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Finnish insurance in 2008

Federation of Finnish Financial Services





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CONTENTS

Highlights.....	1
Market developments.....	2
Corporate scene.....	3
Non-life insurance.....	4
Premiums written in Finland in 2008.....	5
Mutual associations.....	8
Life insurance.....	9
Statutory pension insurance	13
Insurers' investments.....	14
Statistical annexes	

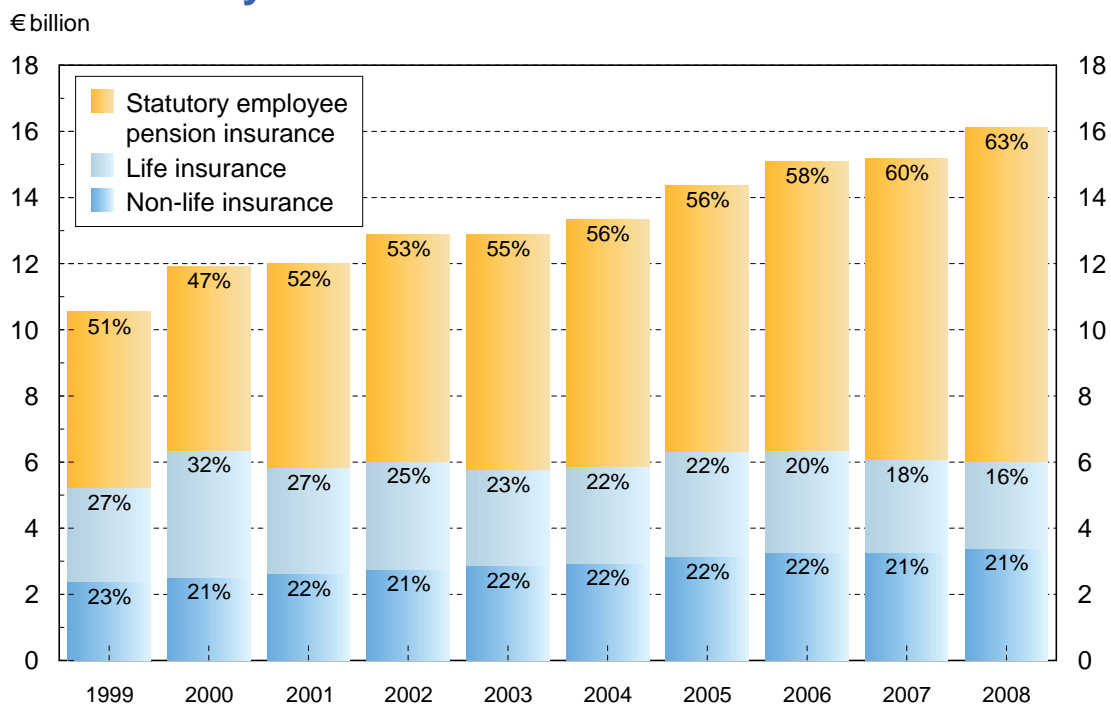


Finnish insurance in 2008

Highlights

- Finnish insurers' investments lost 12%, calculated at current values. Even so, companies' financial strength was adequate.
- Insurance premiums written in Finland rose to €16.1bn. Statutory pension insurance expanded to cover 63% of total premiums written.
- Non-life insurers' combined ratio stayed below 100%. Loss ratio stood at 78.8%, combined ratio at 99.7%.
- Life premiums fell 6%. Life assets fell 8% to €27.7bn.

Breakdown of gross premiums written by Finnish insurers in 1999-2008



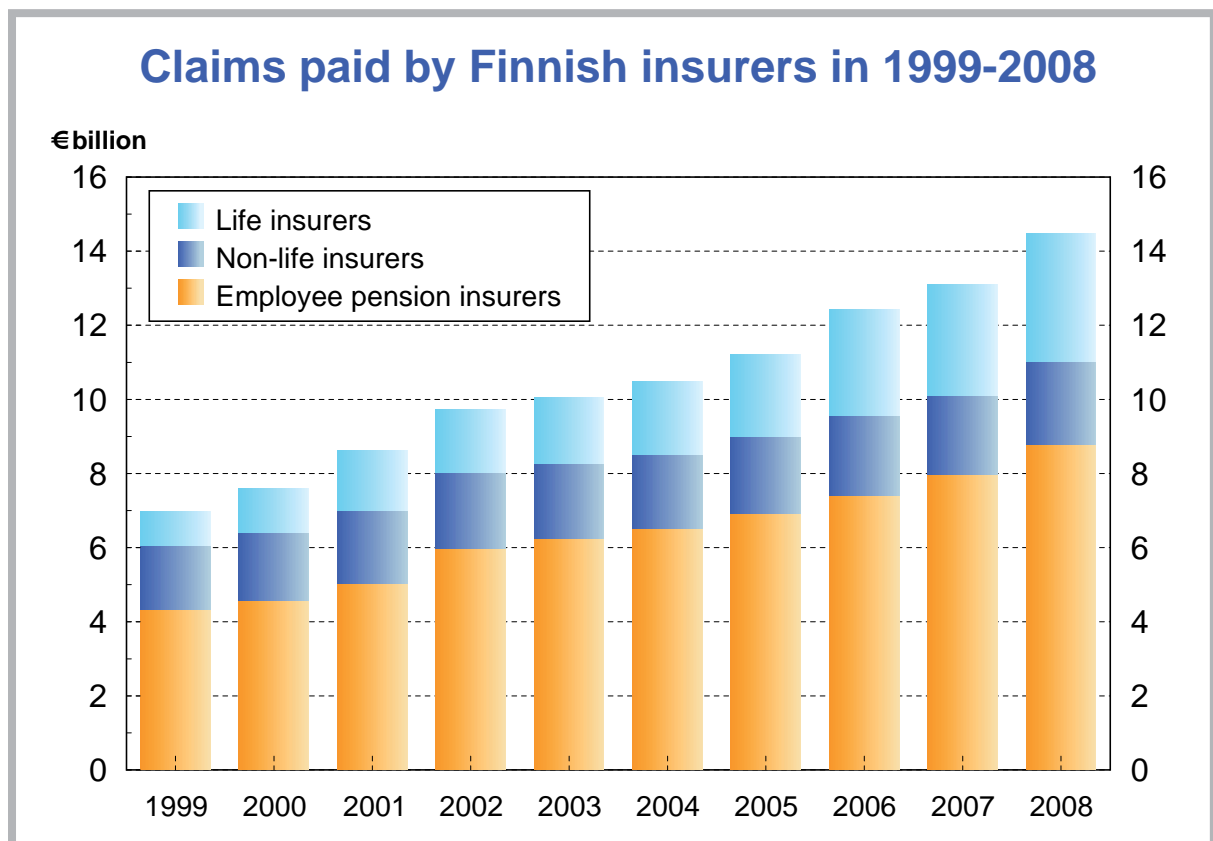


Market developments

In 2008, Finnish insurers felt the impact of the worldwide economic crisis, which worsened towards the end of the year. The impact was particularly strong in investment business, whereas underwriting business reflected 6% growth in terms of premiums written, which totalled €16.1bn. The steepest gains in premium volumes were seen in authorised employee pension insurers, which reported a double-digit rise of 11%. Non-life insurers' premium volume rose 4%, but life insurers saw another disappointing year when premiums written totalled 6% lower than in 2007.

Claims and pension benefits were paid by Finnish insurers for a total of €14.5bn in 2008, 10% more than in the year before. Operating profits were deep in the red owing to the losses suffered in investments. Yet Finnish insurers' solvency has remained adequate. According to the Financial Supervisory Authority, all insurers meet the requirements imposed by law on insurers' solvency margins.

A typical feature in the breakdown of Finnish insurance is that statutory lines generate a major share of premiums written. In 2008, as much as 70% of all premiums written came from statutory insurance, ie employee pension, workers' compensation and motor liability insurance. Another feature typical of the Finnish insurance market is high concentration. Nearly 85% of all premiums were written by the four largest insurer groups.



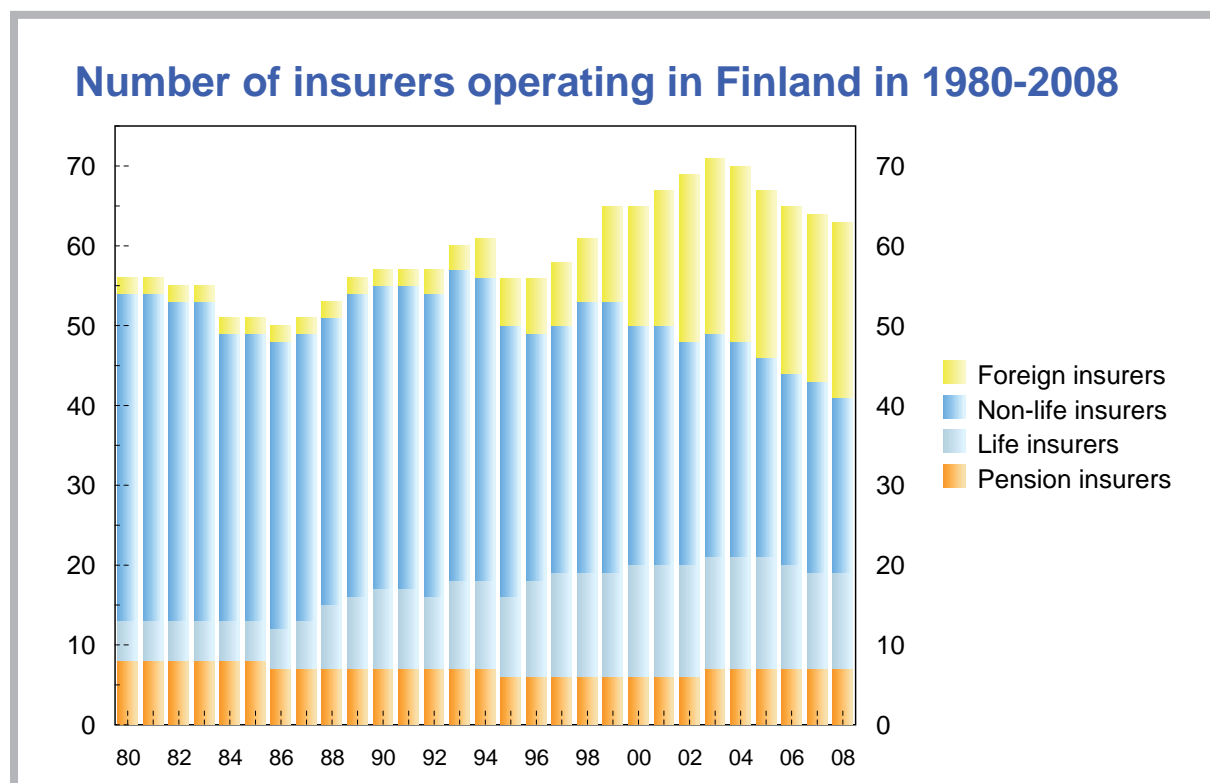


Corporate scene

At the end of 2008, there were 41 licensed Finnish insurers in Finland, with 22 of them specialising in non-life business and reinsurance, 12 in life insurance and 7 in statutory employee pension insurance. The companies employed an average of 10,800 persons in 2008, which was 100 more than in 2007. Mutual associations, or local mutuals, totalled 90 at the end of the year.

