



# FINNISH INSURANCE IN 2016

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**Financial overview of Finnish insurance companies**

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# FINNISH INSURANCE IN 2016

## Financial overview of Finnish insurance companies

### HIGHLIGHTS

Insurance premiums written in Finland shrank 6% to a total of €23 billion. Claims and pension benefits were paid for €22 billion, which was an increase of 5%.

Non-life insurers' premium income shrank by 28%. The biggest decrease took place in unit-linked insurance products.

Non-life insurers' combined ratio rose by 3.8 percentage points to 92.4%. Loss ratio was 71.9%, expense ratio 20.5%.

Investments yielded a return of 5.0%. Most of it came from equities.



Figure 1. Breakdown of gross premiums written by Finnish insurers 2007–2016

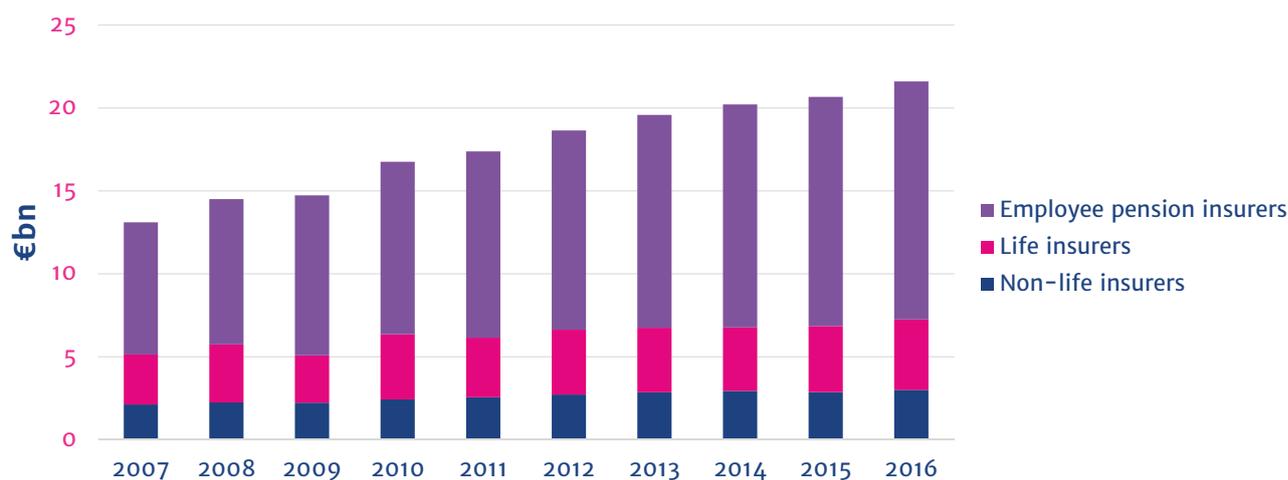


Figure 2. Claims paid by Finnish insurers 2007–2016

## INSURANCE MARKET DEVELOPMENTS

The year 2016 as a whole was positive for insurance companies. Operating profits remained good, as did total performances. In the investment market the year was better than the previous one, and there was improvement towards the end of the year especially in the equity market. Insurance companies attained good returns on their investments. Equity and real estate investments yielded good profits, and the profits from bond investments were also moderately good. The employment level began to show slight improvement at the very end of the year, but this had no visible impact on premium income yet.

In 2016, insurance premiums written in Finland shrank 6% to a total of €23 billion. Life insurers' premium income shrank as much as 28% due to the poor sales revenue from unit-linked insurance products. Non-life insurers' premium income fell by a bit under 1%. Premiums written in statutory employee pension insurance grew by 3%. Finnish insurers paid claims and pension benefits for nearly €22bn, which is 5% more than the year before.

One of the special characteristics of the Finnish insurance sector is that statutory lines generate a major share of premiums written. Last year, two thirds of all premiums written came from

statutory insurance, i.e. employee pension, workers' compensation and motor liability insurances. Another typical feature of the Finnish insurance market is high concentration. More than 80% of all premiums were written by the four largest life and non-life insurance companies/groups. Statutory employee pension insurance is also highly concentrated: combined, the three largest companies hold a market share of over 90%.

## CORPORATE SCENE

At the end of 2016, there were 52 licensed Finnish insurers in Finland, with 36 specialising in non-life business and reinsurance, 10 in life insurance, and 6 in statutory employee pension insurance. The annual average number of persons employed by insurance companies was 9,525 in total. This is 165 employees fewer than the year before.

At the end of 2016, there were 17 branches operated by non-Finnish insurers in Finland. In addition, 700 foreign companies had notified the Finnish Financial Supervisory Authority (FIN-FSA) that they provided cross-border insurance services. At the end of 2016, the Insurance Brokers Register (maintained by FIN-FSA) included 82 insurance broker businesses.

## Gross premiums written\* in Finland in 2016 and loss ratio with claims paid

	Premiums written €m	Change %	Loss ratio % 1)	Claims paid €m 1)	Change %
Pension insurance					
- statutory pension	13,564	2.6		14,356	3.9
Life insurance					
- personal life. unit linked	2,121	-30.5			
- capital redemption policies	1,276	-37.1			
- other life insurance	318	-4.2			
- employees group life	38	2.9			
- other group life insurance	110	-1.6			
- personal pension. unit linked	299	-8.8			
- other personal pension	101	-10.6			
- group pension. unit linked	118	6.7			
- other group pension	148	-9.3			
- reinsurance	2	-3.1			
Life insurance total	4,530	-27.8		4,239	6.4
Non-life insurance					
- workers' compensation	567	-5.4	94.9	481	0.0
- other accident and health	558	5.8	69.5	387	11.2
- motor vehicle	813	0.1	70.9	565	6.8
- marine. aviation and transport	127	-3.8	51.2	77	-2.0
- fire and other damage to property	1,034	0.7	68.5	657	4.4
- motor liability	829	-2.3	68.8	491	1.6
- general liability	235	0.1	72.0	135	-2.6
- credit and suretyship	24	14.4	21.2	20	543.8
- legal expenses	93	3.1	66.2	55	1.7
- other direct insurance	65	0.6	66.5	42	2.3
Direct non-life business total	4,347	-0.3	72.2	2,909	4.5
- domestic reinsurance	69	-0.9	74.6	57	21.6
- foreign reinsurance	67	2.9	49.5	41	10.1
Non-life insurance total	4,483	-0.2	71.9	3,008	4.8
TOTAL	22,577	-5.9		21,603	4.5

