	49,00 / 49,00
Col REO Victoria Office A S.a.r.l.	Luxenburg	49,00 / 49,00
HL Covent Garden	Bryssel	95,02 / 47,60
ILMA Sarl	Senningerberg	49,50 / 49,50
Kauppakeskus REDI GP Oy	Helsinki	30,18 / 30,18
Kiinteistö Oy Espoon Anna Sahlsténin katu 11B	Espoo	33,33 / 33,33
Kiinteistö Oy Espoon Runoratsunkatu 9	Espoo	33,33 / 33,33
Kiinteistö Oy Kemin Portti	Kemi	23,87 / 23,87
Kiinteistö Oy Kluuvin Pysäköinti	Helsinki	38,61 / 38,61
Kiinteistö Oy Uusi Espoon Perkkäantalo	Espoo	33,33 / 33,33
KSK Redi Ky	Espoo	30,00 / 0,00
Lappeenrannan Villimiehen Vitonen Oy	Lappeenranta	50,00 / 50,00
Mercada Oy	Helsinki	33,33 / 33,33
Porin Puuvilla Oy	Pori	50,00 / 50,00
PH Buildings	Amsterdam	99,99 / 50,00
PP Property Management Oy	Pori	49,00 / 49,00
Redi Parkki GP Oy	Helsinki	30,18 / 30,18
Runoratsun Pysäköinti Oy	Espoo	33,33 / 33,33
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
Other		
Kesk. Henkivakuutusyhtiö Suomen takuusuoksia	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
The Forest Company Limited	St. Peter Port	21,25 / 21,25

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 2016

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	Number of shares	Percentage of shares/votes	Book value, EUR	Current value, EUR
Other investments, shares and participations				
Domestic companies, listed				
Affecto Plc	1,088,461	4.85	3,069,460.02	3,069,460.02
Ahlstrom Corporation	382,674	0.82	5,724,803.04	5,724,803.04
Alma Media Corporation	2,177,095	2.64	10,950,787.85	10,950,787.85
Amer Sports Corporation	2,740,000	2.31	45,168,441.44	69,376,800.00
Apetit Plc	53,800	0.85	623,279.32	697,786.00
Asiakastieto Group Plc	175,000	1.16	2,532,250.00	3,370,500.00
Aspo Plc	1,000,676	3.23	6,816,154.60	8,185,529.68
Atria Plc	90,000	0.32 / 0.08	1,029,600.00	1,029,600.00
Basware Corporation	1,610,278	11.18	33,029,674.11	58,050,521.90
Bitium Corporation	1,296,529	3.63	4,105,784.74	7,351,319.43
CapMan Plc	10,898,500	7.60	13,514,140.00	13,514,140.00
Cargotec Corporation	861,953	1.33 / 0.57	18,962,472.04	36,917,446.99
Caverion Corporation	5,013,946	3.99	28,635,687.66	39,760,591.78
Citycon Corporation	63,470,695	7.13	122,502,914.67	147,886,719.35
Componenta Corporation	13,952,281	7.92	2,497,458.30	2,497,458.30
Comptel Corporation	2,236,368	2.05	2,663,475.90	5,300,192.16
Consti Group Plc	311,000	3.96	3,020,523.75	4,599,690.00
Cramo Plc	1,145,603	2.56	18,925,976.31	27,311,175.52
Detection Technology Plc.	554,000	4.13	2,842,020.00	7,744,920.00
Digia Plc	3,043,270	14.58	4,629,246.58	9,495,002.40
DNA Plc	6,370,335	4.81	40,342,820.29	64,658,900.25
Efore Plc	1,578,048	2.83	860,036.16	860,036.16
Elisa Corporation	1,929,586	1.15	42,090,399.98	59,411,952.94
Evli Bank Plc	150,592	0.65 / 0.02	1,002,942.72	1,002,942.72
Exel Composites Plc	342,733	2.88	1,630,423.72	1,723,946.99
F-Secure Corporation	1,502,835	0.95	3,351,486.90	5,184,780.75
Faron Pharmaceuticals Ltd	636,721	2.42	1,421,593.08	1,933,559.06
Finnair Plc	2,701,390	2.11	10,886,601.70	10,886,601.70
Fiskars Oyj Abp	1,202,500	1.47	15,082,907.74	21,164,000.00
Fortum Corporation	7,976,986	0.90	116,463,995.60	116,463,995.60
Herantis Pharma Plc	200,000	4.86	580,000.00	580,000.00
HKScan Oyj	218,298	0.4 / 0.14	696,370.62	696,370.62
Huhtamäki Oyj	1,895,318	1.76	36,338,792.72	66,961,584.94
Ilkka-Yhtymä Oyj	606,397	2.37	1,665,749.47	1,665,749.47
Incap Corporation	332,308	7.61	1,246,153.84	1,801,109.36
Innofactor Plc	1,550,000	4.71	1,286,927.50	1,767,000.00
Kemira Oyj	4,800,451	3.09	53,424,812.40	58,037,452.59
Kesko Corporation	1,990,632	1.99 / 1.45	65,880,212.27	92,889,393.12
Kone Corporation	4,300,860	0.82 / 0.36	101,903,113.98	182,786,550.00
Konecranes Plc	326,603	0.52	7,844,678.88	11,022,851.25
Lassila & Tikanoja Plc	934,836	2.40	10,207,723.61	17,948,851.20
Lemminkäinen Corporation	319,527	1.38	6,476,812.29	6,476,812.29
Marimekko Corporation	215,419	2.66	2,042,172.12	2,042,172.12
Martela Corporation	335,400	8.07 / 2.14	3,496,978.34	4,306,536.00
Metso Corporation	2,232,126	1.48	54,282,401.44	60,490,614.60
Metsä Board Corporation	16,327,817	4.59 / 8.05	65,282,297.49	110,739,690.04
Munksjö Oyj	4,101,899	8.03	33,130,142.20	64,440,833.29
Neste Corporation	4,820,849	1.88	84,051,221.76	175,960,988.50
Nixu Corporation	184,704	2.90	812,697.60	1,108,224.00
Nokia Corporation	29,820,440	0.51	136,040,847.28	136,040,847.28
Nokian Tyres plc	2,815,947	2.07	85,621,277.42	99,712,683.27
Olvi Plc	849,218	4.09 / 0.93	14,147,131.23	23,667,705.66
Oriola-KD Corporation	7,601,950	4.19 / 6.16	15,670,224.83	32,240,050.44
Orion Corporation	1,974,695	1.40 / 4.49	20,209,203.17	83,397,647.05
Outokumpu Oyj	8,060,673	1.94	42,202,858.40	68,193,293.58
Outotec Oyj	11,234,530	6.14	55,970,428.46	55,970,428.46
Pihlajalinna Plc	490,000	2.38	5,600,000.00	9,035,600.00
PKC Group Oyj	2,931,165	12.15	33,358,154.42	46,341,718.65
Ponsse Plc	392,666	1.40	3,288,005.71	9,416,130.68
Pöyry Plc	3,011,308	5.04	9,949,361.63	9,949,361.63
QT Group Plc	3,043,270	14.62	4,986,969.83	17,072,744.70
Raisio Plc	5,337,869	3.23 / 0.68	15,996,220.27	19,056,192.33
Ramirent Plc	3,445,154	3.17	23,774,102.68	25,425,236.52
Rapala VMC Corporation	408,899	1.05	1,684,663.88	1,684,663.88
Sampo plc	3,760,000	0.67	117,207,088.68	160,514,400.00
Sanoma Corporation	3,572,220	2.19	29,506,537.20	29,506,537.20
Scanfil plc	1,080,000	1.70	2,381,212.32	3,769,200.00
Siili Solutions Plc	213,000	3.08	497,000.00	1,746,600.00
SRV Yhtiöt Plc	308,003	0.51	1,666,296.23	1,666,296.23
SSH Communications Security Corporation	665,300	1.93	1,290,682.00	1,290,682.00
Stockmann plc	1,720,160	2.39 / 0.99	12,126,156.90	12,126,156.90
Stora Enso Oyj	17,273,929	2.19 / 2.05	152,052,256.52	177,131,422.47
Suominen Corporation	3,251,811	6.29	10,678,978.93	13,462,497.54
Technopolis Plc	16,634,470	10.48	50,138,142.87	52,065,891.10
Teleste Corporation	1,084,475	5.71	9,500,001.00	9,500,001.00
Tieto Corporation	1,419,183	1.91	27,662,271.38	36,756,839.70
Tikkurila Oyj	2,458,938	5.57	37,702,008.68	46,301,802.54
Tokmanni Group Corporation	1,275,000	2.17	8,976,839.52	10,850,250.00
Tulikivi Corporation	3,720,562	6.21 / 2.88	762,715.21	762,715.21
UPM-Kymmene Corporation	7,314,789	1.37	87,360,285.54	171,092,914.71
Uponor Corporation	1,996,527	2.73	24,616,261.56	32,962,660.77
Vaisala Corporation	735,000	4.03 / 0.89	17,944,983.01	24,997,350.00
Valmet Corporation	3,388,055	2.26	22,591,537.73	47,263,367.25
Verkkokauppa.com Oyj	2,542,784	5.64	10,760,580.39	18,587,751.04
Vincit Group Plc	350,000	3.18	1,470,000.00	2,086,000.00
Wärtsilä Corporation	2,195,104	1.11	58,783,997.10	93,818,744.96
YIT Corporation	887,573	0.45	6,736,679.07	6,736,679.07
Other	1,279,643		126,026.09	126,026.09
Total			2,256,064,604	3,200,175,034
Domestic companies, non-listed				
Cinia Group Ltd	144,928	11.24	5,000,016	5,000,016
Enfo Oyj	12,322	1.86	859,818	1,096,658
Fingrid Oyj	661	19.88 / 17.15	135,726,628	221,953,473
Fira Oy	607,304	10.00	3,702,125	3,702,125
GreenStream Network Plc	1,450,000	17.18	849,110	849,110
H2H Performance Ltd B	37,127	1.16	1,499,994	1,499,994
Keliber Oy	70,929	9.40	1,804,078	2,837,160
Lounea Oy	1,093	1.16	596,249	596,249
M-Brain Oy	3,597	12.76	4,878,735	4,878,735

10. HOLDINGS IN OTHER COMPANIES, GROUP 31 DEC 2016

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MultiTaction Ltd	502,789	12,25	2,799,428	2,799,428
Mustavaaran Kaivos Oy	333,703	12.81	500,555	500,555
Osuuskunta KPY	761,900	13.73	12,115,578	15,999,900
PHP Holding Oy	3,568	1,76 / 0,25	3,696,242	3,696,242
Northern Power Company Ltd.	595,291	1.87	61,434,036	61,434,036
Porasto Oy	2,080	12.82	556,312	556,312
PRT-Forest Oy	6,000	10.02	3,616,336	3,616,336
Tornator Oyj	844,000	16.88	44,404,781	101,448,800
Visedo Oy	364,884	5.70	2,511,922	2,511,922
VVO-group plc	1338076	18,08	37,180,203	313,016,119
Other	32231857		1,953,740	1,953,740
Total			325,685,886	749,946,910