The number of branches operated by non-Finnish insurers in Finland was 22 at the end of 2008. How much of the Finnish market is covered by foreign insurers is not known, but estimates stand at less than 4%, measured by premiums written. Notifications to do insurance business under the freedom to provide services had been received by the Financial Supervisory Authority from a total of 559 companies or branches by the end of 2008.

The number of insurance brokers operating in the Finnish market has come down. At the end of December 2008, the Insurance Brokers Register, kept by the Financial Supervisory Authority, contained 63 insurance broker businesses. The volume of business done through brokers has for the past few years accounted for some 10% of the total premiums written.

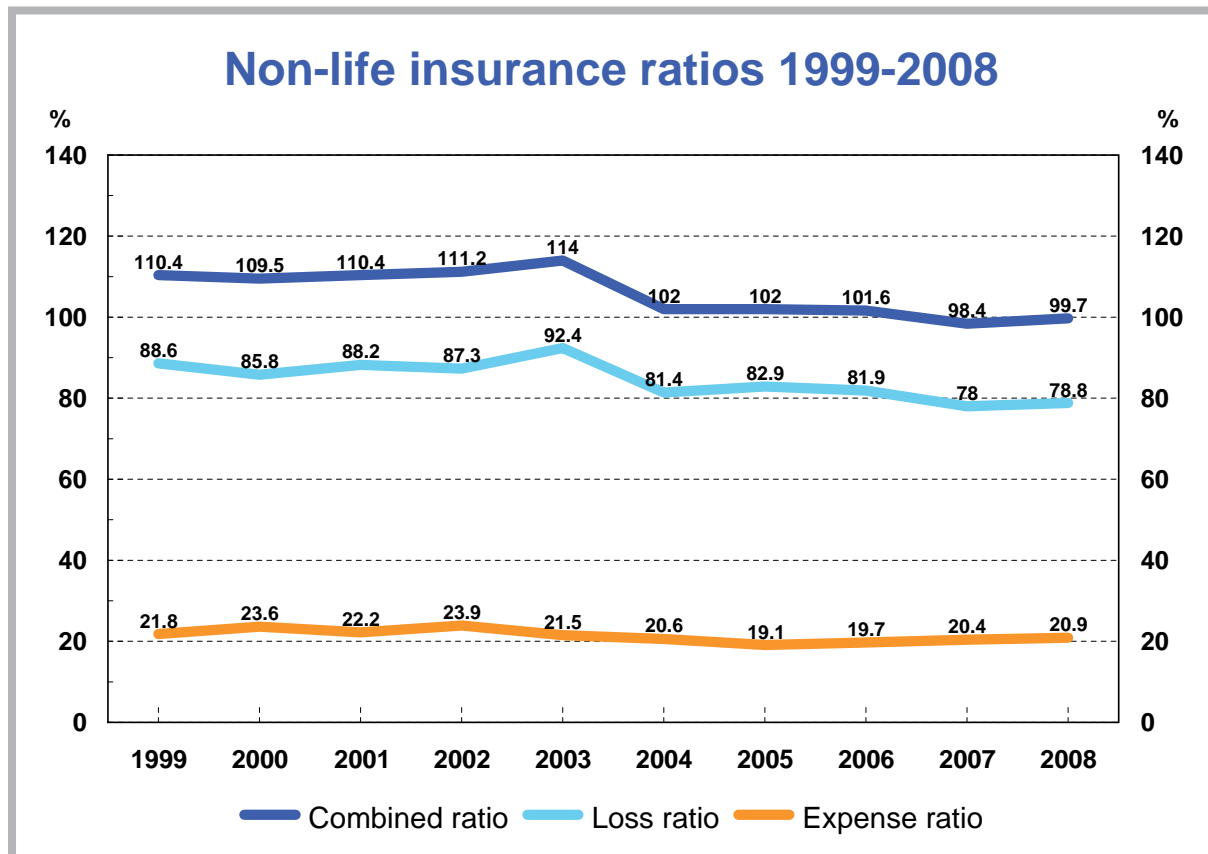




Non-life insurance

Finnish non-life insurers' premium income for 2008 amounted to €3.4bn, up 4% on the year. Non-life claims were paid for €2.2bn, 6% more than in 2007.

Balance on technical account before change in equalisation provision (premiums earned less claims incurred and operating expenses) was in surplus in 2008. Non-life insurers' combined ratio, which reflects both loss ratio and expense ratio, rose one percentage point to 99.7%. Both loss ratio (claims incurred to premiums earned, at 78.8%) and expense ratio (operating expenses to premiums earned, at 20.9%) rose a little from the year before. Loss ratio before unwinding of discount was 74.7% and combined ratio before unwinding of discount was 95.6%.



Even if insurance business was profitable in 2008, operating profits were depressed by the disappointing performance of investments. Finnish insurers reported an aggregate operating loss of €164m for 2008. Investments generated a loss of €172m. Calculated on current values, return on capital employed was 3.2% in the negative territory. When valuation gains/losses on investments are added to operating profit, the figure stands at €345m in the red.



**Gross premiums written* in Finland
in 2008, €million**

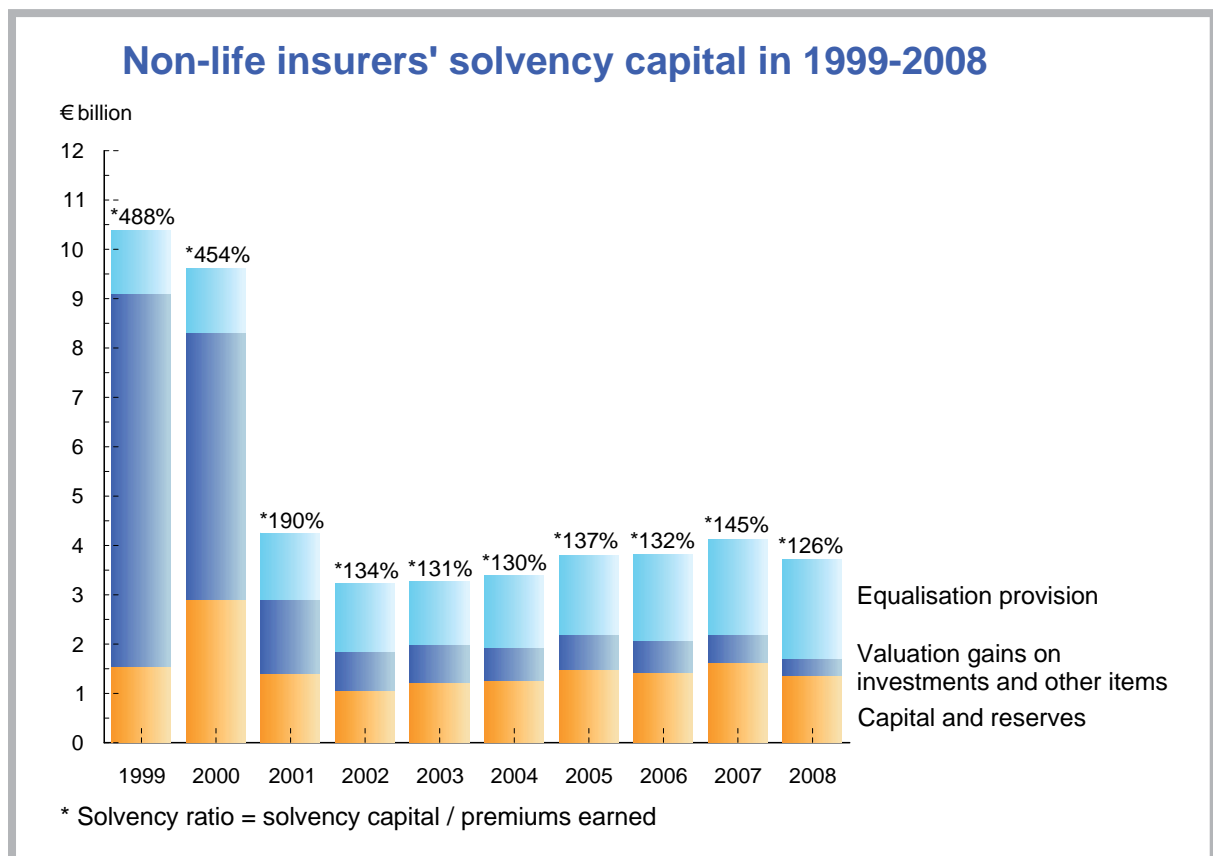
		Change %	Loss ratio % 1)
Pension insurance			
- statutory pension	10,118	11.0	
Life insurance			
- personal life, unit linked	497	-50.4	
- capital redemption policies	184	149.7	
- other life insurance	678	12.5	
- employees group life	40	2.0	
- other group life insurance	87	-0.5	
- personal pension, unit linked	497	6.6	
- other personal pension	257	-0.5	
- group pension, unit linked	47	-7.3	
- other group pension	333	52.5	
- reinsurance	4	-16.4	
Life insurance total	2,624	-6.4	
Non-life insurance			
- workers' compensation	584	-0.3	86.0
- other accident and health	279	15.6	79.8
- motor vehicle	578	6.0	77.3
- marine, aviation and transport	106	-3.9	46.4
- fire and other damage to property	721	5.2	73.4
- motor liability	666	3.5	80.8
- general liability	175	-1.1	77.0
- credit and suretyship	31	-3.1	24.3
- legal expenses	55	8.9	84.0
- other direct insurance	57	-0.8	70.8
Direct non-life business total	3,252	4.0	78.0
- domestic reinsurance	71	2.7	72.9
- foreign reinsurance	63	-6.3	130.4
Non-life insurance total	3,386	3.7	78.8
TOTAL	16,128	6.2	

* includes Finnish companies and local mutuals plus those foreign insurers whose figures have been reported to the Federation

1) Claims incurred / premiums earned, only Finnish insurers included



Non-life insurers' solvency capital, which is made up of solvency margin and equalisation provision, amounted to €3.8bn, down 10% on the year. This fall also affected solvency ratio, which stood at a decent 126%. Non-life insurers' solvency has remained fairly strong because their business is based on profitable underwriting these days and does not so much rely on investment returns as it used to.