\* includes Finnish companies and those foreign insurers whose figures have been reported to Finance Finland

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

## NON-LIFE INSURANCE

Non-life insurers' total premiums written decreased slightly but did not fall under €4.5bn. Finnish-domiciled companies paid non-life claims for €3.0bn, which is 5% more than in 2015. Balance on technical account before change in equalisation provision (premiums earned less claims incurred and operating expenses) was €323m. The figure was positive for the fifth year in a row, which means the sector's profitability has been successfully raised to a good level.

Non-life insurers' combined ratio, which reflects both loss ratio and expense ratio, decreased and thus improved by 3.8 percentage points to 92.4%. Loss ratio (claims incurred to premiums earned) decreased from 76.2% to 71.9%, which is an all-time low. Expense ratio (operating expenses to premiums earned) weakened slightly to 20.5%. Loss ratio before unwinding of discount was 69.5% and the corresponding combined ratio before unwinding of discount was 89.9%.

The net profits of non-life insurers' investments were clearly better than in 2015 with a total of €624m calculated on current values. Return on investments on capital employed was 4.1% on current values. The aggregate operating profit of companies stayed on a good level with €767m. When the change in valuation differences is added to the operating profit, the total figure rises to €932m.

Insurance against fire and other damage to property remained the largest non-life class. This group of insurance classes includes both business and personal property cover. Its premiums written increased slightly to over €1bn. Loss ratio weakened slightly to 68.5%.

Premiums written in statutory motor liability insurance fell by 2% to €829m. The number of road accidents reported to motor liability insurers was 1.3% smaller than the year before with a total of 127,678 cases. The number of fatal accidents decreased: according to Statistics Finland, road accidents claimed the lives of 240 persons (257 in 2015). The number of injured also shrank clearly and was 5,881 persons in total (6,373 in 2015). Thanks to positive claims development, the loss ratio of statutory motor liability insurance improved and reached a historically low 68.8%.

Land vehicles' voluntary motor vehicle insurance grew only nominally in terms of premiums written and totalled €813m. Loss ratio weakened to 70.9%. The number of cars in use was about 1% larger than in 2015. The number of motor vehicle damages increased by 8%, with a total of 553,647 claims received by insurers.

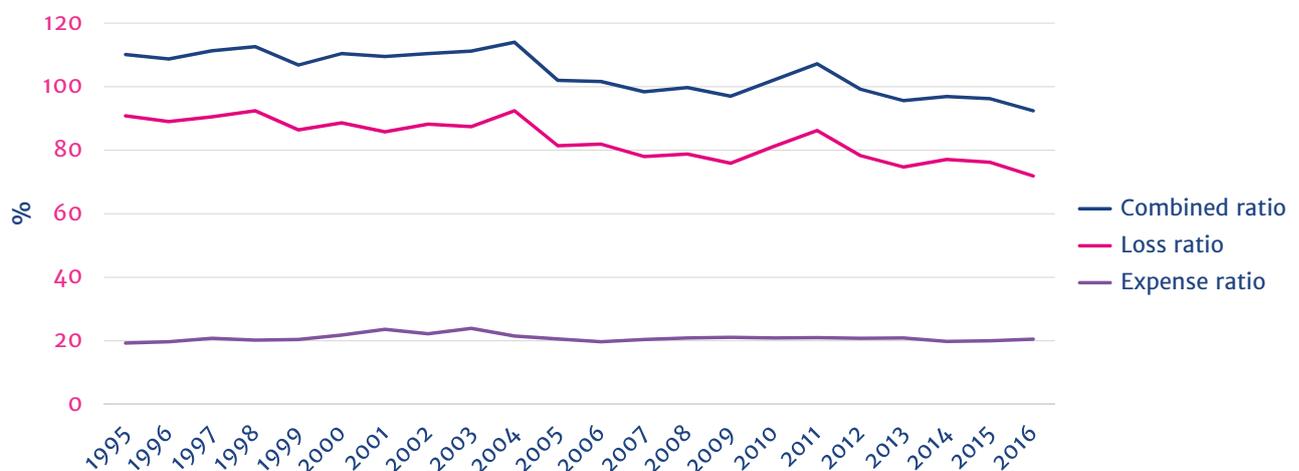


Figure 3. Non-life insurance ratios 2007–2016

Poor development of the employment rate continued to show in the volume of workers' compensation premiums written, which totalled €567m. This is 5% less than in 2015. Loss ratio improved noticeably to 94.9%.

Premiums written in other voluntary accident and health insurance increased to €558m. This is a growth of 6% from the previous year. Loss ratio improved slightly to 69.5%. The popularity of medical expenses insurance has been steadily growing, and the number of such insurance policies has increased more than 30% in the course of five years.

Premium income of liability insurance remained level at €235m. Loss ratio improved to 72.0%.

Premiums written on accepted reinsurance remained level at €136m. Domestic reinsurance contributed €69m to the total and foreign reinsurance covered the other €67m.