	Domicile	Number of shares	Percentage of shares/votes	Book value, EUR	Current value, EUR
Foreign companies, listed					
3M Company	United States	110,000	0.02	17488714.03	18646048.76
AB Electrolux	Sweden	350,000	0,11 / 0,09	7,834,557.28	8,302,538.60
AB Volvo	Sweden	1,000,000	0,05 / 0,02	9,998,110.39	11,148,913.90
ABB Ltd	Switzerland	120,000	0.01	1,974,059.69	2,415,702.70
ABB Ltd	Switzerland	217,700	0.01	4,354,405.44	4,354,405.44
AcadeMedia AB	Sweden	676,000	0.72	3,151,958.70	3,538,340.75
ACS Actividades de Construcción y Servicios, S.A.	Spain	40,000	0.01	1,007,504.99	1,200,400.00
Actelion Ltd	Switzerland	32,000	0.03	6,181,176.06	6,570,444.18
Activision Blizzard Inc	United States	275,000	0.04	9,420,595.77	9,420,595.77
Adecco Group AG	Switzerland	55,000	0.03	3,101,800.32	3,413,492.88
Adidas AG	Germany	112,706	0.05	12,465,309.59	16,872,088.20
Adobe Systems Inc.	United States	90,000	0.02	7,532,655.40	8,789,963.00
AECOM	United States	525,000	0.34	15,224,502.31	18,109,287.54
Ahlsell AB	Sweden	1,600,000	0.37	7,462,989.25	8,709,761.84
AIA Group Ltd	Hong Kong	2,600,000	0.02	13,914,202.88	13,914,202.88
Air Liquide S.A.	France	141,000	0.04	14,323,460.95	14,889,600.00
Akzo Nobel N.V.	Netherlands	172,431	0.07	9,504,417.98	10,235,504.16
Alibaba Group Holding Ltd	Cayman Islands	115,000	0.00	8,731,558.84	9,577,696.61
Allergan Inc.	Ireland	30,500	0.01	6,081,771.18	6,081,771.18
Allianz SE	Germany	79,000	0.02	9,453,973.16	12,384,040.00
Alphabet Inc.	United States	35,000	0,01 / 0,00	24,706,912.61	26,317,901.53
Alps Electric Co Ltd	Japan	450,000	0.23	8,235,805.40	10,294,570.50
Amazon.com Inc.	United States	13,000	0.00	7,916,698.21	9,249,843.47
Amgen, Inc.	United States	95,000	0.01	13,178,872.97	13,178,872.97
Anthem Inc	United States	77,000	0.03	10,199,908.31	10,502,855.52
Aperam S.A.	Luxembourg	100,000	0.13	3,220,194.05	4,342,500.00
Applied Materials Inc	United States	300,000	0.03	8,008,697.25	9,184,138.13
Arcus ASA	Norway	1,000,000	1.47	4,767,712.61	4,886,477.44
Asahi Group Holdings Ltd	Japan	400,000	0.08	11,803,954.11	11,961,102.11
ASICS Corporation	Japan	380,000	0.19	7,181,199.35	7,181,199.35
Assa Abloy AB	Sweden	740,000	0,07 / 0,05	10,827,459.56	13,130,594.09
Associated British Foods Plc	Great Britain	160,000	0.02	5,107,262.72	5,116,681.07
Atea ASA	Norway	260,162	0.25	2,055,989.21	2,261,954.59
Atlas Copco AB	Sweden	350,000	0,03 / 0,04	10,200,471.08	10,200,471.08
Atrium Ljungberg AB	Sweden	1,405,000	1,05 / 0,83	13,270,696.34	20,959,172.99
Attendo AB	Sweden	4,050,000	2.53	31,759,913.81	33,175,870.19
Autoliv Inc.	United States	50,000	0.06	4,816,257.04	5,422,664.22
AXA S.A.	France	2,353,000	0.10	51,017,350.74	56,424,940.00
Balfour Beatty Plc	Great Britain	500,000	0.07	1,564,507.46	1,564,507.46
Banco Santander S.A.	Spain	400,000	0.00	1,980,800.00	1,980,800.00
Bank of America Corporation	United States	800,000	0.01	14,214,131.50	16,802,959.87
Bank of China Ltd	China	17,500,000	0,01 / 0,01	7,363,824.30	7,363,824.30
Bank of Nova Scotia/The	Canada	150,000	0.01	6,307,075.02	7,903,862.42
Bankia S.A.	Spain	1,000,000	0.01	971,000.00	971,000.00
Barclays Plc	Great Britain	1,400,000	0.01	3,636,618.47	3,636,618.47
Barco N.V.	Belgium	46,449	0.36	2,623,967.61	3,717,777.96
Bauer AG	Germany	111,028	0.65	1,261,278.08	1,261,278.08
Bayer AG	Germany	110,000	0.01	10,306,706.91	10,870,200.00
Bayerische Motoren Werke AG	Germany	30,000	0.00	2,443,107.65	2,659,500.00
Best Buy Co., Inc.	United States	190,000	0.06	6,476,236.35	7,691,205.77
BHP Billiton Plc	Great Britain	280,000	0,01 / 0,01	3,693,015.69	4,267,794.16
Bilfinger SE	Germany	310,412	0.67	11,300,548.86	11,300,548.86
BlackRock, Inc.	United States	94,000	0,06 / 0,06	29,884,718.03	33,954,501.47
BNP Paribas S.A.	France	440,000	0.04	20,374,890.44	26,567,200.00
Boliden AB	Sweden	494,884	0.18	8,382,634.98	12,376,633.09
Bouygues S.A.	France	200,000	0.06	5,552,377.37	6,809,000.00
BP Plc	Great Britain	6,910,938	0.04	35,506,197.41	41,125,965.46
Brenntag AG	Germany	88,000	0.06	4,143,600.76	4,646,400.00
Bridgestone Corporation	Japan	200,000	0.02	6,350,636.58	6,829,821.72
Bristol-Myers Squibb Company	United States	195,000	0.01	10,015,826.82	10,810,928.75
British Land Company Plc/The	Great Britain	1,250,000	0.12	7,708,493.30	9,183,232.50
Broadcom Ltd	Singapore	55,000	0.01	8,406,971.15	9,224,931.22
BT Group Plc	Great Britain	3,750,000	0.04	12,772,105.78	16,065,546.96
Bunzl Plc	Great Britain	628,380	0.19	15,441,980.89	15,441,980.89
Buzzi Unicem S.p.A.	Italy	335,000	0,16 / 0,20	7,540,850.00	7,540,850.00
Cap Gemini S.A.	France	110,000	0.06	8,788,584.35	8,816,500.00
Capio AB	Sweden	810,000	0.57	4,061,659.25	4,061,659.25
Capita Plc	Great Britain	700,000	0.10	4,333,200.96	4,333,200.96
Carrefour SA	France	1,597,568	0.21	36,441,372.79	36,568,331.52
Casino Guichard-Perrachon SA	France	220,000	0.20	10,029,800.00	10,029,800.00
Castellum AB	Sweden	375,000	0.14	3,331,526.27	4,883,538.34
China Construction Bank Corporation	China	12,000,000	0.00	8,286,284.20	8,748,516.84
China Mobile Ltd	Hong Kong	1,000,000	0.00	10,048,806.74	10,048,806.74
Cisco Systems, Inc.	United States	250,000	0.00	7,171,995.07	7,171,995.07
Cobham Plc	Great Britain	1,500,000	0.09	2,817,311.41	2,867,971.69
Coca-Cola Company/The	United States	410,000	0.01	15,703,414.47	16,126,173.99
Cognizant Technology Solutions Corporation	United States	100,000	0.02	5,315,434.97	5,315,434.97
Coloplast A/S	Denmark	85,000	0,04 / 0,02	5,232,794.94	5,445,698.38
Comcast Corporation	United States	150,000	0,01 / 0,00	8,165,343.64	9,838,724.98
Commerzbank AG	Germany	896,061	0.07	6,500,922.56	6,500,922.56
Compagnie de Saint-Gobain S.A.	France	50,000	0.01	1,944,727.00	2,210,000.00
ConocoPhillips Company	United States	242,500	0.02	10,748,198.42	11,534,911.30
Consolidated Edison, Inc.	United States	150,000	0.05	10,285,630.66	10,484,773.74
Continental AG	Germany	35,000	0.02	6,443,500.00	6,443,500.00
Coor Service Management Holding AB	Sweden	3,178,506	3.32	12,708,090.28	16,886,592.99
Covestro AG	Germany	152,000	0.08	5,182,071.95	9,943,840.00
CRH Plc	Ireland	235,000	0.03	7,699,775.00	7,699,775.00
CSL Ltd	Australia	70,300	0.02	4,634,109.96	4,835,171.96
CVS Health Corporation	United States	60,000	0.01	4,379,828.08	4,493,311.83