Insurance against fire and other damage to property claimed the position of the largest group of non-life classes. Premiums written rose 5% to €721m. This group of insurance classes, which covers both business and personal property cover, reflected a decline in loss ratio to 73.4%.

Premiums written in statutory motor liability insurance rose 4% to €666m. Loss ratio rose a touch in this class, ending up at 80.8%. The number of road accidents reported to motor liability insurers was 119,912, down half a point on 2007. Fatal accidents decreased from the year before. According to data filed with Statistics Finland, road accidents claimed 343 lives in 2008 and injured about 8,500 persons, slightly more than in 2007.

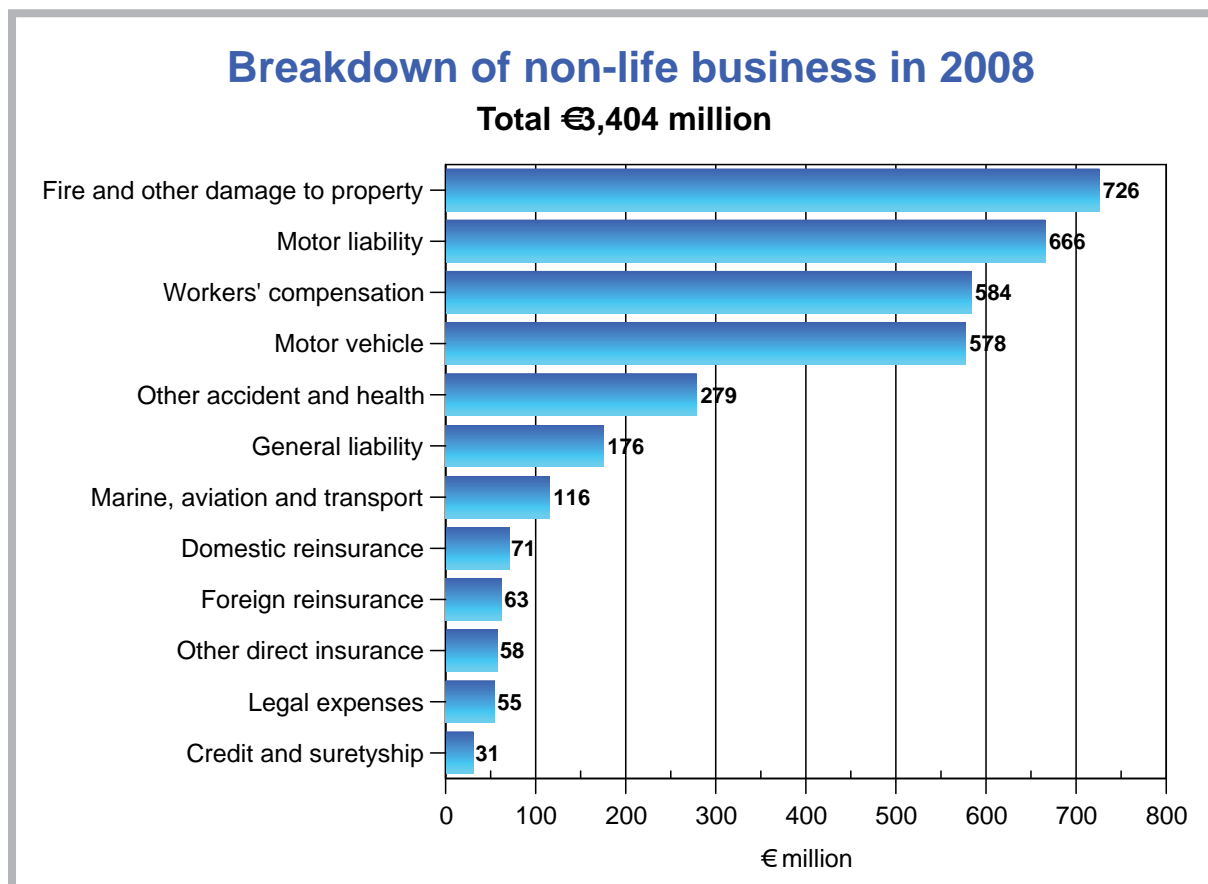


The volume of workers' compensation premiums written was little changed at €584m. Loss ratio declined slightly to 86.0%.

Motor vehicle insurance, a voluntary line, grew 6% in terms of premiums written, which amounted to €578m. Loss ratio weakened a touch to 77.3%. The number of cars rose 5% in 2008. By contrast, the number of cars damaged in road accidents was down 3% compared to 2007, totalling 298,500 according to claims received by insurers.

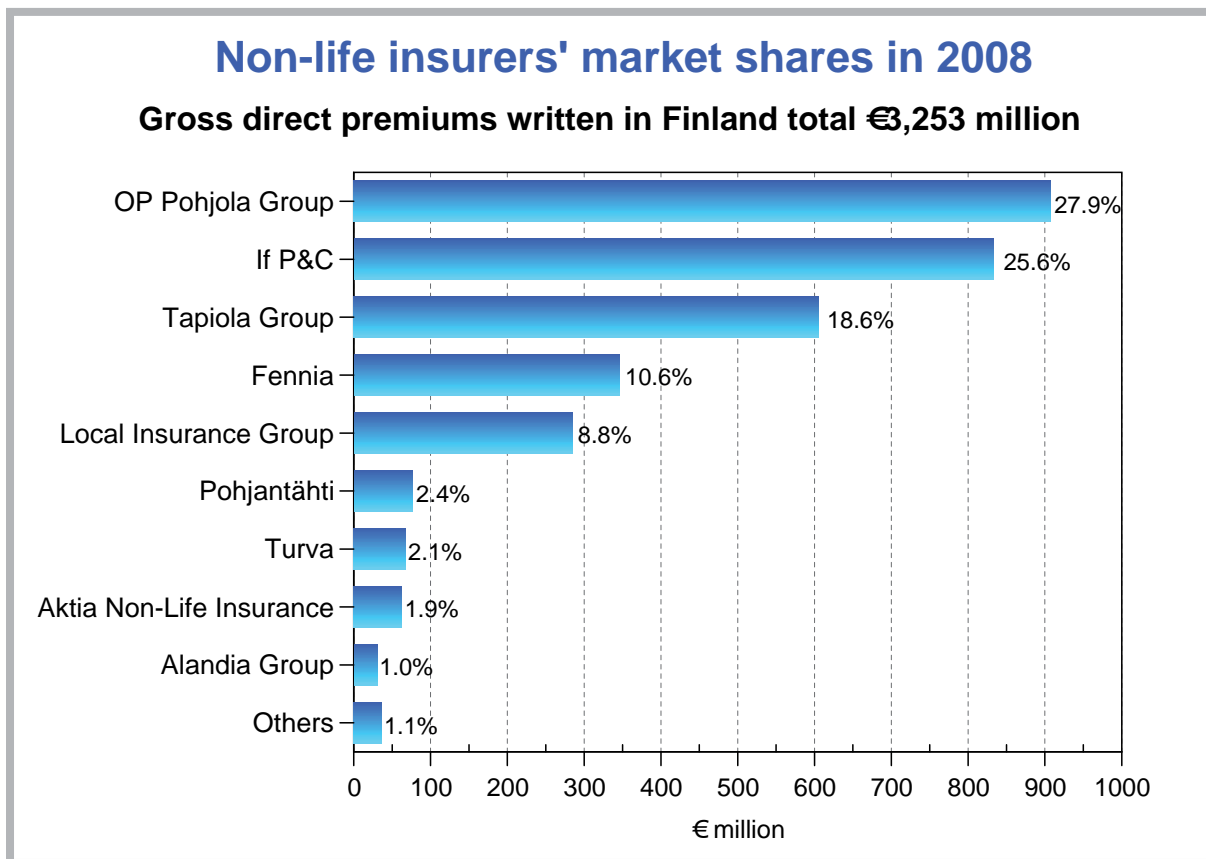
Other accident and health insurance generated €279m in premiums written, 16% more than in 2007. Part of this major growth is explained by an in-group transfer of OP-Pohjola's health insurance portfolio from the group's health insurer to the non-life insurer.

Premiums written on accepted reinsurance fell 3% to €134m. Foreign reinsurance contributed €63m to the total and domestic reinsurance covered the remaining €71m.





The volume of direct premiums written by non-life insurers in Finland rose 4% to €3.3bn in 2008. Market shares changed only slightly. With a market share of 27.9%, OP-Pohjola Group strengthened its number one position. If P&C Insurance Company Ltd lost market share, claiming 25.6% of the total. Tapiola also lost market share to end up with an 18.6% share. Fennia gained a bit, covering 10.5% of the non-life market. The Local Insurance Group, which comprises most of the local mutuals operating around Finland, boosted its market share to 8.8%. The five largest insurer groups commanded more than 91% of the non-life market in 2008.



Mutual associations

For several years now, the number of local mutual insurance associations has been falling in Finland. At the end of 2008, they numbered 90. Most of the local mutuals are members of the Local Insurance Group. The number of local mutuals will continue to come down now that the Local Insurance Group is planning to reduce its membership to 30.

