



FINNISH INSURANCE IN 2019

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Financial overview of Finnish insurance companies

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FINNISH INSURANCE IN 2019

Financial overview of Finnish insurance companies

HIGHLIGHTS

Insurance premiums written in Finland increased by 11% to a total of €26.1 billion.

Claims and pension benefits were paid for €27.0 billion, which was an increase of 16%. This increase was mainly due to exceptionally large life insurance surrenders.

Life insurers' premium income grew 60%, totalling €6.0 billion. Surrenders totalled as much as €5.1 billion.

Non-life insurers' combined ratio significantly weakened to 106.2%. Loss ratio was 83.3%, expense ratio 22.9%.

Investments yielded a return of 11%. The biggest returns came from equities.

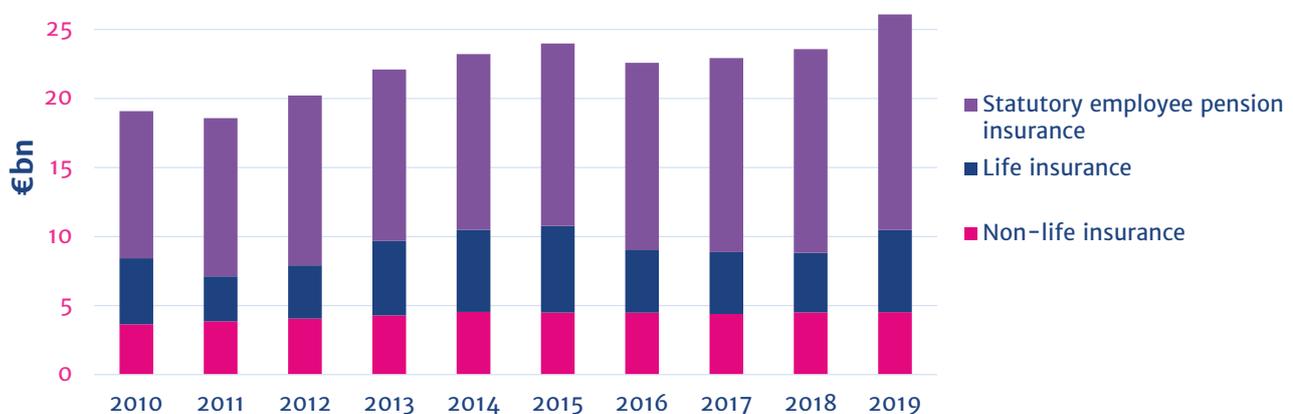


Figure 1. Breakdown of gross premiums written by Finnish insurers 2010–2019

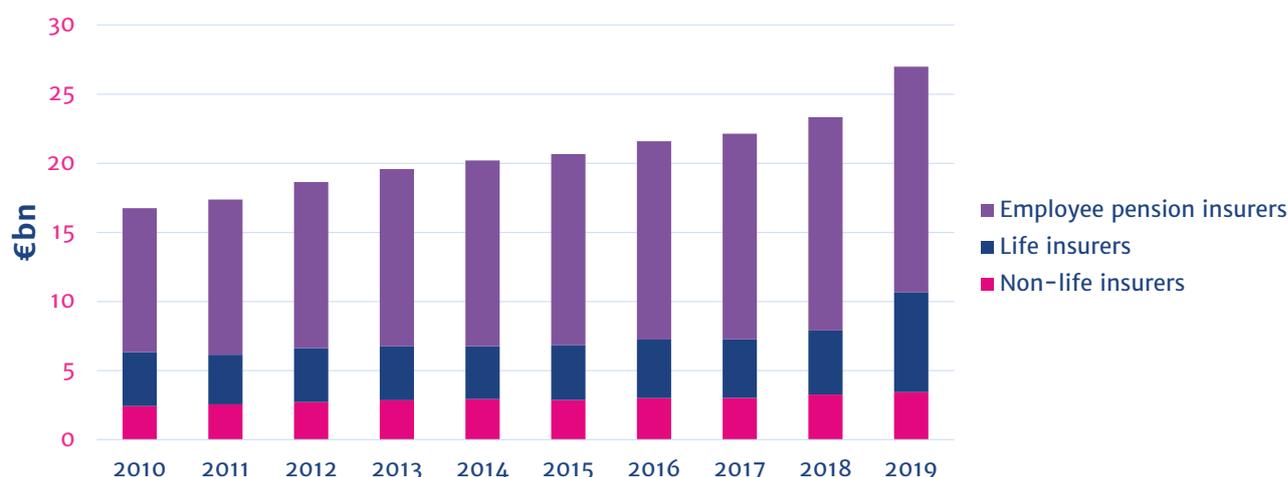


Figure 2. Claims paid by Finnish insurers 2010–2019

ECONOMIC GROWTH IMPROVED THE DEVELOPMENT OF INSURERS' PREMIUM INCOME

The year 2019 was a time of growth in Finland. Employment continued to improve, and its effects showed in insurers' premium income – most notably in employee pension insurance, but also in statutory accident insurance. Economic growth boosted premium income in general as economic activity in the society perked up.

Insurance companies paid a substantially larger amount of compensations than the year before. The main reason for this were the year's exceptionally large life insurance surrenders. The claims incurred in non-life insurance increased due to the impact of low market rates on companies' technical rates of interest. These factors together weakened the profitability of life and non-life insurance companies.

Meanwhile in the investments market, especially in equity investments, 2019 was an excellent year. Share prices went up and yielded investment income to the companies. This enabled insurers to compensate for the weaker results of their core insurance business. The operating profits of life and non-life insurers thus remained on a good level. Total performance, i.e. operating profits after the change in valuation differences is accounted for, was noticeably higher than the ten-year average.

