



**INTERIM REPORT**  
**1 JANUARY – 31 MARCH 2017**

Elo Mutual Pension Insurance Company

A magnifying glass is positioned over a document, likely a financial report, showing a table with columns and rows of data. The text is slightly blurred, but the structure of a table is visible. The magnifying glass is in the foreground, focusing on the document below it.

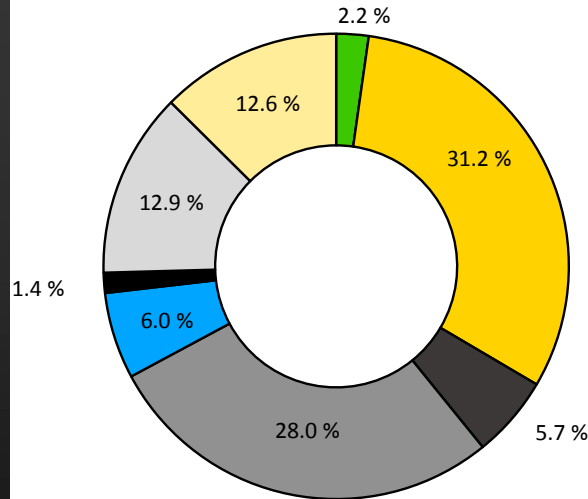
# STRONG FIRST QUARTER

- The market value of Elo's investments was EUR 22.4 billion.
- The investments yielded a return of EUR 627.6 million, i.e. 2.9 %.
- Elo's solvency remained at a good level. The solvency ratio was 125.7 %.

# ASSET ALLOCATION 31 MARCH 2017

ALLOCATION BY MARKET VALUE

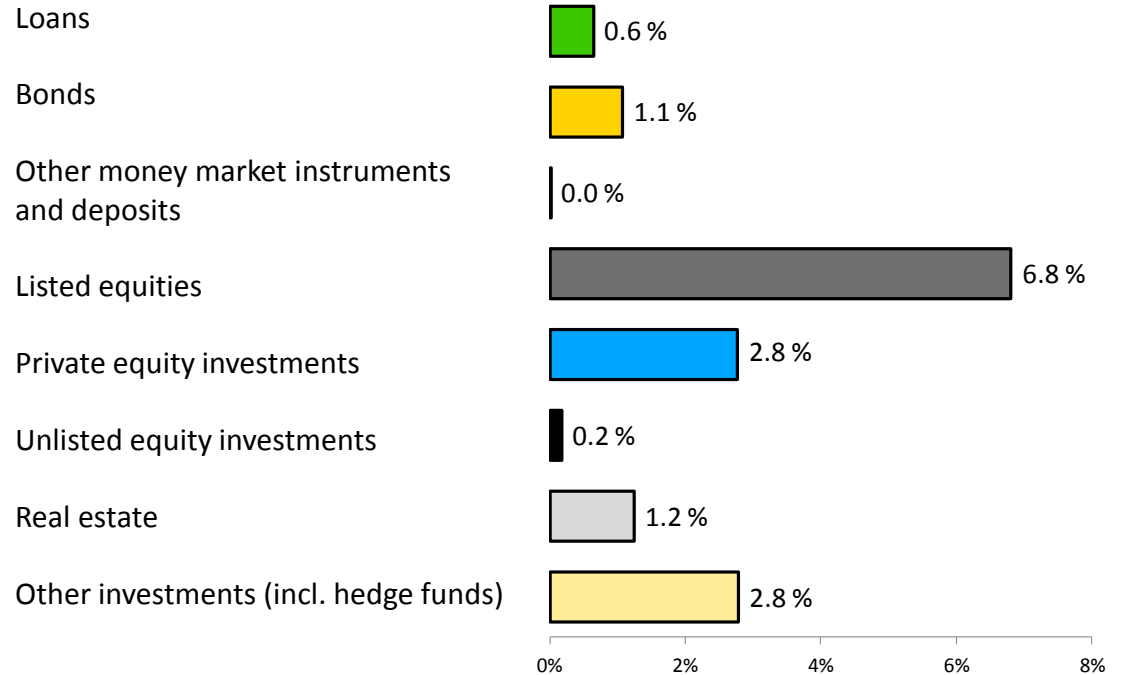
- The market value of the investments was EUR 22.4 billion



- Loans
- Bonds
- Other money market instruments and deposits
- Listed equities
- Private equity investments
- Unlisted equity investments
- Real estate
- Other investments (incl. hedge funds)

# RETURN ON INVESTMENTS BY ASSET CLASS 1 JANUARY – 31 MARCH 2017

- The return on investments was EUR 627.6 million
- Listed equities generated the strongest return, 6.8 %