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Danske Bank A/S	Denmark	1,290,000	0.13	31,870,186.62	37,236,898.74
Delphi Automotive Plc	Jersey	170,000	0.06	10,861,872.69	10,861,872.69
Delta Air Lines, Inc.	United States	300,000	0.04	12,936,697.45	13,999,620.53
Denso Corporation	Japan	150,000	0.02	6,060,777.96	6,060,777.96
Deutsche Boerse AG	Germany	101,048	0,05 / 0,05	6,477,057.69	7,856,482.00
Deutsche Euroshop AG	Germany	175,000	0.32	5,796,023.02	6,784,750.00
Deutsche Post AG	Germany	525,000	0.04	16,036,264.30	16,361,625.00
Deutsche Telekom AG	Germany	250,000	0.01	3,083,384.22	4,072,500.00
Deutsche Wohnen AG	Germany	848,868	0.25	13,999,837.99	25,470,284.34
Deutz AG	Germany	306,178	0.25	1,169,166.00	1,643,869.68
DnB ASA	Norway	400,000	0.02	4,890,778.42	5,634,856.87
Dometic Group AB	Sweden	1,201,024	0.41	6,490,416.77	8,404,967.75
DONG Energy A/S	Denmark	182,500	0.04	6,057,150.29	6,566,602.55
Draegerwerk AG & Co KGaA	Germany	52,955	0,52 / 0,00	3,520,513.45	4,209,922.50
DSV A/S	Denmark	487,664	0.26	17,097,058.52	20,603,580.97
Dustin Group AB	Sweden	1,325,000	1.74	7,773,775.80	8,842,580.48
E.ON SE	Germany	550,000	0.03	3,691,050.00	3,691,050.00
Ecolab Inc.	United States	95,000	0.03	9,511,151.90	10,564,367.71
Electronic Arts Inc.	United States	100,000	0.03	7,137,553.04	7,471,776.87
Elekta AB	Sweden	790,000	0,21 / 0,15	5,124,501.43	6,665,689.61
Eli Lilly & Company	United States	160,000	0.01	9,978,118.89	11,167,061.95
Eitel AB	Sweden	1,065,445	1.70	6,943,098.80	6,943,098.80
Enbridge Inc	Canada	250,000	0.03	9,953,834.23	9,953,834.23
Endesa S.A.	Spain	300,000	0.03	5,651,254.18	6,037,500.00
Engie S.A.	France	200,000	0.01	2,424,000.00	2,424,000.00
ENI S.p.A.	Italy	661,025	0.02	10,212,836.25	10,212,836.25
Enterprise Products Partners L.P.	United States	300,000	0.01	7,692,818.52	7,692,818.52
Entra ASA	Norway	1,800,000	0.98	16,253,060.44	16,937,587.36
Equity Residential	United States	850,000	0.23	37,156,758.53	51,898,301.87
Essilor International S.A.	France	138,000	0.06	14,071,658.12	14,772,900.00
Estee Lauder Companies Inc./The	United States	120,000	0,03 / 0,01	8,707,712.74	8,707,712.74
Experian Plc	Jersey	245,734.00	0.03	3,864,224.33	4,508,959.73
Fabege AB	Sweden	753,124	0.46	5,264,504.58	11,707,816.17
Facebook Inc.	United States	90,000	0.00	8,819,145.57	9,830,756.10
FANUC Corporation	Japan	105,000	0.05	15,396,882.68	16,856,158.83
FedEx Corporation	United States	90,000	0.03	12,048,148.27	15,899,630.02
Ferrari NV	Netherlands	130,000	0.07	5,018,383.87	7,182,500.00
Fitbit Inc.	United States	100,000	0,04 / 0,01	693,482.59	693,482.59
ForFarmers NV	Netherlands	238,000	0.22	1,582,700.00	1,582,700.00
Fortive Corporation	United States	42,500	0.01	931,599.94	2,163,101.22
Fresenius Medical Care AG & Co. KGaA	Germany	119,400	0.04	8,678,535.14	9,651,102.00
G4S Plc	Great Britain	2,400,000	0.15	6,578,990.40	6,578,990.40
Galp Energia SGPS, S.A	Portugal	500,000	0.06	7,055,287.07	7,090,000.00
Gap Inc/The	United States	300,000	0.08	6,106,436.71	6,386,490.85
GEA Group	Germany	200,000	0.10	7,659,000.00	7,659,000.00
Gilead Sciences Inc	United States	106,000	0.01	7,202,087.09	7,202,087.09
GlaxoSmithKline Plc	Great Britain	2,082,000	0.04	36,904,332.35	37,947,172.32
Glencore Plc	Jersey	1,400,000	0.01	4,535,144.48	4,535,144.48
GN Store Nord A/S	Denmark	287,000	0.19	4,967,019.95	5,651,673.30
Group Danone S.A.	France	337,000	0.05	20,267,180.00	20,267,180.00
H & M Hennes & Mauritz AB	Sweden	420,000	0,03 / 0,01	11,120,551.41	11,176,550.64
Halliburton Co	United States	50,000	0.01	2,565,695.85	2,565,695.85
Hammerson Plc	Great Britain	1,155,000	0.15	6,161,493.00	7,723,113.13
Heijmans N.V.-CVA	Netherlands	320,417	1.50	1,751,078.91	1,751,078.91
Hella KGaA Hueck & Co	Germany	175,879	0.16	5,847,465.20	6,299,985.78
Henkel AG & Co. KGaA ordinary	Germany	250,000	0,06 / 0,10	22,497,044.03	24,797,500.00
Honda Motor Co Ltd	Japan	400,000	0.02	11,047,001.62	11,047,001.62
HSBC Holdings Plc	Great Britain	500,000	0.00	3,482,921.21	3,833,890.07
Hufvudstaden AB	Sweden	300,000	0,14 / 0,03	2,040,368.45	4,512,954.72
Höegh LNG Holdings Ltd	Bermuda	141,649	0.18	881,083.74	1,500,469.53
Iberdrola S.A.	Spain	3,366,666	0.05	19,321,945.61	20,970,962.51
IGM Financial Inc.	Canada	550,000	0.23	13,599,080.18	14,773,400.06
Illinois Tool Works Inc.	United States	165,000	0.05	14,925,536.48	19,168,864.43
Industria de Diseno Textil SA	Spain	450,000	0.01	14,577,750.00	14,577,750.00
Infineon Technologies Ag	Germany	500,000	0.04	6,060,511.66	8,291,500.00
ING Groep N.V.	Netherlands	2,900,000	0.07	31,685,902.30	38,715,000.00
Innogy SE	Germany	250,000	0.05	8,256,250.00	8,256,250.00
Intel Corporation	United States	200,000	0.00	6,885,494.73	6,885,494.73
International Business Machines Corporation	United States	110,000	0.01	15,127,790.65	17,321,791.10
Intrum Justitia AB	Sweden	170,000	0.23	1,443,032.31	5,475,948.70
Inwido AB	Sweden	890,000	1.54	7,817,122.33	8,757,916.78
IPSOS Group S.A.	France	163,256	0.37	3,253,966.90	4,871,559.04
ISS A/S	Denmark	407,000	0.22	11,827,568.35	13,062,278.06
Jenoptik AG	Germany	454,261	0.79	4,835,268.36	7,443,066.49
Johnson & Johnson Services, Inc.	United States	211,000	0.01	19,187,359.34	23,067,678.59
JP Morgan Chase & Co.	United States	390,000	0.01	25,308,573.09	31,940,707.71
KBC Groep N.V.	Belgium	300,000	0.07	14,072,596.78	17,649,000.00
KDDI Corp	Japan	350,000	0.01	8,392,625.61	8,392,625.61
Kendrion N.V.	Netherlands	170,252	1.27	3,738,736.78	4,535,513.28
Kering S.A.	France	75,000	0.06	15,048,746.02	15,997,500.00
Keyence Corporation	Japan	30,000	0.05	14,645,399.42	19,475,688.82
Kinder Morgan Inc.	United States	250,000	0.01	4,914,144.77	4,914,144.77
Klepierre S.A.	France	228,796	0.07	6,192,803.48	8,538,666.72
Koito Manufacturing Co Ltd	Japan	450,000	0.28	18,612,685.34	22,536,466.77
Koninklijke Ahold Delhaize NV	Netherlands	500,000	0.04	9,759,867.85	9,995,000.00
Koninklijke Bam Groep N.V.	Netherlands	3,584,136	1.32	12,578,786.26	15,702,099.82
Koninklijke KPN NV	Netherlands	3,000,000	0.07	8,410,502.17	8,442,000.00
Koninklijke Philips N.V.	Netherlands	740,000	0.08	20,333,883.40	21,437,800.00
Kraft Heinz Co/The	United States	100,000	0.01	7,738,834.81	8,286,690.07
Kungsleden AB	Sweden	1,218,618	0.67	4,957,098.38	7,335,308.56
Kyowa Hakko Kirin Co Ltd	Japan	750,000	0.13	9,821,717.99	9,821,717.99
L Brands Inc.	United States	75,000	0.03	4,684,565.03	4,684,565.03
LafargeHolcim Ltd	Switzerland	200,000	0.03	9,991,619.33	9,991,619.33
Land Securities Group Plc	Great Britain	1,210,390	0.15	10,718,184.27	15,041,871.57
LEG Immobilien AG	Germany	200,000	0.32	8,755,854.00	14,736,000.00
Legal & General Group Plc	Great Britain	8,800,000	0.15	24,039,321.89	25,418,019.58
Leroy Seafood Group ASA	Norway	197,662	0.33	8,708,252.20	10,430,970.69
Lindab International AB	Sweden	680,000	0.86	4,518,613.93	5,189,426.85
Link REIT	Hong Kong	800,000	0.04	4,927,156.85	4,927,156.85
Lloyds Banking Group Plc	Great Britain	4,000,000	0,01 / 0,01	2,919,012.36	2,919,012.36
L'Oreal S.A.	France	132,000	0.02	21,309,668.43	22,849,200.00
LUXOTTICA GROUP SPA	Italy	60,000	0.01	2,759,254.68	3,066,000.00
LVMH Moët Hennessy Louis Vuitton S.A.	France	30,000	0.01	4,757,946.34	5,434,500.00
Manulife Financial Corp	Canada	450,000	0.02	6,740,845.16	7,580,349.59
Mattel Inc.	United States	200,000	0.06	4,956,982.66	5,227,208.04

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McCormick & Company, Inc.	United States	60,000	0,05 / 0,00	4,913,712.83	5,312,399.20
McDonald's Corporation	United States	100,000	0.01	11,549,188.88	11,549,188.88
Medtronic, Inc.	Ireland	141,000	0.01	9,530,642.25	9,530,642.25
Michael Kors Holdings Ltd	British Virgin Islands	120,000	0.07	4,892,894.41	4,892,894.41
Micron Technology, Inc.	United States	475,000	0.05	7,488,469.15	9,877,620.72
Microsoft Corporation	United States	500,000	0.01	28,320,433.41	29,480,125.23
Mitsubishi UFJ Financial Group, Inc.	Japan	2,356,100	0.02	11,636,697.82	13,750,917.50
Mitsui Chemicals Inc.	Japan	1,100,000	0.11	4,670,988.65	4,670,988.65
Mizuho Financial Group, Inc.	Japan	7,000,000	0.03	11,057,829.23	11,878,444.08
Modern Times Group MTG AB	Sweden	210,000	0,31 / 0,19	5,183,500.73	5,942,214.08
Monsanto Company	United States	50,000	0.01	4,396,131.42	4,993,359.26
Murata Manufacturing Co Ltd	Japan	50,000	0.02	6,337,115.07	6,337,115.07
National Bank of Canada	Canada	570,000	0.17	16,276,039.94	21,883,211.16
National Grid Plc	Great Britain	1,351,837	0.04	14,954,998.56	14,999,709.76
NCC Group Plc	Great Britain	1,110,000	0.40	2,343,344.86	2,343,344.86
NIKE Inc.	United States	200,000	0,01 / 0,01	9,644,246.28	9,644,246.28
Nippon Telegraph & Telephone Corporation	Japan	200,000	0,01 / 0,00	7,956,239.87	7,956,239.87
Nitto Denko Corporation	Japan	151,000	0.09	9,982,165.73	10,960,348.46
Nobel Energy Inc.	United States	125,000	0.03	4,055,601.55	4,514,514.75
Nobia AB	Sweden	100,000	0.06	803,452.29	883,538.34
Nordea Bank AB	Sweden	13,970,016	0.34	122,977,556.11	148,408,955.05
Norsk Hydro ASA	Norway	1,750,000	0.08	6,528,489.67	7,954,282.82
Novartis AG registered	Switzerland	898,000	0.03	59,442,761.68	61,962,752.58
Novo Nordisk A/S	Denmark	1,259,015	0,05 / 0,02	39,980,862.43	43,014,878.13
NTT Docomo Inc	Japan	350,000	0.01	7,547,406.81	7,547,406.81
NVIDIA Corporation	United States	50,000	0.01	2,761,906.87	5,062,612.66
Occidental Petroleum Corporation	United States	168,000	0.02	11,223,560.84	11,352,471.30
Orange S.A.	France	550,000	0.02	7,554,717.62	7,925,500.00
Oriflame Holding AG	Switzerland	179,080	0.32	2,387,571.04	5,155,404.34
Orkla ASA	Norway	1,100,000	0.11	9,466,999.77	9,466,999.77
Otsuka Holdings Co. Ltd	Japan	310,000	0.06	10,029,662.70	12,776,823.34
Palo Alto Networks Inc.	United States	50,000	0.05	5,931,126.08	5,931,126.08
Panasonic Corp	Japan	1,000,000	0.04	9,623,176.66	9,623,176.66
Pandora A/S	Denmark	78,000	0.07	8,134,727.21	9,673,410.09
PayPal Holdings Inc.	United States	250,000	0.02	8,627,717.65	9,361,066.31
Pearson Plc	Great Britain	350,000	0.04	3,343,923.01	3,343,923.01
PepsiCo, Inc.	United States	155,000	0.01	14,131,070.55	15,391,186.79
Pfizer, Inc.	United States	440,000	0.01	12,961,957.19	13,561,901.15
Procter & Gamble Company	United States	125,000	0.00	9,983,635.33	9,983,635.33
Prudential Plc	Great Britain	2,300,000	0.09	37,901,755.53	43,599,476.75
Ralph Lauren Corporation	United States	50,000	0,06 / 0,02	4,284,223.51	4,284,223.51
Randgold Resources Ltd	Jersey	84,000	0.09	6,283,958.98	6,283,958.98
Randstad Holding N.V.	Netherlands	52,000	0.03	2,424,732.21	2,678,520.00
Ratos AB	Sweden	418,330	0,13 / 0,04	1,887,466.42	1,887,466.42
Reckitt Benckiser Group Plc	Great Britain	250,000	0.04	19,669,146.93	20,062,954.05
Red Hat Inc.	United States	225,000	0.13	14,877,620.72	14,877,620.72
Refresco Gerber NV	Netherlands	250,000	0.31	3,404,699.41	3,607,500.00
Renault S.A.	France	45,000	0.02	3,382,799.33	3,802,950.00
Repsol S.A.	Spain	500,000	0.03	6,710,000.00	6,710,000.00
Rexel S.A.	France	65,898	0.02	822,564.82	1,028,667.78
RIB Software AG	Germany	500,401	1.07	5,117,149.36	6,194,964.38
Rio Tinto Plc	Great Britain	333,075	0,02 / 0,02	9,680,750.66	12,269,832.86
Roche Holding AG	Switzerland	327,600	0,04 / 0,00	63,185,017.23	70,956,103.92
Rockwell Automation Inc.	United States	180,000	0.14	17,558,823.07	22,955,507.07
Ross Stores, Inc.	United States	200,000	0.05	11,350,767.69	12,446,636.94
Royal Bank of Canada	Canada	353,000	0.02	18,553,092.36	22,608,619.96
Royal Dutch Shell Plc	Great Britain	506,365	0,01 / 0,01	11,838,753.57	13,157,894.53
Royal Unibrew A/S	Denmark	216,000	0.40	7,908,533.30	7,908,533.30
Saipem S.p.A.	Italy	10,000,000	0,10 / 0,10	5,023,438.20	5,350,000.00
Salesforce.com Inc.	United States	200,000	0.03	12,991,177.31	12,991,177.31
Sandvik AB	Sweden	1,428,132	0.11	14,014,074.63	16,878,942.98
Sanofi S.A.	France	314,400	0.02	20,809,272.42	24,155,352.00
Schlumberger Limited	Colombia	150,000	0.01	10,630,553.95	11,946,210.04
Schneider Electric SE	France	291,548	0.05	15,822,634.28	19,236,337.04
Scottish & Southern Energy Plc	Great Britain	550,000	0.05	9,976,290.03	9,976,290.03
Securitas AB	Sweden	600,000	0,16 / 0,12	8,065,773.14	9,013,347.29
SGS SA- REG	Switzerland	9,000	0.12	15,777,647.68	17,356,364.65
Shimano Inc.	Japan	40,000	0.04	5,722,507.59	5,931,928.69
Shionogi & Co Ltd	Japan	230,000	0.07	10,114,514.96	10,428,282.01
Shire Plc	Jersey	273,000	0.03	14,933,723.05	14,933,723.05
Siemens AG	Germany	32,597	0.00	2,916,634.25	3,791,846.03
Sika AG	Switzerland	1,800	0,04 / 0,04	6,094,539.44	8,199,646.15
Skandinaviska Enskilda Banken AB	Sweden	3,300,000	0,15 / 0,15	30,141,076.18	33,112,274.27
SoftBank Group Corp.	Japan	150,000	0.01	6,698,187.75	9,431,523.50
Software AG	Germany	100,000	0.13	1,866,545.63	3,441,000.00
SONY Corp	Japan	400,000	0.03	10,599,675.85	10,599,675.85
Sotkamo Silver AB	Sweden	10,011,952	9.70	4,184,880.44	4,425,282.78
Sotkamo Silver Aug17 warrant	Sweden	2,052,988		0.00	279.39
Spectris Plc	Great Britain	100,000	0.08	2,328,774.09	2,701,534.72
SPIE S.A.	France	110,143	0.07	1,784,945.04	2,204,512.15
STADA Arzneimittel AG	Germany	46,252	0.07	1,403,808.73	2,271,204.46
Standard Life Plc	Great Britain	1,750,000	0.09	7,110,974.48	7,587,189.61
Starbucks Corporation	United States	100,000	0.01	5,267,052.46	5,267,052.46
STMicroelectronics N.V.	Netherlands	150,000	0.02	922,143.08	1,614,750.00
Suez SA	France	770,000	0.14	10,505,522.88	10,787,700.00
Sumitomo Chemical Co Ltd	Japan	1,050,000	0.06	4,722,447.33	4,722,447.33
Sumitomo Mitsui Financial Group, Inc.	Japan	384,050	0.03	12,181,495.67	13,693,841.17
Suncor Energy Inc	Canada	500,000	0.03	15,470,820.41	15,470,820.41
Suncorp Group Ltd	Australia	1,050,000	0.08	8,942,666.64	9,711,564.81
Surteco SE	Germany	120,450	0.78	2,722,063.15	2,839,608.75
Swedbank AB	Sweden	900,000	0.08	17,504,591.74	20,821,774.40
Svenska Cellulosa AB SCA	Sweden	880,000	0,12 / 0,07	18,906,273.01	23,684,689.87
Svenska Stål AB	Sweden	520,115	0,05 / 0,10	1,511,947.61	1,793,575.73
Symantec Corporation	United States	100,000	0.02	1,946,419.82	2,266,388.39
Syngenta AG	Switzerland	20,114	0.02	6,476,054.31	7,536,896.92
Target Corporation	United States	200,000	0.04	13,710,274.17	13,710,274.17
Tate & Lyle Plc	Great Britain	525,543	0.11	3,986,211.46	4,342,797.93
TDC A/S	Denmark	600,000	0.07	2,927,203.27	2,927,203.27
Telecom Italia S.p.A	Italy	12,510,000	0,06 / 0,08	9,354,370.34	10,469,370.00
Telefonaktiebolaget LM Ericsson	Sweden	600,000	0,02 / 0,01	3,357,236.33	3,357,236.33
Telenor ASA	Norway	500,000	0.03	7,098,598.99	7,098,598.99
Telia Company AB	Sweden	7,718,987	0.18	29,657,857.20	29,657,857.20
Tencent Holdings Ltd	Cayman Islands	450,000	0.00	8,140,948.22	10,442,074.10
Tesco Plc	Great Britain	4,000,000	0.05	9,661,519.77	9,661,519.77
Tesoro Corporation	United States	125,000	0.11	9,185,274.32	10,370,221.04

