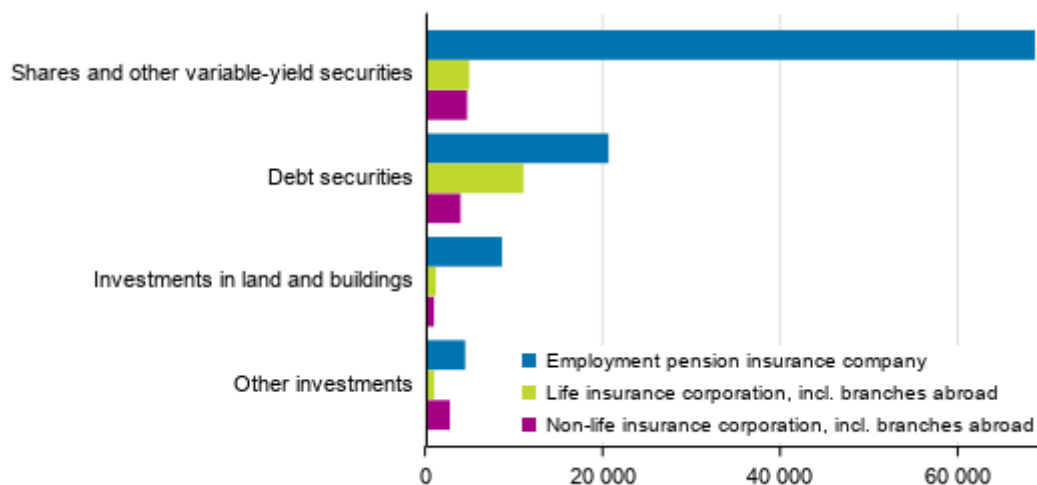


Insurance Activities 2019

Profits of insurance companies grew in 2019

Combined profit of non-life insurance, life insurance and employment pension insurance companies for the financial period grew in 2019 to EUR 1.1 billion from the previous year's EUR 0.9 billion. Insurance companies' investment assets amounted to EUR 131 billion on 31 December 2019. In addition, life insurance companies had investments covering unit-linked insurances to the tune of EUR 41 billion.

Insurance companies' investment allocation on 31 December 2019, EUR million



Employment pension insurance companies

Employment pension insurance companies' premium income and claims paid comprise statutory pension insurance. Premium income and claims paid continued growing in 2019. Premium income grew by 5.8 per cent to EUR 15.6 billion. Claims paid, in turn, increased by 5.6 per cent to EUR 16.3 billion. Claims incurred, which in addition to claims paid, include change in the provision for outstanding claims, grew from the previous year by 4.9 per cent to EUR 17.7 billion.

Investment activities were profitable for employment pension insurance companies in 2019. The net income of investments grew to EUR 6.2 billion from the previous year's EUR 1.3 billion. The income of investments grew by 33.0 per cent and the expenses increased by 17.2 per cent. Particularly higher sales profits increased income from investment activities. The balance sheet value of investments increased by

6.2 per cent to EUR 101.7 billion. Shares and participations continued growing at the same time as the share of money market instruments in investment assets continued their decline. The balance sheet value of shares and participations grew by 12.2 per cent to EUR 68.5 billion and their share was 67 per cent of all investments of employment pension insurance companies.

At the end of 2019, technical provisions totalled EUR 105.9 billion. The growth from the year before amounted to 5.2 per cent.

Life insurance companies

Life insurance companies' premium income and direct income claims paid increased in 2019. Premium income grew from the previous year's EUR 4.4 billion to EUR 6.0 billion. Claims paid increased by EUR 4.6 billion in 2018 to EUR 7.2 billion.

