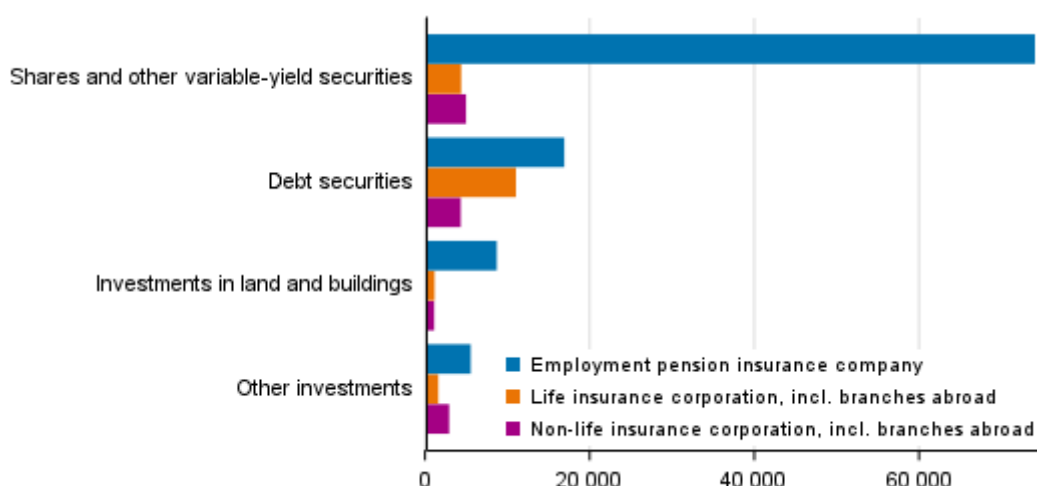


Insurance Activities 2020

Profits of insurance companies declined in 2020

Non-life insurance, life insurance and employment pension insurance companies' combined profit for the financial period declined in 2020 to EUR 1.0 billion from the previous year's EUR 1.1 billion. Insurance companies' investment assets amounted to EUR 134 billion on 31 December 2020. In addition, life insurance companies had investments covering unit-linked insurances to the tune of EUR 43 billion.

Insurance companies' investment allocation on 31 December 2020, EUR million



Employment pension insurance companies

Employment pension insurance companies' premium income and claims paid comprise statutory pension insurance. Premium income turned to a decline and claims paid continued growing in 2020. Premium income fell by 8.2 per cent to EUR 14.3 billion. Claims paid, in turn, increased by 0.5 per cent to EUR 16.4 billion. Claims incurred, which in addition to claims paid, include change in the provision for outstanding claims, grew from the previous year by 2.3 per cent to EUR 18.1 billion.

Investment activities were still profitable for employment pension insurance companies in 2020. The net income of investments decreased to EUR 5.4 billion from EUR 6.2 billion in 2017. The income of investments grew by 6.7 per cent and the expenses increased by 10.5 per cent. The balance sheet value of investments increased by 2.6 per cent to EUR 104.3 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 7.8 per cent to EUR 73.8 billion and their share was 71 per cent of all investments of employment pension insurance companies.

At the end of 2020, technical provisions totalled EUR 110 billion. The growth from the year before amounted to 3.9 per cent.

Life insurance companies

Life insurance companies' premium income and direct income claims paid decreased in 2020. Premium income fell from the previous year's EUR 6.0 billion to EUR 4.0 billion. Claims paid diminished by EUR 7.2 billion in 2019 to EUR 4.2 billion.

The net income of investment activities went down to EUR 2.9 billion from EUR 6.4 billion in the year before. The income fell by 26.2 per cent to EUR 2.1 billion and the expenses rose by 42.5 per cent to EUR 1.4 billion. The net effect of investments' unrealised value changes and value increases and their adjustments on the net income of investment activities fell to EUR 2.2 billion from EUR 4.5 billion in the previous year. The balance sheet value of investments continued declining. The investment assets of life insurance companies totalled EUR 17.2 billion at the end of 2020, while in 2019 they stood at EUR 17.4 billion. Money market instruments are still the biggest investment item of the balance sheet, covering 62.6 per cent of all investments of life insurance companies. In 2020, the balance sheet value of the investments covering unit-linked insurances was EUR 43.3 billion, that is, 6.0 per cent higher than in the previous year.