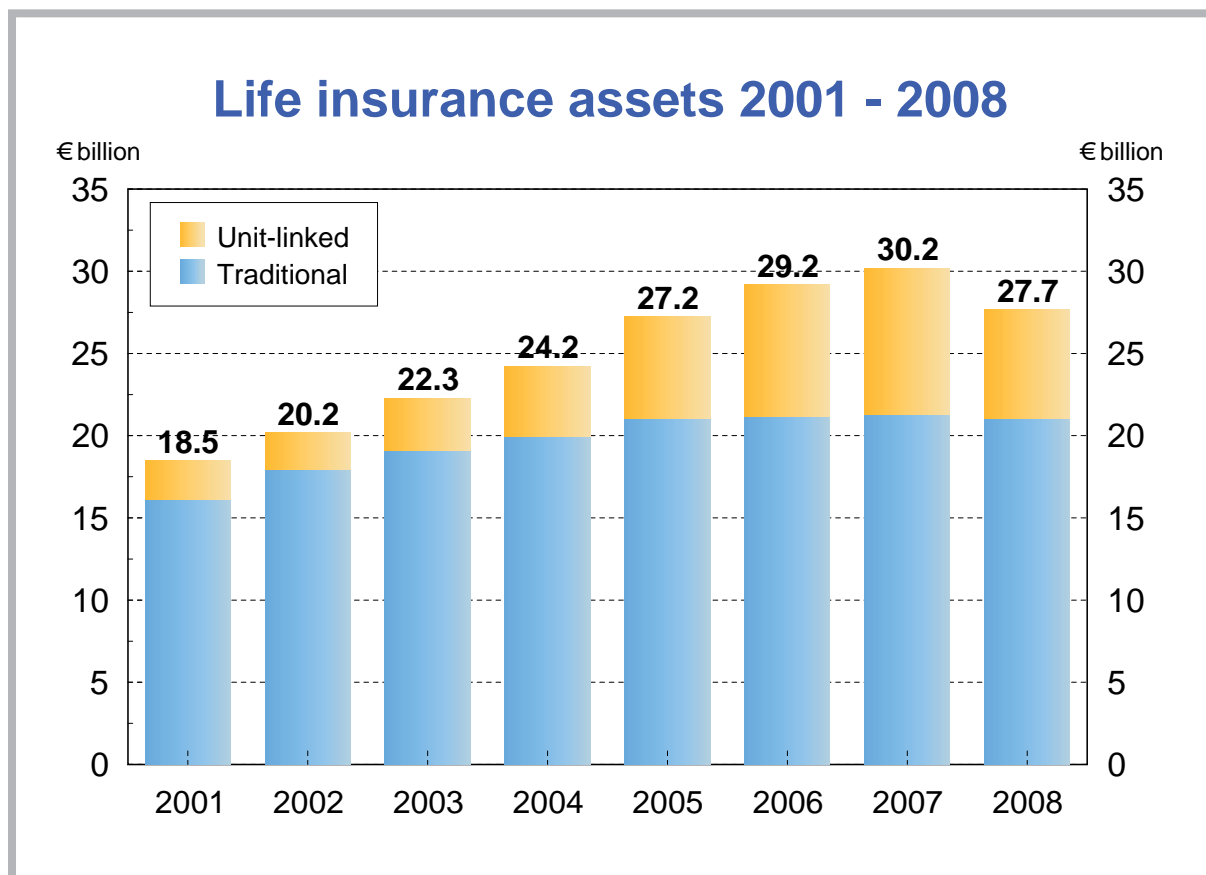
Direct premiums written by Finnish mutual associations totalled €172m in 2008, up 5% on 2007. The market share of local mutuals was 5% of all direct business at the year-end. The average loss ratio of the local mutuals was 65% in 2008. The low figure is not directly comparable to insurance companies' loss ratios, because mutual associations administer insurance portfolios very different in structure from the portfolios of most insurance companies in Finland. Operating profit stood at €2m, representing 1% of turnover.



Life insurance

Finnish life insurers' 2008 premium income amounted to 6% less than the 2007 volume. Premiums written at home totalled €2.6bn. The decline resulted from the fact that unit-linked insurance attracted less interest than other savings products as customers were suffering heavy losses on their unit-linked policies. Premiums written on new policies sold amounted to 10% less than a year earlier and was not even enough to cover policy surrenders.

The volume of assets held under life policies fell 8% to €27.7bn. The biggest decline was seen in unit-linked assets, which totalled €6.6bn, down 26% on the year.

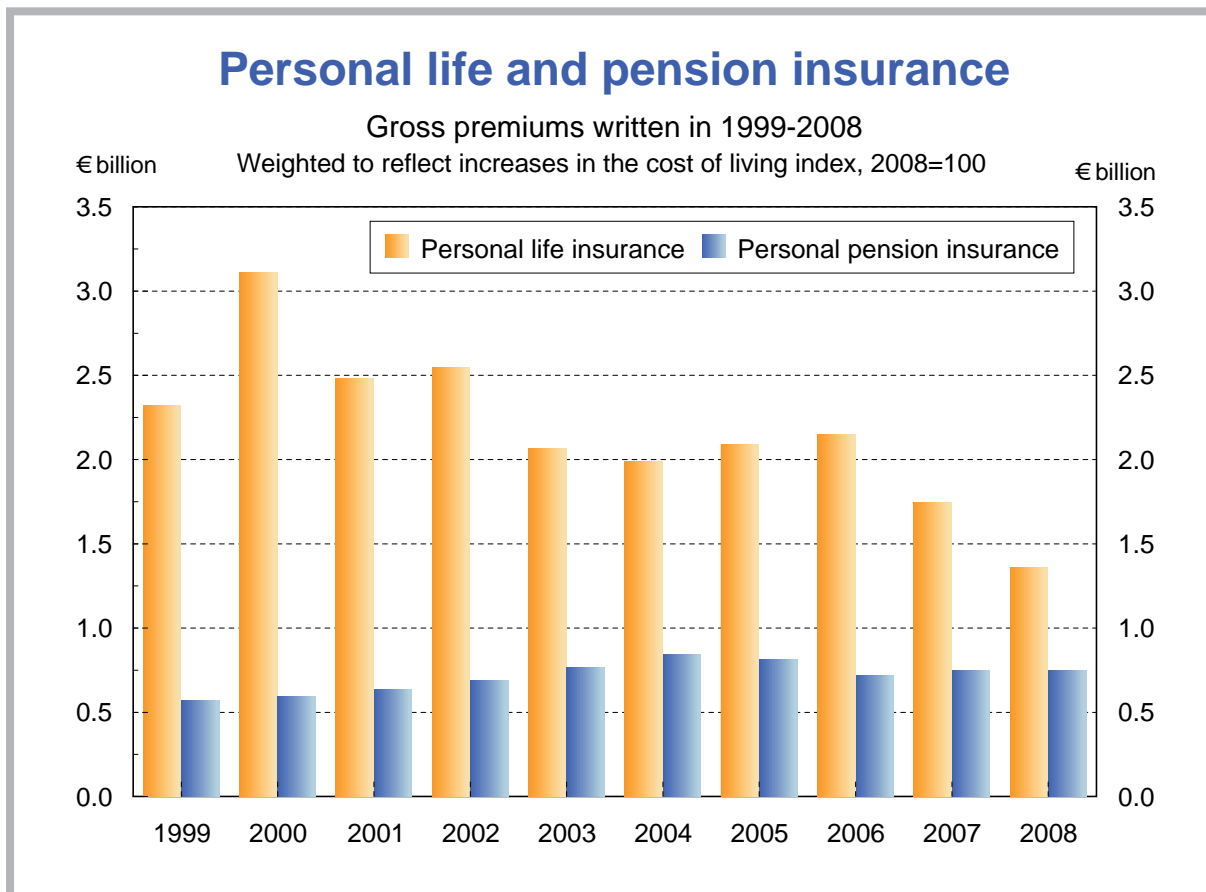


Claims paid under life insurance rose 16% to €3.5bn. Policy surrenders amounted to €1.3bn, policy benefits were paid out for €1.2bn and other benefit and compensation payouts totalled €1bn. Policy surrenders rose by 36% and other payouts by 12%. Payouts of policy benefits amounted to 3% more than in 2007.



Premiums written in personal life insurance fell 19% to €1.4bn in 2008. Unit-linked business accounted now for less than half of the total, while traditional guaranteed-return policies and pure-risk policies gained ground in terms of premiums written. Capital redemption policies, products similar to time deposits, generated €184m in premiums written, up 150% on 2007. This jump resulted from the launching of unit-linked products devised for personal customers.

Personal pension policies continued to sell well. The number of policies bought in 2008 was 74,500, 4% more than a year earlier. An equal rise was seen in premiums written, which totalled €754m. The average amount of regular contributions paid to new pension plans was €137 a month.



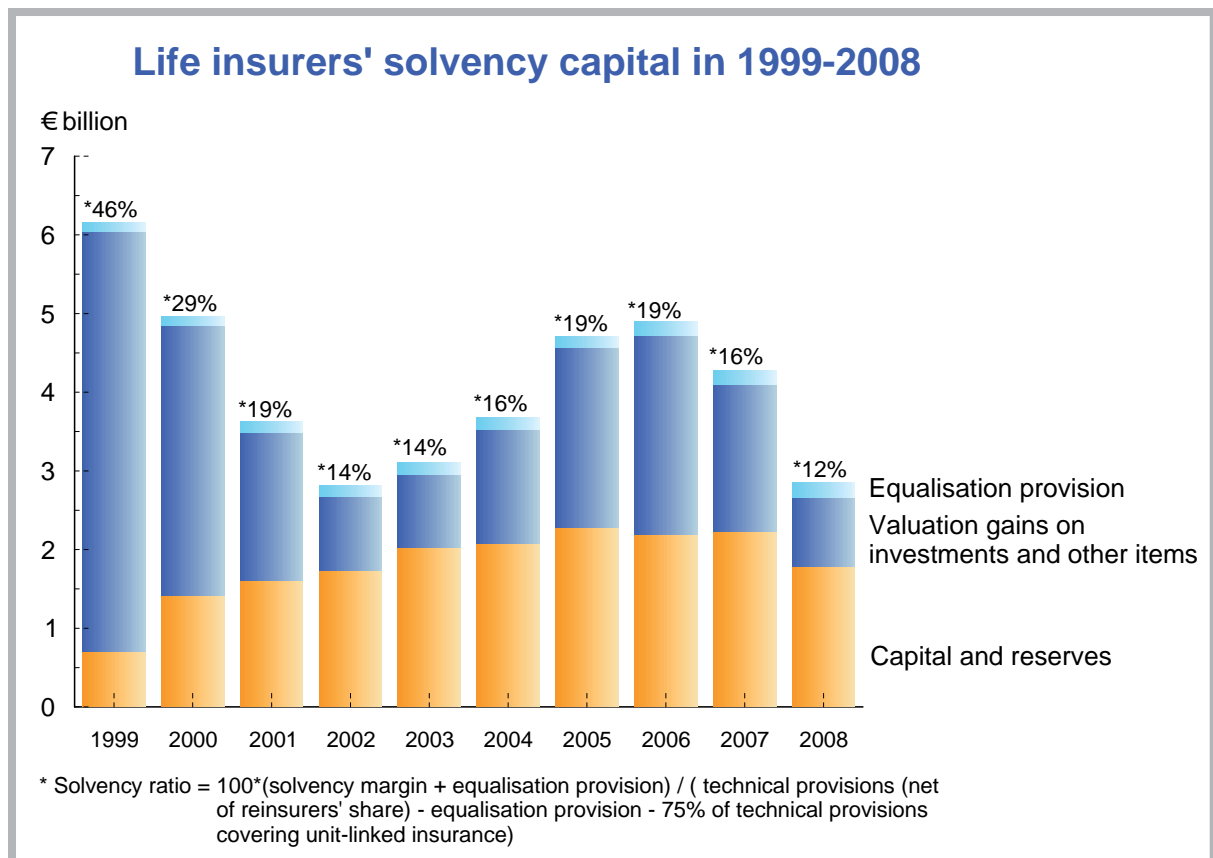
Voluntary group pension insurance expanded 40% in terms of premiums written. Portfolio transfers from wound up pension funds, which may add unusually large amounts to premiums written in this line, amounted to €115m in 2008, up from €37m a year earlier. Overall, last year's growth came from irregular premiums rather than regular premiums, which were the main source of growth in 2007. Total premiums written in voluntary group pension insurance stood at €380m, out of which €47m came from unit-linked business. Although premium growth was strong, the number of new policies sold was slightly smaller than in 2007.