The volume of domestic direct premiums written by non-life insurers shrank slightly to €4.3bn. OP Financial Group gained an additional iota of market share and climbed to 32.4%. LocalTapiola strengthened its position as the second largest non-life insurer by increasing its market share to 25.8%. If P&C lost about one percentage point of its market share, dropping to 22.6%. Fennia's market share fell to 9.6%. The five largest insurer groups commanded 93% of the market.

## LIFE INSURANCE

Life insurers' premium income was 28% smaller than in 2015, totalling €4.5bn. The main reason for this was the plunge in their unit-linked premium income. For some years now, premiums written have focused more and more on unit-linked products, but now their proportion shrank to 84% of the total premium income.

Claims paid under life insurance increased 6% to €4.2bn. Policy surrenders covered €2.1bn, repayments of policy benefits €0.5bn, pensions were paid out for €1.2bn and other benefit and compensation payouts totalled €0.4bn. Pension payouts were 6% larger than in 2015. The exceptionally large policy surrenders in personal pension insurance raised their total volume by 23%. Policy benefit repayments, on the other hand, decreased with 27%.

The volume of assets held under life policies grew 4% to €48.6bn. The structure of savings has gone through noticeable change. Guaranteed-return policies have had a much larger share before, but now savings in unit-linked insurance products already comprise 70% of the total volume. Guaranteed-return savings shrank by 5% to €14.4bn. Savings in unit-linked insurance products grew 9% to a total of €34.2bn.

Premium income from unit-linked life insurance fell 31% to a total of €2.1bn. Other life insurance premium income fell slightly to €428m.

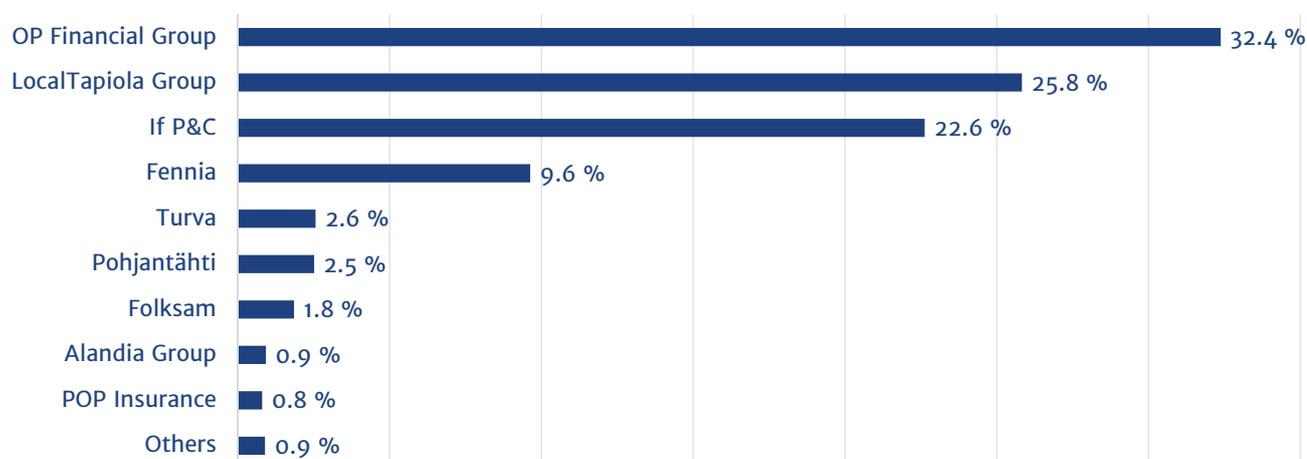


Figure 4. Non-life insurers' market shares in 2016

The largest change took place in premium income from capital redemption policies, which fell as much as 37%, settling at €1.3bn. With a total number of 6,255, the volume of new premiums written was 58% smaller than in 2015. Practically all new capital redemption policies were unit-linked.

New business in personal pension policies remained scant. Only 533 new personal pension policies were bought in 2016. Premiums written generated €399m, which is 9% less than the year before. The premium income of voluntary group pension insurance decreased slightly to €266m, of which €118m was unit-linked.

Premiums on employees' group life insurance, a cover agreed between social partners, paid €38m, which is an increase of 3%.

Calculated on current values, life insurers' investments gave a return of 5.6%. In total the investments generated €1.1bn. Operating expenses increased 3% to €337m. Life insurers' operating profit was €595m. Total profit was €366m. Bonuses and rebates were paid for a total of €253m.

In life insurance, market share is measured on two variables: premium income and life insurance assets. Calculated either way, the three largest companies commanded the market. In 2016 their order was also the same, calculated either way: Nordea Life Assurance was the market leader, followed by Mandatum Life and OP Financial Group.

## STATUTORY PENSION INSURANCE

The premium income of statutory pension insurance is heavily dependent on the total payroll of the private sector. Total payrolls grew at an annual rate of 1.5%. Pension insurers' premium income rose 3% to €13.6bn. The companies paid pensions for a total of €14.6bn. Calculated on current values, the value of pension insurers' investment assets increased 4% to a total of €106bn.

Pension insurers derive much of their income from investments. The overall performance of authorised pension companies' investments was 5.1% calculated on current values. Investment income was €1,423m at current values. Underwriting losses were €95m, and loading profit was €117m. These formed a total profit of €1,444m. Bonuses and rebates were paid out from the operating profit for €303m. The remaining €1,142m were used to strengthen the solvency margin.

Employee pension insurers' market shares underwent only slight changes which had no effect on the companies' relative positions.