The net income of investment activities increased to as much as EUR 6.4 billion from EUR -1.2 billion in the year before. The income grew by 35.5 per cent to EUR 2.8 billion and the expenses decreased by 43.2 per cent to EUR 973 million. The net effect of investments' unrealised value changes and value increases and their adjustments on the net income of investment activities grew to as much as EUR 4.5 billion from EUR -1.6 billion in the previous year. The balance sheet value of investments continued declining. The investment assets of life insurance companies totalled EUR 17.4 billion at the end of 2019, while in 2018 they stood at EUR 18.3 billion. Money market instruments are still the biggest investment item of the balance sheet, covering 62.4 per cent of all investments of life insurance companies. The role of unit-linked insurances in the business activity of life insurance companies has grown in recent years. In 2019, the balance sheet value of the investments covering unit-linked insurances was EUR 40.9 billion, that is, 12.8 per cent higher than in the previous year.

Life insurance companies' technical provisions without unit-linked insurances diminished from the year before by 3.0 per cent to EUR 16.3 billion.

The profit for the financial period decreased to EUR 545 million from the previous year's EUR 661 million.

Non-life insurance companies

In 2019, non-life insurance companies' premium income grew by 1.1 per cent, from the previous year's EUR 3.56 billion to EUR 3.60 billion. Claims paid increased by 3.4 per cent to EUR 2.6 billion. In most insurance classes, premium income and claims paid increased.

Operating expenses grew from EUR 756 million in 2018 by 10.0 per cent to EUR 832 million. The net income of investment activities grew by a staggering 214.0 per cent to EUR 701 million in 2019. Income grew by 58.6 per cent from the previous year's EUR 635 million to EUR one billion. The expenses of investment activities decreased by 25.5 per cent to EUR 307 million. Sales profits significantly increased the income of investment activities. In 2019, sales profits grew by 98.6 per cent to EUR 495 million from the previous year's EUR 249 million.

Largely due to the increased income of investment activities, non-life insurance companies' profit/loss for the financial period grew by 110.4 per cent to EUR 539 million from the previous year's EUR 256 million. The balance sheets of non-life insurance companies grew by 4.4 per cent compared to the previous year, amounting to EUR 14.3 billion at the end of 2019. Investment assets remained at a very similar level as in the previous year, amounting to EUR 11.6 billion. On the liability side of the balance sheets, technical provisions grew from EUR 9.6 billion in 2018 to EUR 9.7 billion. Own equity grew by 15.1 per cent from the previous year's EUR 3.2 billion to EUR 3.7 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 the left-hand

menu under "Links" on 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 Supervisory 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. Further information about the statistics and financial statement concepts is available in the quality description of the statistics.

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Appendix tables

Appendix table 1. Balance sheets of insurance companies 2019, EUR million

	2019		
	Employment pension insurance company	Life insurance corporation, incl. branches abroad	Non-life insurance corporation, incl. branches abroad
Intangible assets, total	67	79	287
Investments, total	101 679	17 431	11 647
Investments covering technical provisions on unit-linked insurance	.	40 884	.
Debtors	5 262	408	1 371
Other assets, total	2 467	2 353	877
Prepayments and accrued income, total	463	205	84
ASSETS	109 937	61 362	14 265
Capital and reserves/share capital, total	438	2 641	3 695
Accumulated appropriations, total	8	4	12
Subordinated loans	0	764	135
Technical provisions, net of reinsurance	105 876	16 336	9 718
Technical provisions for unit-linked policies	.	40 861	.
Obligatory provisions, total	0	0	5
Deposits received from reinsurers	0	1	1
Total creditors	3 036	557	513
Accruals and deferred income	579	197	186
LIABILITIES	109 937	61 362	14 265

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

Appendix table 2. Investment income of insurance companies 2019, EUR million

	2019		
	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	6 247	6 388	701
Income from investment activities, total	39 940	2 830	1 007
Dividend income	2 123	427	162
Interest income	1 206	288	104
Other income	4 434	628	101
Returns of reductions in value	1 882	199	145
Sales profits	30 295	1 287	495
Investment charges, total	-33 693	-973	-307
Charges arising from investments in land and buildings	-379	-76	-61
Charges arising from other investments	-4 405	-255	-57
Interest and other expenses on liabilities	-722	-103	-16
Reductions in value	-2 101	-333	-101
Planned depreciations of buildings	-25	-5	-8
Sales losses	-26 062	-200	-64
Value changes and value increases of investments and their adjustments	0	4 531	0

