



# Interim report 1 January – 30 September 2016

Elo Mutual Pension Insurance Company

# Market value of investments EUR 21 billion

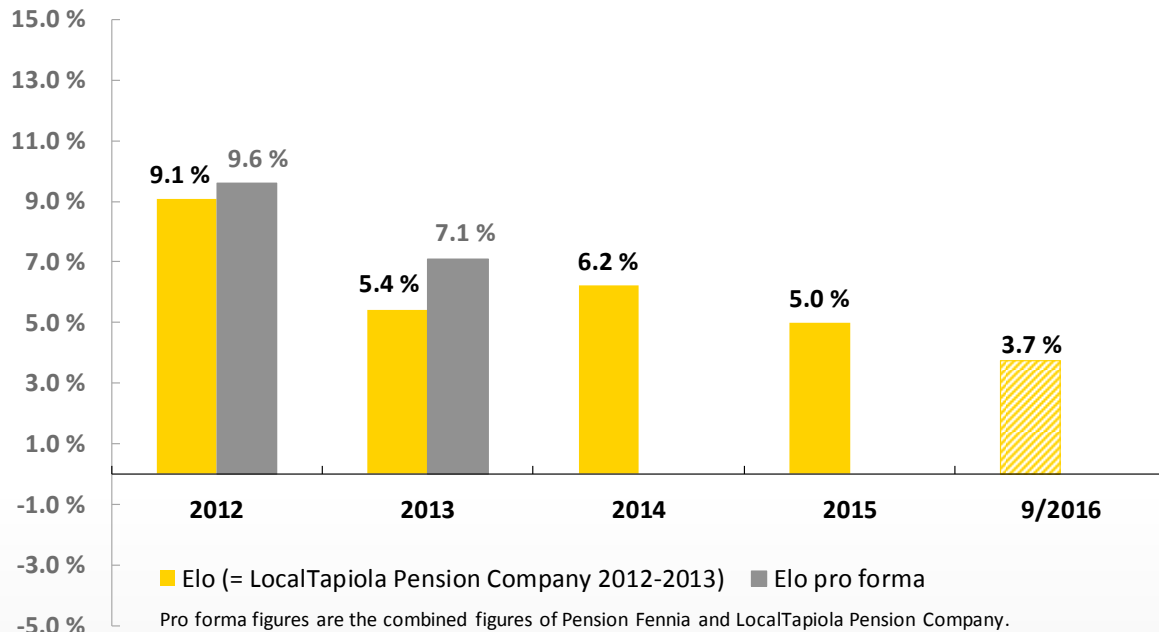
Asset allocation and risk figures 30 September 2016

	Basic allocation by market value		Actual risk position		Return	Volatility
	EUR million	%	EUR million	%	%	%
<b>Fixed-income investments</b>	<b>9,068.0</b>	<b>42.6</b>	<b>8,762.1</b>	<b>41.1</b>	<b>4.2</b>	
Loans	487.0	2.3	487.0	2.3	2.3	
Bonds	7,736.5	36.3	8,116.5	38.1	4.8	2.6
Bonds of public corporations	4,448.3	20.9	4,330.3	20.3	3.6	
Bonds of other corporations	3,288.2	15.4	3,786.2	17.8	6.7	
Other money market instruments and deposits						
incl. any receivables and liabilities related to investments	844.5	4.0	158.7	0.7	0.0	
<b>Equities</b>	<b>6,824.5</b>	<b>32.0</b>	<b>7,542.5</b>	<b>35.4</b>	<b>4.0</b>	
Listed equities	5,361.6	25.2	6,079.6	28.5	3.4	17.6
Private equity investments	1,171.9	5.5	1,171.9	5.5	6.5	
Unlisted equity investments	291.0	1.4	291.0	1.4	4.6	
<b>Real estate</b>	<b>2,674.8</b>	<b>12.6</b>	<b>2,674.8</b>	<b>12.6</b>	<b>4.9</b>	
Direct real estate investments	2,001.0	9.4	2,001.0	9.4	5.4	
Real estate funds and joint investment companies	673.8	3.2	673.8	3.2	3.3	
<b>Other investments</b>	<b>2,733.7</b>	<b>12.8</b>	<b>3,024.5</b>	<b>14.2</b>	<b>1.0</b>	
Hedge fund investments	2,731.1	12.8	2,731.1	12.8	0.4	2.8
Commodity investments	0.0	0.0	0.0	0.0	-	
Other investments	2.6	0.0	293.4	1.4	-	
<b>Total investments</b>	<b>21,301.1</b>	<b>100.0</b>	<b>22,003.9</b>	<b>103.3</b>	<b>3.7</b>	<b>6.4</b>
Effect of derivatives			-702.8	-3.3		
<b>Total</b>	<b>21,301.1</b>	<b>100.0</b>	<b>21,301.1</b>	<b>100.0</b>		

The total return percentage includes income, expenses and operating expenses not allocated to any investment types. Modified duration of bonds 3.9.