Premiums collected on voluntary group life insurance remained unchanged at €87m. Premiums on employees' group life insurance, a cover agreed between social partners, generated €40m in premium income.

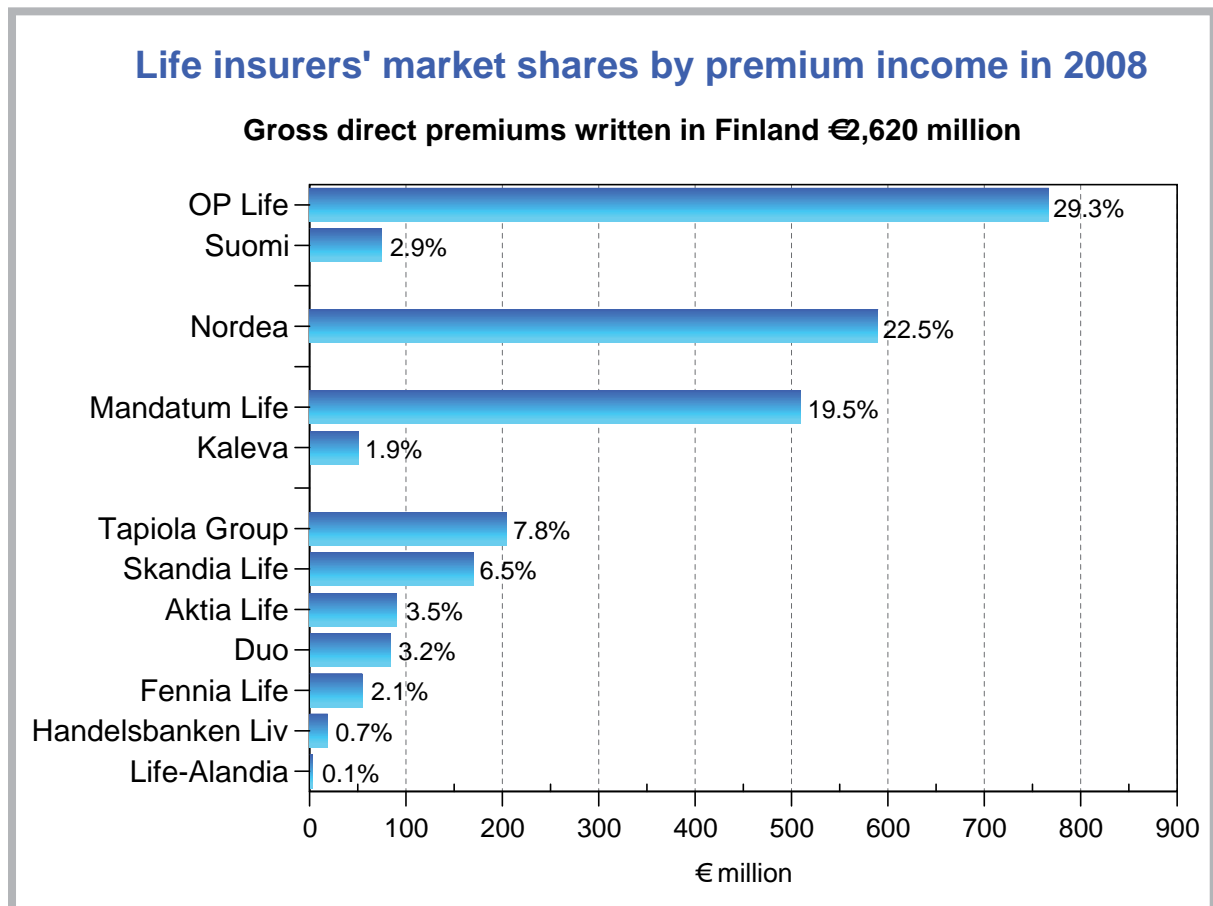
Calculated on current values, life insurers' investments gave a negative return of 6.5%, which added up to a loss of €1.8bn. Operating expenses stayed at the preceding year's level, €16m. Operating profit slumped to a loss of one billion euros. When valuation gains/losses on investments are added to operating loss, the figure stands at €2.4bn. In spite of the heavy losses, life insurers paid bonuses, largely out of provisions made for future bonuses.

Life insurers' solvency ratio fell to 12%. This figure means that Finnish life insurers' solvency capital was 12% larger than the amount needed for future benefit payouts to customers. These "extra" assets serve as a buffer to tide over years of poor investment performance. Life insurers' aggregate solvency capital decreased 33% to €2.9bn. Yet life insurers' solvency margin adds up to 2.4 times the amount needed to meet the requirement imposed in the Insurance Companies Act.





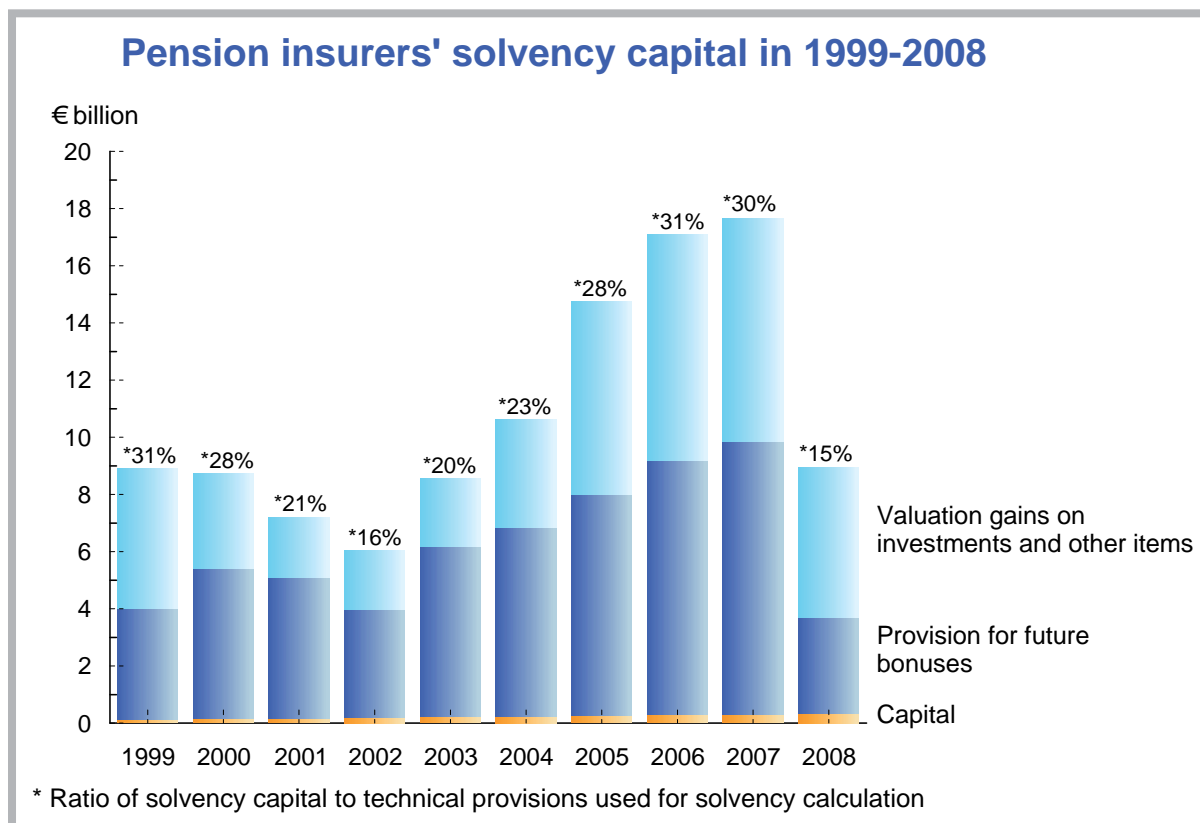
OP Life Assurance Company retained its market leader position, although its share fell a little, to 29.3%. Nordea Life Assurance (22.5%) and Mandatum Life (19.5%) also lost market share, just as many smaller companies did. On the winning side were Tapiola (7.8%), Handelsbanken Liv (0.7%) and Duo with a strong performance (3.2%), which largely came from a portfolio transfer.





Statutory pension insurance

Employee pension insurers, which are private companies authorised to administer statutory employee pension schemes in Finland, saw their solvency decline in the economic crisis which aggravated towards the end of 2008. The dire situation was eased when pension insurers' capital requirements were relaxed by a temporary law. The main objective of the law with its several changes was to make it possible for the companies to make long-term investments in equities also in the future regardless of economic conditions. Although pension insurers' solvency capital fell nearly 50% to €0.0bn, the new law helped the companies retain their solvency at a decent level. Their aggregate solvency margin accounted for 15% of technical provisions eligible for calculation of solvency limit.