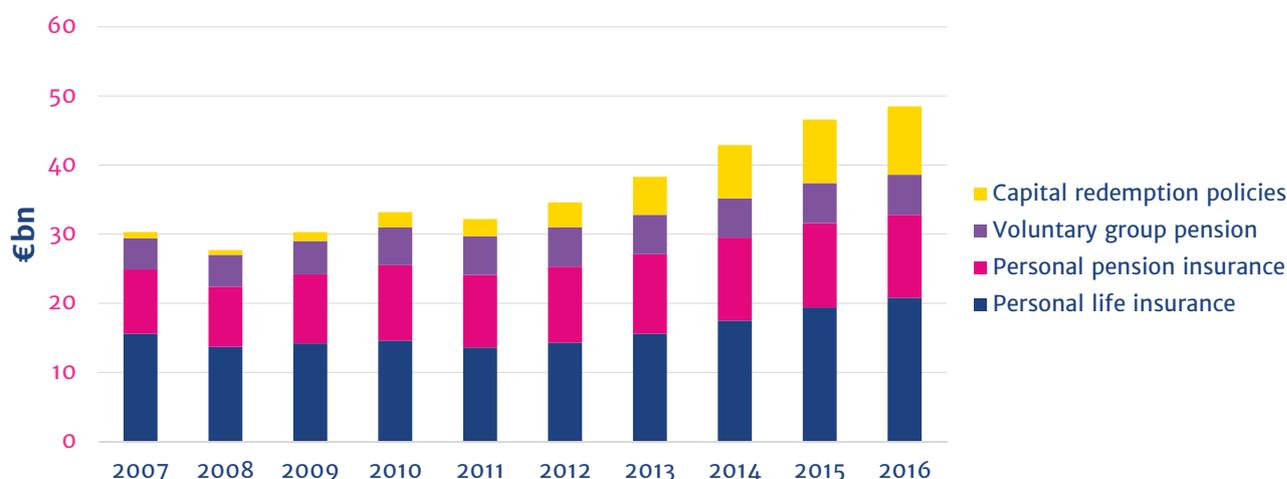


Figure 5. Life insurance assets 2007–2016

## INSURERS' INVESTMENTS ON 31 DECEMBER 2016

The aggregate market value of insurers' investments totalled €145bn. This was an increase of 3% compared to year-end 2015. Employee pension providers held the largest investment portfolio, worth €108bn. Life insurers' investments totalled €22bn, and non-life insurers held investments worth €15bn.

Shares and other equity were the largest investment class in the insurers' portfolio and gained even more weight due to value increase. Compared to the previous year, their market value grew 9% and totalled €81bn. Calculated on current values, equities returned a profit of 8%. Debt securities were the second largest investment class. Their amount shrank 4% to €44bn. Their proportion of all investments also shrank, to 32%. Return on investments in debt securities was 4%.

Real estate investments totalled slightly over €12bn. Their volume grew minutely, while the proportion of real estate from all investments remained level. Return on investments in real estate was 5%.

Finnish insurers' lending remained at the same level as in 2015, amounting to €4.5bn. The total amount does not include loans that the insurers had granted within their own groups. In terms of the entire investment portfolio, the proportion of lending shrank from 3.2% to 3.1%. Return on the loan portfolio was 3.2%.

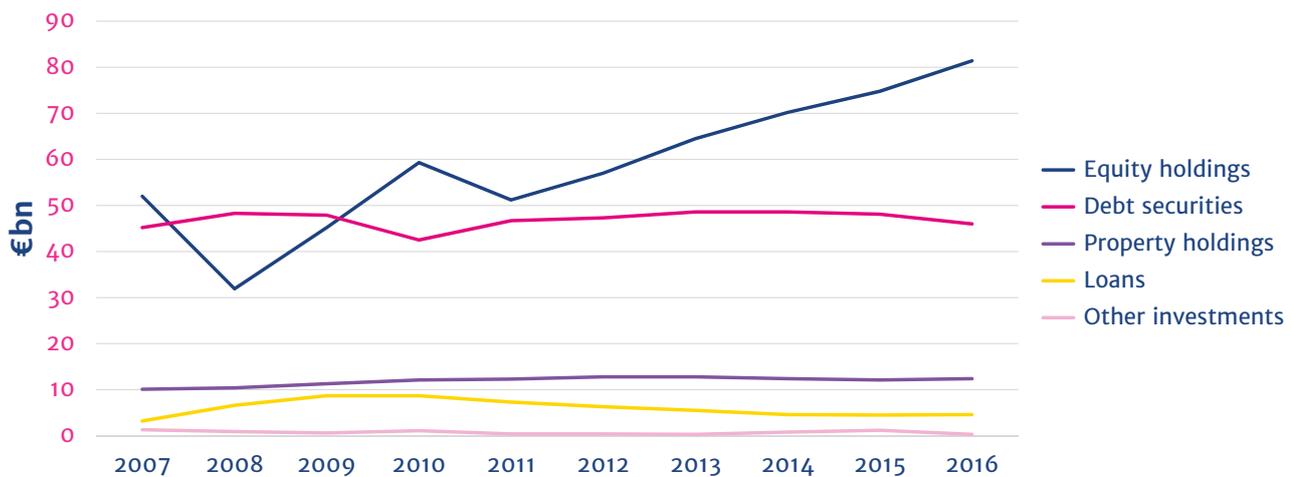


Figure 6. Finnish insurers' investments at current values 2007–2016

## PERFORMANCE OF INSURERS' INVESTMENTS IN 2016

Net investment income is calculated from the difference of profits and expenses by adding unrealised gains and subtracting value adjustments from the amount. In 2016, it totalled €8.0bn. When the income is calculated on current values, valuation differences are also taken into account. Last year valuation differences increased by €0.8bn. The return on unit-linked insurance investments is also subtracted from the total, and in 2016 its effect was -€1.6bn. These corrections make up a total

income of €7.3bn at current values. The previous year, this income was €6.5bn.