According to the Finnish Financial Supervisory Authority (FIN-FSA), insurers' solvency ratios split in different directions in 2019. Authorised pension companies' solvency improved with good returns on investments, although the bigger proportion of equities increased their risk exposure. In contrast, the solvency ratios of life and non-life insurers weakened at the start of 2019. The companies' solvency is generally strong to start with, however, which makes them resilient to investment market fluctuations.

Insurance premiums written in Finland increased 11% to a total of €26.1bn. Life insurers' premium income grew by 38%, and employee pension premiums also increased by 6%. Non-life insurers' premium income remained nearly unchanged. Finnish insurers paid claims and pension benefits in 2019 for a total of €27.0bn, which is 16% more than the year before.

One of the special characteristics of the Finnish insurance sector is that statutory lines generate a major share of premium income. In 2019, 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 86% of all premiums were written by the four largest life and non-life insurance companies/groups. The number of employee pension insurance companies has dropped to four, the two largest ones together holding a market share of 71%.

Gross premiums written*, loss ratio and claims paid in Finland in 2019

	Premiums written €m	Change %	Loss ratio % 1)	Claims paid €m	Change %
Pension insurance					
- statutory pension	15,605	5.8		16,320	5.6
Life insurance					
- personal life, unit linked	1,947	32.2			
- capital redemption policies	2,884	59.7			
- other life insurance	312	11.1			
- employees group life	41	3.3			
- other group life insurance	141	6.3			
- personal pension, unit linked	255	1.2			
- other personal pension	59	-13.9			
- group pension, unit linked	147	13.4			
- other group pension	177	39.0			
- reinsurance	0	-40.7			
Life insurance total	5,963	38.4		7,239	56.3
Non-life insurance					
- workers' compensation	584	4.4	119.9	530	8.7
- other accident and health	694	7.4	73.9	494	9.3
- motor vehicle	873	5.9	81.1	688	6.2
- marine and railway rolling stock	95	14.4	88.1	63	37.9
- goods in transit	60	2.0	45.0	30	3.4
- fire and other damage to property	1,044	2.0	70.9	739	2.8
- motor liability	711	0.7	96.7	506	2.0
- liability	84	-66.3	13.4	142	-1.1
- credit and suretyship	27	3.3	16.3	4	566.0
- legal expenses and other direct ins.	101	3.1	74.6	141	-13.2
Direct non-life business total	4,351	0.1	83.6	3,337	4.8
- reinsurance	171	3.4	74.3	102	23.0
Non-life insurance total	4,522	0.2	83.3	3,439	5.3
TOTAL	26,090	10.7		26,998	15.6

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

1) Claims incurred / premiums earned before reinsurers' share

INSURANCE SECTOR EMPLOYED ALMOST 10,000 PERSONS

At the end of 2019, there were 47 licensed Finnish insurers in Finland: 33 specialising in non-life business and reinsurance, 10 in life insurance, and 4 in statutory employee pension insurance. The annual average number of persons employed by insurance companies was 9,823. This is 136 employees more than the year before.

At the end of 2019, there were 20 branches operated by non-Finnish insurers in Finland. In addition, 730 foreign companies had notified FIN-FSA that they provided cross-border insurance services. The Insurance Brokers Register (maintained by FIN-FSA) included 90 insurance broker businesses at the end of the year.

All corporate restructurings in 2019 were mergers. Pensions–Alandia merged with Veritas in early 2019. In May, Fennia Non-Life Insurance Ltd merged with Fennia Group’s parent company, and in November, Eurooppalainen Insurance Company merged with OP–Pohjola Group.

NON-LIFE INSURANCE PREMIUM INCOME LEVEL WITH PREVIOUS YEAR’S

The total premiums written in non-life insurance grew only slightly and remained level with the previous year’s figure at €4.5bn. Companies paid non-life claims for €3.4bn, which is 5% more than in 2018. Balance on technical account before change in equalisation provision (premiums earned less claims incurred and operating expenses) was –€264m. This significantly weakened the profitability of the sector’s insurance activities.

Non-life insurers’ combined ratio, which reflects both loss ratio and expense ratio, weakened by more than 11 percentage points to 106.2%. Loss ratio (claims incurred to premiums earned) increased from 74.0% to 83.3%. Expense ratio (operating expenses to premiums earned) also weakened to 22.9%. Loss ratio before unwinding of discount was 81.3%, and the corresponding combined ratio before unwinding of discount was 104.2%. The combined ratio weakened due to three factors: stronger growth in claims paid than in premium income, the changes made to technical rates of interest, and the mergers that took place in the insurance market. Without one-offs to weaken claims incurred, the combined ratio would have remained below 100%.

