



**INTERIM REPORT**  
**1 JANUARY – 30 SEPTEMBER 2017**

Elo Mutual Pension Insurance Company



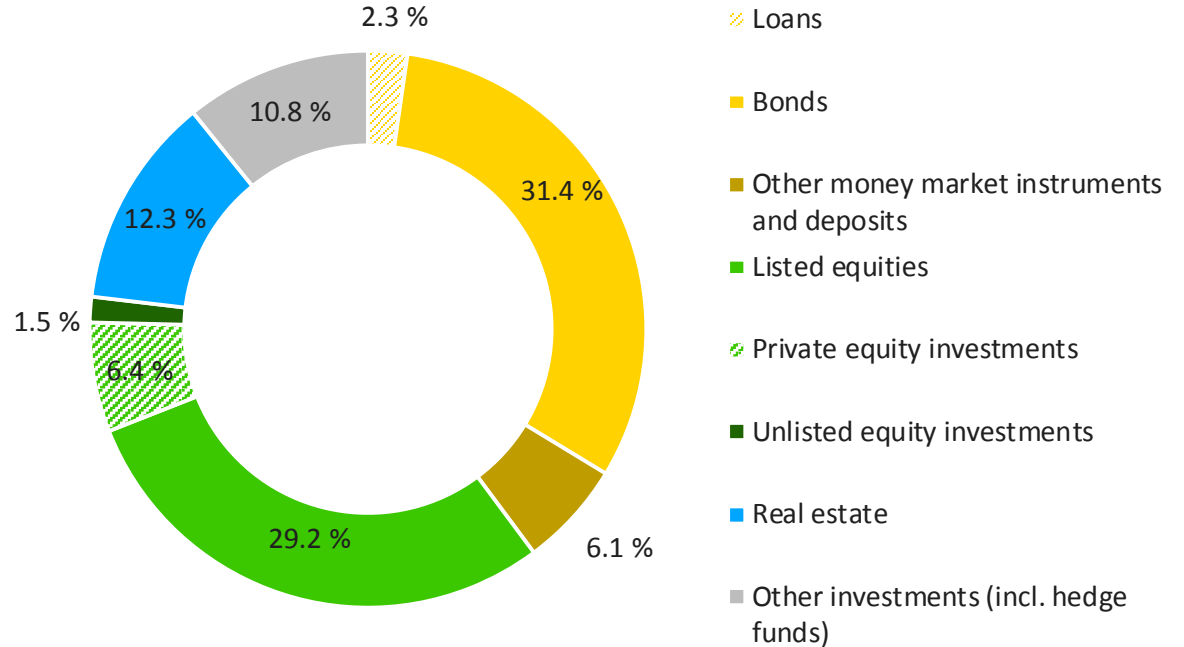
# ELO'S YEAR HAS BEEN EXCELLENT

- The market value of Elo's investments was EUR 22.9 billion.
- The investments yielded a return of EUR 1,320 million, i.e. 6.1 %.
- Solvency strengthened and the solvency ratio was 126.3 %.