The net performance of investments – i.e. the proportion of investments to capital employed – was 5.0%. Best income came from shares and other equity, which yielded 7.6%. Income from debt securities was 4.2%, and income from property holdings was 4.5%. Lending yielded an income of 3.2%, and other investments yielded 5.0%.

### Net performance of insurers' investments in 2016, calculated on current values

	Capital employed (€m)	Net investment (€m)	Return %
Debt securities	57,510	2,392	4.2
Shares and other equity	46,567	3,535	7.6
Real estate investments	15,686	712	4.5
Other debt securities and deposits	8,698	39	0.5
Loan receivables	4,472	142	3.2
Other investments	10,174	509	5.0
Total	145,464	7,206	5.0

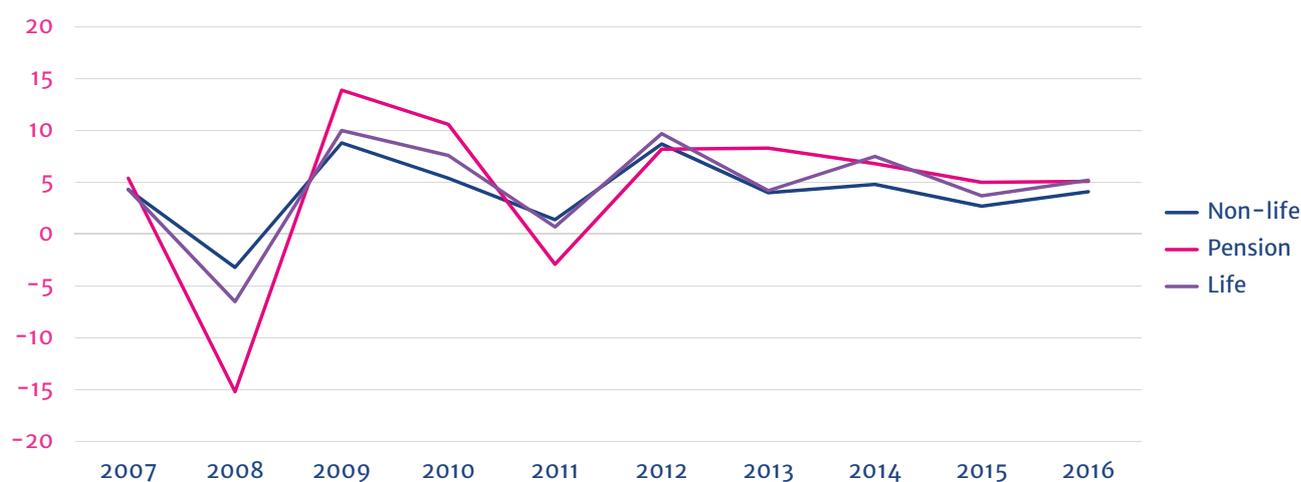


Figure 7. Net income on investments at current value, % of capital employed 2007–2016

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**Non-life insurers' gross premiums written in 2016 broken down by lines, €m**

	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
OP Insurance Ltd	28.6	1,240	1,281	155	183	216	16	312	222	88	2	26	25	0	37
LocalTapiola Group	25.8	1,119	1,197	146	135	206	13	311	225	44	3	22	13	69	10
If P & C Insurance Company Ltd	22.4	969	987	125	113	195	25	235	177	53	2	28	15	0	19
Fennia Mutual Insurance Company	9.6	417	417	82	45	77	11	87	78	23	0	8	5	0	0
Turva Mutual Insurance Company	2.6	111	111	6	17	25	1	29	27	3	0	3	0	0	0
Pohjantähti Mutual Insurance Company	2.5	109	109	12	16	21	1	26	24	4	0	3	1	0	0
A-Insurance Ltd	2.2	95	95	23	0	34	0	4	28	5	0	1	0	0	0
Folksam Non-Life Insurance Company Ltd	1.8	80	80	11	6	17	3	19	18	4	0	2	1	0	0
Eurooppalainen Insurance Company Ltd	1.4	62	62	0	41	0	16	0	0	0	0	0	5	0	0
Försäkringsaktiebolaget Alandia	0.9	40	47	3	2	0	40	0	0	2	0	0	0	0	0
Finnish P&C Insurance Ltd.	0.8	35	35	0	1	10	0	2	20	0	0	0	0	0	0
Aaland Mutual Insurance Company	0.5	20	26	3	0	4	0	10	5	2	0	1	0	0	2
Garantia Insurance Company Ltd.	0.3	12	12	0	0	0	0	0	0	0	12	0	0	0	0
Osuuspankkien Keskinäinen Vakuutusyhtiö	0.1	5	5	0	0	0	0	0	0	1	4	0	0	0	0
Ins. Co. for Pharmaceutical Injury Indemnities	0.1	5	5	0	0	0	0	0	0	5	0	0	0	0	0
Valion Keskinäinen Vakuutusyhtiö	0.0	1	1	1	0	0	0	0	0	0	0	0	0	0	0
<b>Finnish total 2016</b>	<b>99.7</b>	<b>4,319</b>	<b>4,472</b>	<b>567</b>	<b>558</b>	<b>805</b>	<b>127</b>	<b>1,034</b>	<b>826</b>	<b>235</b>	<b>24</b>	<b>93</b>	<b>65</b>	<b>69</b>	<b>67</b>
Finnish total 2015	99.7	4,328	4,483	600	528	805	132	1,027	845	235	21	91	65	70	65
Change, %		-0.2	-0.2	-5.4	5.8	0.1	-3.8	0.7	-2.3	0.1	14.4	3.1	0.6	-0.9	2.9
If Skadeförsäkring Ab (publ.), branch in Finland	0.3	11	11	0	0	8	0	0	3	0	0	0	0	0	0
<b>Total 2016</b>	<b>100.0</b>	<b>4,331</b>	<b>4,483</b>	<b>567</b>	<b>558</b>	<b>813</b>	<b>127</b>	<b>1,034</b>	<b>829</b>	<b>235</b>	<b>24</b>	<b>93</b>	<b>65</b>	<b>69</b>	<b>67</b>
Total 2015	100.0	4,339	4,494	600	528	812	132	1,027	848	235	21	91	65	70	65
Change, %		-0.2	-0.2	-5.4	5.8	0.1	-3.8	0.7	-2.3	0.1	14.4	3.1	0.6	-0.9	2.9

