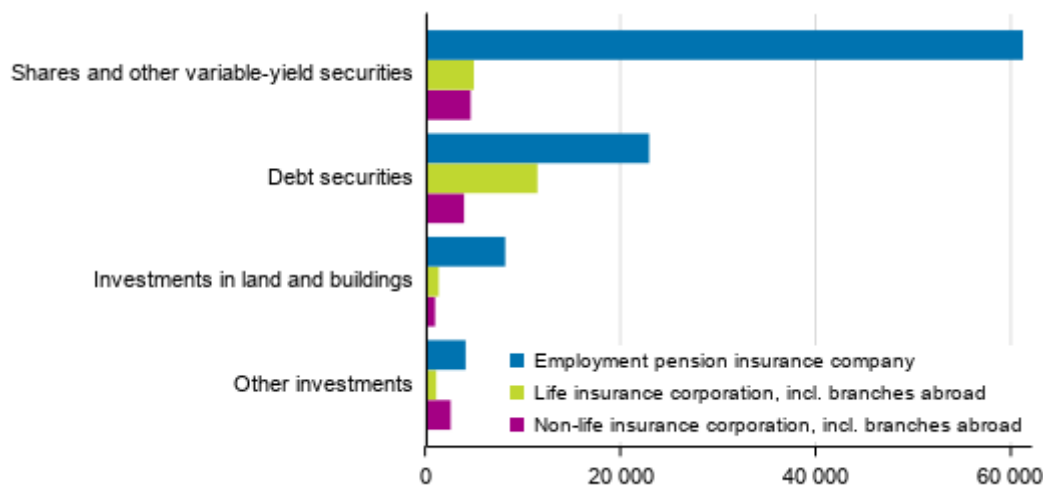


Insurance Activities 2018

Profits of insurance companies declined in 2018

Non-life insurance, life insurance and employment pension insurance companies' combined profit for the financial period declined in 2018 to EUR 0.9 billion from the previous year's EUR 1.3 billion. Insurance companies' investment assets amounted to EUR 126 billion on 31 December 2018. In addition, life insurance companies had investments covering unit-linked insurances to the tune of EUR 36 billion.

Insurance companies' investment allocation on 31 December 2018, EUR million



Employment pension insurance companies

Employment pension insurance companies' premium income and claims paid comprise of statutory pension insurance. Premium income and claims paid continued growing in 2018. Premium income grew by 5.0 per cent to EUR 14.8 billion. Claims paid, in turn, increased by 3.8 per cent to EUR 15.4 billion. Claims incurred, which in addition to claims paid, include change in the provision for outstanding claims, grew from the previous year by EUR 2.4 billion to EUR 16.8 billion.

The net income of investments decreased to EUR 1.3 billion from EUR 8.7 billion in 2017. The income of investments fell by 10.2 per cent while their expenses increased by 16.5 per cent.

At the end of 2018, technical provisions totalled EUR 100.7 billion. The growth from the year before amounted to 1.6 per cent.

Life insurance companies

Life insurance companies' premium income contracted in 2018 from the year before and direct income claims paid increased. Premium income totalled EUR 4.4 billion and claims paid EUR 4.6 billion.

The net income of investment activities dropped from the previous year by 139 per cent to EUR -1.2 billion. The income contracted by 18.8 per cent to EUR 2.1 billion and the expenses rose by 34.3 per cent to EUR 1.7 billion. The net effect of investments' unrealised value changes and value increases and their adjustments on the net income of investment activities declined by 192 per cent from the year before and amounted to EUR -1.6 billion. The balance sheet value of investments continued declining. The investment assets of life insurance companies totalled EUR 18.3 billion at the end of 2018, while in 2017 it stood at EUR 18.6 billion.

Life insurance companies' technical provisions without unit-linked insurances diminished from the year before by 5.4 per cent to EUR 16.8 billion. Total technical provisions decreased by 4.4 per cent to EUR 53.1 billion.

The year 2018 was profitable for life insurance companies. The profit for the financial period grew to EUR 661 million from the previous year's EUR 598 million, remaining close to the same level as in 2017.