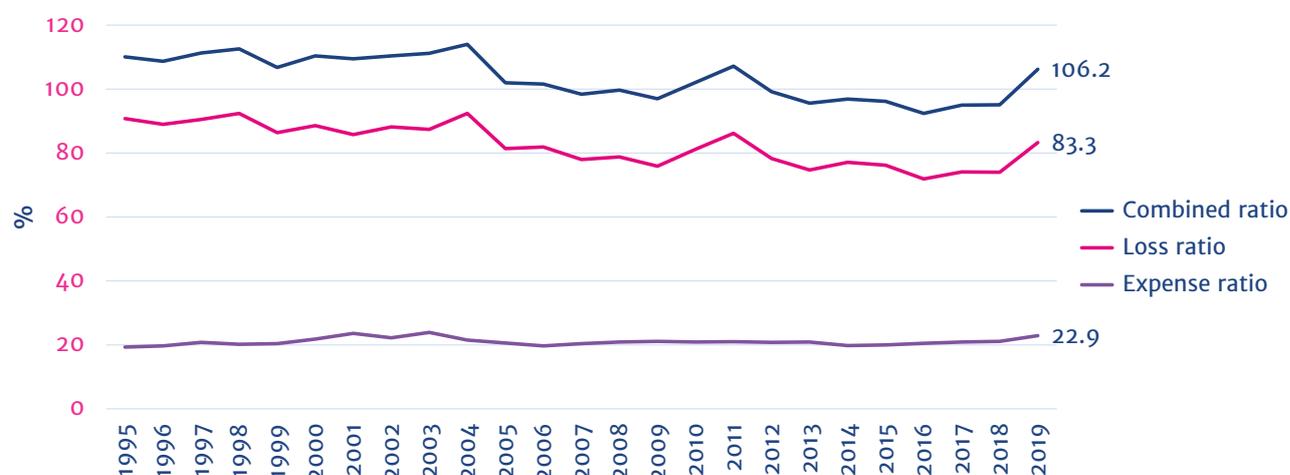


Figure 3. Non-life insurance ratios 2010–2019

The net profits of non-life insurers' investments were substantially better than in 2018, totalling over €1bn calculated on current values. Return on investments on capital employed was 8.1% on current values. Companies reported a few percent's increase in aggregate operating profit with a total of €535m. When the change in valuation differences is added to the operating profit, the total figure more than doubled, standing at €886m.

FIN-FSA reported that non-life insurers maintained a good solvency ratio despite falling from the record-breaking level reached at year-end 2018. The exceptional solvency ratio back then was due to the decreased solvency capital requirement that resulted from the steep fall experienced in share prices towards the end of the year. In 2019, the solvency ratio weakened because market prices of shares developed in the opposite direction and the overall interest rate level sunk. All Finnish non-life insurance companies nevertheless fulfilled both solvency capital and minimum capital requirements.

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 premium income grew by a few percent, slightly exceeding €1bn. Loss ratio clearly improved to 71%. Combined ratio was 93.4%, slightly better than in 2018.

Premiums written in land vehicles' voluntary motor vehicle insurance grew by 6% to €873m. Loss ratio in the class weakened slightly to 81.1%. The number of cars in service was about 1% larger than in 2018.

Premiums written in statutory motor liability insurance grew about one percent to €711m. Good news is that the number of fatal traffic accidents continued to fall. According to Statistics Finland, traffic accidents claimed the lives of 207 persons (239 the previous year). The number of injured was also smaller with 4,994 persons in total (5,303 in 2018). Although claims development was fairly good otherwise, as well, the loss ratio of motor liability insurance weakened significantly to 96.7%. This was caused by technical rates of interest being decreased due to the unusual interest rate environment.

Premiums written in other voluntary accident and health insurance increased to €694m. This is a growth of 7% from the previous year. The popularity of medical expenses insurance has been steadily growing, in particular, and the number of such insurance policies has grown more than 50% in ten years. Loss ratio improved minutely to 73.9%.

Positive development of the employment rate showed in the volume of workers' compensation premiums written, which grew to €584m. This is 4% more than in 2018. The lowered technical rates of interest also showed in this insurance line: loss ratio climbed exceptionally high to 119.9%.

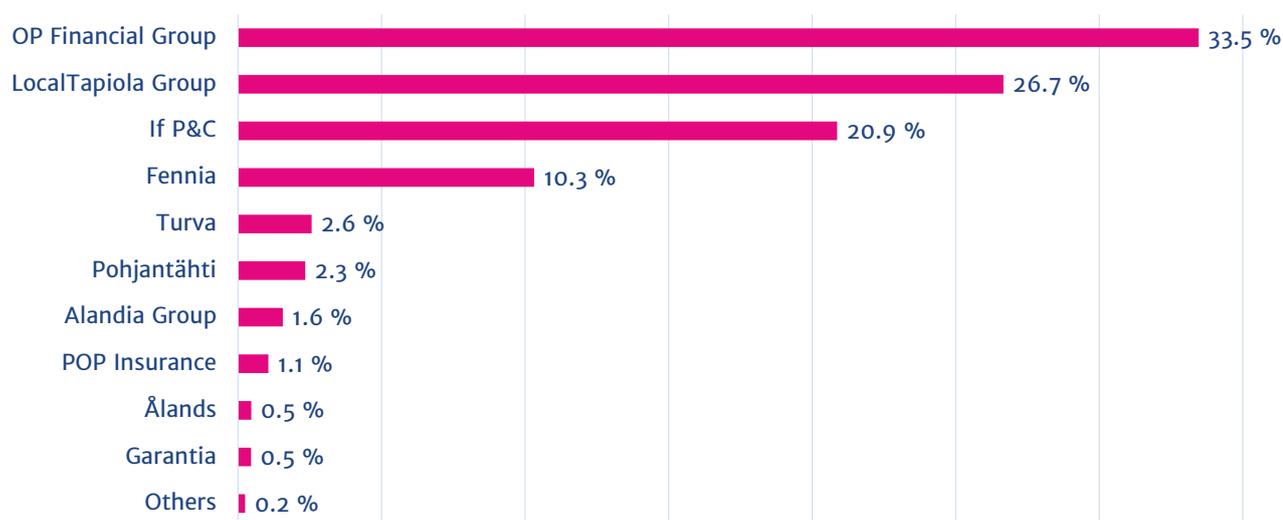


Figure 4. Non-life insurers' market shares in 2019

The volume of domestic direct premiums written by non-life insurers remained at €4.3bn. OP Financial Group lost a tiny amount of its market share, settling at 33.5%. LocalTapiola further strengthened its position as the second largest grouping, rising half a percentage point to 26.7%. If P&C lost part of its market share, dropping to 20.9%. Fennia's market share also fell slightly to 10.3%. These four largest insurer groups commanded 91% of the market. Small, new and specialised companies for the most part succeeded in improving their premium income, which showed as clear growth of their combined market share.

old tax provisions could still be applied to them. Insurance products nevertheless maintained their appeal to investors, and a notable amount of new insurance policies were purchased with surrendered assets.