# ASSET ALLOCATION 30 SEPTEMBER 2017

ALLOCATION BY MARKET VALUE

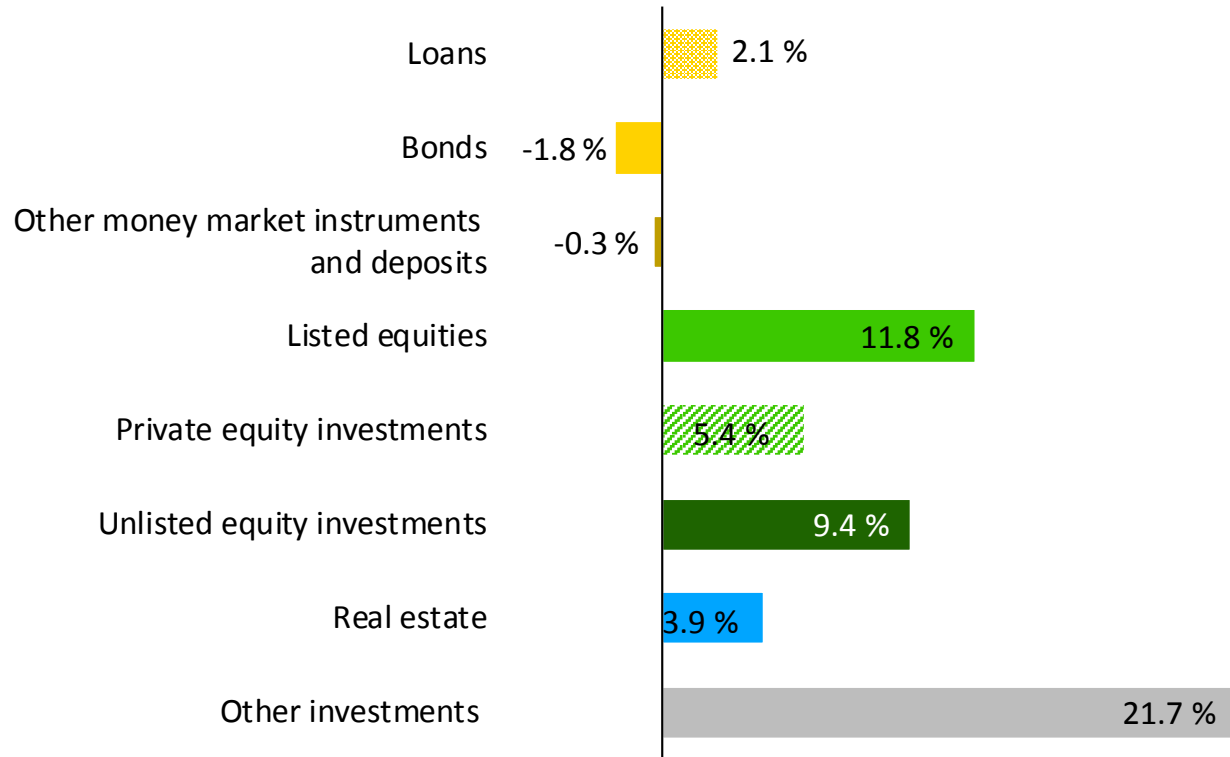
- The market value of the investments was EUR 22.9 billion



# RETURN ON INVESTMENTS BY ASSET CLASS

## 1 JANUARY – 30 SEPTEMBER 2017

- The return on investments was EUR 1,320 million
- Listed equities yielded a return of 11.8%
- Returns from asset types include exchange rate differences. Any currency hedges of asset classes are included in other investments.