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

Appendix tabel 3. Insurance class-specific data of life insurance companies 2019

	2019				
	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	6 020 346	7 238 577	57 196 835	2 503 488	3 046 372
Life insurance, total	5 382 533	5 923 992	36 584 987	1 873 999	2 257 863
Individual savings insurance	2 090 512	3 316 237	24 303 345	836 612	968 804
Risk insurance	365 707	149 817	291 091	941 042	1 204 767
Capital redemption policies	2 926 314	2 457 939	11 990 552	96 345	.
Pension insurance, total	637 814	1 314 585	20 612 897	629 489	788 509
Individual pension insurance	313 698	868 969	13 724 796	605 919	600 207
Group pension insurance	324 116	445 616	6 888 101	23 570	188 302
Assumed reinsurance	.	.	-1 049	.. 1)	.

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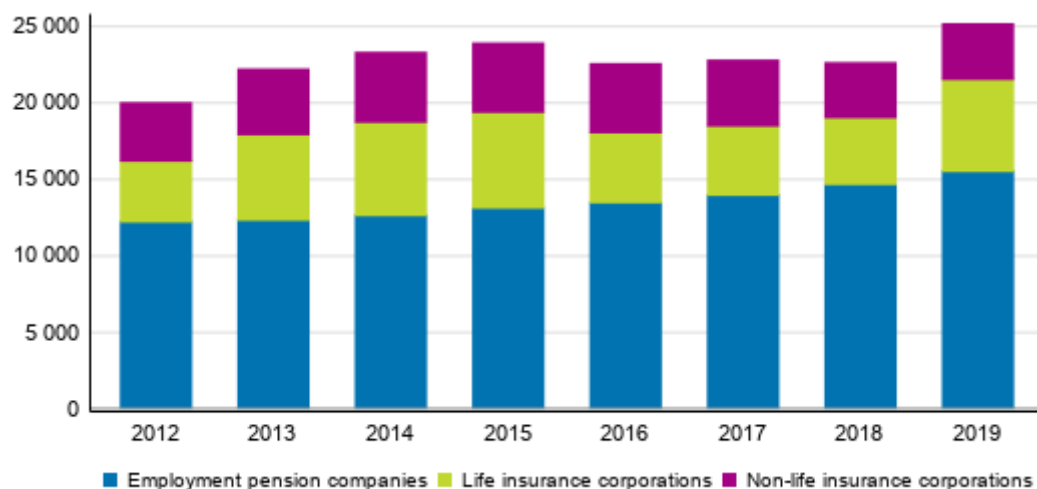
Appendix tabel 4. Insurance class-specific data of non-life insurance companies 2019

	2019				
	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	3 595 831	-2 624 897	.. 1)	28 002 854	15 398 102
Premium income of non-life insurance, total	3 446 257	-2 626 960	1 901 569	27 025 290	15 398 102
Statutory accident	472 942	-416 479	147 874	234 981	1 463 086
Accident to athletes	2 028	-1 122	504	60	600
Other accident	168 648	-100 906	148 691	1 886 532	9 012 005
Illness	391 331	-312 182	635 767	2 145 842	4 922 411
Land vehicles	675 942	-540 847	405 317	2 652 620	.
Railway rolling stock	..	..	..	..	.
Aircraft	..	..	..	..	.
Vessels	87 045	-58 785	7 849	203 015	.
Transportable goods	44 291	-22 814	51 239	1 556 130	.
Fire and natural forces	322 614	-228 506	24 943	2 879 529	.
Other damages to property	480 714	-342 448	348 266	2 774 147	.
Motor vehicle liability	560 639	-386 708	88 200	4 917 210	.
Aircraft liability	0	0	0	0	.
Liability of water transport vessel	4 030	-1 406	138	47 725	.
General liability	77 527	-117 394	19 365	3 363 267	.
Credit	277	-1	1	15 123	.
Suretyship	25 096	-3 447	180	7 650	.
Other property damage	60 724	-41 303	11 016	911 124	.
Legal expenses	71 553	-52 605	12 219	3 430 332	.
Travel expenses	0	0	0	0	.
Reinsurance for non-life insurance, total	149 574	2 063	..	977 564	.
Domestic reinsurance	91 213	-52 887	115	151	.
Foreign reinsurance	58 362	54 951	..	977 413	.