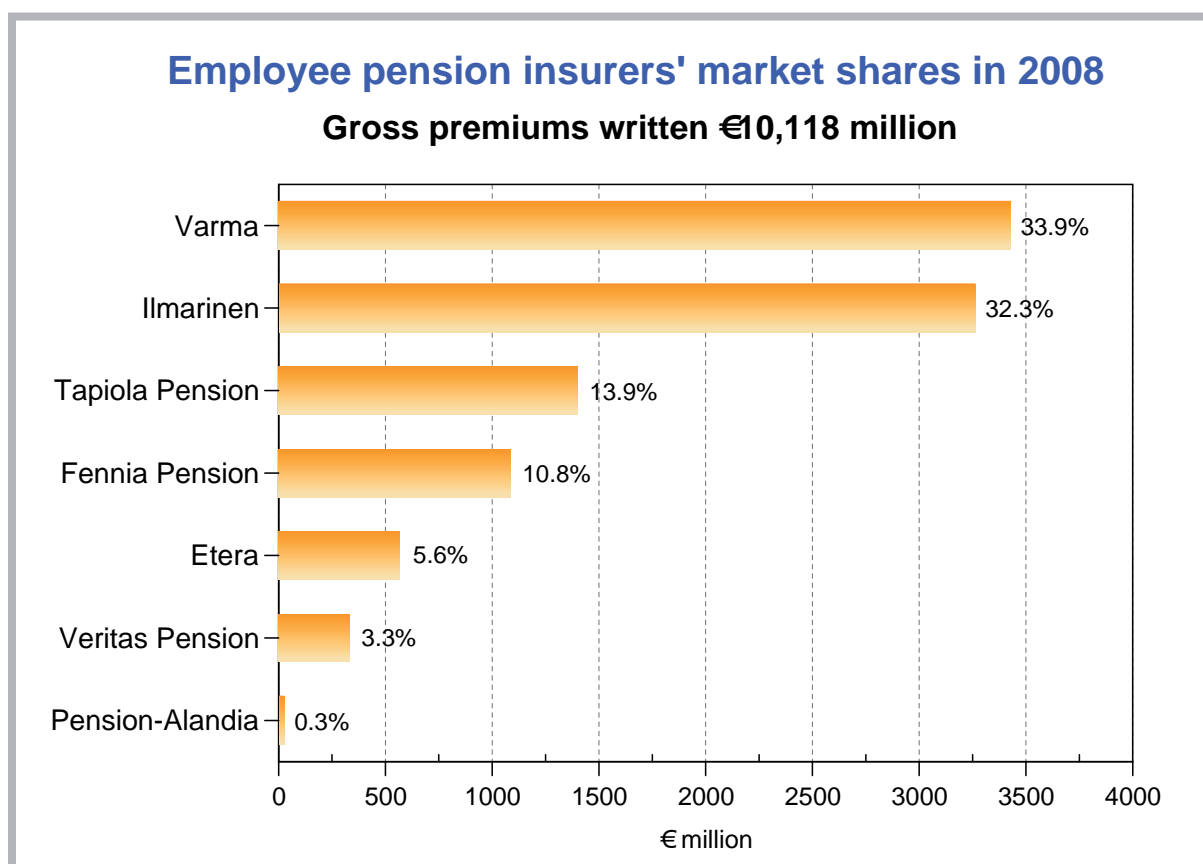


Premiums written by authorised pension providers in 2008 totalled €10.1bn, up 11%. A major reason behind this steep rise was an unusually strong growth of payroll, though portfolio transfers from three dissolved pension funds also played a role. Pension benefits were paid out for €8.9bn. The value of assets held in cover of pension liabilities fell by nearly 14% to €63bn. Pension insurers' investments returned -15.2%, calculated on current values.

Pension insurers derive much of their income from investments. Calculated on current values, net investment loss stood at €1.8bn. Underwriting profit amounted to €55m and loading profit to €8m. The return requirement imposed on technical provisions by the new law was negative, which boosted the bottom line by €32m. As a result, pension insurers' 2008 performance reflected an operating loss of €1.2bn. Bonuses absorbed €101m of the profits and €45m was used for strengthening equalisation provision.



The year under review was the first full financial year under the same legislation, the Employee Pensions Act, which replaced the former Employees Pensions Act, the Temporary Employees' Act and the Pension Act for Performing Artists and Certain Groups of Employees and opened the latter two sectors to competition. As a result, Etera, who used to be the sole provider of pensions for temporary employees and artists, saw its market share drop further to 5.6% in favour of other providers. Varma kept its leader position and claimed 33.9% of the market. The second largest, Ilmarinen, boosted its share to 32.3%. Tapiola Pension's market share fell to 13.9% and Fennia Pension's rose to 10.8%. The two smallest insurers reported little change in their market shares, which were 3.3% for Veritas Pension and 0.3% for Alandia Pension.



Investment

Not unlike developments elsewhere in the world, Finnish insurers felt the impact of the financial crisis in their investments. The market values of equities declined in the twelve months to all-time-lows in most bourses, by an average of 40% worldwide. Bond yields were very low, and even properties failed to generate profits equal to the preceding year's. The value of investments fell 12% to €8bn. Employee pension providers held the largest portfolio, valued at €63bn. Life insurers' investments totalled €25bn and non-life insurers held investments worth €10bn.



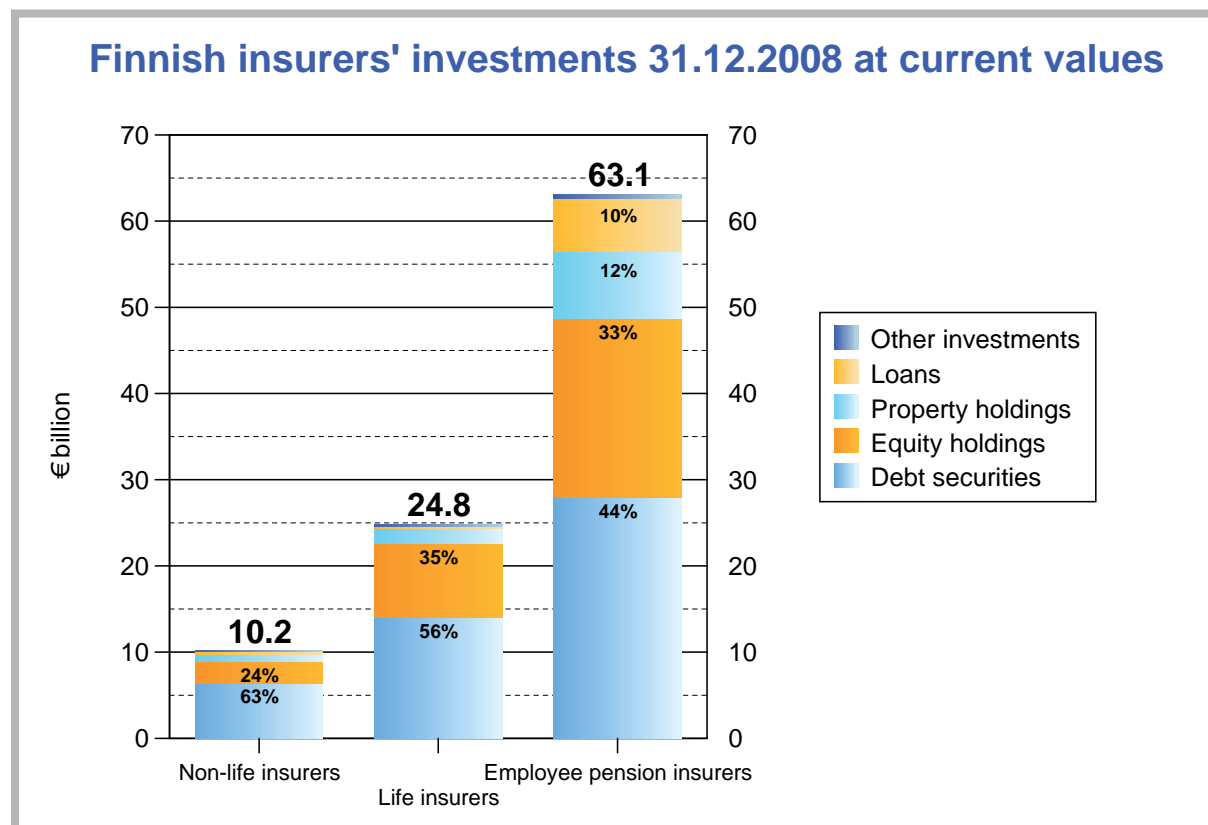
The breakdown of investments changed again in 2008. Debt securities, which comprise mostly bonds, reclaimed the largest weight in the portfolio with €48bn at the end of 2008. This was 7% higher than a year earlier and sent the weight of debt securities up to 49%. Return on debt securities was below one per cent.

The market value of equities was 39% lower now than at the end of 2007, standing at €32bn. Equities no longer covered more than 33% of the portfolio, down from 47% twelve months earlier. Calculated at current values, equities returned -35%.

The weight of properties in Finnish insurers' aggregate portfolio rose to 11% and the value of properties rose slightly, to €10.4bn. Return on properties stood at 3%.

Insurers' lending increased significantly, boosted by sharply increased demand in the autumn. Demand was fuelled by the unavailability of corporate finance in capital markets. Finnish insurers' lending amounted to a total of €6bn at the end of 2008, and premium loans covered €3bn of the total. The proportion of lending rose in the portfolio from 3% to 7%. Return on the loan portfolio was slightly above 4%.

The proportion of Finnish assets continued to increase in 2008. At the year end, foreign assets covered 55% of the total portfolio, down from 59% a year earlier.



Non-life insurers' gross premiums written in 2008 broken down by lines, €'000

	Market share %	Direct domestic insurance	Gross premiums written	Workers' compensation	Other accident and health	Motor vehicle	Marine, aviation and transport	Fire and other damage to property	Motor liability	General liability	Credit and suretyship	Legal expenses	Other direct insurance	Domestic reinsurance	International reinsurance
If P&C Insurance	25.3	824,221	841,421	149,179	66,829	149,791	31,012	173,919	163,308	52,438	1,536	16,282	19,926	2,677	14,523
Pohjola Insurance	23.4	762,102	799,513	158,245	70,599	114,272	16,942	178,435	139,612	49,457	2,654	12,705	19,739	1,969	34,884
Tapiola General	18.6	606,076	648,941	102,615	54,549	113,398	8,477	141,799	137,518	28,294	1,951	9,430	8,046	31,816	11,049
Fennia	10.6	345,610	346,522	87,785	21,569	60,866	8,556	64,750	69,730	20,653	497	5,831	5,372	737	176
Local Insurance	3.5	113,352	136,329	22,529	16,826	1,305	198	1,108	69,374	1,296	0	394	322	22,945	32
A-Insurance	2.9	94,726	94,726	25,434	-1	34,786	78	2,150	26,717	4,892	0	602	67	0	0
Pohjantähti	2.4	76,818	76,928	10,776	10,037	13,846	481	18,854	18,251	2,751	3	1,357	462	85	25
Turva	2.1	67,648	67,895	3,839	6,295	15,071	471	16,980	21,925	1,709	0	1,279	78	218	29
Veritas Non-Life	1.9	62,595	63,649	12,590	3,648	13,066	1,991	13,916	13,258	2,772	0	865	490	85	968
Eurooppalainen	1.2	38,001	38,001	0	26,653	0	11,349	0	0	0	0	0	0	0	0
Ålandia	0.6	20,221	29,338	0	1,492	0	26,314	0	0	1,509	0	0	0	-1	24
Ålands Mutual	0.5	16,244	21,231	2,954	0	2,767	189	8,104	3,487	1,839	0	704	0	84	1,103
Cooperative Banks'	0.4	13,444	13,444	0	76	0	0	116	0	1,065	12,187	0	0	0	0
Garantia	0.4	12,505	12,551	0	0	0	0	0	0	0	12,551	0	0	0	0
Shipowners' Mutual	0.3	11,201	14,484	4,931	0	0	6,271	0	0	0	0	0	0	3,251	31
Valio's Mutual	0.1	3,574	3,591	2,735	2	0	0	542	0	282	12	0	0	17	0
Spruce Insurance	0.1	3,485	3,485	0	0	0	0	2,539	0	0	0	0	946	0	0
IngoNord	0.0	780	4,155	0	259	352	622	1,951	0	444	0	0	519	0	8
Palonvara	0.0	194	1,424	0	194	0	0	0	0	0	0	0	0	1,230	0
Pankavara	0.0	64	1,119	0	0	0	0	0	0	0	64	0	0	1,055	0
Bothnia International	0.0	0	6	0	0	0	0	0	0	0	0	0	0	0	6
Alma	0.0	0	-19	0	0	0	0	0	0	0	0	0	0	0	-19
Companies total 2008	94.5	3,072,861	3,218,734	583,612	279,028	519,520	112,950	625,163	663,181	169,401	31,456	49,450	55,967	66,167	62,839
Companies total 2007	94.5	2,956,901	3,104,216	585,403	241,440	491,061	117,729	590,118	640,385	172,343	32,376	44,895	56,845	64,534	67,088
Change, %		3.9	3.7	-0.3	15.6	5.8	-4.1	5.9	3.6	-1.7	-2.8	10.1	-1.5	2.5	-6.3
Local Mutuals	5.3	171,628	176,138	0	0	53,205	3,026	101,039	0	6,360	0	5,957	2,042	4,509	0
If P&C (publ.) Finland Branch	0.3	8,677	8,677	0	0	5,695	0	0	2,983	0	0	0	0	0	0
Total premiums 2008	100.0	3,253,167	3,403,549	583,612	279,028	578,420	115,976	726,202	666,163	175,761	31,456	55,406	58,009	70,677	62,839
Total premiums 2007	100.0	3,128,687	3,280,362	585,403	241,440	545,258	120,094	689,045	643,711	177,887	32,376	50,615	58,551	68,894	67,088
Change, %		4.0	3.8	-0.3	15.6	6.1	-3.4	5.4	3.5	-1.2	-2.8	9.5	-0.9	2.6	-6.3