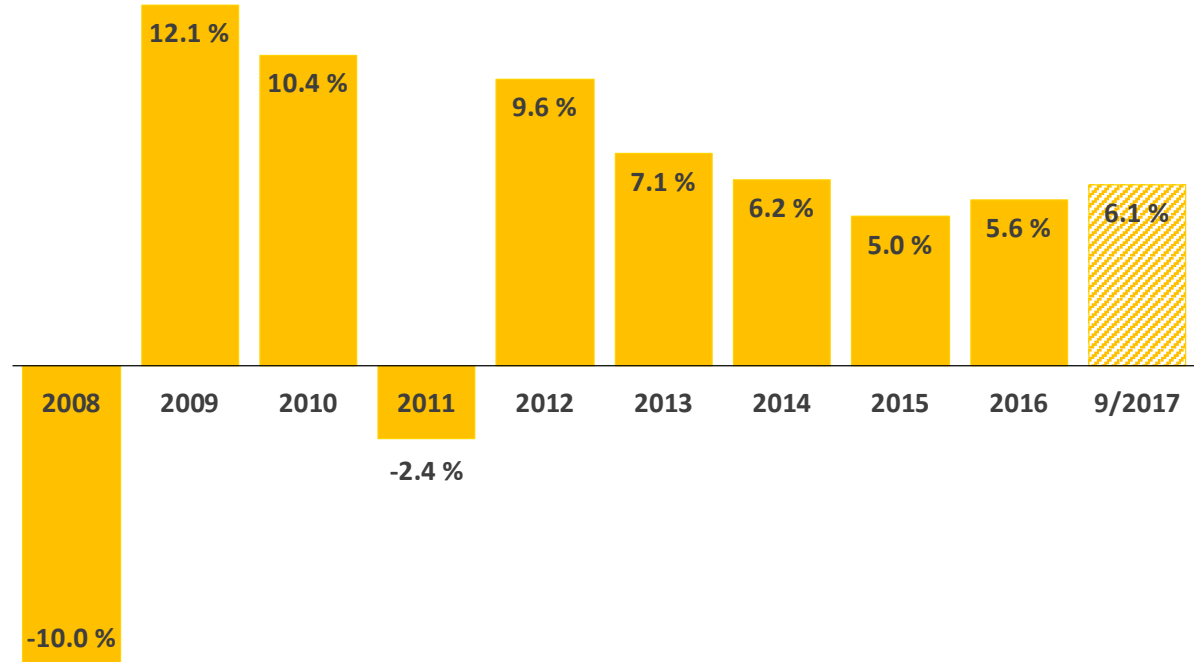
# INVESTMENT RETURNS OVER TIME

31 DECEMBER 2008–30 SEPTEMBER 2017

1 January – 30 September 2017

- Investment return 6.1 %
- Real return 6.1 %

During the last 12 months, return was 7.9%



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 3.2 %

## Over five years:

- Nominal return 6.5 %
- Real return 5.8 %

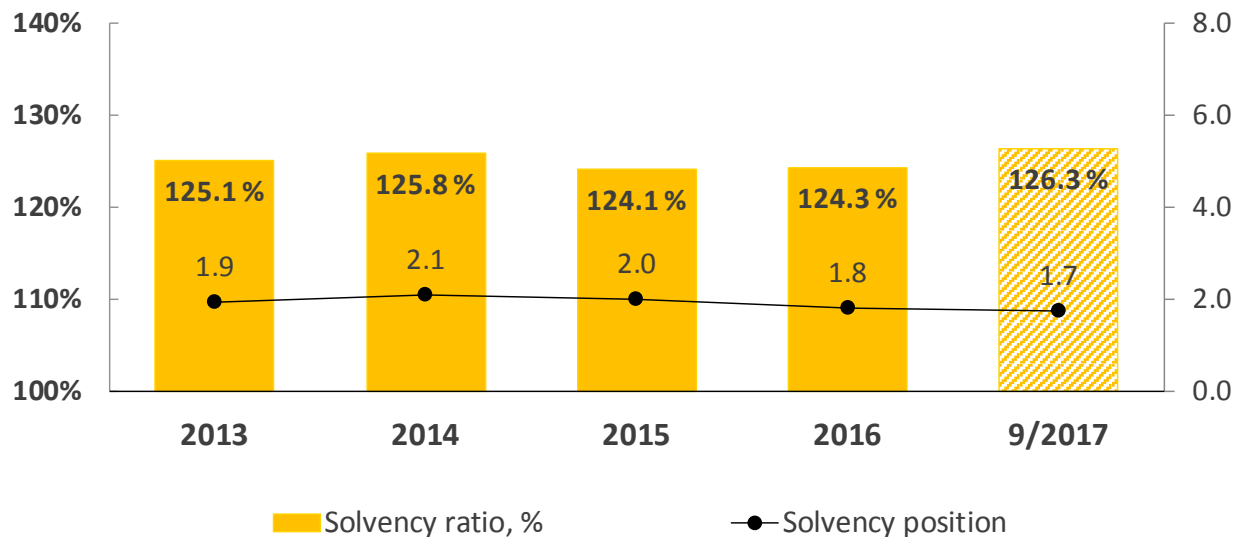
Pro forma figures are the combined figures of Pension Fennia and LocalTapiola Pension Company.