# Investments produced 3.7 % in returns

Investment return 2012–9/2016



## Average return on investments

### Over 10 years

- nominal return **4.8 %** (pro forma 4.8 %)
- real return **3.1 %** (pro forma 3.1 %)

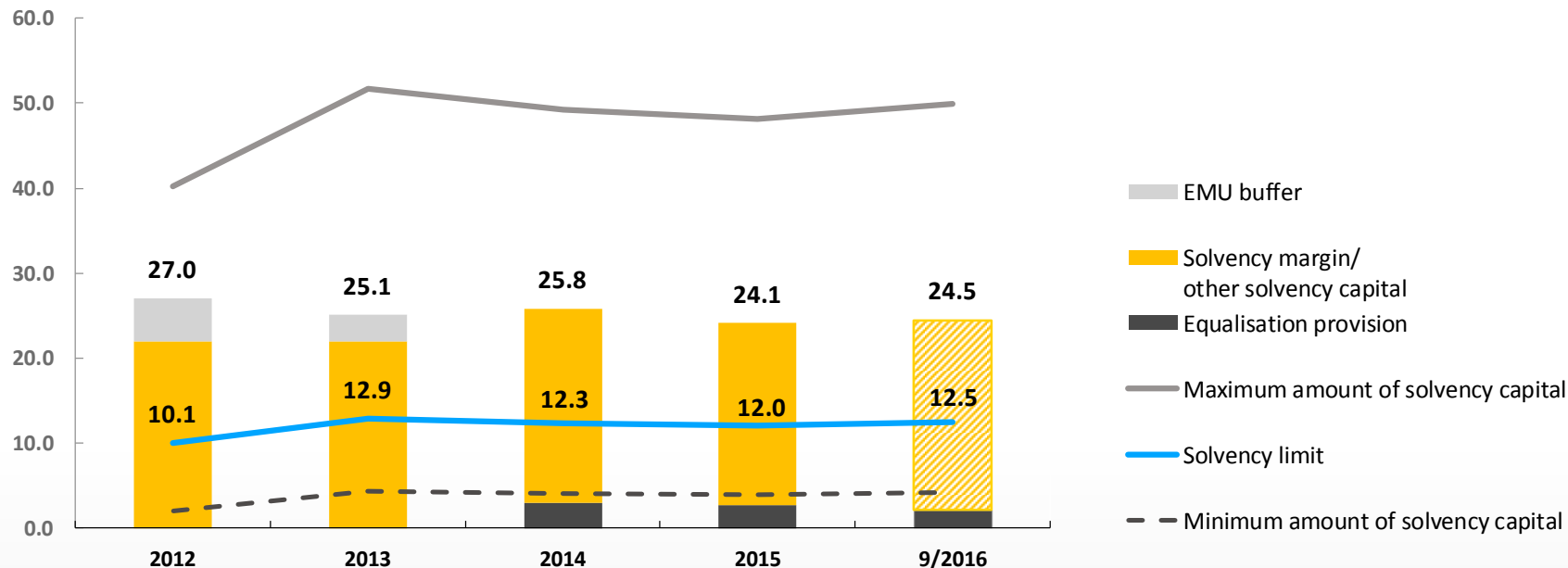
### Over 5 years

- nominal return **6.3 %** (pro forma 6.7 %)
- real return **5.2 %** (pro forma 5.7 %)