Claims paid under life insurance increased a whopping 56% to €7.2bn. Policy surrenders covered €5.1bn, repayments of policy benefits €0.5bn, pensions were paid out for €1.3bn, and other benefit and compensation payouts totalled €0.4bn. Policy surrenders increased by more than 100%. Other items remained more or less the same as before.

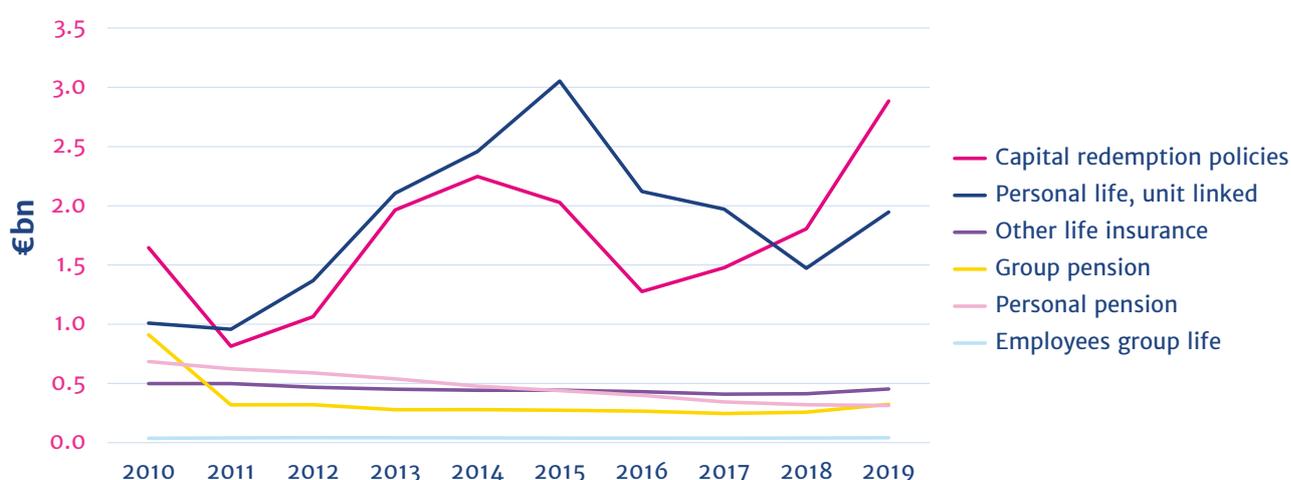


Figure 5. Life insurance premiums written 2010–2019

LIFE INSURANCE SECTOR RAMPED UP ITS PREMIUM INCOME

Life insurers' premium income went through extraordinary growth in 2018. Premiums written increased 38% to about €6bn. For some years now, premiums written have focused more and more on unit-linked products, and now they already comprised 88% of the total premium income.

Once again, the reason for this unusual development was a change in taxation. Income Tax Act amendments, which entered into force at the start of 2020, targeted life insurance savings policies and capital redemption policies and incited a massive surge in surrenders while the

Premium income from capital redemption policies grew larger than ever before. The premiums written in Finland increased by 60% to a total of €2.9bn.

Premium income in unit-linked life insurance returned to growth track. The premiums written in Finland increased by 32% to a total of €1.9bn. Claims paid under other life insurance also increased to €453m.

Premium income from personal pension policies fell by a few percent. This year they generated €314 billion. Premium income from voluntary group pension insurance grew 26% to €324m, of which €177m was unit-linked.



Figure 6. Life insurers' market shares in 2019

Premiums on employees' group life insurance, a cover agreed between social partners, paid €41m, which is about 3% more than the previous year.

Calculated on current values, life insurers' investments gave a return of 8%. In total the investments generated €1.6bn. Operating expenses increased 7% to €385m. Life insurers' operating profit weakened to €676m. However, total profit significantly improved to €1 billion. Bonuses and rebates were paid for a total of €13m.

FIN-FSA reported that life insurers' solvency position remained on a good level at the end of 2019. Solvency II ratios nevertheless decreased compared with the corresponding period a year earlier, mostly due to higher capital requirements. All life insurance companies fulfilled both minimum capital and solvency capital requirements.

In life insurance, market share is measured on premium income and life insurance assets. The three largest companies/groups commanded the market in both. Measured in premium income, the largest market share was held by Nordea Life Assurance, Mandatum Life and OP Life Assurance. Nordea had the largest market share also in terms of life assets.

AUTHORISED PENSION COMPANIES SUCCEEDED IN INVESTMENTS

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 4%. Pension insurers' premium income rose 6% to €15.6bn. The companies paid pensions for a total of €16.4bn. In fact, pension payments have exceeded premium income for many years, and closing this gap places high expectations on pension insurers' investment operations. In 2019, they were exceptionally successful.

The overall performance of authorised pension companies' pension investments was 12% calculated on current values. The aggregate value of their investments totalled €125bn. Investment income was €5.5bn calculated on current values. Underwriting losses were €74m, and loading profit was €147m. These formed a total profit of €5.6bn. Bonuses and rebates were paid out from the operating profit for €434m. The remaining €5.1bn were used to grow the companies' solvency capital. The main reason for this good result was the strong increase of share prices, which was strongly reflected in pension insurers' investment income. Fixed-income securities and real estate investments also yielded good returns.