Non-life insurance companies

A company restructuring was made in the non-life insurance segment in the last quarter of 2017, which had an effect on the combined financial statement figures of non-life insurance companies.

Non-life insurance companies' premium income fell by 18 per cent to EUR 3.3 billion from one year ago. Claims paid went down by 5.6 per cent to EUR 2.5 billion. In most insurance classes, premium income and claims paid fell, but in terms of claims paid other property damage increased.

Operating expenses fell from EUR 847 million in 2017 by 10.7 per cent to EUR 756 million. Assets covering technical provisions after the equalisation provision were EUR 38 million lower than in 2017, EUR 127 million.

The net income of investment activities decreased by 68 per cent to EUR 223 million. The income contracted by 42 per cent to EUR 635 million, while the expenses rose by 5.2 per cent to EUR 412 million. Sales profits depressed the income of investment activities significantly. Sales profits declined in 2018 to EUR 249 million from the previous year's EUR 450 million.

Non-life insurance companies' profit/loss for the financial period decreased clearly by 63.6 per cent from EUR 704 million in 2017 to EUR 256 million in 2018. The company reorganisation that took place at the end of 2017 should be born in mind when examining these figures.

The balance sheets of non-life insurance companies remained almost at the same level as in 2017, amounting to EUR 13.7 billion at the end of 2018. In turn, investment assets increased by 3.2 per cent to EUR 11.5 billion. On the liability side of balance sheets, technical provisions amounted to EUR 9.6 billion, the same as one year earlier. Own equity remained on level with the year before, amounting to EUR 3.2 billion.

More detailed information on insurance activities can be found in the database and appendix tables of the statistics and from the web pages of other organisations that produce insurance data (see in the left-hand menu under "Links" of the statistics' home page). The statistics on insurance activities cover activity data of employment pension insurance, life insurance and non-life insurance companies, such as profit and loss

account, balance sheet, investments and class of insurance specific data. The data are based on the Financial Supervision Authority's data collection on domestic activities of corporations engaged in the insurance markets. The financial statement structure differs in many respects between employment pension insurance, life insurance and non-life insurance companies. The data concerning life insurance and non-life insurance companies also include branches abroad. For more information about the statistics and financial statement concepts, see the statistics homepage under "Quality description".

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Appendix tables

Appendix table 1. Balance sheets of insurance companies 2018, EUR million

	2018		
	Employment pension insurance company	Life insurance corporation, incl. branches abroad	Non-life insurance corporation, incl. branches abroad
Intangible assets, total	71	89	236
Investments, total	95 764	18 254	11 508
Investments covering technical provisions on unit-linked insurance	.	36 250	.
Debtors	6 033	371	1 303
Other assets, total	4 345	1 454	510
Prepayments and accrued income, total	512	186	113
ASSETS	106 724	56 604	13 670
Capital and reserves/share capital, total	424	2 381	3 209
Accumulated appropriations, total	8	3	13
Subordinated loans	.	522	135
Technical provisions, net of reinsurance	100 683	16 836	9 645
Technical provisions for unit-linked policies	.	36 268	.
Obligatory provisions, total	.	.	4
Deposits received from reinsurers	.	1	.
Total creditors	5 045	336	548
Accruals and deferred income	563	258	117
LIABILITIES	106 724	56 604	13 670

1) .. Data not available or too uncertain for presentation, or subject to secrecy

Appendix table 2. Investment income of insurance companies 2018, EUR million

	2018		
	Employment pension insurance company	Life insurance corporation, incl. branches abroad	Non-life insurance corporation, incl. branches abroad
Net investment income in the profit and loss account	1 274	-1 180	223
Income from investment activities, total	30 026	2 089	635
Dividend income	1 442	336	152
Interest income	1 224	325	100
Other income	5 680	762	95
Returns of reductions in value	1 101	79	40
Sales profits	20 579	587	249
Investment charges, total	-28 752	-1 712	-412
Charges arising from investments in land and buildings	-405	-81	-64
Charges arising from other investments	-6 006	-371	-34
Interest and other expenses on liabilities	-858	-125	-15
Reductions in value	-4 112	-868	-196
Planned depreciations of buildings	-24	-5	-7
Sales losses	-17 348	-261	-95
Value changes and value increases of investments and their adjustments	.	-1 557	.