# Solvency

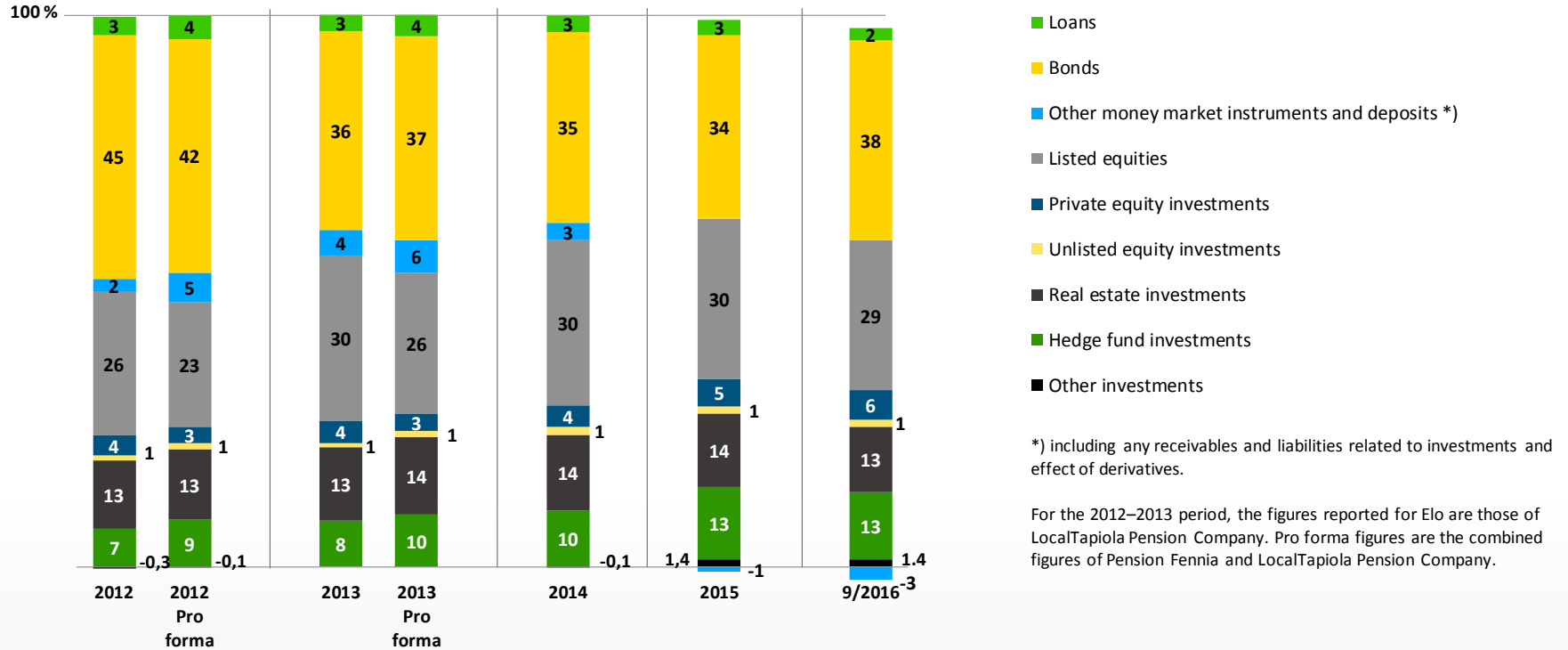
Solvency ratio and its limits 2012–9/2016

% of technical provisions

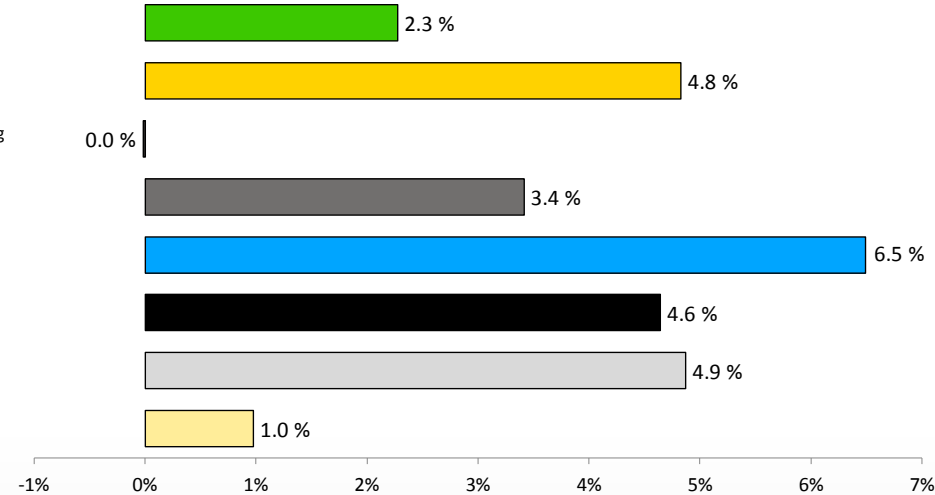
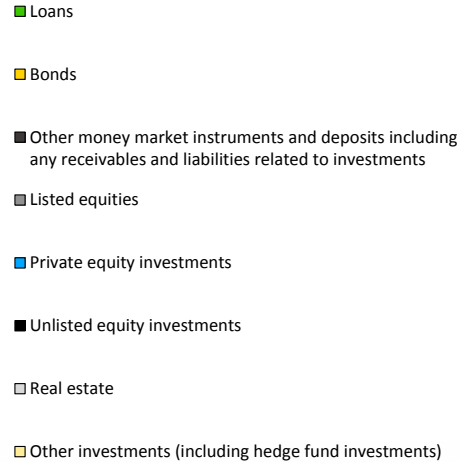
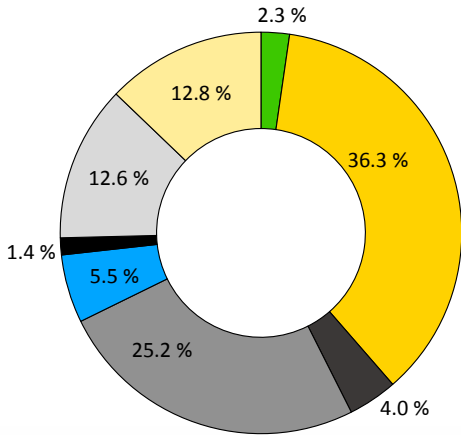