Non-life insurers' financial ratios for 2008

	Turn- over €'000	Loss ratio %	Expense ratio %	Combined ratio %	Operating profit €'000	Operating margin %
If P&C Insurance	884,452	76.9	17.6	94.5	82,168	9.3
Tapiola General	682,646	86.2	25.7	111.9	-52,756	-7.7
Pohjola Insurance	650,084	75.9	21.0	96.8	-125,981	-19.4
Fennia	333,506	85.0	20.4	105.4	-30,430	-9.1
Local Insurance	114,346	76.8	17.9	94.7	-12,941	-11.3
A-Insurance	80,215	82.2	15.1	97.3	-13,141	-16.4
Pohjantähti	69,703	70.9	22.9	93.9	-2,730	-3.9
Turva	68,798	76.7	25.2	101.9	1,664	2.4
Veritas Non-Life	63,454	84.8	26.0	110.8	-6,441	-10.2
Eurooppalainen	37,367	63.9	19.0	82.9	7,339	19.6
Alandia	24,947	89.2	13.7	102.9	-3,123	-12.5
Ålands Mutual	16,018	74.0	20.1	94.1	-2,901	-18.1
Shipowners' Mutual	11,717	-26.7	18.9	-7.9	4,769	40.7
Garantia	6,634	11.6	33.9	45.5	2,505	37.8
IngoNord	5,468	67.8	61.1	128.9	-506	-9.3
Spruce Insurance	4,109	205.6	33.7	239.3	-287	-7.0
Valio's Mutual	2,790	61.7	13.4	75.0	-55	-2.0
Pankavara	2,211	-35.3	22.7	-12.6	2,352	106.4
Bothnia International	1,957				3,867	197.6
Palonvara	1,154	64.2	8.4	72.6	-3	-0.3
Alma	159				72	45.0
Cooperative Banks'	-9,677	27.9	29.5	57.4	-17,400	179.8
Finnish total/average	3,052,058	78.8	20.9	99.7	-163,959	-5.4
Local Mutuals	167,881	65.3	30.3	95.5	2,125	1.3
If P&C (publ.) Finland Branch		73.7	16.0	89.7		
Total/average	3,219,939	78.1	21.4	99.5	-161,835	-5.0

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Non-life insurers' profit and loss account for 2008, €'000

	Premiums earned	Claims incurred	Change in provision for joint guarantee system	Operating expenses	Change in equalisation provision	Net investment income	Other income and expenses	Indirect taxes	Change in accelerated depreciation and optional provisions	Profit/Loss for the year
If P&C Insurance	800,097	-615,068	-1,476	-141,081	-55,177	36,641	3,055	-6,628	194	20,557
Pohjola Insurance	738,786	-560,518	-1,195	-154,978	-37,738	-147,755	-99	42,208	993	-120,296
Tapiola General	620,762	-534,807	-604	-159,552	10,122	18,801	2,644	200	3,557	-38,877
Fennia	334,663	-284,434	-468	-68,261	-3,363	-11,698	-232	-41	-83	-33,917
Local Insurance	126,981	-97,539	-109	-22,729	-5,683	-19,545	0	77	0	-18,547
A-Insurance	92,065	-75,718	-140	-13,892	2,560	-13,897	-1,559	3,033	-836	-8,384
Pohjantähti	69,587	-49,363	-33	-15,955	-1,720	-6,966	0	-113	-1	-4,564
Veritas Non-Life	59,910	-50,786	-47	-15,587	-113	69	0	-80	-211	-6,845
Turva	38,074	-29,201	-37	-9,579	-979	2,119	288	-138	-125	422
Eurooppalainen	35,803	-22,893	0	-6,800	285	1,218	11	-1,953	0	5,671
Ålands Mutual	14,919	-11,046	-23	-2,992	-2,439	-3,759	0	-34	34	-5,340
Cooperative Banks'	13,444	-3,751	0	-3,972	-6,433	-23,121	0	3,788	0	-20,045
Alandia	12,490	-11,137	0	-1,715	-593	-2,862	101	-47	206	-3,557
Garantia	7,538	-874	0	-2,553	-1,356	-1,606	0	-304	0	845
Shipowners' Mutual	6,472	1,730	-9	-1,220	-4,383	-2,255	51	-157	-34	195
Valio's Mutual	3,015	-1,859	-7	-403	33	-801	0	-1	4	-19
IngoNord	2,308	-1,565	0	-1,411	-33	165	-3	0	0	-539
Pankavara	1,513	534	0	-344	20,206	649	0	-5,828	0	16,730
Palonvara	1,178	-756	0	-99	0	-326	0	0	0	-3
Spruce Insurance	516	-1,061	0	-174	614	432	0	-85	0	242
Bothnia International	6	2,718	0	-808	1,392	1,951	0	-1,368	0	3,891
Alma	1	-18	0	-75	0	135	29	0	0	72
Total non-life	2,980,128	-2,347,412	-4,148	-624,180	-84,798	-172,411	4,286	32,529	3,698	-212,308

Federation of Finnish Financial Services

Finnish non-life insurers' balance sheet for 2008, €'000

	ASSETS					LIABILITIES							
	Intangible assets	Investments	Total debtors	Other assets	Prepayments and accrued income	Total assets	Capital and reserves	Untaxed reserves	Subordinated debt	Technical provisions	Total creditors	Accruals and deferred income	Total liabilities
If P&C Insurance	2,533	2,782,075	231,284	28,166	118,921	3,162,979	318,002	6,577	65,000	2,691,187	29,880	52,333	3,162,979
Tapiola General	35,011	2,273,140	173,204	18,694	30,973	2,531,022	538,152	2,458	0	1,921,941	38,657	29,814	2,531,022
Pohjola Insurance	35,289	1,998,922	295,891	5,459	50,548	2,386,109	62,996	5,998	50,000	2,186,356	46,049	34,710	2,386,109
Fennia	18,691	1,016,958	97,218	11,035	15,493	1,159,395	130,439	2,028	0	987,560	20,397	18,971	1,159,395
Local Insurance	3,151	450,656	31,643	14,160	9,607	509,217	64,116	248	0	425,250	16,985	2,618	509,217
Cooperative Banks'	92	313,198	350	5,110	5,820	324,570	45,427	0	0	278,754	232	157	324,570
A-Insurance	4,071	212,779	37,060	225	6,647	260,782	24,502	1,750	0	226,147	7,671	712	260,782
Veritas Non-Life	1,488	116,679	12,510	13,771	1,617	146,065	13,016	2,030	0	125,446	3,021	2,552	146,065
Turva	4,592	107,427	16,377	3,433	2,097	133,926	18,962	229	0	108,855	4,284	1,596	133,926
Pohjantähti	3,275	97,960	15,613	4,054	1,168	122,070	12,559	67	0	100,413	6,591	2,440	122,070
Ålands Mutual	6	95,327	6,552	3,045	620	105,550	34,474	40	0	69,026	675	1,335	105,550
Shipowners' Mutual	351	72,278	3,373	4,781	2,320	83,103	30,471	693	0	48,132	2,515	1,292	83,103
Garantia	841	73,488	1,323	1,650	1,002	78,304	21,539	0	0	55,776	526	463	78,304
Alandia	9	38,194	6,214	3,346	1,400	49,163	4,920	266	0	40,606	1,614	1,757	49,163
Eurooppalainen	0	31,504	5,178	112	688	37,482	13,164	80	0	22,561	714	963	37,482
Bothnia International	0	26,818	382	8,485	120	35,805	7,722	0	0	23,964	3,738	381	35,805
Pankavara	0	25,274	0	2,927	100	28,301	22,186	0	0	1,793	110	4,212	28,301
Valio's Mutual	0	15,423	2,057	447	300	18,227	3,377	7	0	14,159	581	103	18,227
Spruce Insurance	0	11,294	236	757	9	12,296	6,120	0	0	5,416	760	0	12,296
IngoNord	0	10,071	1,868	157	132	12,228	6,241	0	0	3,812	1,792	383	12,228
Alma	0	8,488	243	321	1	9,053	3,703	0	0	3,307	2,040	3	9,053
Palonvara	42	2,675	228	417	294	3,656	2,722	0	0	800	94	40	3,656
Total non-life	109,442	9,780,628	938,804	130,552	249,877	11,209,303	1,384,810	22,471	115,000	9,341,261	188,926	156,835	11,209,303