INSURERS' INVESTMENTS TOTALLED €160 BILLION

The aggregate market value of insurers' investments totalled €160bn on 31 December 2019. This was an increase of 9% compared to year-end 2018. Employee pension providers held the largest investment portfolio, worth €125bn. Life insurers' investments totalled €19bn, and non-life insurers held investments worth €16bn. The notable growth in investments was mainly due to changes in valuation differences. The value of shares grew strongly during the year.

Finnish insurers' lending increased 13%, amounting to a total of €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 remained level at 3%. Return on the loan portfolio was 3%.

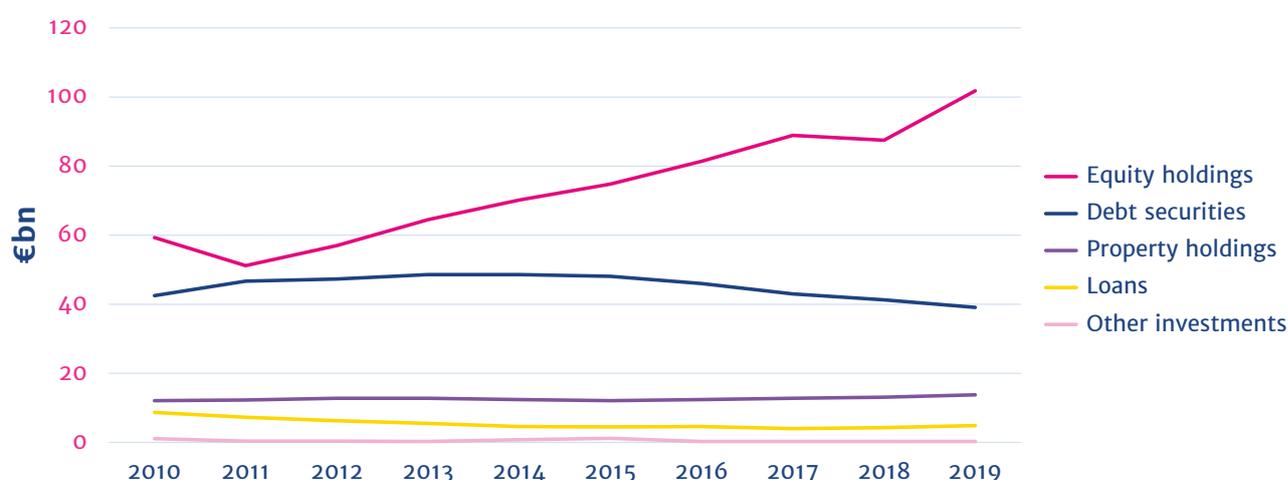


Figure 7. Finnish insurers' investments at current values 2010–2019

Shares and other equities were the largest investment class in the insurers' portfolio. Compared to the previous year, their market value grew a substantial 16% and totalled €102bn. Their proportion in the portfolio increased 4 percentage points to 64%. Calculated on current values, equities returned a profit of 21%.

Debt securities were the second largest investment class. Their amount shrank 5% to €39bn. Their proportion of all investments also shrank, to 25%. Return on investments in debt securities was 5%.

Real estate investments totalled slightly under €14bn. Their volume grew slightly, but their proportion to all investments did not. Return on investments in real estate was 7%.

EQUITY HOLDINGS YIELDED THE BEST INVESTMENT INCOME

Net investment income is calculated from the difference of profits and expenses by adding unrealised gains and subtracting value adjustments from the amount. In 2019, it totalled €13.3bn. When the income is calculated on current values, valuation differences are also taken into account. Last year valuation differences increased by €8.5bn. The return on unit-linked insurance investments is also subtracted from the total, and in 2019 its effect was -€5.3bn. These corrections make up a total income of €16,5bn at current values. The previous year returned a total loss of -€1.8bn.

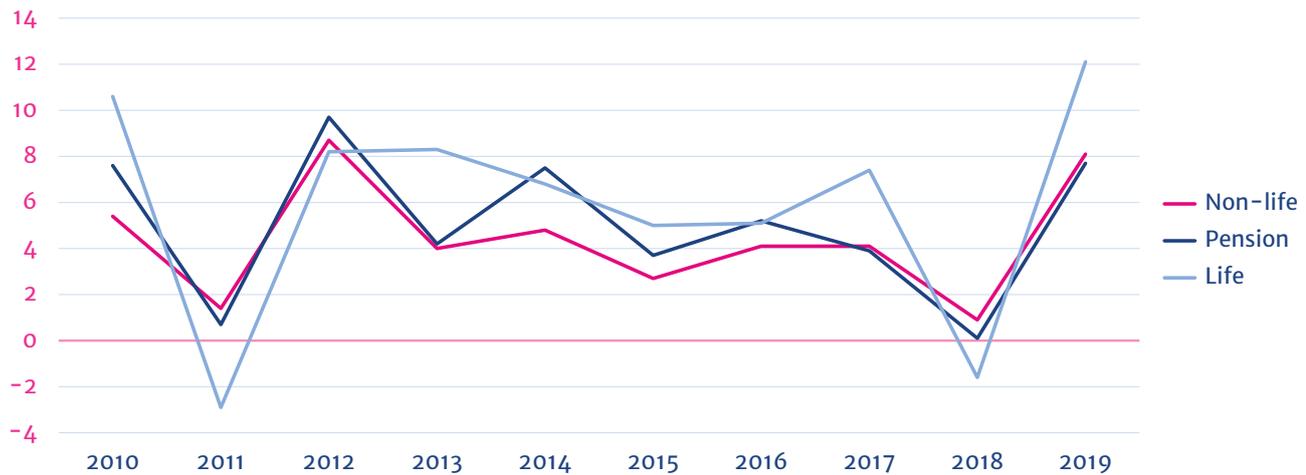


Figure 8. Net income on investments at current value, % of capital employed 2010–2019

The net performance of investments (i.e. the proportion of investments to capital employed) was 11.1%. Best income came from equities, which yielded 20.7%. Real estate yielded an income of 6.6%. Bonds yielded 5.5%, and all the other investment classes also performed positively.