Life insurance companies' technical provisions without unit-linked insurances diminished from the year before by 5.2 per cent to EUR 15.5 billion.

The profit for the financial period grew to EUR 591 million from the previous year's EUR 545 million.

Non-life insurance companies

In 2020, non-life insurance companies' premium income grew by 6.5 per cent, from the previous year's EUR 3.60 billion to EUR 3.83 billion. Claims paid remained almost on level with the previous year at EUR 2.6 billion. In most insurance classes, premium income increased and claims paid decreased.

Operating expenses fell from EUR 832 million in 2019 by 6.9 per cent to EUR 774 million. The net income of investment activities fell by 53.2 per cent to EUR 328 million in 2020. The income decreased by 33.2 per cent to EUR 673 million. The expenses of investment activities grew by 12.5 per cent to EUR 345 million. The decline in sales profits explains most of the fall in income. In 2020, sales profits went down by 42.4 per cent to EUR 285 million from the previous year's EUR 495 million.

Non-life insurance companies' profit/loss for the financial period declined by 18.8 per cent to EUR 437 million from the previous year's EUR 539 million. The balance sheets of non-life insurance companies grew by 6.2 per cent compared to the previous year, amounting to EUR 15.2 billion at the end of 2020. Investment assets grew by 6.5 per cent from the previous year, amounting to EUR 12.4 billion. On the liability side of the balance sheets, technical provisions grew from EUR 9.7 billion in 2019 to EUR 10.1 billion. Own equity grew by 13.0 per cent from the previous year's EUR 3.7 billion to EUR 4.2 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 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.

Contents

Tables

Appendix tables

Appendix table 1. Balance sheets of insurance companies 2020, EUR million.....	5
Appendix table 2. Investment income of insurance companies 2020, EUR million.....	5
Appendix tabel 3. Insurance class-specific data of life insurance companies 2020.....	6
Appendix tabel 4. Insurance class-specific data of non-life insurance companies 2020.....	7

Figures

Appendix figures

Appendix figure 1. Distribution of insurance companies' insurance premiums, EUR million.....	8
Appendix figure 2. Distribution of insurance companies' claims paid, EUR million.....	8
Appendix figure 3. Insurance companies' net profits from investments, EUR million.....	9
Appendix figure 4. Non-life insurance companies' premium income - class-specific data, EUR million.....	9
Appendix figure 5. Life insurance companies' number of insured in 2020 - class-specific data, pcs.....	10

Appendix tables

Appendix table 1. Balance sheets of insurance companies 2020, EUR million

	2020		
	Employment pension insurance company	Life insurance corporation, incl. branches abroad	Non-life insurance corporation, incl. branches abroad
Intangible assets, total	60	61	298
Investments, total	104 300	17 246	12 402
Investments covering technical provisions on unit-linked insurance	.	43 289	.
Debtors	5 784	303	1 331
Other assets, total	5 333	2 328	1 045
Prepayments and accrued income, total	503	142	76
ASSETS	115 979	63 370	15 151
Capital and reserves/share capital, total	440	3 041	4 175
Accumulated appropriations, total	7	4	12
Subordinated loans	0	824	205
Technical provisions, net of reinsurance	109 967	15 489	10 136
Technical provisions for unit-linked policies	.	43 323	.
Obligatory provisions, total	0	0	3
Deposits received from reinsurers	0	1	2
Total creditors	5 035	595	454
Accruals and deferred income	531	91	164
LIABILITIES	115 979	63 370	15 151