**Non-life insurers' financial ratios for 2016**

	Turnover €m	Loss ratio %	Expense ratio %	Combined ratio %	Operating profit €m	Operating margin %	Net income on investments at current value %
LocalTapiola Group	1,477.4	71.2	24.5	95.7	268.9	18.2	5.1
OP Insurance Ltd	1,428.8	72.6	17.3	89.9	271.8	19.0	6.4
If P & C Insurance Company Ltd	1,027.0	69.4	16.1	85.5	155.9	15.2	1.9
Fennia Mutual Insurance Company	433.9	79.1	25.1	104.1	0.1	0.0	2.7
Turva Mutual Insurance Company	113.6	70.9	26.1	97.0	3.9	3.5	2.7
Pohjantähti Mutual Insurance Company	111.0	73.3	23.0	96.4	7.6	6.8	4.3
A-Insurance Ltd	107.7	86.0	18.1	104.1	6.1	5.7	3.8
Folksam Non-Life Insurance Company Ltd	83.9	67.1	26.0	93.1	8.9	10.6	2.5
Försäkrings Ab Alandia	61.9	60.2	31.1	91.3	13.7	22.2	9.3
Eurooppalainen Insurance Company Ltd	61.5	53.6	18.1	71.7	17.6	28.6	1.0
Finnish P&C Insurance Ltd.	34.0	76.6	34.3	110.9	-3.3	-9.7	2.2
Aaland Mutual Insurance Company	33.0	87.4	21.5	109.0	3.8	11.5	4.7
Garantia Insurance Company Ltd.	13.6	12.4	52.5	64.9	6.5	48.2	5.4
Osuuspankkien Keskinäinen Vakuutusyhtiö	7.9	65.0	7.9	72.9	5.0	63.4	-0.1
Ins. Co. for Pharmaceutical Injury Indemnities	5.5	86.0	16.6	102.6	0.4	6.5	5.5
Valion Keskinäinen Vakuutusyhtiö	1.9	4,727.6	1,927.6	6,655.2	0.0	-1.6	6.2
<b>Total/average</b>	<b>5,002.7</b>	<b>71.9</b>	<b>20.5</b>	<b>92.4</b>	<b>767.0</b>	<b>15.3</b>	<b>4.1</b>

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**Non-life insurers' profit and loss account for 2016, €m**

	Premiums earned	Claims incurred	Operating expenses	Change in equalisation provision	Net investment income	Other income and expenses	Indirect taxes	Profit/Loss for the year
OP Insurance Ltd	1,224	-888	-212	-74	149	-3	-37	159
LocalTapiola Group	1,138	-810	-278	29	212	8	-57	240
If P & C Insurance Company Ltd	983	-682	-158	-30	14	0	-25	101
Fennia Mutual Insurance Company	412	-326	-103	-13	17	0	0	-12
Pohjantähti Mutual Insurance Company	99	-73	-23	-2	4	0	-1	5
A-Insurance Ltd	96	-83	-17	0	10	0	-1	5
Folksam Non-Life Insurance Company Ltd	78	-52	-20	-2	4	0	-1	5
Turva Mutual Insurance Company	63	-45	-16	-1	3	-1	-1	2
Eurooppalainen Insurance Company Ltd	61	-33	-11	4	0	0	-4	17
Finnish P&C Insurance Ltd.	33	-25	-11	0	0	0	0	-3
Försäkrings Ab Alandia	30	-18	-9	5	11	1	-4	15
Aaland Mutual Insurance Company	18	-16	-4	0	7	-2	0	4
Garantia Insurance Company Ltd.	9	-1	-5	1	3	0	-2	6
Osuuspankkien Keskinäinen Vakuutusyhtiö	5	-3	0	41	3	1	-9	37
Ins. Co. for Pharmaceutical Injury Indemnities	4	-4	-1	0	0	0	0	0
Valion Keskinäinen Vakuutusyhtiö	1	-2	-1	0	1	0	0	0
<b>Total</b>	<b>4,255</b>	<b>-3,061</b>	<b>-871</b>	<b>-41</b>	<b>438</b>	<b>6</b>	<b>-142</b>	<b>581</b>

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**Non-life insurers' balance sheet for 2016, €m**