Net performance of insurers' investments in 2019, calculated on current values*

	Capital employed (€m)	Net income (€m)	Return (%)
Bonds	49,169	2,694	5.5
Shares and other equity	56,779	11,730	20.7
Real estate investments	17,298	1,134	6.6
Other debt securities and deposits	6,137	19	0.3
Loan receivables	4,593	147	3.2
Other investments	14,781	482	3.3
Total	148,768	16,542	11.1

*) These figures do not include If P&C Insurance plc's branch in Finland.

Finance Finland

Non-life insurers' gross premiums written in 2019 broken down by lines, €m

	Market share %	Direct domestic insurance	Gross premiums written	Workers' compensation	Other accident and health	Motor vehicle	Marine and railway trans.	Goods in transit	Fire and other damage to property	Motor liability	General liability	Credit and suretyship	Other direct insurance	Reinsurance
Pohjola Insurance Ltd 1)	29.9	1,295	1,339	174	256	244	9	10	313	191	39	2	62	40
LocalTapiola Group	26.7	1,156	1,263	161	175	234	8	5	316	197	18	3	37	108
If P & C Insurance Company Ltd	20.9	904	926	111	132	197	7	15	241	150	2	2	46	22
Fennia Mutual Insurance Company 2)	9.6	418	418	79	47	91	4	8	92	76	7	1	13	0
Turva Mutual Insurance Company	2.6	111	111	5	20	28	1	0	30	23	1	0	3	0
Pohjantähti Mutual Insurance Company	2.3	102	102	11	18	20	1	0	26	18	2	0	5	0
A-Insurance Ltd 1)	2.3	98	98	25	0	36	0	0	3	27	4	0	2	0
Försäkringsaktiebolaget Alandia	1.6	68	76	3	0	0	65	4	0	0	4	0	0	0
Eurooppalainen Insurance Company Ltd 1)	1.3	58	58	0	35	0	0	16	0	0	0	0	7	0
Finnish P&C Insurance Ltd.	1.1	46	46	0	2	15	0	0	5	23	0	0	1	0
Fennia Non-Life Insurance Company Ltd 2)	0.7	29	29	11	2	4	0	0	7	3	1	0	1	0
Aaland Mutual Insurance Company	0.5	20	26	3	0	4	0	0	12	4	1	0	0	1
Garantia Insurance Company Ltd.	0.5	20	20	0	0	0	0	0	0	0	0	20	0	0
Nordea Insurance Finland Ltd	0.1	5	5	0	5	0	0	0	0	0	0	0	0	0
Ins. Co. for Pharmaceutical Injury Indemnities	0.1	5	5	0	0	0	0	0	0	0	5	0	0	0
Valion Keskinäinen Vakuutusyhtiö	0.0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total 2019	100.0	4,334	4,522	584	694	873	95	60	1,044	711	84	27	178	171
Total 2018	100.0	4,329	4,513	560	646	824	83	59	1,024	706	251	26	169	165
Change, %		0.1	0.2	4.4	7.4	5.9	14.4	2.0	2.0	0.7	-66.3	3.3	5.0	3.4
OP Financial Group 1)	33.5	1,450	1,495	200	291	280	9	26	316	218	43	2	71	40
LocalTapiola Group	26.7	1,156	1,263	161	175	234	8	5	316	197	18	3	37	108
If P & C Insurance Company Ltd	20.9	904	926	111	132	197	7	15	241	150	2	2	46	22
Fennia Concern 2)	10.3	447	448	90	49	95	5	8	99	79	8	1	14	0
Others	8.7	376	391	22	46	67	66	5	72	67	13	20	9	2
Total 2019	100.0	4,334	4,522	584	694	873	95	60	1,044	711	84	27	178	171

Non-life insurers' financial ratios for 2019

	Turnover €m	Loss ratio %	Expense ratio %	Combined ratio %	Operating profit €m	Operating margin %	Net income on investments at current value %
Pohjola Insurance Ltd	1622.6	81.7	21.4	103.0	245.9	15.2	8.9
LocalTapiola Group	1547.4	76.6	23.7	100.3	234.5	15.2	7.3
If P & C Insurance Company Ltd	1006.6	72.5	16.8	89.3	178.4	17.7	
Fennia Mutual Insurance Company	545.3	134.4	36.6	171.0	-175.5	-32.2	11.2
A-Insurance Ltd	128.6	102.5	18.3	120.8	9.4	7.3	8.4
Turva Mutual Insurance Company	116.3	71.9	25.4	97.3	7.1	6.1	7.3
Pohjantähti Mutual Insurance Company	102.0	68.8	28.5	97.3	6.1	6.0	6.0
Försäkrings Ab Alandia	80.9	97.7	25.2	122.9	-5.0	-6.1	6.4
Eurooppalainen Insurance Company Ltd	57.1	64.6	21.3	86.0	8.3	14.5	2.2
Suomen Vahinkovakuutus Oy	45.2	74.3	26.4	100.7	1.5	3.3	3.8
Ålands Ömsesidiga Försäkringsbolag	33.4	89.0	37.8	126.7	1.5	4.6	6.8
Fennia Non-Life Insurance Company Ltd	30.0	77.0	22.8	99.8	5.0	16.8	2.2
Garantia Insurance Company Ltd.	20.3	12.2	43.4	55.7	12.2	59.9	8.0
Ins. Co. for Pharmaceutical Injury Indemnities	5.7	92.8	13.7	106.5	0.2	3.9	0.8
Nordea Insurance Finland Ltd	4.1	15.1	15.0	30.0	3.7	89.7	
Valion Keskinäinen Vakuutusyhtiö	2.9	4654.2	1779.2	6433.3	1.3	44.3	7.6
Yhteensä	5348.3	83.3	22.9	106.2	534.7	10.0	8.1