For the 2012–2013 period, the figures reported for Elo are those of LocalTapiola Pension Company.

# 5 year risk based asset allocation

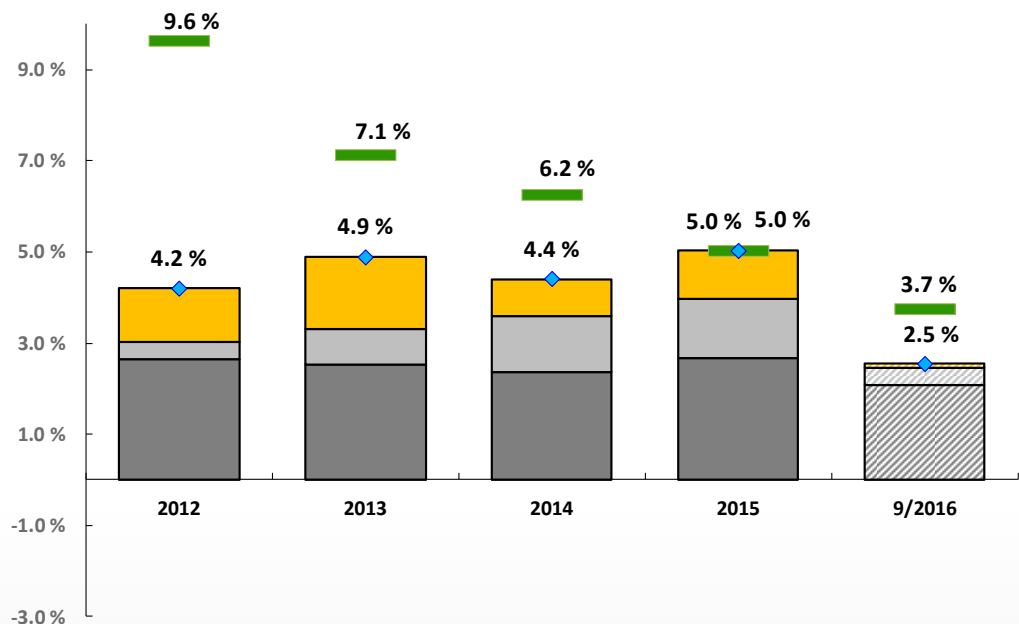


# Asset allocation and returns 30 September 2016



# Return on investment operations in relation to the return credited in technical provisions 2012–9/2016

in relation to capital employed



- Equity return requirement
- Portion exceeding discount rate
- Discount rate requirement
- Overall return on investment operations
- ◆ Total return requirement



## The share exceeding the return requirement of the total result strengthens solvency.

The share exceeding the discount rate includes the shares from the supplementary coefficient and the technical rate of interest. The technical rate of interest is 4.5% over the period 1 January – 31 December 2016, the supplementary coefficient was 1.16% over the period 1 January – 31 March 2016, 1.30% over the period 1 April – 30 June 2016 and 1.01% over the period 1 July – 30 September 2016

From 2012 to 2013 the figures are pro forma, i.e. the combined figures of Pension Fennia and LocalTapiola Pension Company.