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Thermo Fisher Scientific Inc.	United States	73,000	0.02	9,773,038.61	9,773,038.61
ThyssenKrupp AG	Germany	615,850	0.11	11,331,217.92	13,970,557.25
Tiffany & Co.	United States	100,000	0.08	6,415,570.99	7,346,551.56
Tobii AB	Sweden	1,106,166	1.14	5,673,872.47	7,722,651.87
Toray Industries Inc	Japan	650,000	0.04	4,977,714.75	4,977,714.75
Toronto-Dominion Bank/The	Canada	650,000	0.03	23,383,472.62	30,333,027.91
Total S.A.	France	850,000	0.03	40,185,530.05	41,344,000.00
Toyota Motor Corporation	Japan	285,000	0.01	15,707,333.87	15,707,333.87
Tullow Oil Plc	Great Britain	2,000,000	0.22	6,009,572.09	7,292,858.98
Under Armour, Inc.	United States	310,000	0.17	8,549,188.88	8,549,188.88
Unibail-Rodamco SE	France	82,242	0.08	11,689,481.49	18,607,252.50
Unicredit S.p.A.	Italy	800,000	0,01 / 0,01	2,185,600.00	2,185,600.00
Unilever N.V.	Netherlands	1,581,000	0,05 / 0,05	59,281,619.67	61,832,910.00
UNIQA Insurance Group AG	Austria	550,000	0.18	3,967,150.00	3,967,150.00
Valero Energy Corporation	United States	50,000	0.01	3,241,627.93	3,241,627.93
Walt Disney Company/The	United States	150,000	0.01	14,183,996.41	14,839,199.32
Veolia Environnement S.A.	France	125,000	0.02	2,003,048.72	2,020,625.00
Vestas Wind Systems A/S	Denmark	375,000	0.17	18,012,888.57	23,142,419.03
Whirlpool Corporation	United States	50,000	0.07	6,618,465.82	8,624,418.94
Vinci S.A.	France	234,213	0.04	13,201,705.51	15,099,712.11
Vivendi S.A.	France	200,000	0.02	3,502,704.69	3,598,000.00
VMware, Inc.	United States	125,000	0,03 / 0,00	8,865,051.60	9,336,163.55
Vodafone Group Plc	Great Britain	26,980,000	0.10	62,961,117.00	62,961,106.31
Vonovia SE	Germany	547,500	0.12	16,925,962.50	16,925,962.50
WPP Plc	Jersey	500,000	0.04	10,587,726.88	10,587,726.88
Xilinx, Inc.	United States	76,250	0.03	3,249,103.58	4,366,236.60
Zalando SE	Germany	200,000	0.08	7,177,910.74	7,262,000.00
Zurich Insurance Group AG	Switzerland	99,000	0.07	23,940,260.19	25,849,334.20
Other	Bermuda	3,500,000		0.00	0.00
Other	Norway	273,444		203,850.46	203,850.46
Other	France	160,356		0.00	0.00
Other	Sweden	50,000		202,041.35	202,041.35
Other	Germany	55,100		13,338.00	734,938.00
Other	United States	1,497		30,221.19	30,221.19
Total				3,469,374,982.24	3,899,782,445.77

Foreign companies, non-listed

Aki Partners S.C.S	Luxembourg	6,383,846,941	18.18	63,838,469.41	63,838,469.41
Mehiläinen Holding AB	Sweden	390,250	2,69 / 2,69	1,880,424.12	11,130,611.10
Consumer Equity Investments Ltd	Ireland	334,223	3.34	6,095,884.16	19,478,930.31
Lakeside Network Investments S.à r.l.	Luxembourg	83,712,075	10.00	837,120.75	837,120.75
Other	Luxembourg	1,412,872		191,111.66	191,111.66
Other	United States	68,255		95,666.43	95,666.43
Total				72,938,676.53	95,571,909.66

	Domicile	Amount	Book value, EUR	Current, EUR
Fixed-income funds				
Apollo Offshore Credit Fund A-Initial Series	Cayman Islands	15,001	9,954,122.07	11,603,149.26
Apollo Offshore Credit Fund Ltd A-02-07	Cayman Islands	12,928	10,381,226.86	12,101,008.92
AXA IM US Short Duration High Yield \$ A-class	Luxembourg	18,049,375	18,049,374.54	18,049,374.54
AXA WF US High Yield Bonds USD 1 CAP	Finland	178,273	19,998,132.80	34,012,741.08
Deutsch Global L. Managed Euro Fund Reserved Inc	Luxembourg	787,802	59,404,844.18	161,984,814.45
Goldman Sach Global High Yield Portfolio Class I	Luxembourg	895,034	93,201,692.47	99,157,659.80
GS Euro Liquid Reserves Fund (inst.Dist)	Luxembourg	865,345	95,090,065.14	148,621,630.58
iShares iBoxx Investment Grade Corporate Bond ETF	Ireland	767,963	100,000,000.00	107,000,322.97
JPM Euro Liquidity Institutional (flex dist.)	Finland	977,025	100,000,000.00	100,916,922.00
McDonnell Loan Opportunity Fund (Offshore) Class B	Ireland	121,538,526	121,538,525.93	121,538,525.93
Morgan Stanley Institutional Liquidity Euro Fund	Luxembourg	17,542,990	145,588,294.41	165,760,532.52
OP-High Yield Fund A	Luxembourg	147,831	149,664,976.26	149,664,976.26
OP-Likvidi A	Luxembourg	10,065,202	196,909,495.59	278,724,261.09
SKY U.S. Short Duration High Yield Fund	Ireland	415,507,465	415,507,464.53	415,507,464.53
T.Rowe Global High Yield Bond Fund	United States	4,300,000	469,335,854.28	478,135,850.49
Other			1,195,084.27	1,195,084.27
Total			2,005,819,153.33	2,303,974,318.69