Finance Finland

Non-life insurers' profit and loss account for 2019, €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
Pohjola Insurance Ltd	1,284	-1,048	-274	20	275	9	-47	217
LocalTapiola Group	1,184	-907	-281	18	228	9	-52	200
If P & C Insurance Company Ltd	888	-644	-149	0	83	0	-36	143
Fennia Mutual Insurance Company	419	-563	-153	259	122	1	-11	73
A-Insurance Ltd	98	-100	-18	2	30	0	-2	9
Pohjantähti Mutual Insurance Company	92	-63	-26	-6	4	0	0	0
Försäkrings Ab Alandia	64	-62	-16	5	7	3	0	0
Turva Mutual Insurance Company	63	-45	-16	0	6	0	-1	6
Eurooppalainen Insurance Company Ltd	57	-37	-12	0	0	0	-2	7
Finnish P&C Insurance Ltd.	42	-32	-11	0	2	0	0	1
Fennia Non-Life Insurance Company Ltd	25	-19	-6	0	5	0	0	5
Ålands Ömsesidiga Försäkringsbolag	17	-15	-6	0	8	-2	0	2
Garantia Insurance Company Ltd.	13	-2	-6	2	6	0	-3	11
Nordea Insurance Finland Ltd	6	-1	-1	0	0	0	-1	3
Ins. Co. for Pharmaceutical Injury Indemnities	4	-4	-1	-2	1	0	0	-2
Valion Keskinäinen Vakuutusyhtiö	0	-1	0	0	3	0	0	1
Total	4,255	-3,543	-976	297	779	20	-156	676

Finance Finland

Non-life insurers' balance sheet for 2019, €m

	ASSETS					LIABILITIES							
	Intangible assets	Investments	Total debtors	Prepayments Other and accrued assets income		Total assets	Capital and reserves	Untaxed reserves	ordinated debt	Technical provisions	Total creditors	Accruals and deferred income	Total liabilities
LocalTapiola Group	81	5,525	327	140	17	6,090	2,383	2	0	3,574	94	39	6,090
Pohjola Insurance Ltd	105	2,901	571	617	24	4,218	530	12	125	3,307	164	81	4,218
If P & C Insurance Company Ltd	6	3,136	326	76	97	3,641	142	1	0	2,780	663	56	3,641
Fennia Mutual Insurance Company	82	1,720	140	52	19	2,013	327	1	0	1,568	78	39	2,013
A-Insurance Ltd	0	343	67	0	3	414	77	0	10	310	11	6	414
Pohjantähti Mutual Insurance Company	6	197	37	9	4	253	53	2	0	180	13	5	253
Turva Mutual Insurance Company	7	190	29	7	0	234	49	0	0	175	7	3	234
Försäkrings Ab Alandia	0	145	26	10	10	191	57	0	0	127	4	4	191
Aaland Mutual Insurance Company	0	163	17	7	1	189	69	0	0	106	11	3	189
Garantia Insurance Company Ltd.	0	142	1	1	2	146	42	0	0	100	1	3	146
Finnish P&C Insurance Ltd.	6	45	11	8	0	70	26	1	0	39	2	2	70
Ins. Co. for Pharmaceutical Injury Indemnities	0	22	0	2	0	24	7	0	0	16	0	0	24
Valion Keskinäinen Vakuutusyhtiö	0	21	0	2	0	23	5	0	0	16	2	0	23
Nordea Insurance Finland Ltd	0	8	3	7	0	18	8	0	0	9	0	1	18
Fennia Non-Life Insurance Company Ltd	0	0	0	0	0	0	0	0	0	0	0	0	0
Eurooppalainen Insurance Company Ltd	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	293	14,558	1,557	939	177	17,524	3,774	18	135	12,308	1,049	240	17,524

Finance Finland

Life insurers' gross premiums written in Finland in 2019, €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	354	1,596	49	0	0	58	8	0	0	2,064	0	2,064	34.6
Mandatum Life Insurance Company Limited	313	989	45	10	12	55	7	89	53	1,573	0	1,574	26.4
OP Life Assurance Company Ltd	614	155	66	11	1	82	24	22	74	1,049	0	1,049	17.6
LocalTapiola Mutual Life Insurance Company	283	54	100	12	73	27	12	19	36	616	0	616	10.3
Fennia Life Insurance Company Ltd	132	56	2	6	13	4	4	12	12	241	0	241	4.0
SHB Life	90	25	0	0	0	18	0	3	0	137	0	137	2.3
Aktia Life Insurance Ltd.	86	0	12	1	8	5	3	2	2	119	0	119	2.0
Sb Life Insurance Ltd	74	9	13	0	0	4	0	1	0	103	0	103	1.7
Kaleva Mutual Insurance Company	0	0	23	0	33	0	0	0	0	56	0	56	0.9
Försäkringsaktiebolaget Liv-Alandia	0	0	3	0	0	0	0	0	1	5	0	5	0.1
Total 2019	1,947	2,884	312	41	141	255	59	147	177	5,962	0	5,963	100.0
Total 2018	1,473	1,805	281	40	132	252	68	130	127	4,308	1	4,309	100.0
Growth, %	32.2	59.7	11.1	3.3	6.3	1.2	-13.9	13.4	39.0	38.4	-40.7	38.4	

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Life insurers' financial ratios for 2019