# SOLVENCY RATIO AT A GOOD LEVEL

SOLVENCY RATIO AND POSITION

30 September 2017

- The solvency ratio was 126.3 %
- The solvency position was 1.7



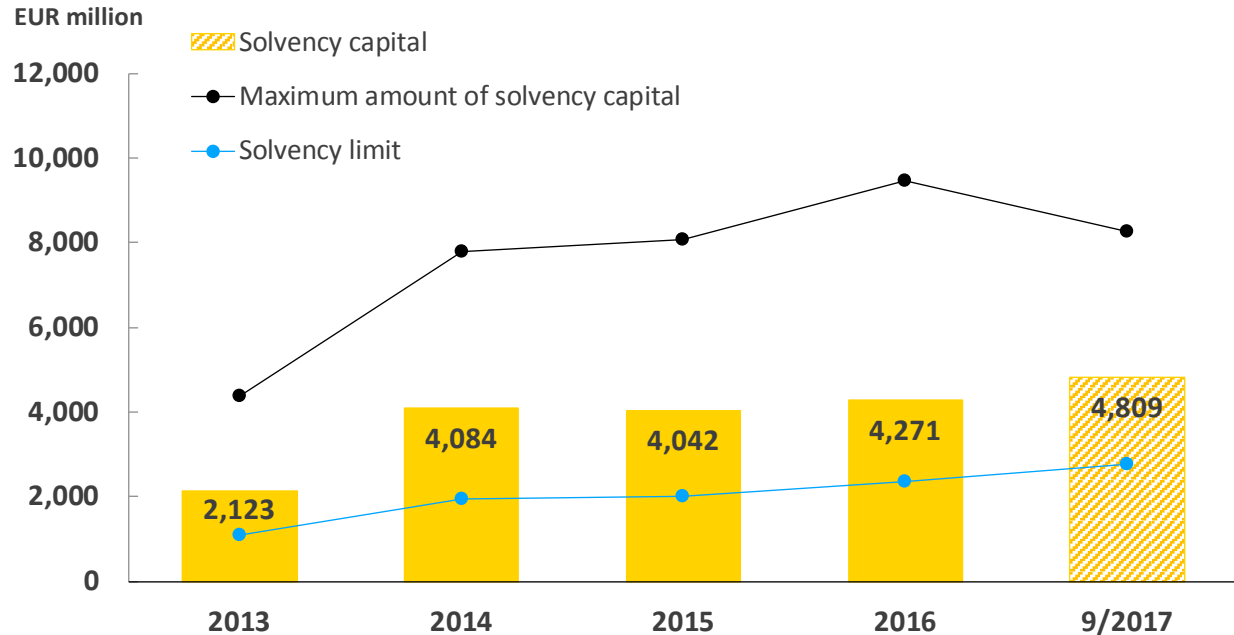
In previous years, the legislation in force at the time has been complied with.  
All years are presented according to the new presentation method.  
For the year 2013, the figures reported for Elo are those of LocalTapiola Pension Company.

# THE SOLVENCY CAPITAL STRENGTHENED

SOLVENCY CAPITAL AND ITS LIMITS

## 30 September 2017

- The solvency capital was EUR 4,809 million
- The solvency limit was EUR 2,755 million



In previous years, the legislation in force at the time has been complied with.  
For the year 2013, the figures reported for Elo are those of LocalTapiola Pension Company.



# MARKET VALUE OF INVESTMENTS EUR 22.9 BILLION

ASSET ALLOCATION AND RISK FIGURES 30 SEPTEMBER 2017

	Basic allocation by market value		Actual risk position		Return	Volatility
	EUR million	%	EUR million	%	%	%
<b>Fixed-income investments</b>	<b>9 115,2</b>	<b>39,8</b>	<b>10 913,6</b>	<b>47,7</b>	<b>-1,4</b>	
Loans	522,2	2,3	522,2	2,3	2,1	
Bonds	7 187,1	31,4	7 230,5	31,6	-1,8	2,5
Bonds of public corporations	3 556,2	15,5	3 641,8	15,9	-4,6	
Bonds of other corporations	3 630,9	15,9	3 588,7	15,7	0,8	
Other money market instruments and deposits inc. any receivables and liabilities related to investments	1 405,9	6,1	3 161,0	13,8	-0,3	
<b>Equities</b>	<b>8 476,7</b>	<b>37,0</b>	<b>8 806,7</b>	<b>38,5</b>	<b>10,6</b>	
Listed equities	6 683,7	29,2	7 013,7	30,6	11,8	10,8
Private equity investments	1 453,9	6,4	1 453,9	6,4	5,4	
Unlisted equity investments	339,1	1,5	339,1	1,5	9,4	
<b>Real estate</b>	<b>2 820,3</b>	<b>12,3</b>	<b>2 820,3</b>	<b>12,3</b>	<b>3,9</b>	
Direct real estate investments	2 038,6	8,9	2 038,6	8,9	4,8	
Real estate funds and joint investment companies	781,7	3,4	781,7	3,4	1,2	
<b>Other investments</b>	<b>2 474,0</b>	<b>10,8</b>	<b>2 474,0</b>	<b>10,8</b>	<b>21,7</b>	
Hedge fund investments	2 503,5	10,9	2 503,5	10,9	-2,5	2,5
Commodity investments	0,0	0,0	0,0	0,0	-	
Other investments	-29,5	-0,1	-29,5	-0,1	-	
<b>Total investments</b>	<b>22 886,2</b>	<b>100,0</b>	<b>25 014,6</b>	<b>109,3</b>	<b>6,1</b>	<b>3,2</b>
Effect of derivatives			-2 128,4	-9,3		
<b>Total</b>	<b>22 886,2</b>	<b>100,0</b>	<b>22 886,2</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 3,7

The open currency position is 16,2 % of the market value of the investments.