Equity funds

KJK Fund II Sicav-SIF Balkan Discovery A June 2015	Luxembourg	730	750,000.00	980,024.82
KJK Fund II Sicav-SIF Balkan Discovery A May 2016	Luxembourg	793	1,020,000.00	1,075,309.18
KJK Fund II Sicav-SIF Balkan Discovery A June 2014	Luxembourg	1,250	1,250,000.00	1,696,787.50
Macquarie Fund Solutions - Macquarie China New Star	Luxembourg	152,000	1,297,746.32	1,297,746.32
KJK Fund Baltic States B1 C	Luxembourg	3,564	1,533,011.03	8,143,327.41
East Capital Bering Ukraine Fund Class R	Cayman Islands	676,262	1,680,870.61	1,680,870.61
KJK Fund II Sicav-SIF Balkan Discovery A Dec 2015	Luxembourg	1,482	1,740,000.00	1,903,811.27
Prosperity New Russian Generation, A share	Guernsey	14,864,250	2,115,204.91	2,115,204.91
FIM Rohto	Finland	261,760	2,500,000.00	4,609,588.92
Fourton Hannibal	Finland	31,116	3,216,309.71	4,614,477.99
Carnegie Global Health Care Fund	Luxembourg	35,640	3,657,426.46	9,993,171.86
FIM Frontier C	Finland	339,663	4,000,000.00	4,215,221.93
Prosperity New Russian Generation, B share	Guernsey	14,240,818	4,022,229.10	4,188,078.53
Fondita Nordic Micro Cap B	Finland	21,720	5,000,000.00	6,437,116.49
DB X-trackers MCSI Europe Small Cap Index Ucit ETF	Luxembourg	150,000	5,226,506.95	5,533,500.00
East Capital Global Frontier Markets Fund A USD	Luxembourg	68,693	5,517,516.22	5,939,686.59
Carnegie Medical	Luxembourg	200,538	6,428,256.07	18,126,666.70
FIM Brands	Finland	338,323	6,555,369.31	8,935,104.02
FIM Bric+	Finland	678,240	7,000,000.00	8,613,653.28
KJK Fund II, Sicav-SIF, Balkan A July 2012	Luxembourg	8,939	8,939,168.00	16,484,451.53
East Capital Balkan Fund	Sweden	6,679,736	9,202,995.67	9,789,720.35
iShares MSCI China ETF	United States	224,800	9,319,571.20	9,319,571.20
ISHARES MSCI SOUTH AFRICA ET	United States	195,761	9,698,848.44	9,712,835.88
UBS Global Innovators I-A2-Acc	Luxembourg	71,213	9,999,999.97	10,903,349.40
Seligson & Co Global Top 25 Pharmaceuticals	Finland	608,182	10,000,000.00	15,920,134.01
FIM Kehittyvät Markkinat Pienemmät Yhtiöt	Finland	1,395,563	10,000,000.00	12,741,487.61
ISHARES MSCI MEXICO CAPPED	United States	310,857	12,963,925.36	12,963,925.36
PineBridge Japan Small Cap Equity Fund	Ireland	250,706	13,094,286.12	13,094,286.12
Pictet-Small Cap Z EUR	Luxembourg	36,104	13,960,019.96	45,979,665.75
Montanaro European Smaller Companies, Accum. Class	Ireland	5,029,288	13,975,624.12	23,753,327.53
iShares MSCI Hong Kong ETF		760,598	14,056,018.44	14,056,018.44
East Capital China A-Shares Fund	Luxembourg	20,808	14,307,263.88	27,303,922.92
Aberdeen Global Asian Smaller Companies Fund A2	Luxembourg	1,185,226	14,454,637.27	42,719,959.30
iShares MSCI Brazil Index Fund	United States	14,462,048.14	14,462,048.14	14,924,352.53
Fourton Odysseus A	Finland	77,136	14,472,356.20	21,984,638.50
iShares MSCI Taiwan ETF	United States	549,048	15,030,355.88	15,297,922.17
Osmosis MoRE World Resource Efficiency Fund plc	Ireland	1,500,594	15,452,050.65	19,282,363.48
Aberdeen Global Sicav Asia Pacific Equity A2/C	Luxembourg	612,160	16,100,759.15	36,735,442.46

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Prosperity Quest Fund Unlisted Limited, Class C	Cayman Islands	220,352	16,477,401.33	21,458,269.96
Nordea 1, SICAV - Emerging Stars Equity Fund	Luxembourg	181,452	17,442,834.40	17,442,834.40
iShares MSCI South Korea Capped ETF	United States	383,400	19,360,954.37	19,360,954.37
Fourton Stamina A	Finland	143,978	19,791,013.50	47,135,402.04
Taalieri Rhein Value Equity A	Luxemburg	162,879	21,851,779.41	33,861,801.02
iShares MSCI India ETF	United States	903,396	22,916,999.37	22,916,999.37
DB X-trackers EURO STOXX 50 UCITS DR -1C	Luxembourg	577,687	24,271,960.82	25,435,558.61
Investec GSF Asia Pacific Equity Fund I	Luxembourg	1,587,197	25,028,281.39	31,364,500.90
JPMorgan Emerging Markets Opportunities Fund	Luxembourg	101,769	27,461,579.01	33,400,991.60
OP Kehittyvä Aasia	Finland	245,747	29,450,556.50	42,401,243.49
Evli GEM B	Finland	292,606	30,000,000.00	38,270,852.91
Mirae Asset G D Fund - Asia Sector Leader Eq I	Luxembourg	2,997,566	30,769,061.74	30,769,061.74
Investec GS Asian Equity	Luxembourg	2,125,366	31,211,186.64	45,184,951.73
OP-Latinalainen Amerikka A	Finland	317,681	33,012,231.38	36,139,438.77
iShares Core FTSE 100 UCITS ET	Great Britain	4,453,000	35,406,999.50	36,469,476.04
Investec Emerging Markets Equity -I	Luxembourg	2,739,840	39,521,871.46	45,018,518.52
eQ Kehittyvät Markkinat Osinko 1 K	Finland	353,849	45,000,000.00	53,793,440.24
Evli Europe B	Finland	478,421	50,000,000.00	59,473,425.15
Russel Japan Equity Fund A Accum	Ireland	393,104	50,011,755.13	79,260,642.43
iShares European Property Yield UCITS ETF	Ireland	1,635,000	60,756,600.00	60,756,600.00
BlackRock Emerging Markets Index Sub-Fund	Ireland	6,927,713	66,553,844.01	73,726,477.52
Nordea Stable Emerging Markets Equity	Luxembourg	2,344,498	126,163,870.07	142,302,414.63
Robeco Global Conservative	Netherlands	1,495,874	150,000,000.00	158,906,661.30
PAM USA Fund I Ky	Finland	1,802,367	184,236,508.69	188,563,700.03
AQR Global Defensive Equity	Luxembourg	1,794,230	200,000,000.00	222,807,426.76
Topix ETF	Japan	21,295,786	241,510,466.85	268,527,090.89
iShares MSCI Europe UCITS ETF	Ireland	15,877,775	358,248,729.46	358,361,381.75
iShares MSCI Emerging Markets ETF	United States	23,946,186	795,328,689.74	795,328,689.74
SPDR S&P 500 ETF Trust	United States	6,791,143	1,326,782,044.76	1,440,178,451.97
Other		9,221	825,422.16	825,592.65
Total			4,383,393,016.83	4,902,509,573.40

Real estate funds

European Office Income Venture	Luxembourg	11,210,093	530,584.91	530,584.91
CapMan Nordic Real Estate FCP-SIF	Luxembourg	1,459,334	1,470,445.05	1,929,799.69
VTBC-Ashmore Real Estate Partners I, L.P.	Great Britain	3,129,522	3,129,522.00	3,474,999.32
European Retail Income Venture	Luxembourg	21,680,309	4,288,993.86	4,288,993.86
Aberdeen Indirect Property Partners Asia	Luxembourg	16,100,272	7,451,626.34	7,451,626.34
Carlyle Europe Real Estate Partners III, L.P.	United States	16,043,179	7,874,345.20	7,874,345.20
Pradera European Retail Fund	Luxembourg	16,827,293	7,889,829.81	7,889,829.81
Frogmore Real Estate Partners, L.P.	Great Britain	15,536,558	11,015,970.79	11,015,970.79
ARCH Capital - TRG Asian Partners, LP.	Cayman Islands	19,563,225	15,783,261.67	19,254,585.94
Capman Re II KY	Finland	16,688,794	16,310,859.72	16,310,859.72
Goodman European Logistics Fund	Luxembourg	30,000,000	16,370,610.00	16,370,610.00
Rockspring German Retail Box Fund	Great Britain	25,000,000	16,471,825.00	16,471,825.00
Franklin Templeton Asian Real Estate Fund	Luxembourg	24,255,068	16,798,837.54	16,798,837.54
Alternative Property Income Venture	Luxembourg	17,606,142	17,606,141.86	19,224,674.48
European Property Investors Special Opportunities	Great Britain	18,633,483	18,633,483.00	22,201,403.69
Fosca II	Luxembourg	18,800,000	18,800,000.00	24,826,001.60
Sierra Portugal Fund	Luxembourg	36,890,536	25,973,335.23	25,973,335.23
Curzon Capital Partners III, LP.	Great Britain	31,588,133	31,588,133.00	33,221,744.89
Partners Group Real Estate Secondary 2009, LP	Great Britain	42,242,584	42,242,584.10	46,179,761.91
ECE European Prime Shopping Centre Fund	Luxembourg	44,865,492	44,865,492.01	58,239,940.04
Aberdeen Real Estate Fund Finland L.P.	Great Britain	59,503,561	45,764,188.98	45,764,188.98
CapMan Hotels RE Ky	Finland	46,995,098	46,995,097.77	50,021,018.13
Other			252,681.16	252,681.16
Total			418,107,849.00	455,567,618.23

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Capman Technology Fund 2007 L.P.	Guernsey	517,589	517,589.13	633,235.10
Baltic Investment Fund III L.P.	Jersey	621,586	590,811.72	590,811.72
Lifeline Ventures Fund III Ky	Finland	690,986	598,857.99	598,857.99
Sentica Kasvurahasto II Ky	Finland	3,625,003	762,947.22	762,947.22
Permira Europe III LP	Guernsey	6,002,920	912,719.97	912,719.97
Vaaka Partners Buyout I Ky	Finland	1,160,772	1,002,054.78	1,002,054.78
Atlas Venture VI	United States	1,313,949	1,031,106.24	1,031,106.24
KKR European Fund II, LP	Canada	3,455,052	1,042,413.37	1,042,413.37
Intera Fund I Ky	Finland	6,890,936	1,130,775.03	1,130,775.03
CapMan Russia II	Guernsey	2,891,075	1,163,833.97	1,163,833.97
CapMan Buyout VIII Fund A L.P.	Guernsey	1,166,640	1,166,640.38	5,593,165.64
HarbourVest Partners VI-Partnership Fund L.P.	United States	7,872,477	1,269,902.76	1,269,902.76
Verso Fund II Ky	Finland	1,650,987	1,355,696.42	1,355,696.42
Verdane ETF III SPV K/S	Norway	1,356,327	1,356,327.00	1,471,637.85
Nordic Capital V	Jersey	7,095,147	1,522,554.68	1,522,554.68
PAI Europe V LP	Great Britain	2,107,297	1,694,915.60	1,694,915.60
Vaaka Partners Buyout I (B,C,D,E,F) Ky	Finland	2,193,874	1,733,838.54	1,733,838.54
Arcadia II	Germany	5,362,117	1,748,672.28	1,748,672.28
Selected Private Equity Funds I Ky	Finland	1,792,773	1,792,773.38	2,886,519.32
HG Capital 5	Great Britain	4,270,875	1,874,295.35	1,874,295.35
Hg Capital Edge Co-Invest LP	Guernsey	2,000,000	2,379,943.47	2,379,943.47
Sentica Buyout III Ky	Finland	2,460,566	2,460,566.17	9,271,186.96
EPE Overseas Co-Investors L.P.	Cayman Islands	8,978,643	2,617,716.08	2,617,716.08
Doughty Hanson & Co IV, Limited Partnership 4	Great Britain	12,397,099	2,717,220.95	2,717,220.95
Kasvurahastojen Rahasto II Ky	Finland	2,946,928	2,789,620.55	2,789,620.55
Sponsor Fund III Ky	Finland	7,507,320	3,043,002.15	3,043,002.15
Inventure Fund II Ky	Finland	3,109,035	3,109,035.00	3,126,644.57
Living Bridge 4 L.P.	Great Britain	4,569,064	3,426,482.98	3,426,482.98
Intera Fund III Ky	Finland	3,930,000	3,717,182.64	3,717,182.64
Ilmarisen Suomi-Rahasto I Ky	Finland	4,182,016	4,182,016.38	4,443,810.61
BC European Capital VIII	Great Britain	11,403,508	4,206,628.48	4,206,628.48
Apax Europe VI - A, L.P.	Great Britain	10,417,633	4,327,911.97	4,327,911.97
Valhalla Co-Invest L.P.	Cayman Islands	35,119,128	4,357,433.35	12,166,022.25
Lifeline Ventures Fund I Ky	Finland	4,396,719	4,396,718.83	9,560,448.66
Sponsor Fund IV Ky	Finland	6,197,719	5,244,013.74	5,244,013.74
Antin Infrastructure Partners FCPR	France	5,421,337	5,421,336.95	41,983,532.69
Darwin Private Equity I	Great Britain	8,936,134	5,506,120.92	5,506,120.92
Selected Mezzanine Funds I Ky	Finland	5,552,286	5,552,286.23	8,443,295.04
Montagu IV Co-Invest 1 LP	Great Britain	5,637,408	5,637,408.39	10,553,155.22
The Fourth Civen Fund Limited Partnership	Great Britain	19,987,389	5,741,297.64	5,741,297.64
KKR Asian Fund L.P.	Cayman Islands	9,235,133	6,889,505.31	7,183,270.61
Victoria Co-invest L.P.	Cayman Islands	5,000,000	6,915,629.32	8,759,840.22
Cidron Childsafe Limited	Jersey	11,690,658	7,694,802.79	7,694,802.79
CapMan Mezzanine V Fund FCP-SIF	Luxembourg	7,785,561	7,785,561.07	13,765,144.47
KKR Lending Partners Europe (Euro) Unlevered L.P.	Great Britain	8,000,400	8,000,400.00	8,163,904.17
Nordic Capital Alexander Co-Invest L.P.	Jersey	8,061,246	8,061,246.29	16,153,971.75