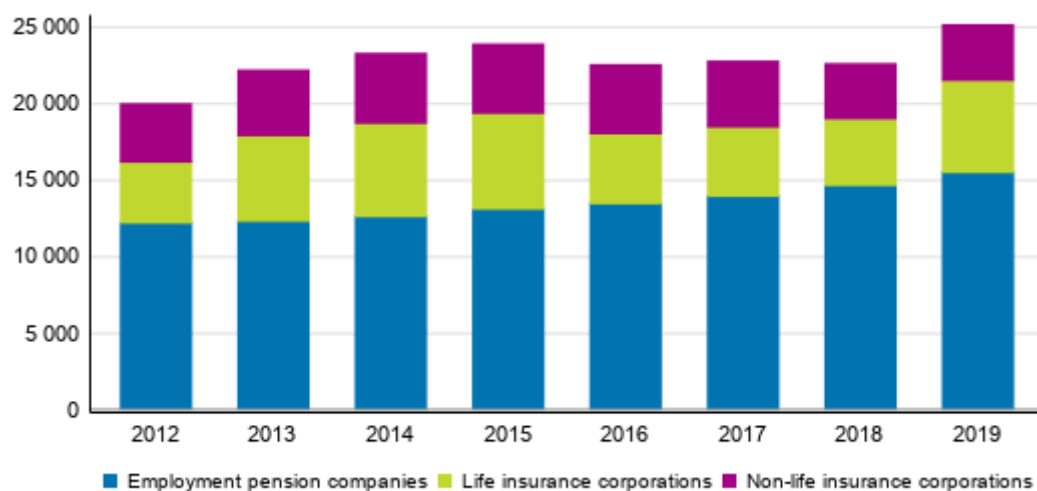
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Appendix figures

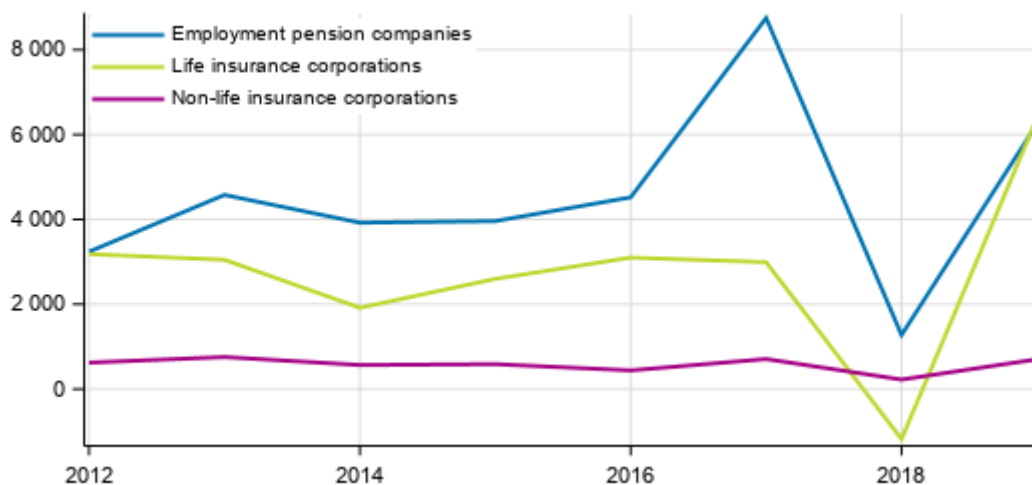
Appendix figure 1. Distribution of insurance companies' insurance premiums, EUR million