Life insurers' gross premiums written in Finland in 2008, €'000

	Personal life unit linked	Capital redemption policies	Other life	Employees' group life	Other group life	Personal pension unit linked	Other personal pension	Group pension unit linked	Other group pension	Total direct business	Reinsurance	Total premiums written	Market share, direct business %
OP Life	200,639	21,319	251,953	12,249	1,762	93,973	58,341	4,047	122,335	766,618	113	766,731	29.3
Nordea	74,110	105,397	215,501	0	33,783	98,496	47,551	3,364	11,768	589,970	-2	589,968	22.5
Mandatum Life	84,920	53,954	48,293	13,108	4,607	98,926	45,125	31,346	129,391	509,670	2,490	512,160	19.5
Tapiola Life	19,976	0	47,776	0	7,680	30,550	26,536	0	0	132,518	37	132,555	5.1
Aktia Life	32,524	0	19,323	796	8,749	9,763	15,624	479	4,067	91,325	26	91,351	3.5
Duo	25,536	3,460	36,337	1,853	0	11,215	5,400	0	0	83,801	0	83,801	3.2
Suomi Mutual	0	22	16,919	0	0	0	35,157	0	23,240	75,338	30	75,368	2.9
Tapiola Corporate Life	152	0	1,326	6,807	9,259	10,668	10,326	3,736	30,172	72,446	0	72,446	2.8
Fennia Life	6,220	20	6,282	4,195	3,572	6,798	11,778	3,814	12,027	54,706	13	54,719	2.1
Kaleva	0	0	34,038	423	16,435	0	0	0	0	50,896	23	50,919	1.9
Life-Alandia	184	0	519	335	717	330	662	0	422	3,169	0	3,169	0.1
Retro	0	0	0	0	0	0	9	0	0	9	1,570	1,578	0.0
Finnish total 2008	444,261	184,172	678,267	39,766	86,564	360,719	256,509	46,786	333,422	2,430,466	4,300	2,434,765	92.8
Finnish total 2007	909,012	73,751	602,981	38,974	86,953	345,463	256,682	50,488	218,709	2,583,013	5,141	2,588,154	
Growth, %	-51.1	149.7	12.5	2.0	-0.4	4.4	-0.1	-7.3	52.5	-5.9	-16.4	-5.9	
Skandia Life Assurance	38,466	0	0	0	0	131,667	0	0	0	170,133	0	170,133	6.5
Handelsbanken Liv	14,332	0	0	0	0	4,641	0	0	0	18,973	0	18,973	0.7
Grand total 2008	497,059	184,172	678,267	39,766	86,564	497,027	256,509	46,786	333,422	2,619,572	4,300	2,623,871	100.0
Grand total 2007	1,002,276	73,751	603,056	38,974	87,002	466,453	257,856	50,488	218,709	2,798,565	5,141	2,803,706	
Growth, %	-50.4	149.7	12.5	2.0	-0.5	6.6	-0.5	-7.3	52.5	-6.4	-16.4	-6.4	

Federation of Finnish Financial Services

Finnish life insurers' profit and loss account for 2008, €'000

	Premiums written	Investment income	Unrealised gains/losses	Claims incurred	Change in provision for unearned premiums	Operating expenses	Investment expenses	Other income and expenses	Indirect taxes	Change in accelerated depreciation and optional provisions	Profit/Loss for the year
Nordea	966,988	307,136	-208,892	-1,062,899	1,132,591	-30,035	-1,367,481	0	-18	0	-262,610
OP Life	738,302	511,092	-696,951	-780,705	715,808	-43,306	-905,164	6,149	75,972	0	-378,803
Mandatum Life	505,644	546,336	-194,771	-739,410	621,065	-63,831	-906,160	5,974	62,535	-59	-162,677
Tapiola Life	132,468	256,775	-62,660	-166,505	93,086	-23,760	-226,263	1,926	-6,323	1,256	0
Aktia Life	91,037	71,600	-59,618	-95,003	84,112	-10,777	-71,178	0	-2,181	0	7,992
Duo	83,750	1,965	-8,522	-7,632	-69,887	-5,455	-102	2	0	-4	-5,885
Suomi Mutual	75,303	1,405,795	0	-584,235	519,242	-15,225	-1,438,153	-4,499	-595	1,229	-41,138
Tapiola Corporate Life	70,979	106,701	-10,467	-71,250	12,926	-8,767	-101,695	61	10	1,502	0
Fennia Life	54,207	41,330	-22,564	-87,808	98,065	-6,801	-102,913	0	119	15	-26,350
Kaleva	50,740	124,846	0	-168,154	160,685	-7,171	-176,886	-2	73	297	-15,572
Life-Alandia	3,133	4,255	107	-3,772	2,414	-605	-8,893	12	5	234	-3,110
Retro	1,119	4,451	0	-4,120	2,299	-378	-5,619	19	-7	0	-2,236
Total life sector	2,773,670	3,382,282	-1,264,338	-3,771,493	3,372,406	-216,111	-5,310,507	9,642	129,590	4,470	-890,389

Finnish life insurers' balance sheet for 2008, €'000

	ASSETS					LIABILITIES									
	Intangible assets	Investments	Covering unit-linked business	Total debtors	Other assets	Prepayments and accrued income	Total assets	Capital and reserves	Untaxed reserves	Subordinated debt	Technical provisions	Technical provisions for unit-linked business	Total creditors	Accruals and deferred income	Total liabilities
Nordea	7	5,431,258	2,614,848	11,609	23,394	93,493	8,174,609	112,330	0	110,000	5,300,257	2,623,230	13,771	15,021	8,174,609
Mandatum Life	13,845	4,575,486	1,583,317	282,381	17,146	57,346	6,529,521	107,582	2,678	100,000	4,483,895	1,582,915	211,310	41,141	6,529,521
Suomi Mutual	9,994	5,581,107	0	25,815	154,745	56,922	5,828,583	571,171	192	0	5,049,377	0	169,281	38,562	5,828,583
OP Life	24,939	3,775,441	1,614,106	64,646	185,343	20,910	5,685,385	171,682	0	90,765	3,791,533	1,610,192	13,781	7,432	5,685,385
Tapiola Life	12,811	1,652,255	257,664	2,039	7,987	22,380	1,955,136	118,387	4,213	37,000	1,517,720	259,472	13,411	4,933	1,955,136
Kaleva	1,187	1,039,961	0	2,824	2,584	12,129	1,058,685	143,739	2,057	0	904,938	0	4,713	3,238	1,058,685
Tapiola Corporate Life	2,729	802,478	48,769	1,675	3,417	13,926	872,994	68,383	0	18,000	731,313	49,225	4,794	1,279	872,994
Aktia Life	1,738	675,087	148,119	5,814	14,060	12,150	856,968	62,413	0	2,100	635,585	149,583	1,645	5,642	856,968
Fennia Life	3,502	559,692	154,148	6,842	1,440	6,720	732,344	46,629	23	0	525,837	155,581	3,154	1,120	732,344
Duo	4,166	55,351	41,380	115	4,261	693	105,966	21,796	18	0	40,907	41,085	35	2,125	105,966
Life-Alandia	5	40,755	2,128	1,113	1,707	523	46,231	4,380	179	0	38,653	2,062	50	907	46,231
Retro	0	29,980	0	2,035	122	283	32,420	2,678	0	0	28,888	0	689	165	32,420
Total life sector	74,923	24,218,851	6,464,479	406,908	416,206	297,475	31,878,842	1,431,170	9,360	357,865	23,048,903	6,473,345	436,634	121,565	31,878,842

Pension insurers' gross premiums written in 2008, €'000

	Employee pension	Self-employed persons' pension	Total direct business	Reinsurance	Total premiums written	Market share 2007 %
Varma	3,297,600	133,400	3,431,000	0	3,431,000	33.9
Ilmarinen	3,059,640	204,722	3,264,362	32	3,264,394	32.3
Tapiola Pension	1,241,170	161,804	1,402,974	0	1,402,974	13.9
Fennia Pension	971,881	116,989	1,088,870	0	1,088,870	10.8
Etera	562,559	6,262	568,821	0	568,821	5.6
Veritas Pension	287,429	47,935	335,364	0	335,364	3.3
Pension-Alandia	23,910	2,878	26,788	0	26,788	0.3
Total pension premiums	9,444,189	673,990	10,118,179	32	10,118,211	100.0
Pension premiums 2007	8,475,084	643,781	9,118,865	93	9,118,958	
Growth, %	11.4	4.7	11.0		11.0	

Pension insurers' profit and loss account for 2008, €'000

	Premiums written	Investment income	Claims incurred	Change in provision for unearned premiums	Operating expenses	Investment expenses	Other income and expenses	Indirect taxes	Change in accelerated depreciation and optional provisions	Profit/Loss for the year
Varma	3,431,000	4,833,400	-3,736,400	2,370,900	-76,300	-6,812,800	0	-5,500	0	4,300
Ilmarinen	3,264,394	5,902,345	-3,287,877	3,579,356	-74,416	-9,375,690	-337	-3,651	1,865	5,989
Tapiola Pension	1,402,974	809,439	-1,416,354	201,628	-46,868	-940,688	64	-7,490	0	2,705
Fennia Pension	1,088,870	961,577	-1,089,487	460,568	-32,004	-1,387,896	14	0	12	1,654
Etera	568,821	419,702	-673,985	830,285	-31,106	-1,111,017	0	-600	0	2,100
Veritas Pension	335,364	145,494	-333,035	157,088	-12,914	-290,949	0	-626	897	1,319
Pension-Alandia	26,789	12,459	-26,139	6,040	-1,157	-17,993	0	0	48	47
Total pension	10,118,212	13,084,416	-10,563,277	7,605,865	-274,765	-19,937,033	-259	-17,867	2,822	18,114

Pension insurers' balance sheet for 2008, €'000

	ASSETS					LIABILITIES						
	Intangible assets	Investments	Total debtors	Other assets	Prepayments and accrued income	Total assets	Capital and reserves	Untaxed reserves	Technical provisions	Total creditors	Accruals and deferred income	Total liabilities
Varma	11,900	23,276,300	981,200	193,500	239,800	24,702,700	83,400	100	24,205,000	393,700	20,500	24,702,700
Ilmarinen	1,048	19,066,774	2,299,607	124,450	337,031	21,828,910	96,527	8,307	20,612,790	850,051	261,235	21,828,910
Tapiola Pension	10,146	6,956,956	90,201	7,668	268,607	7,333,578	51,900	200	7,236,066	36,739	8,673	7,333,578
Etera	246	5,150,620	226,769	8,023	96,742	5,482,400	31,731	131	5,381,651	29,034	39,853	5,482,400
Fennia Pension	1,513	4,772,376	138,868	24,543	43,053	4,980,353	40,565	0	4,892,467	20,630	26,691	4,980,353
Veritas Pension	2,307	1,527,518	35,590	4,545	34,619	1,604,579	20,286	1,594	1,561,120	12,912	8,667	1,604,579
Pension-Alandia	4	166,154	3,716	4,067	3,171	177,112	764	13	169,683	5,760	892	177,112
Total pension	27,164	60,916,698	3,775,951	366,796	1,023,023	66,109,632	325,173	10,345	64,058,777	1,348,826	366,511	66,109,632



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