10. HOLDINGS IN OTHER COMPANIES, GROUP 31 DEC 2016

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Argos Co-investment-1 LP	Guernsey	9,235,858	8,302,641.42	27,428,010.84
Alpha Private Equity Fund V	Jersey	8,331,600	8,331,600.08	9,372,933.45
Innovestor Kasvurahasto 1 KY	Finland	8,456,695	8,456,415.97	8,456,415.97
Mount Kellett Capital Partners (Cayman), L.P.	Cayman Islands	11,625,180	8,630,410.50	10,502,364.97
Salto LP Fund	Channel Islands	8,862,459	8,862,458.62	15,834,005.34
Dasos FS Partnership SCSP	Luxembourg	10,000,000	10,000,000.00	11,599,800.00
Montagu IV Co-Invest 2 LP	Great Britain	10,000,000	10,000,000.00	14,767,540.00
Towerbrook III	Cayman Islands	17,935,300	11,073,622.76	11,073,622.76
Sentica Buyout IV Ky	Finland	11,502,875	11,502,875.00	11,587,789.22
Chiron Guernsey Holdings, LP INC	Guernsey	15,878,707	11,794,577.45	24,882,555.44
AP VIII Prime Security Services Holdings LP	United States	14,005,657	12,391,096.67	14,434,941.04
Partners Group Direct Infrastructure 2015 S.C.A.	Luxembourg	13,505,990	12,610,501.96	12,610,501.96
Broad Street Senior Partners Offshore L.P.	Cayman Islands	14,000,000	12,615,092.03	13,526,037.38
KKR Blue Co-invest LP	Cayman Islands	10,000,000	12,847,765.66	12,847,765.66
Kasvurahastojen Rahasto Ky	Finland	12,929,291	12,929,291.49	15,643,705.73
Nordic Capital VI	Jersey	13,021,419	13,021,418.54	17,849,382.91
Bridgepoint Europe III	Great Britain	15,774,808	13,164,913.12	13,164,913.12
Redtop Co-Invest LP	Great Britain	10,702,462	13,176,552.28	24,298,543.82
Doughty Hanson V	Great Britain	17,870,085	13,257,959.02	13,257,959.02
CVC Europe V	Cayman Islands	14,056,753	14,056,753.14	26,234,511.97
PAI Europe V FCPR	France	14,069,607	14,069,607.00	16,296,685.09
ICG Senior Debt Partners Fund	Luxembourg	14,103,465	14,103,465.48	14,387,918.28
Bluedrip L.P.	Great Britain	15,000,000	15,000,000.00	22,667,910.00
Towerbrook Investors IV, L.P.	Cayman Islands	17,487,206	15,040,505.66	21,020,746.39
Dasos Timberland Fund I	Luxembourg	15,049,597	15,049,597.04	16,919,675.02
Apollo Overseas Partners VII, L.P.	Cayman Islands	19,456,964	15,282,520.20	17,016,306.32
Dasos Timberland Fund II	Luxembourg	15,421,754	15,421,753.97	15,719,393.82
European Mid Market Secondary Fund II LP	Great Britain	15,750,000	15,750,000.00	26,273,031.75
Vaaka Partners Buyout II Ky	Finland	15,769,614	15,769,614.45	17,171,722.41
Aradian Infrastructure Fund IV	Great Britain	15,900,000	15,819,084.90	15,819,084.90
HgCapital 6	Great Britain	13,614,859	16,151,466.67	31,172,059.98
Barings Global Private Loan Fund	United States	17,500,000	16,212,924.44	16,722,569.02
KKR 2006 Fund L.P.	United States	23,571,249	17,251,360.96	19,463,867.74
Permira Credit Solutions II Master L.P.1	Great Britain	17,400,000	17,400,000.00	18,134,332.20
NC Mighty Co-invest Beta LP	Jersey	20,000,000	17,719,500.31	18,960,952.47
Permira IV LP	Guernsey	22,281,743	19,086,429.96	19,086,429.96
Bridgepoint Europe IV B LP	Great Britain	22,465,992	19,562,015.08	19,562,015.08
European Mid-Market Secondary Fund I	Great Britain	19,836,012	19,836,012.49	22,390,057.79
TPG Partners VII LP.	United States	23,070,847	20,680,680.12	20,680,680.12
SLP Denali Co-Invest L.P.	United States	26,857,093	21,487,515.67	40,252,083.31
KKR European Fund III	Cayman Islands	21,594,850	21,594,850.00	28,409,903.93
CapMan Buyout Fund IX	Guernsey	22,152,571	22,152,570.51	25,979,116.93
Silver Lake Partners III L.P.	United States	30,209,847	22,948,803.09	35,828,173.52
CapMan Buyout X Fund A	Guernsey	23,014,486	23,010,814.50	24,355,448.50
Bridgepoint Europe IV E LP	Great Britain	23,146,700	23,146,700.26	26,081,910.17
MB Equity Fund IV Ky	Finland	23,636,006	23,636,005.91	34,464,369.30
EQT VII Fund	Great Britain	26,186,223	24,361,907.45	24,361,907.45
Permira Credit Solutions II Senior L.P.1	Great Britain	24,600,000	24,600,000.00	25,005,826.20
Apax Europe VII -B, L.P.	Great Britain	45,875,977	24,843,722.51	24,843,722.51
KKR Asian Fund II L.P.	Cayman Islands	31,090,710	25,810,190.51	46,668,303.06
EQT Infrastructure II, L.P.	Great Britain	28,242,359	25,937,754.56	25,937,754.56
Partners Group European Mezzanine 2008	Great Britain	31,354,123	26,276,887.55	26,276,887.55
TPG Drone Co-Invest, L.P.	Cayman Islands	32,856,055	28,067,622.62	46,542,202.48
Bridgepoint Europe V 'C' LP	Great Britain	28,131,028	28,131,027.99	28,298,463.87
EQT Credit II (No1)	Great Britain	30,123,347	30,123,346.56	36,941,374.45
KKR European Fund IV (EEA) LP	Great Britain	35,881,571	32,520,006.02	32,520,006.02
Montagu IV LP	Great Britain	34,283,030	34,283,030.58	40,621,859.72
TPG Asia VI LP.	Cayman Islands	47,420,751	40,142,609.65	50,588,912.66
EQT VI Fund	Great Britain	46,565,059	46,565,059.44	61,590,486.56
Apollo Overseas Partners VIII	United States	56,349,491	49,512,208.67	59,113,080.26
Nordic Capital Fund VIII	Jersey	52,567,499	52,567,498.76	62,134,941.24
BC European Capital IX, LP	Guernsey	54,835,890	54,835,889.60	72,328,812.56
HgCapital 7	Great Britain	44,006,679	56,084,375.63	64,078,295.69
Nordic Capital VII	Jersey	63,006,786	63,006,785.97	86,537,111.24
Permira V	Guernsey	85,974,300	85,974,300.35	97,380,596.75
Silver Lake Partners IV	United States	105,573,884	91,092,748.99	118,156,716.53
Apax VIII	Guernsey	97,054,834	97,054,834.09	114,765,788.43
The Fifth Civen Fund	Guernsey	113,071,100	113,071,100.43	135,862,163.72
Other			4,241,699.91	35,242,228.34
Total			1,909,764,165.68	2,447,013,312.86
Other funds				
CatCo Arbitrage Fund Ltd A Sub 12 SP 2015	Bermuda	815	749,030.42	917,783.85
Shepherd Investments International, Ltd. Class BQ	British Virgin Islands	785	755,420.07	755,420.07
Aquilo Fund Side Pocket 2015	Bermuda	1,018	934,745.85	962,421.13
QVT Roiv Hldgs Offshore Ltd A-1075	Cayman Islands	1,217	1,116,996.31	1,137,192.99
Man Absolute Return Strategies I Ltd: Class ARS12	Cayman Islands	5,038	1,323,705.99	2,586,223.19
Paulson Credit Opportunities Ltd. Class C	Cayman Islands	405,640	2,007,623.54	35,576,557.39
Ursus International Ltd. B/1	Cayman Islands	5,156	5,645,424.81	5,645,424.81
QVT Offshore Class 1-NI 1075	Cayman Islands	8,406	6,314,583.99	9,705,669.12
Markel CatCo Diversified Fund II Ltd A Sub 8	Bermuda	14,029	12,891,331.52	14,853,737.28
Palmetto Fund, Ltd. Class D 01Jan2008	Bermuda	28,931	16,862,752.61	33,303,124.25
Och Ziff Europe Overseas Fund Ltd	Cayman Islands	20,433	18,589,418.46	39,040,788.36
HBK Multi-Strategy Offshore Fund Ltd class A (Lead	Cayman Islands	33,918	19,034,574.69	34,936,937.79
Brevan Howard Fund B Class Limited	Cayman Islands	150,946	19,400,533.17	34,008,242.28
Och-Ziff Asia Overseas Fund, Ltd	Cayman Islands	20,515	19,919,173.20	30,610,620.82
Pharo Macro Fund B	Cayman Islands	12,078	20,017,559.20	23,061,935.14
HBK Merger strategies Fund	Cayman Islands	23,000	20,598,924.90	22,398,585.24
D.E Shaw Composite International Fund s. New Issue	Cayman Islands	1,946	23,154,547.61	64,962,899.92
Citadel Kensington Global Strategies LTD	Cayman Islands	42,158	29,932,643.90	87,870,669.30
Marshall Wace Liquid Alpha Plus H Fund	Ireland	300,000	30,000,000.00	30,054,000.00
Pharo Gaia Fund	Cayman Islands	14,457	30,016,878.63	33,569,735.39
Alyeska Aleutian Fund	Cayman Islands	33,000	30,256,442.51	30,256,442.51
Davidson Kempner Int. Ltd. - Class C Tranche 4	British Virgin Islands	348,078	32,765,365.75	57,438,663.11
Palmetto Fund, Ltd. Class E	Bermuda	35,000	33,203,680.87	33,203,680.87
Brevan Howard Fund W Class Limited	Cayman Islands	340,000	34,000,000.00	34,000,000.00
CFM STRATUS Feeder Limited Class D	British Virgin Islands	21,067	34,970,000.00	40,551,744.61
Markel CatCo Limited Diversified Arbitrage Fund	Bermuda	37,000	35,101,034.06	35,101,034.06
Markel CatCo Diversified Arbitrage Fund A Sub 6	Bermuda	39,824	36,506,349.90	40,180,047.78

10. HOLDINGS IN OTHER COMPANIES, GROUP 31 DEC 2016**2/2**

Marshall Wace Market Neutral TOPS B Fund	Ireland	352,720	40,000,000.00	60,125,723.88
AQR Managed Futures Fund	Cayman Islands	50,000	44,032,856.26	44,032,856.26
Markel Aquilo Fund	Bermuda	77,256	73,438,466.18	78,114,323.64
AQR Style Premia Fund	Cayman Islands	83,627	88,828,580.92	91,050,675.41
Other			1,634,271.94	2,456,077.04
Total			764,002,917.26	1,052,469,237.49
Total			15,605,151,250.68	19,107,010,359.84

*) 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**2016****2015****Securities borrowed**

Number

24,252,642.00

35,037,898.00

Current value

307,099,215.95

301,959,228.58

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**2016****2015****Other loans itemised by guarantee**

Bank guarantee

88,685,232.35

94,491,990.97

Guarantee insurance

78,669,457.03

64,012,320.56

Other

126,535,308.08

129,457,001.11

Secured loans, remaining acquisition cost

293,889,997.46

287,961,312.64

Unsecured loans, remaining acquisition cost

96,719,078.84

241,020,760.06

Remaining acquisition cost, total

390,609,076.30

528,982,072.70

Total premium loan receivables itemised by balance sheet item

Loans guaranteed by mortgages

186,115,696.50

218,688,419.82

Other loans

186,556,551.25

183,348,433.88

Remaining acquisition cost, total

372,672,247.75

402,036,853.70

Inner circle loans

Loans granted to associated companies

625,540,416.79

631,759,162.72

The loan periods are 1–12 years or they do not have a specific maturity date

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 loans are tied either to a fixed interest rate or variable reference rate.