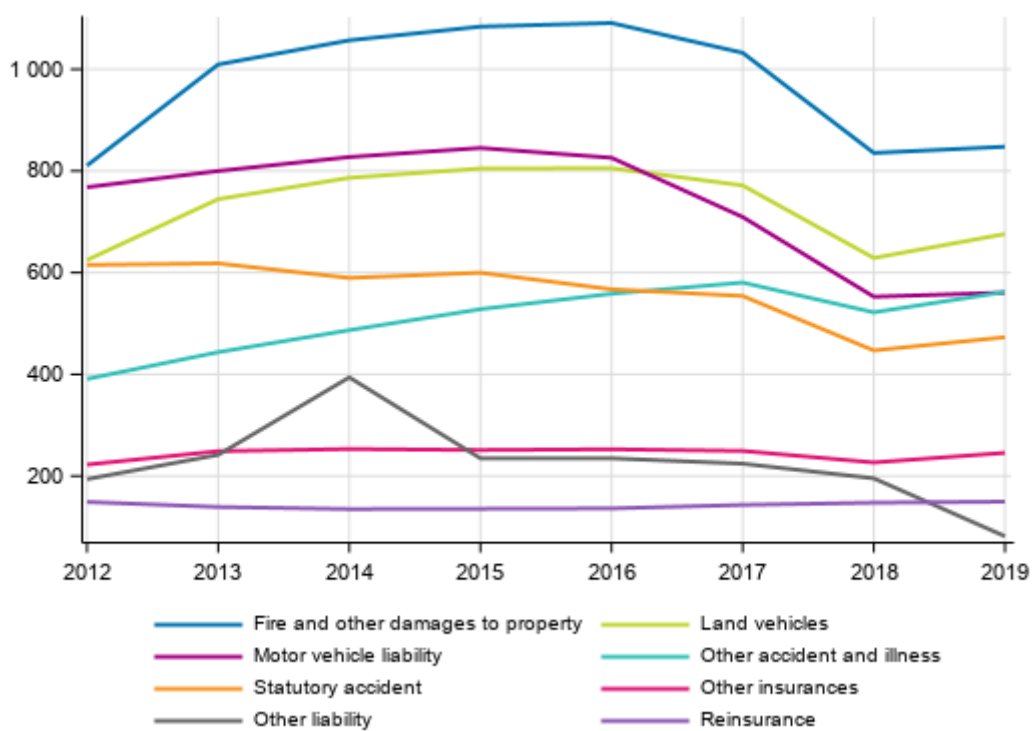
Appendix figure 2. Distribution of insurance companies' claims paid, EUR million



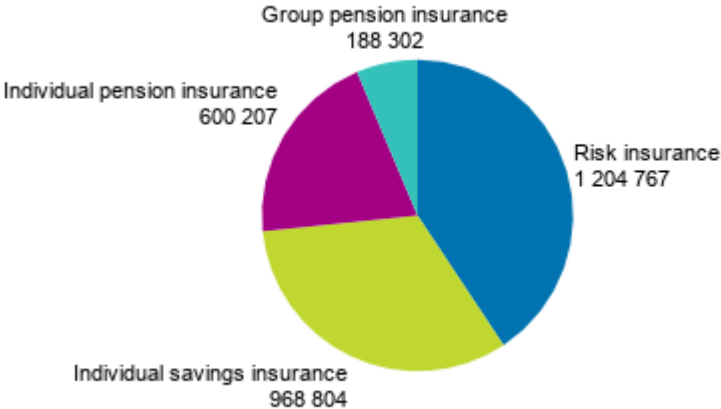
Appendix figure 3. Insurance companies' net profits from investments, EUR million



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



Appendix figure 5. Life insurance companies' number of insured in 2019 - class-specific data, pcs



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Source: Insurance Activities 2019, Statistics Finland