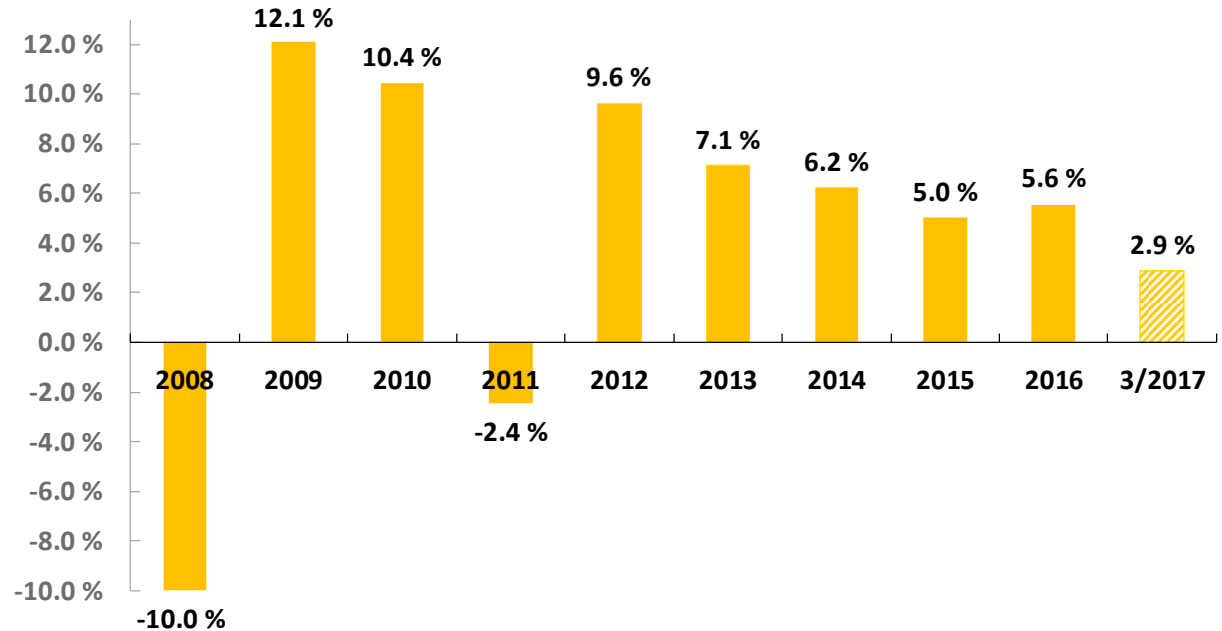


# INVESTMENT RETURNS OVER TIME

31 DECEMBER 2008–31 MARCH 2017

1 january – 31 march 2017

- Investment return 2.9 %
- Real return 3.0 %



Pro forma figures from 2008-2013 are the combined figures of Pension Fennia and LocalTapiola Pension Company.



# STRONG AVERAGE RETURN ON INVESTMENTS OVER TIME

## Over ten years:

- Nominal return 4.7 %
- Real return 3.1 %

## Over five years:

- Nominal return 6.4 %
- Real return 5.7 %

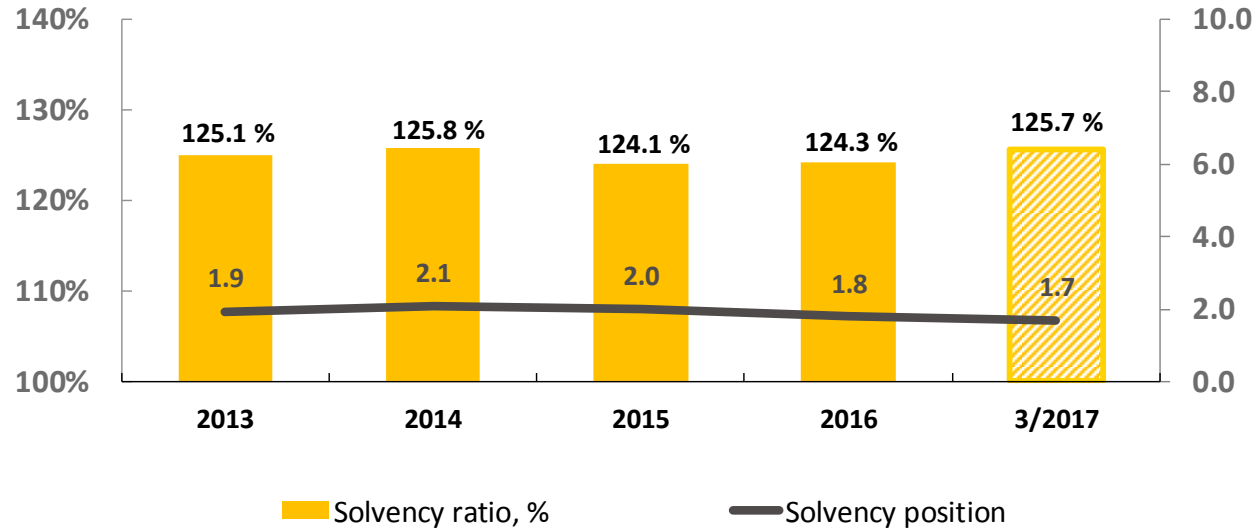
Pro forma figures are the combined figures of Pension Fennia and LocalTapiola Pension Company.