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

Appendix table 2. Investment income of insurance companies 2020, EUR million

	2020		
	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	5 372	2 866	328
Income from investment activities, total	42 598	2 088	673
Dividend income	1 732	204	148
Interest income	1 034	250	80
Other income	9 049	597	96
Returns of reductions in value	375	64	64
Sales profits	30 408	973	285
Investment charges, total	-37 225	-1 387	-345
Charges arising from investments in land and buildings	-373	-68	-61
Charges arising from other investments	-5 673	-213	-8
Interest and other expenses on liabilities	-662	-66	-19
Reductions in value	-3 824	-536	-164
Planned depreciations of buildings	-26	-2	-7
Sales losses	-26 667	-501	-86
Value changes and value increases of investments and their adjustments	0	2 164	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 2020

	2020				
	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	4 037 578	4 182 643	58 812 069	2 236 579	2 652 266
Life insurance, total	3 456 916	2 896 144	38 258 333	1 628 153	1 880 608
Individual savings insurance	1 285 219	1 704 702	23 673 132	589 292	601 345
Risk insurance	369 111	149 270	258 191	942 994	1 196 116
Capital redemption policies	1 802 586	1 042 171	14 327 010	95 867	.
Pension insurance, total	580 662	1 286 499	20 552 236	608 426	771 658
Individual pension insurance	295 290	874 032	13 673 854	582 500	577 368
Group pension insurance	285 372	412 468	6 878 382	25 926	194 290
Assumed reinsurance	.	.	1 500	.. 1)	.

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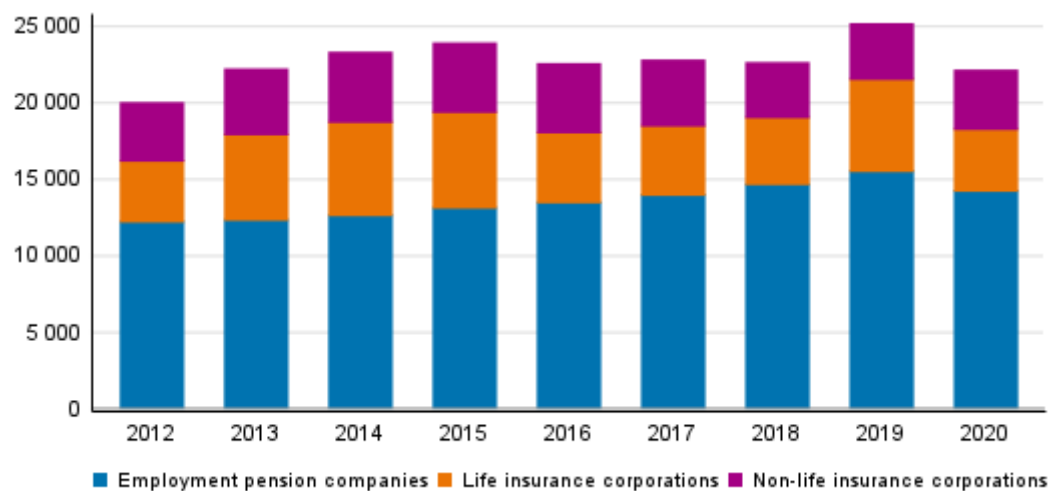
Appendix tabel 4. Insurance class-specific data of non-life insurance companies 2020

	2020				
	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	3 828 099	-2 633 604	1 856 272	26 715 371	13 487 727
Premium income of non-life insurance, total	3 655 408	-2 540 738	1 855 832	25 734 124	13 487 727
Statutory accident	442 020	-347 730	135 330	245 682	1 527 145
Accident to athletes	1 215	-537	457	62	500
Other accident	179 309	-97 367	138 117	1 690 176	7 913 671
Illness	429 414	-297 935	572 444	1 637 285	4 046 411
Land vehicles	714 523	-530 978	432 234	2 784 047	.
Railway rolling stock	..	..	..	..	.
Aircraft	..	..	..	..	.
Vessels	96 348	-66 207	8 711	205 002	.
Transportable goods	43 341	-19 165	35 048	1 154 277	.
Fire and natural forces	335 719	-222 470	34 314	2 811 334	.
Other damages to property	498 864	-333 692	363 101	2 593 614	.
Motor vehicle liability	568 976	-362 927	80 575	5 003 945	.
Aircraft liability	0	0	0	0	.
Liability of water transport vessel	5 171	-2 131	125	49 415	.
General liability	174 292	-141 809	19 982	3 491 375	.
Credit	250	9	3	17 152	.
Suretyship	24 861	-3 463	209	9 257	.
Other property damage	64 637	-72 430	21 356	487 996	.
Legal expenses	75 570	-41 899	13 826	3 553 500	.
Travel expenses	0	0	0	0	.
Reinsurance for non-life insurance, total	172 691	-92 866	..	981 247	.
Domestic reinsurance	97 490	-55 205	92	425	.
Foreign reinsurance	75 201	-37 661	..	980 822	.