13. CHANGES IN INTANGIBLE AND TANGIBLE ASSETS, GROUP		2016			
	Intangible rights	Prepayments	Furniture and fixtures	Other	Total
Acquisition cost Jan 1	32,510,893.52	12,533,105.15	3,246,480.09	1,700,224.26	49,990,703.02
Fully amortised in previous year	-1,679,378.05		-478,409.68		-2,157,787.73
Additions	14,409.35	6,649,833.40	443,453.38	0.00	7,107,696.13
Deductions	-284,015.69	0.00	-204,853.84	0.00	-488,869.53
Transfer between items	19,182,938.55	-19,182,938.55	0.00	0.00	0.00
Acquisition cost Dec 31	49,744,847.68	0.00	3,006,669.95	1,700,224.26	54,451,741.89
Accumulated depreciation and amortisation Jan 1	-9,227,811.44		-1,216,173.15		-10,443,984.59
Fully amortised in previous year	1,679,378.05		478,409.68		2,157,787.73
Accumulated depreciation and amortisation on deductions and transfers	76,399.56		71,670.80		148,070.36
Depreciation and amortisation for the financial year	-5,789,988.20		-284,652.13		-6,074,640.33
Accumulated depreciation and amortisation Dec 1	-13,262,022.03		-950,744.80		-14,212,766.83
Book value 31 Dec	36,482,825.65	0.00	2,055,925.15	1,700,224.26	40,238,975.06

14. CAPITAL AND RESERVES, GROUP 31 DEC		2016	2015
Capital and reserves			
Initial fund		22,994,653.31	22,994,653.31
Other reserves			
Reserves under the Articles of Association			
Jan 1	71,248,889.97		66,989,292.51
Transfer from unused donation funds	5,284.00		34,125.00
Transfer from previous year's profit	5,252,092.74	76,506,266.71	4,225,472.46
Other reserves			
Jan 1		584,855.10	584,855.10
Profit/loss brought forward			
Jan 1	-79,708,604.05		-79,960,493.67
Transfer to donations	-50,000.00		-50,000.00
Transfer to reserves under the Articles of Association	-5,252,092.74	-85,010,696.79	-4,225,472.46
Profit/loss for the financial year		-25,930,639.41	4,527,362.08
		-10,855,561.09	15,119,794.33
Breakdown of capital and reserves after proposed distribution of profits:			
Policyholders' share		-10,855,561.09	15,119,794.33

15. TECHNICAL PROVISIONS, GROUP 31 DEC	2016	2015
Provision for unearned premiums		
Future pensions	14,461,704,166.00	13,598,741,406.00
Provision for future bonuses	1,522,579,329.00	1,683,855,277.00
Provision for current bonuses	102,000,000.00	98,637,930.00
Supplementary insurance liability tied to income from shares	285,492,558.00	1,235,224,993.00
Total	16,371,776,053.00	16,616,459,606.00
Provision for claims outstanding		
New pension awarded	14,159,246,091.00	12,965,142,259.00
Equalisation provision	927,641,091.00	1,048,636,883.00
Total	15,086,887,182.00	14,013,779,142.00
Total technical provisions	31,458,663,235.00	30,630,238,748.00

16. GROUP LIABILITIES 31 DEC	2016	2015
Loans from participating interests		
Other liabilities	8,929.81	0.00
Depts falling due within five years or within longer period		
Loans from financial institutions	11,613,310.13	0.00

17. SECURITIES AND FINANCIAL COMMITMENTS, GROUP 31 DEC**2016****2015****As security for own debts**

Mortgaged as security for rents	3,589,081.00	3,589,081.00
Mortgaged as security for own loans		
Loan amount	20,591,979.18	19,289,212.62
Provided mortgages	29,383,650.00	29,474,580.00
Assets pledged as security for derivative contracts		
securities	676,591,529.41	411,163,750.00
cash ⁽¹⁾	24,887,918.91	121,815,798.81
Assets pledged as security for equity lending		
cash ⁽¹⁾	324,116,500.73	324,944,682.09

⁽¹⁾ The cash collaterals EUR 348,712,407.73 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 1,128,864,280.48, pledged as security in the transfer according to the Act on Financial Collateral Arrangements, are included in the balance sheet item Other liabilities.

Off-balance-sheet commitments and liabilities**Investment commitments**

Private equity funds	2,201,128,247.99	1,711,169,472.27
Other	80,380,504.08	75,670,993.99

Derivative contracts

Non-hedging		
Interest derivatives		
Future and forward contracts		
Open, underlying instrument	-1,344,701,390.76	-2,005,465,721.64
fair value	0.00	0.00
Option contracts		
Open, bought, underlying instrument	19,311,578,549.94	23,549,788,680.84
fair value	377,367,652.49	337,501,448.57
Open, written, underlying instrument	-14,034,446,566.74	-23,465,052,847.78
fair value	-81,756,397.26	-87,900,321.16
Interest rate and credit default swaps		
Open, underlying instrument	1,507,827,281.46	-272,265,946.61
fair value	-5,229,515.20	-96,791,295.33
Currency derivatives		
Forward contracts		
Open, underlying instrument	12,587,372,959.96	8,047,720,332.92
fair value	78,228,177.48	76,258,344.50
Closed, fair value	-64,443,710.97	8,252,134.93
Option contracts		
Open, bought, underlying instrument	10,844,849,208.64	12,142,410,200.88
fair value	1,063,570,636.62	1,291,770,923.50
Open, written, underlying instrument	-4,618,284,079.04	-3,732,416,184.44
fair value	-251,845,669.70	-164,005,360.95
Currency swaps		
Open, underlying instrument	0.00	0.00
fair value	0.00	0.00
Equity derivatives		
Future and forward contracts		
Open, underlying instrument	-106,847,984.74	-112,127,874.50
fair value	0.00	-9,240,511.07
Option contracts		
Open, bought, underlying instrument	7,204,378,779.32	3,553,195,994.69
fair value	310,859,664.16	226,442,999.69
Open, written, underlying instrument	-5,472,682,702.45	-2,573,130,423.28
fair value	-136,627,631.63	-165,066,347.57
Total returns swaps		
Open, underlying instrument	0.00	57,716.52
fair value	10,663.50	57,703.97
Other derivatives		
Future and forward contracts		
Open, underlying instrument	146,897,985.92	58,239,135.14
fair value	40,188,890.66	51,945,235.80
Option contracts		
Open, bought, underlying instrument	186,006,399.17	608,164,510.56
fair value	73,163,451.32	44,715,872.83
Open, written, underlying instrument	-95,004,269.04	-86,690,548.36
fair value	-6,205,400.00	-7,499,748.00
Total returns swaps		
Open, underlying instrument	3,333,747,680.19	1,286,305,001.10
fair value	7,212,567.59	-16,779,818.63

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

17. SECURITIES AND FINANCIAL COMMITMENTS, GROUP 31 DEC	2016	2015
Valuation principles 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.		
Amount of joint and several liability 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.		
VAT deduction refund liabilities	37,647,479.00	38,410,686.00
Rent liabilities (incl. leasing liabilities)		
Due in the next year	1,044,471.02	1,211,479.95
Due in subsequent years	1,051,113.22	2,041,243.44
Other financial commitments	1,057,000.00	2,891,000.00