1) .. Data not available or too uncertain for presentation, or subject to secrecy

Appendix tabel 3. Insurance class-specific data of life insurance companies 2018

	2018				
	Premium income, 1000 EUR	Claims paid, 1000 EUR	Technical provisions, total, 1000 EUR	Number of policies or insurances, pcs	Number of insured, pcs
Life insurance companies, total	4 366 150	4 631 943	53 103 317	2 438 987	2 847 241
Life insurance, total	3 771 731	3 360 914	33 503 115	1 788 602	2 034 522
Individual savings insurance	1 582 017	2 051 109	22 126 221	697 405	727 631
Risk insurance	350 572	166 857	290 164	993 211	1 306 891
Capital redemption policies	1 839 142	1 142 948	11 086 730	97 986	.
Pension insurance, total	594 419	1 271 030	19 597 201	650 385	812 719
Individual pension insurance	337 312	866 876	12 874 360	628 190	622 101
Group pension insurance	257 107	404 154	6 722 842	22 195	190 618
Assumed reinsurance	.	.	3 000	.	.

1) .. Data not available or too uncertain for presentation, or subject to secrecy

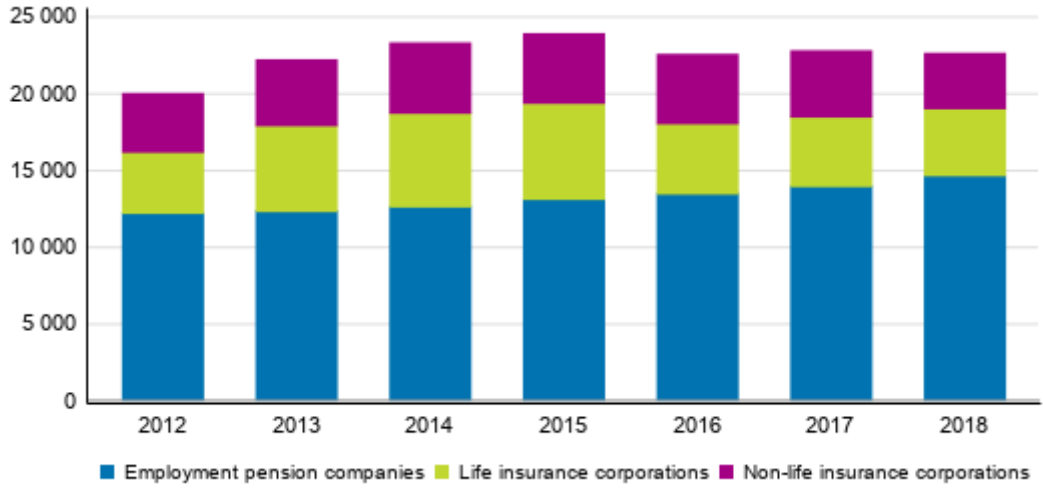
Appendix tabel 4. Insurance class-specific data of non-life insurance companies 2018

	2018				
	Premium income, 1000 EUR	Claims paid, 1000 EUR	Number of damages reported, pcs	Number of policies or insurances, pcs	Number of insured, pcs
Non-life insurance, total	3 555 303	-2 537 566	.. 1)	25 492 751	12 406 726
Premium income of non-life insurance, total	3 407 769	-2 462 127	1 837 936	24 514 773	12 406 726
Statutory accident	446 975	-369 572	145 368	230 127	1 448 222
Accident to athletes	1 144	-838	516	53	600
Other accident	166 242	-98 121	141 787	1 718 848	7 157 115
Illness	354 537	-277 934	598 722	1 758 131	3 800 789
Land vehicles	628 846	-498 951	396 801	2 440 035	.
Railway rolling stock	..	..	..	..	.
Aircraft	..	..	..	..	.
Vessels	75 202	-41 291	7 167	189 418	.
Transportable goods	43 168	-20 820	50 765	1 081 655	.
Fire and natural forces	314 734	-239 124	19 117	3 008 526	.
Other damages to property	477 436	-320 296	343 975	2 911 797	.
Motor vehicle liability	552 626	-372 118	93 212	4 639 934	.
Aircraft liability	.	.	.	.	.
Liability of water transport vessel	3 515	-1 086	133	47 087	.
General liability	191 918	-112 930	19 385	3 163 023	.
Credit	264	-69	8	13 327	.
Suretyship	23 800	111	37	5 353	.
Other property damage	56 496	-65 891	9 221	454 775	.
Legal expenses	70 039	-43 191	11 722	2 852 680	.
Travel expenses	.	.	.	.	.
Reinsurance for non-life insurance, total	147 534	-75 439	477	977 978	.
Domestic reinsurance	88 161	-49 765	105	125	.
Foreign reinsurance	59 373	-25 674	372	977 853	.