	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
LocalTapiola Group	30	4,772	339	145	37	5,323	1,645	4	0	3,534	101	39	5,323
OP Insurance Ltd	97	3,133	553	90	42	3,914	392	7	125	3,018	332	40	3,914
If P & C Insurance Company Ltd	4	3,177	258	174	150	3,763	416	2	90	3,130	33	92	3,763
Fennia Mutual Insurance Company	68	1,432	156	44	22	1,722	260	1	0	1,411	18	32	1,722
A-Insurance Ltd	0	336	39	2	5	382	74	1	10	289	8	1	382
Turva Mutual Insurance Company	2	169	40	8	1	220	35	0	0	176	6	2	220
Pohjantähti Mutual Insurance Company	4	177	31	4	2	217	48	1	0	154	11	3	217
Folksam Non-Life Insurance Company Ltd	5	167	19	20	2	213	25	1	0	180	4	3	213
Försäkrings Ab Alandia	0	145	13	20	3	181	48	0	0	121	4	8	181
Aaland Mutual Insurance Company	0	150	14	6	1	170	60	0	0	104	3	2	170
Garantia Insurance Company Ltd.	0	114	2	3	2	120	30	0	0	87	1	2	120
Eurooppalainen Insurance Company Ltd	0	64	18	0	1	83	30	0	0	51	2	1	83
Finnish P&C Insurance Ltd.	8	28	14	9	0	59	24	1	0	27	6	2	59
Valion Keskinäinen Vakuutusyhtiö	0	20	0	0	0	21	4	0	0	16	0	0	21
Osuuspankkien Keskinäinen Vakuutusyhtiö	0	7	0	13	0	20	4	0	0	7	1	8	20
Ins. Co. for Pharmaceutical Injury Indemnities	0	17	0	0	0	18	7	0	0	11	0	0	18
<b>Total</b>	<b>219</b>	<b>13,908</b>	<b>1,496</b>	<b>536</b>	<b>269</b>	<b>16,427</b>	<b>3,102</b>	<b>17</b>	<b>225</b>	<b>12,318</b>	<b>530</b>	<b>236</b>	<b>16,427</b>

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## Life insurers' gross premiums written in Finland in 2016, €m

	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 %
Nordea Life Assurance Finland Ltd	598	644	56	0	0	74	17	0	0	1,388	0	1,388	30.6
Mandatum Life Insurance Company Limited	343	473	45	12	9	66	12	65	64	1,090	3	1,094	24.1
OP Life Assurance Company Ltd	609	89	90	9	2	105	27	16	52	999	0	999	22.0
LocalTapiola Mutual Life Insurance Company	192	25	47	10	59	32	20	11	25	422	0	422	9.3
Fennia Life Insurance Company Ltd	131	19	4	5	11	5	6	11	15	207	0	207	4.6
Sb Life Insurance Ltd	105	9	17	0	0	6	1	0	0	138	0	138	3.0
Aktia Life Insurance Ltd.	74	0	12	1	9	7	6	2	2	113	0	113	2.5
Kaleva Mutual Insurance Company	0	0	35	0	29	0	0	0	0	65	0	65	1.4
Suomi Mutual Life Assurance Company	0	0	0	0	0	0	12	0	0	12	0	12	0.3
Försäkringsaktiebolaget Liv-Alandia	0	0	4	0	0	0	1	0	1	6	0	6	0.1
<b>Finnish total 2016</b>	<b>2,052</b>	<b>1,258</b>	<b>311</b>	<b>38</b>	<b>119</b>	<b>294</b>	<b>102</b>	<b>104</b>	<b>160</b>	<b>4,440</b>	<b>3</b>	<b>4,443</b>	<b>98.0</b>
Finnish total 2015	2,935	1,995	331	37	112	324	113	111	161	6,120	2	6,122	
Growth, %	-30.1	-36.9	-6.0	2.9	6.8	-9.2	-9.5	-5.9	-1.0	-27.5	33.6	-27.4	
SHB Liv Forsikringsaktieselskab, fiF	69	18	0	0	0	3	0	0	2	92	0	92	2.0
<b>Total 2016</b>	<b>2,121</b>	<b>1,276</b>	<b>311</b>	<b>38</b>	<b>119</b>	<b>298</b>	<b>102</b>	<b>104</b>	<b>162</b>	<b>4,532</b>	<b>3</b>	<b>4,535</b>	<b>100.0</b>
Total 2015	3,053	2,028	331	37	112	328	113	111	163	6,276	2	6,278	
Growth, %	-30.5	-37.1	-6.0	2.9	6.8	-9.2	-9.5	-5.9	-0.8	-27.8	33.6	-27.8	

Finance Finland

**Life insurers' financial ratios for 2016**

	Turnover €m	Return on assets %	Net income on investments at current value %	Expense ratio % of total expense loadings %
Mandatum Life Insurance Company Limited	197.0	6.5	6.7	96.0
Nordea Life Assurance Finland Ltd	189.7	6.9	2.8	36.7
OP Life Assurance Company Ltd	144.0	4.3	6.5	126.3
LocalTapiola Mutual Life Insurance Company	63.4	5.8	5.0	119.5
Kaleva Mutual Insurance Company	37.3	1.7	6.0	58.1
Aktia Life Insurance Ltd.	15.3	4.9	3.6	81.9
Fennia Life Insurance Company Ltd	10.2	5.1	4.3	105.6
Sb Life Insurance Ltd	7.6	5.0	6.6	133.9
Försäkringsaktiebolaget Liv–Alandia	2.5	2.6	2.6	131.0
Suomi Mutual Life Assurance Company	-71.7	3.3	2.5	123.9
<b>Total/average</b>	<b>595.2</b>		<b>5.2</b>	

## Finance Finland

## Life insurers' profit and loss account for 2016, €m

	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	Profit/Loss for the year
Nordea Life Assurance Finland Ltd	1,388	317	834	-1,197	-927	-28	-195	0	-37	154
Mandatum Life Insurance Company Limited	1,099	855	222	-961	-459	-90	-469	0	-37	159
OP Life Assurance Company Ltd	978	501	335	-1,255	-146	-109	-173	1	-29	102
LocalTapiola Mutual Life Insurance Company	420	235	74	-357	-173	-48	-76	-2	-13	60
Fennia Life Insurance Company Ltd	206	82	53	-102	-171	-14	-43	0	-2	9
Sb Life Insurance Ltd	138	29	22	-40	-118	-14	-12	0	-1	4
Kaleva Mutual Insurance Company	112	29	39	-123	-23	-11	-10	0	-3	11
Kaleva Mutual Insurance Company	65	173	0	-82	-88	-8	-49	1	-1	11
Suomi Mutual Life Assurance Company	12	402	0	-53	-535	-14	-111	5	0	-294
Försäkringsaktiebolaget Liv-Alandia	6	9	1	-10	2	-1	-5	0	0	2
<b>Total</b>	<b>4,424</b>	<b>2,631</b>	<b>1,580</b>	<b>-4,180</b>	<b>-2,638</b>	<b>-337</b>	<b>-1,142</b>	<b>4</b>	<b>-124</b>	<b>218</b>