18. SUBSIDIARIES AND ASSOCIATED COMPANIES CONSOLIDATED IN THE CONSOLIDATED FINANCIAL STATEMENTS 31 DEC 2016

Ilmarinen's subsidiaries		Domicile	Participating interest, %
1 Kiinteistö Oy	Aleksanterinkatu 13	Helsinki	100.00
2	Anttiloippi kortteli Oy	Helsinki	100.00
3	Elielin Pysäköinti Oy	Helsinki	100.00
4	Espagalleria Oy	Helsinki	100.00
5 Kiinteistö Oy	Espoon Anna Sahlsténin katu 12	Espoo	100.00
6 Kiinteistö Oy	Espoon Anna Sahlsténin katu 18	Espoo	100.00
7 Kiinteistö Oy	Espoon Anna Sahlsténin katu 5	Espoo	100.00
8 Kiinteistö Oy	Espoon Anna Sahlsténin katu 8	Espoo	100.00
9 Asunto Oy	Espoon Itsehallintotie 1	Espoo	100.00
10 Kiinteistö Oy	Espoon Keilarannantorni	Helsinki	100.00
11 Kiinteistö Oy	Espoon Keilaranta 11	Espoo	100.00
12 Kiinteistö Oy	Espoon Keilaranta 19	Helsinki	100.00
13 Kiinteistö Oy	Espoon Kutojankulma 2	Helsinki	100.00
14 Kiinteistö Oy	Espoon Kutojantie 4	Helsinki	100.00
15 Asunto Oy	Espoon Markkinakatu 2	Espoo	100.00
16 Asunto Oy	Espoon Merivalkama 18	Espoo	100.00
17 Asunto Oy	Espoon Neulaspolku 1	Espoo	100.00
18 Asunto Oy	Espoon Postipuutalo	Espoo	100.00
19 Asunto Oy	Espoon Puntaritie 2	Espoo	100.00
20 Asunto Oy	Espoon Puntaritie 5	Espoo	100.00
21 Kiinteistö Oy	Espoon Runoratsunkatu 1	Espoo	100.00
22 Kiinteistö Oy	Espoon Runoratsunkatu 17	Espoo	100.00
23 Asunto Oy	Espoon Suurpellon Puistokatu 12C	Espoo	100.00
24 Kiinteistö Oy	Espoon Trillakatu 5	Helsinki	100.00
25 Kiinteistö Oy	Haminan Sibeliuskatu 27	Helsinki	100.00
26 Kiinteistö Oy	Helsingin Aleksanterinkatu 17	Helsinki	92.76
27 Kiinteistö Oy	Helsingin Armfeltintie 8	Helsinki	100.00
28 Kiinteistö Oy	Helsingin Bulevardi 26	Helsinki	100.00
29 Asunto Oy	Helsingin Eerikinkatu 41	Helsinki	100.00
30 Asunto Oy	Helsingin Gyldeintie 5 - 7	Helsinki	100.00
31 Asunto Oy	Helsingin Hanuripolku 4-6	Helsinki	100.00
32 Asunto Oy	Helsingin Hellemäenpolku 10	Helsinki	100.00
33 Asunto Oy	Helsingin Hietasaarenkuja 3	Helsinki	100.00
34 Asunto Oy	Helsingin Hiomotie 42	Helsinki	100.00
35 Asunto Oy	Helsingin Hiomotie 44	Helsinki	100.00
36 Asunto Oy	Helsingin Hiomotie 46	Helsinki	100.00
37 Asunto Oy	Helsingin Hiomotie 48	Helsinki	100.00
38 Asunto Oy	Helsingin Hitsaajankatu 15	Helsinki	100.00
39 Asunto Oy	Helsingin Kap Hornin katu 8	Helsinki	100.00
40 Asunto Oy	Helsingin Kiviparantie 2	Helsinki	100.00
41 Asunto Oy	Helsingin Laivalahdenportti 3	Helsinki	93.92
42 Asunto Oy	Helsingin Leikosaarentie 26	Helsinki	100.00
43 Kiinteistö Oy	Helsingin Lepakko	Helsinki	100.00
44 Asunto Oy	Helsingin Länsisatamankatu 2	Helsinki	100.00
45 Asunto Oy	Helsingin Merikaapeli	Helsinki	100.00
46 Kiinteistö Oy	Helsingin Merkurius	Helsinki	100.00
47 Kiinteistö Oy	Helsingin Mikonkatu 9	Helsinki	100.00
48 Kiinteistö Oy	Helsingin Mustalahdentie 3	Helsinki	100.00
49 Asunto Oy	Helsingin Neitsytsaarentie	Helsinki	100.00
50 Asunto Oy	Helsingin Näyttelijäntie 13	Helsinki	100.00
51 Asunto Oy	Helsingin Palikkapolku 1	Helsinki	100.00
52 Asunto Oy	Helsingin Piispantalot	Helsinki	100.00
53 Kiinteistö Oy	Helsingin Punanotkonkatu 2	Helsinki	100.00
54 Kiinteistö Oy	Helsingin Pääpostitalo	Helsinki	100.00
55 Kiinteistö Oy	Helsingin Satamakaari 22	Helsinki	100.00
56 Kiinteistö Oy	Helsingin Satamakaari 24	Helsinki	100.00
57 Asunto Oy	Helsingin Tulvaniitynpolku 3	Helsinki	100.00
58 Asunto Oy	Helsingin Ulappasaarentie 4	Helsinki	100.00
59 Asunto Oy	Helsingin Vanha Viertotie 9	Helsinki	100.00
60 Asunto Oy	Helsingin Viulutie 9	Helsinki	100.00
61 Kiinteistö Oy	Helsingin Väinämöisenlinna	Helsinki	100.00
62 Asunto Oy	Helsingin Välimerenkatu 10	Helsinki	100.00
63 Kiinteistö Oy	Huittisten Lauttakylänkatu 12	Helsinki	100.00
64 Asunto Oy	Hyvinkään Kankurinkatu 5	Hyvinkää	100.00
65 Kiinteistö Oy	Ilmarisen Talo 121	Helsinki	100.00
66 Kiinteistö Oy	Ilmarisen Talo 122	Helsinki	100.00
67 Kiinteistö Oy	Ilmarisen Talo 123	Helsinki	100.00
68 Kiinteistö Oy	Iso-Ylläksentie 42	Helsinki	100.00
69 Kiinteistö Oy	Julininkulma	Turku	79.09
70 Kiinteistö Oy	Jyväskylän Kauppakatu 39	Helsinki	100.00
71 Asunto Oy	Järvenpään Sahankaari 1-3	Järvenpää	100.00
72 Kiinteistö Oy	Kangasalan Mäkirinteentie 1	Helsinki	100.00
73 Kiinteistö Oy	Kaskisten Bladintie 35	Helsinki	100.00
74 Kiinteistö Oy	Keravan Alikervantie 34	Helsinki	100.00
75 Kiinteistö Oy	Keravan Isoahjo	Helsinki	100.00
76 Asunto Oy	Keravan Santaniitynkatu 11	Kerava	100.00
77 Asunto Oy	Keravan Santaniitynkatu 23	Kerava	100.00
78 Asunto Oy	Keravan Santaniitynkatu 25	Kerava	100.00
79 Kiinteistö Oy	Kolarin Lomarova III	Helsinki	100.00
80 Kiinteistö Oy	Kotkan Metsäkulmankatu 21	Helsinki	100.00
81 Kiinteistö Oy	Kotkan Siikasaarentie 78	Helsinki	100.00
82 Kiinteistö Oy	Kutomotie 9	Helsinki	100.00
83	Kämp Galleria Oy	Helsinki	100.00
84	Kämp-Kiinteistöt Oy	Helsinki	100.00
85 Kiinteistö Oy	Lappeenrannan Kauppatori	Lappeenranta	78.79
86 Asunto Oy	Lappeenrannan Kievarinkatu 1	Lappeenranta	100.00

18. SUBSIDIARIES AND ASSOCIATED COMPANIES CONSOLIDATED IN THE CONSOLIDATED FINANCIAL STATEMENTS 31 DEC 2016

87 Asunto Oy	Lappeenrannan Valto Käkelän katu 4-6	Lappeenranta	100.00
88 Kiinteistö Oy	Lielahden Kauppapuisto 1	Helsinki	100.00
89 Kiinteistö Oy	Lielahden Kauppapuisto 2	Helsinki	100.00
90 Kiinteistö Oy	Lohjan Ojamonharjuntie 86	Helsinki	100.00
91 Kiinteistö Oy	Luumäen Suoanttilantie 101	Helsinki	100.00
92 Kiinteistö Oy	Nokian Kivimiehenkatu 4	Helsinki	100.00
93 Kiinteistö Oy	Nummelan Rastatie 3	Helsinki	100.00
94 Kiinteistö Oy	Oulun Isopurjeentie 3	Helsinki	100.00
95 Kiinteistö Oy	Oulun Kauppuriinkatu 9	Helsinki	100.00
96 Kiinteistö Oy	Oulun Pekurinkulma	Helsinki	100.00
97	Oy F.W. Grönqvist Ab	Helsinki	88.20
98 Kiinteistö Oy	Paraisten Liikekeskus	Parainen	71.92
99 Kiinteistö Oy	Porin Itäkeskuksenkaari 2	Helsinki	100.00
100 Kiinteistö Oy	Salomonkatu 7-9	Helsinki	79.34
101 Asunto Oy	Tampereen Ankkarinraitti 4	Tampere	100.00
102 Asunto Oy	Tampereen lidesranta 14	Tampere	100.00
103 Asunto Oy	Tampereen lidesranta 16	Tampere	100.00
104 Asunto Oy	Tampereen Kalevan puistotie 14	Tampere	100.00
105 Asunto Oy	Tampereen Lapinkaari 8	Tampere	100.00
106 Kiinteistö Oy	Tampereen Lokomonkatu 27	Helsinki	100.00
107 Kiinteistö Oy	Tampereen Sellukatu 30	Tampere	100.00
108 Asunto Oy	Tampereen Tapettikatu 5	Tampere	100.00
109 Kiinteistö Oy	Tampereen Turvesuonkatu 10	Helsinki	100.00
110 Kiinteistö Oy	Teuvan Tuokkolantie 14	Helsinki	100.00
111	Tietollmarinen	Helsinki	30.00 (1)
112 Kiinteistö Oy	Tuusulan Huurrekuja 2	Helsinki	100.00
113 Kiinteistö Oy	Tuusulan Högberginhaara 12	Helsinki	100.00
114 Kiinteistö Oy	Vaasan Märikaivontie 22	Helsinki	100.00
115 Kiinteistö Oy	Vaasan Tehokatu 10	Helsinki	100.00
116 Kiinteistö Oy	Vainikkalan Huolintatie 13	Helsinki	100.00
117 Kiinteistö Oy	Valkeakosken Hakalantie 1	Helsinki	100.00
118 Kiinteistö Oy	Vantaan Ainontie 1	Helsinki	100.00
119 Kiinteistö Oy	Vantaan Ainontie 5	Helsinki	100.00
120 Kiinteistö Oy	Vantaan Asolantie 14	Helsinki	100.00
121 Asunto Oy	Vantaan Helmikuja 2	Vantaa	100.00
122 Asunto Oy	Vantaan Helmikuja 4	Vantaa	100.00
123 Kiinteistö Oy	Vantaan Jönsaksentie 4	Helsinki	100.00
124 Asunto Oy	Vantaan Kranssi	Vantaa	100.00
125 Asunto Oy	Vantaan Neilikkatie 8	Vantaa	100.00
126 Asunto Oy	Vantaan Paakari	Vantaa	100.00
127 Asunto Oy	Vantaan Pakkalanrinne 2	Vantaa	100.00
128 Kiinteistö Oy	Vantaan Pakkalanrinne 4	Helsinki	100.00
129 Kiinteistö Oy	Vantaan Pakkalantie 27	Helsinki	100.00
130 Kiinteistö Oy	Vantaan Rälssitie 9	Helsinki	100.00
131 Asunto Oy	Vantaan Solkikuja 4	Vantaa	100.00
132 Kiinteistö Oy	Vantaan Tikkurilantie 5	Helsinki	100.00
133 Asunto Oy	Vantaan Tädykatie 4	Vantaa	100.00
134 Asunto Oy	Vantaan Valtuustokatu 6	Vantaa	100.00
135 Kiinteistö Oy	Vantaan Öljykuja 2	Helsinki	100.00
136 Kiinteistö Oy	Värtsilän Teollisuustie 5	Helsinki	100.00
137 Kiinteistö Oy	Äänekosken Kauppakatu 5	Helsinki	100.00

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

Ilmarinen's associated companies	Domicile	Participating interest, %
1 Antilooppi konserni	Helsinki	50.00
2 BOC Frankfurt Management S.a.r.l.	Munzbach	49.00
3 Col REO Victoria Office A S.a.r.l.	Luxemburg	49.00
4 HL Covent Garden	Bryssel	95.02 (2)
5 ILMA Srl	Senningerberg	49.50
6 Kruunuvuoren Satama Oy	Helsinki	33.00
7 Mercada Oy	Helsinki	33.33
8 Navidom Oy	Espoo	25.00
9 PH Buildings	Amsterdam	99.99 (3)
10 Russia Invest B.V.	Amsterdam	27.23
11 SSC Ahti Oy	Helsinki	50.00
12 SSC Esko Oy	Helsinki	50.00
13 SSC Futlaiva Oy	Helsinki	50.00
14 SSC Kiisla Oy	Helsinki	50.00
15 SSC Maslaiva Oy	Helsinki	50.00
16 SSC Neslaiva Oy	Helsinki	50.00
17 SSC Suula Oy	Helsinki	50.00
18 SSC Ukko Oy	Helsinki	50.00
19 Taivas Tysons Corner Inc.	Delaware	50.00 (4)
20 Tamina Homes Inc.	Delaware	99.99 (5)
21 Technopolis Holding 2 AS	Oslo	49.00
22 The Forest Company Limited	St. Peter Port	21.25

2) Ilmarinen Mutual Pension Insurance Company's share of the vote is 47.6%.

3) Ilmarinen Mutual Pension Insurance Company's share of the vote is 50%.

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

5) 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 2016 amount to EUR 80,985,819.87, of which the profit for the financial year is EUR 4,479,553.16.

The Board of Directors proposes that a maximum of EUR 100,000 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 2018 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 4,379,553.16 be transferred to the contingency fund.

Helsinki, 16 February 2017

Mikko Helander

Jarkko Eloranta

Jyri Häkämies

Sture Fjäder

Hille Korhonen

Minna Korkeaoja

Olli Lehtilä

Hannu Leinonen

Katarina Murto

Kristian Pullola

Kari Savolainen

Pekka Vauramo

Timo Ritakallio
President and CEO

Today a report has been issued on the performed audit.

Helsinki, 7 March 2017

Ernst & Young Oy
Authorized Public Accountant Firm

Harri Pärssinen
Authorised Public Accountant

AUDITOR'S REPORT (Translation of the Finnish original)

To the Annual General Meeting of Keskinäinen Eläkevakuutusyhtiö Ilmarinen

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Keskinäinen Eläkevakuutusyhtiö Ilmarinen for the year ended 31 December, 2016. The financial statements comprise the balance sheets, the income statements, cash flow statements and notes for the group as well as for the parent company.

In our opinion, the financial statements give a true and fair view of the group's and the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of our report. We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other reporting requirements

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises information included in the report of the Board of Directors. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the information included in the report of the Board of Directors and, in doing so, consider whether the information included in the report of the Board of Directors is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations requirements.

If, based on the work we have performed, we conclude that there is a material misstatement in the information included in the report of the Board of Directors, we are required to report this fact. We have nothing to report in this regard.

Helsinki 7. March 2017

Ernst & Young Oy
Authorized Public Accountant Firm

Harri Pärssinen
Authorized Public Accountant