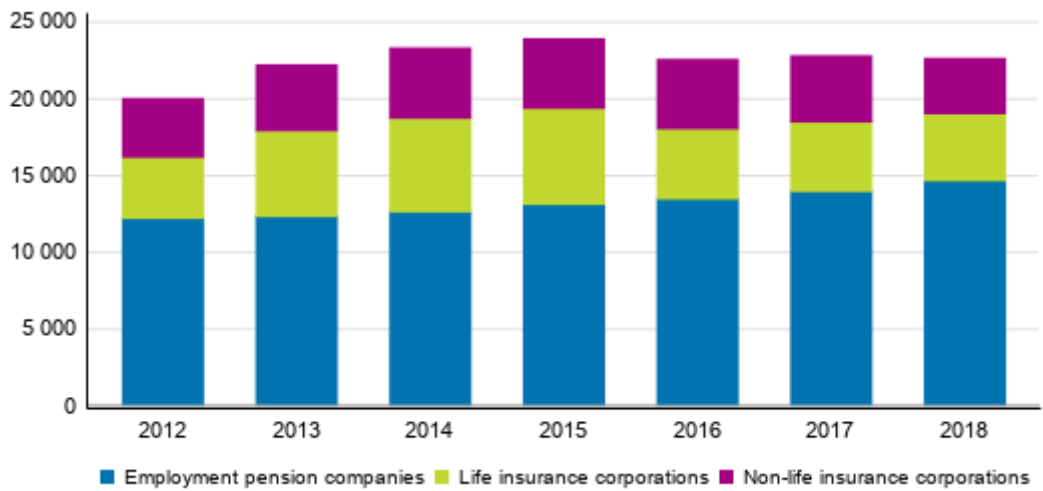
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Appendix figures

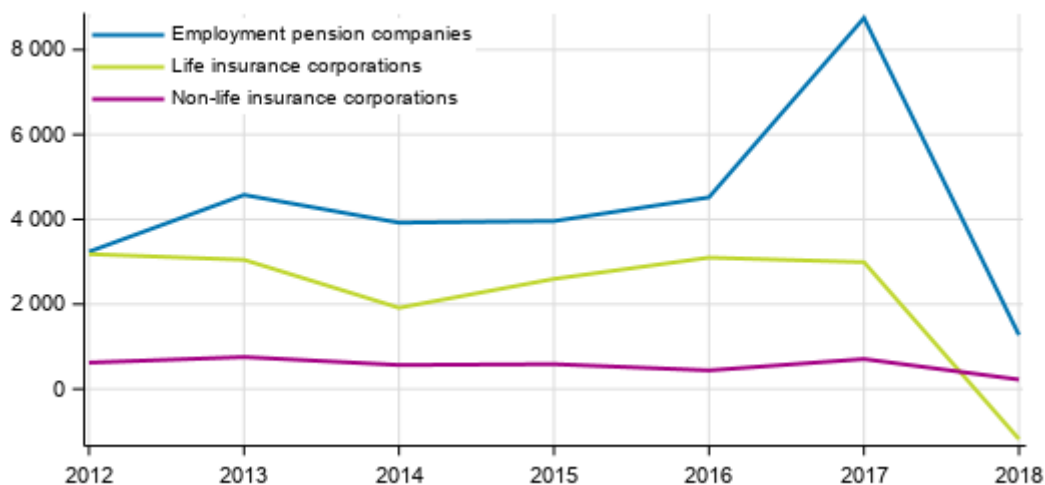
Appendix figure 1. Distribution of insurance companies' insurance premiums, EUR million