# SOLVENCY RATIO AT A GOOD LEVEL

SOLVENCY RATIO AND POSITION

31 March 2017

- The solvency ratio was 125.7 %
- The solvency position was 1.7



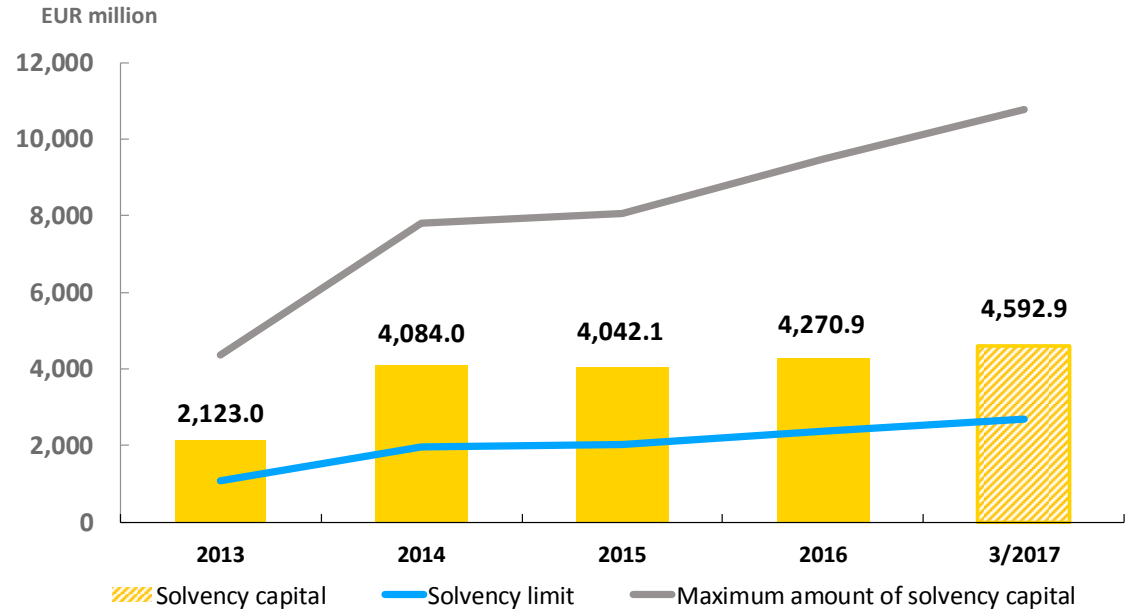
For the year 2013, the figures reported for Elo are those of LocalTapiola Pension Company.

# THE SOLVENCY CAPITAL STRENGTHENED

SOLVENCY CAPITAL AND ITS LIMITS

31 March 2017

- The solvency capital was EUR 4 592.9 million
- The solvency limit was EUR 2 695.7 million



For the year 2013, the figures reported for Elo are those of LocalTapiola Pension Company.



# MARKET VALUE OF INVESTMENTS EUR 22.4 BILLION

## ASSET ALLOCATION AND RISK FIGURES 31 MARCH 2017

	Basic allocation by market value		Actual risk position		Return	Volatility
	EUR million	%	EUR million	%	%	%
<b>Fixed-income investments</b>	<b>8,769.4</b>	<b>39.2</b>	<b>8,809.1</b>	<b>39.3</b>	<b>0.9</b>	
Loans	503.1	2.2	503.1	2.2	0.6	
Bonds	6,993.1	31.2	7,032.8	31.4	1.1	2.8
Bonds of public corporations	3,367.0	15.0	3,496.7	15.6	1.3	
Bonds of other corporations	3,626.0	16.2	3,536.0	15.8	0.8	
Other money market instruments and deposits inc. any receivables and liabilities related to investments	1,273.2	5.7	1,273.2	5.7	0.0	
<b>Equities</b>	<b>7,930.9</b>	<b>35.4</b>	<b>8,844.5</b>	<b>39.5</b>	<b>5.8</b>	
Listed equities	6,271.0	28.0	7,184.5	32.1	6.8	14.0
Private equity investments	1,346.2	6.0	1,346.2	6.0	2.8	
Unlisted equity investments	313.7	1.4	313.7	1.4	0.2	
<b>Real estate</b>	<b>2,883.0</b>	<b>12.9</b>	<b>2,883.0</b>	<b>12.9</b>	<b>1.2</b>	
Direct real estate investments	2,142.7	9.6	2,142.7	9.6	1.1	
Real estate funds and joint investment companies	740.3	3.3	740.3	3.3	1.6	
<b>Other investments</b>	<b>2,812.8</b>	<b>12.6</b>	<b>2,829.8</b>	<b>12.6</b>	<b>2.8</b>	
Hedge fund investments	2,819.4	12.6	2,819.4	12.6	1.2	2.3
Commodity investments	0.1	0.0	18.4	-0.1	-	
Other investments	-6.7	0.0	-8.0	0.0	-	
<b>Total investments</b>	<b>22,396.1</b>	<b>100.0</b>	<b>23,366.3</b>	<b>104.3</b>	<b>2.9</b>	<b>4.1</b>
Effect of derivatives			-970.3	-4.3		
<b>Total</b>	<b>22,396.1</b>	<b>100.0</b>	<b>22,396.1</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 3.8.

The open currency position is 14.5% of the market value of the investments.