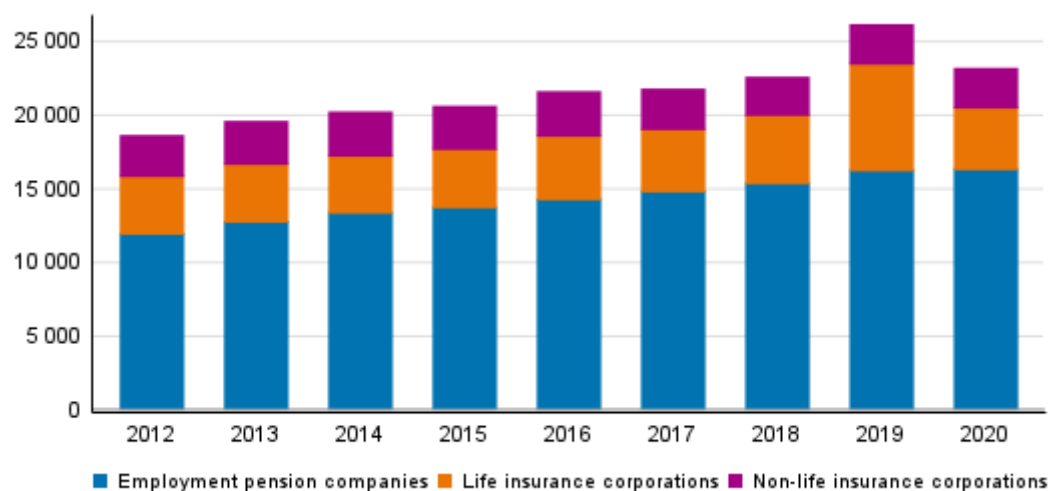
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Appendix figures

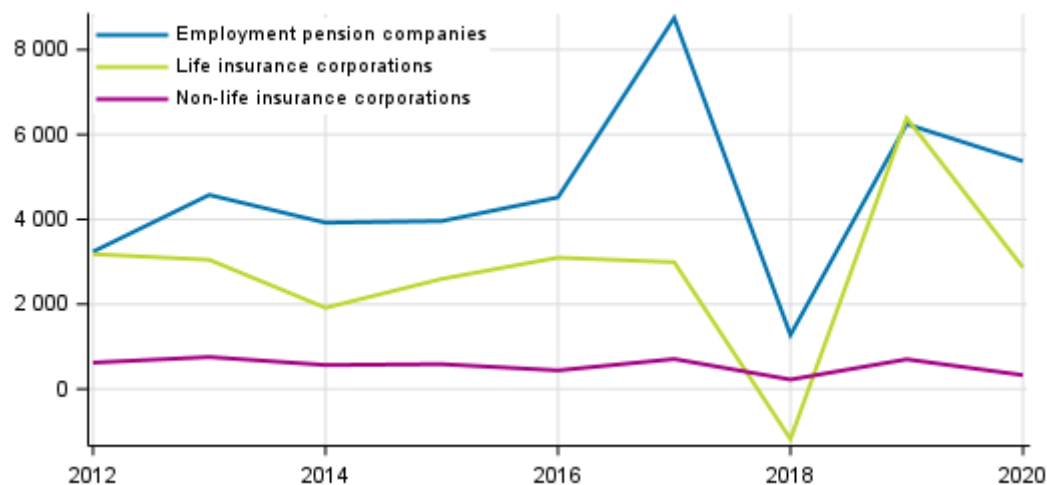
Appendix figure 1. Distribution of insurance companies' insurance premiums, EUR million