	Turnover €m	Return on assets %	Net income on investments at current value %	Expense ratio % of total expense loadings %
Mandatum Life Insurance Company Limited	297.1	3.6	8.7	102.0
Nordea Life Assurance Finland Ltd	177.3	10.2	4.0	51.6
OP Life Assurance Company Ltd	49.2	2.0	8.8	169.0
Fennia Life Insurance Company Ltd	47.7	8.3	7.6	101.1
Kaleva Mutual Insurance Company	40.6	9.2	10.1	73.9
LocalTapiola Mutual Life Insurance Company	32.3	7.5	6.3	124.5
Aktia Life Insurance Ltd.	11.2	6.1	3.9	73.9
Sb Life Insurance Ltd	10.6	11.5	13.6	145.6
SHB Life	9.8			73.8
Försäkringsaktiebolaget Liv-Alandia	2.8	5.1	4.6	103.0
Total/average	678.6		7.7	

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Life insurers' profit and loss account for 2019, €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	2,064	434	1,941	-2,566	-1,460	-32	-204	0	-35	142
Mandatum Life Insurance Company Limited	1,596	942	652	-1,499	-971	-108	-307	0	-63	243
OP Life Assurance Company Ltd	1,039	829	1,249	-1,787	-906	-128	-252	-3	-7	34
LocalTapiola Mutual Life Insurance Company	613	313	233	-549	-392	-57	-116	0	-7	37
Fennia Life Insurance Company Ltd	240	119	93	-186	-172	-16	-31	0	-10	37
SHB Life	165	2	155	-192	-123	-5	0	8	-2	8
Aktia Life Insurance Ltd.	118	42	108	-148	-93	-11	-6	0	-2	9
Sb Life Insurance Ltd	102	17	97	-97	-88	-18	-6	0	-2	6
Kaleva Mutual Insurance Company	56	125	0	-118	22	-10	-48	0	0	27
Försäkringsaktiebolaget Liv-Alandia	4	7	3	-8	1	-1	-3	0	0	2
Total	5,996	2,830	4,531	-7,148	-4,184	-385	-973	5	-128	545

Life insurers' balance sheet for 2019, €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	50	5,785	10,831	240	974	17,880	278	245	6,025	10,862	469	17,880
Nordea Life Assurance Finland Ltd	0	1,979	15,612	37	201	17,829	331	70	1,760	15,643	26	17,829
Mandatum Life Insurance Company Limited	5	4,225	8,133	90	975	13,428	900	349	3,925	8,117	137	13,428
LocalTapiola Mutual Life Insurance Company	13	2,872	2,416	8	83	5,393	493	100	2,423	2,349	29	5,393
Fennia Life Insurance Company Ltd	5	729	1,236	19	41	2,031	165	0	572	1,238	56	2,031
Aktia Life Insurance Ltd.	0	465	872	2	44	1,384	109	0	396	869	9	1,384
Kaleva Mutual Insurance Company	0	1,117	0	11	170	1,298	243	0	1,043	0	12	1,298
SHB Life	0	0	988	0	55	1,043	44	0	0	988	10	1,043
Sb Life Insurance Ltd	6	160	780	0	2	948	49	0	110	779	10	948
Försäkringsaktiebolaget Liv-Alandia	0	99	16	0	13	127	29	0	82	16	1	127
Total	79	17,431	40,884	409	2,558	61,362	2,641	764	16,336	40,861	760	61,362

Pension insurers' gross premiums written and financial ratios in 2019, €m

	Employee pension	Self-employed persons' pension	Total premiums written	Market share 2019 %	Total profit €m	Solvency capital €m	Solvency ratio at current value %	Net income on investments at current value %
Ilmarinen Mutual Pension Insurance Company	5,364	394	5,758	36.9	2,040	10,792	26.6	11.8
Varma Mutual Pension Insurance Company	5,099	187	5,286	33.9	2,198	11,646	30.8	12.0
Elo Mutual Pension Insurance Company	3,558	410	3,968	25.4	2,939	5,082	24.4	13.0
Veritas Pension Insurance Company Ltd	525	68	593	3.8	85	820	27.2	9.9
Total/average 2019	14,547	1,058	15,605	100.0	7,261	28,340	27.7	12.1
Total/average 2018	13,708	1,048	14,756		-4,244	23,223	30.0	7.4
Growth, %	6.1	1.0	5.8			22.0		

Pension insurers' profit and loss account for 2019, €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
Ilmarinen Mutual Pension Insurance Company	5,758	30,824	-6,663	-1,029	-99	-28,770	1	-13	9
Varma Mutual Pension Insurance Company	5,286	5,907	-6,186	-1,547	-70	-3,377	0	-7	7
Elo Mutual Pension Insurance Company	3,968	2,911	-4,190	-1,196	-82	-1,402	1	-9	0
Veritas Pension Insurance Company Ltd	593	298	-628	-105	-14	-144	1	0	1
Total	15,605	39,940	-17,667	-3,876	-266	-33,693	3	-29	17
Total 2018	14,756	30,026	-16,844	1,124	-266	-28,752	1	-31	14

Pension insurers' balance sheet for 2019, €m

	ASSETS			Other assets	LIABILITIES				
	Intangible assets	Investments	Total debtors		Total assets	Capital and reserves	Technical provisions	Total creditors	Total liabilities
Ilmarinen Mutual Pension Insurance Company	50	41,620	3,069	244	44,983	183	42,150	2,650	44,983
Varma Mutual Pension Insurance Company	0	37,045	1,674	795	39,514	137	38,608	769	39,514
Elo Mutual Pension Insurance Company	12	20,060	829	1,244	22,145	101	21,877	167	22,145
Veritas Pension Insurance Company Ltd	5	2,955	153	184	3,296	18	3,241	38	3,296
Total	67	101,679	5,725	2,467	109,937	438	105,876	3,623	109,937
Total 2018	71	95,764	6,545	4,345	106,724	424	100,683	5,617	106,724



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