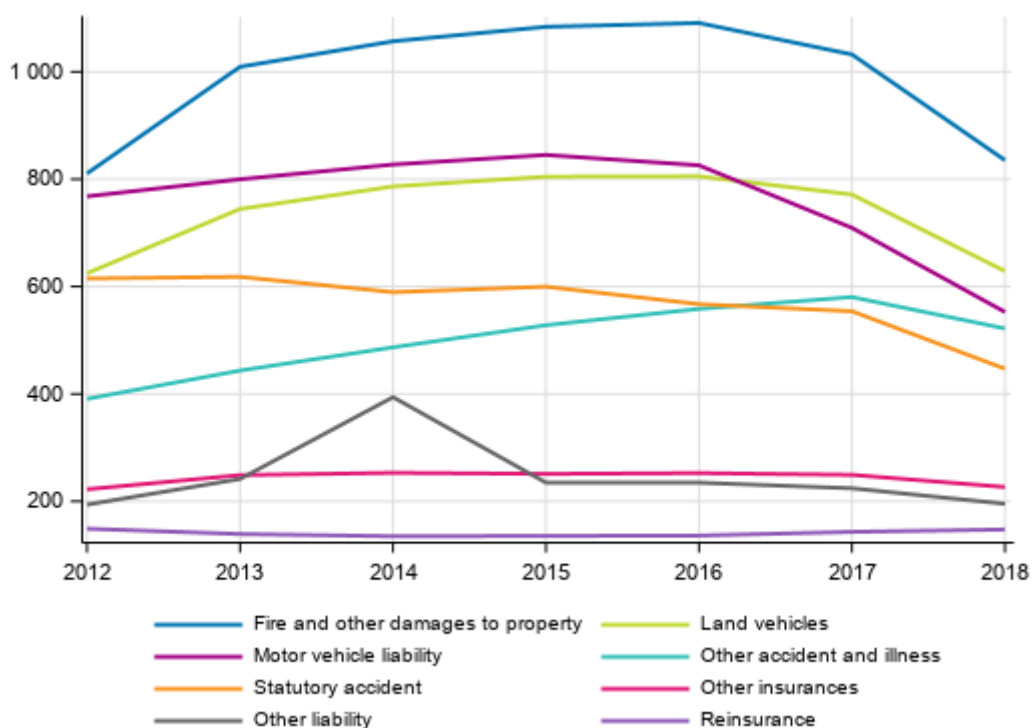
Appendix figure 2. Distribution of insurance companies' claims paid, EUR million



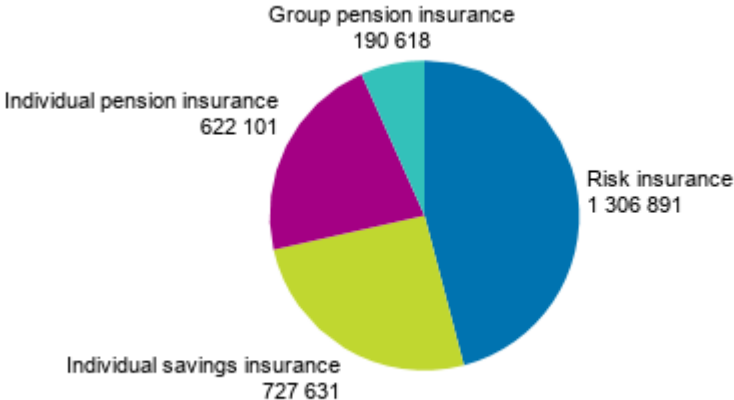
Appendix figure 3. Insurance companies' net profits from investments, EUR million



Appendix figure 4. Non-life insurance companies' premium income - class-specific data, EUR million



Appendix figure 5. Life insurance companies' number of insured in 2018 - class-specific data, pcs



Inquiries

Heidi Luttamäki 029 551 3029

Jarkko Kaunisto 029 551 3551

Director in charge:

Ville Vertanen

rahoitusmarkkinat@tilastokeskus.fi

www.stat.fi

Source: Insurance Activities 2018, Statistics Finland