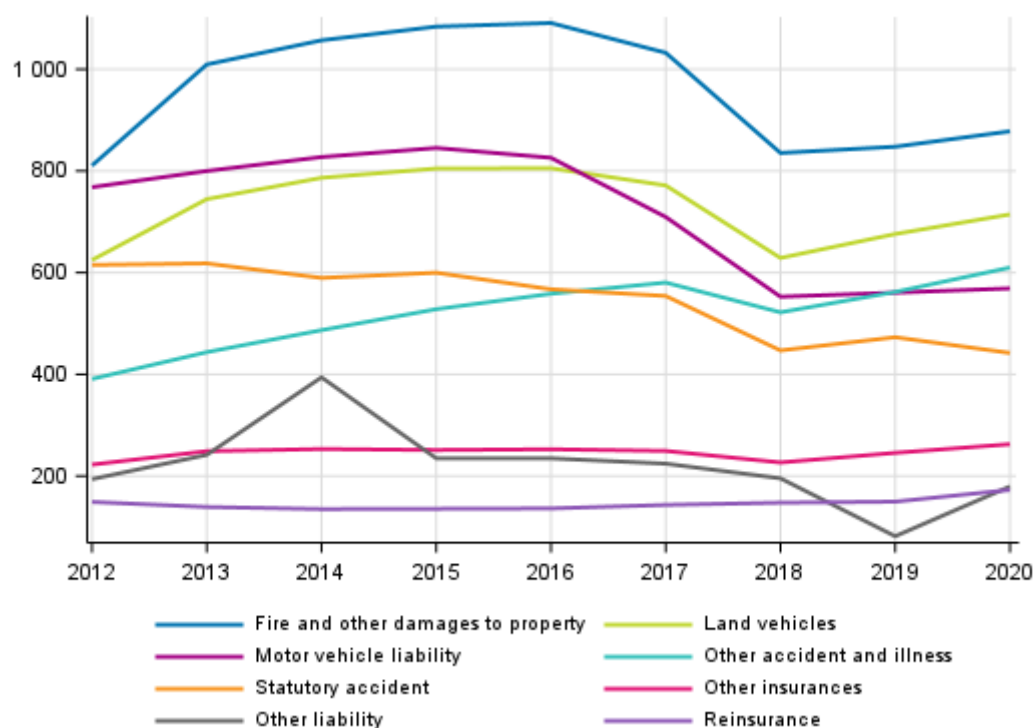
Appendix figure 2. Distribution of insurance companies' claims paid, EUR million



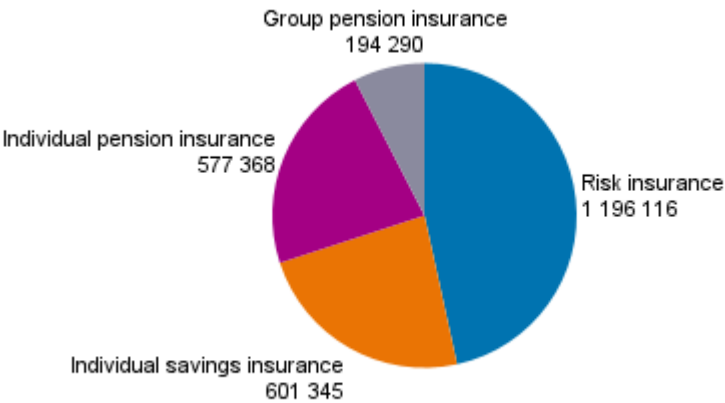
Appendix figure 3. Insurance companies' net profits from investments, EUR million



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



Appendix figure 5. Life insurance companies' number of insured in 2020 - class-specific data, pcs



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Source: Insurance Activities 2020, Statistics Finland