## Life insurers' balance sheet for 2016, €m

	ASSETS				LIABILITIES							
	Intangible assets	Investments	Covering unit-linked business	Total debtors	Other assets	Total assets	Capital and reserves	Subordinated debt	Technical provisions	Technical provisions for unit-linked business	Total creditors	Total liabilities
OP Life Assurance Company Ltd	60	7,579	9,168	337	435	17,579	404	245	7,458	9,205	266	17,579
Nordea Life Assurance Finland Ltd	0	2,222	14,146	63	129	16,561	261	70	2,045	14,157	28	16,561
Mandatum Life Insurance Company Limited	1	4,944	6,362	166	669	12,141	766	100	4,801	6,361	113	12,141
LocalTapiola Mutual Life Insurance Company	15	2,629	1,822	26	61	4,553	363	100	2,265	1,796	29	4,553
Fennia Life Insurance Company Ltd	7	695	901	23	26	1,651	100	0	638	903	10	1,651
Aktia Life Insurance Ltd.	1	511	723	12	19	1,265	78	0	453	719	15	1,265
Kaleva Mutual Insurance Company	0	1,020	0	11	206	1,237	264	0	957	0	16	1,237
Sb Life Insurance Ltd	3	190	517	1	1	710	38	0	147	517	9	710
Försäkringsaktiebolaget Liv-Alandia	0	103	14	2	9	128	20	0	91	14	3	128
Suomi Mutual Life Assurance Company	0	0	0	0	11	11	1	0	0	0	11	11
<b>Total</b>	<b>86</b>	<b>19,893</b>	<b>33,652</b>	<b>640</b>	<b>1,565</b>	<b>55,837</b>	<b>2,294</b>	<b>515</b>	<b>18,855</b>	<b>33,672</b>	<b>501</b>	<b>55,837</b>

## Pension insurers' gross premiums written and financial ratios in 2016, €m

	Employee pension	Self-employed persons' pension	Total premiums written	Market share 2016 %	Total profit €m	Solvency capital €m	Solvency ratio %	Net income on investments at current value %
Varma Mutual Pension Insurance Company	4,488	187	4,675	34.5	457	10,200	30.9	4.7
Ilmarinen Mutual Pension Insurance Company	3,968	334	4,303	31.7	405	8,460	29.2	4.8
Elo Mutual Pension Insurance Company	2,899	423	3,321	24.5	334	4,271	24.3	5.6
Etera Mutual Pension Insurance Company	675	38	713	5.3	167	846	15.5	6.6
Veritas Pension Insurance Company Ltd	447	62	509	3.8	79	682	29.5	6.6
Försäkringsaktiebolaget Pensions-Alandia	39	3	42	0.3	2	90	41.0	4.6
<b>Total/average 2016</b>	<b>12,517</b>	<b>1,047</b>	<b>13,564</b>	<b>100.0</b>	<b>1,444</b>	<b>24,547</b>	<b>28.0</b>	<b>5.1</b>
Total/average 2015	12,150	1,065	13,215		304	23,686	28.2	5.0
Growth, %	3.0	-1.7	2.6		375.2	3.6		

## Pension insurers' profit and loss account for 2016, €m

	Premiums written	Investment income	Claims incurred	Change in provision for unearned premiums	Operating expenses	Investment expenses	Other income and expenses	Indirect taxes	Profit/Loss for the year
Varma Mutual Pension Insurance Company	4,675	6,336	-6,349	-332	-78	-4,238	0	-8	6
Ilmarinen Mutual Pension Insurance Company	4,302	21,393	-5,709	246	-82	-20,134	0	-12	4
Elo Mutual Pension Insurance Company	3,321	2,389	-3,980	-37	-77	-1,611	1	-5	0
Etera Mutual Pension Insurance Company	713	940	-980	18	-23	-664	0	-1	2
Veritas Pension Insurance Company Ltd	509	197	-572	-24	-14	-94	0	0	1
Försäkringsaktiebolaget Pensions-Alandia	43	18	-51	2	-1	-11	0	0	0
<b>Total</b>	<b>13,564</b>	<b>31,272</b>	<b>-17,640</b>	<b>-127</b>	<b>-276</b>	<b>-26,752</b>	<b>1</b>	<b>-27</b>	<b>14</b>

## Pension insurers' balance sheet for 2016, €m

	ASSETS				LIABILITIES				
	Intangible assets	Investments	Total debtors	Other assets	Total assets	Capital and reserves	Technical provisions	Total creditors	Total liabilities
Varma Mutual Pension Insurance Company	1	32,449	709	781	33,940	119	33,501	320	33,940
Ilmarinen Mutual Pension Insurance Company	41	31,037	5,323	1,047	37,449	104	31,459	5,886	37,449
Elo Mutual Pension Insurance Company	27	17,745	718	377	18,867	101	18,527	239	18,867
Etera Mutual Pension Insurance Company	22	4,930	251	355	5,559	56	5,365	137	5,559
Veritas Pension Insurance Company Ltd	4	2,241	95	216	2,555	19	2,493	42	2,555
Försäkringsaktiebolaget Pensions-Alandia	0	252	13	11	276	1	269	6	276
<b>Total</b>	<b>96</b>	<b>88,654</b>	<b>7,109</b>	<b>2,786</b>	<b>98,645</b>	<b>401</b>	<b>91,615</b>	<b>6,629</b>	<b>98,645</b>



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