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# 1 Profit and loss account 1 Jan.–31 Dec. 2012

	<b>2012</b>		<b>2011</b>	
	<b>EUR</b>		<b>EUR</b>	
<b>Contribution income</b>				
Local government pension contributions <sup>1)</sup>		4,695,636,217.95		4,405,713,576.16
Unemployment Insurance Fund insurance contribution		124,930,414.86		135,237,857.77
Financial support		4,887,502.23		4,279,524.05
		<b>4,825,454,135.04</b>		<b>4,545,230,957.98</b>
<b>Pension expenditure</b>				
Local government pension expenditure <sup>2)</sup>		-3,825,674,952.91		-3,540,602,215.84
Adjustments to pension expenditure <sup>3)</sup>		14,899,256.43		30,530,106.44
Financial support		-4,782,642.54		-4,184,902.47
Rehabilitation		-10,953,117.75		-10,059,530.21
		<b>-3,826,511,456.77</b>		<b>-3,524,316,542.08</b>
<b>NET INCOME FROM FINANCIAL OPERATIONS</b>		<b>998,942,678.27</b>		<b>1,020,914,415.90</b>
Net investment income <sup>7)</sup>		<b>3,896,596,038.59</b>		<b>-465,714,430.64</b>
<b>NET INCOME FROM FINANCIAL OPERATIONS AND INVESTMENTS</b>		<b>4,895,538,716.86</b>		<b>555,199,985.26</b>
<b>Statutory net payments</b>				
Statutory payments	-5,701,328.95		-7,165,314.33	
Payments received <sup>10)</sup>	<u>561,158.93</u>	<b>-5,140,170.02</b>	<u>352,647.94</u>	<b>-6,812,666.39</b>
<b>Net operating costs</b>				
<b>Operating costs</b>				
Personnel costs <sup>8), 9)</sup>	-37,344,931.13		-35,427,168.20	
Other operating costs <sup>9)</sup>	<u>-52,448,460.45</u>		<u>-46,994,840.19</u>	
	<b>-89,793,391.58</b>		<b>-82,422,008.39</b>	
Depreciation <sup>9)</sup>	<b>-5,482,811.36</b>		<b>-3,095,223.92</b>	
Payments received <sup>9), 10)</sup>	<u>25,987,911.52</u>	<b>-69,288,291.42</b>	<u>23,523,082.24</u>	<b>-61,994,150.07</b>
Other income and expenses		<b>-472,822.72</b>		<b>-71,219.94</b>
<b>FUNDED RESULT</b>		<b>4,820,637,432.70</b>		<b>486,321,948.86</b>
Decrease/increase (-) in pension liability fund		<b>-4,820,637,432.70</b>		<b>-486,321,948.86</b>
<b>RESULT</b>		<b>0.00</b>		<b>0.00</b>

Numbers <sup>1), 2), 3)</sup> etc. refer to the corresponding entries in the notes to the financial statements.

## 2 Balance Sheet 31 Dec. 2012

ASSETS	2012 EUR	2011 EUR
<b>Intangible assets</b>		
Intangible rights <sup>12)</sup>	<b>41,955,434.94</b>	<b>39,767,338.71</b>
<b>Investments</b>		
Real estate investments		
Real estate and shares in real estate <sup>11)</sup>	2,508,833,336.00	2,282,830,011.87
Loan receivables from subsidiary and associated companies <sup>13), 19)</sup>	242,757,611.44	167,096,248.77
	<b>2,751,590,947.44</b>	<b>2,449,926,260.64</b>
Other investments		
Equities and shares <sup>11)</sup>	15,605,298,378.48	13,273,967,526.13
Money market instruments <sup>11)</sup>	14,461,982,673.95	12,487,525,532.02
Loan receivables <sup>13)</sup>	709,379,676.10	832,667,114.38
	<b>30,776,660,728.53</b>	<b>26,594,160,172.53</b>
<b>Total investments <sup>11)</sup></b>	<b>33,528,251,675.97</b>	<b>29,044,086,433.17</b>
<b>Receivables</b>		
Contribution income claims	382,520,143.71	365,093,353.12
Receivables from subsidiary and associated companies	10,055,846.76	7,355,031.11
Other receivables <sup>14)</sup>	13,069,109.89	26,222,163.61
	<b>405,645,100.36</b>	<b>398,670,547.84</b>
<b>Other assets</b>		
Machinery and equipment <sup>12)</sup>	4,691,770.36	5,070,733.50
Other <sup>12)</sup>	2,362,288.95	2,362,288.95
Cash at bank and in hand	844,518,778.33	597,550,137.76
	<b>851,572,837.64</b>	<b>604,983,160.21</b>
<b>Accrued income and prepayments</b>		
Prepayments <sup>14)</sup>	20,331,943.85	20,545,034.90
Accumulated interest	134,837,801.95	145,227,529.49
Other accrued income <sup>15)</sup>	92,303,276.54	84,011,854.64
	<b>247,473,022.34</b>	<b>249,784,419.03</b>
<b>TOTAL ASSETS</b>	<b>35,074,898,071.25</b>	<b>30,337,291,898.96</b>

## 2 Balance Sheet 31 Dec. 2012

<b>LIABILITIES</b>	<b>2012</b>	<b>2011</b>
	<b>EUR</b>	<b>EUR</b>
<b>Pension liability fund <sup>16)</sup></b>	<b>34,746,942,331.99</b>	<b>29,926,304,899.29</b>
<b>Liabilities</b>		
Liabilities to subsidiary and associated companies <sup>19)</sup>	1,825,875.42	797,896.76
Other liabilities <sup>17)</sup>	217,403,290.35	142,120,391.09
	<b>219,229,165.77</b>	<b>142,918,287.85</b>
<b>Accrued liabilities and deferred income</b>		
Accrued liabilities <sup>18)</sup>	91,580,777.39	250,293,490.79
Deferred income	17,145,796.10	17,775,221.03
	<b>108,726,573.49</b>	<b>268,068,711.82</b>
<b>TOTAL LIABILITIES</b>	<b>35,074,898,071.25</b>	<b>30,337,291,898.96</b>

### 3 Source and application of funds 2012

	<b>2012</b>	<b>2011</b>
	<b>EUR</b>	<b>EUR</b>
Pension liability fund, decrease/increase	4,820,637,432.70	486,321,948.86
Adjustments:		
Changes in valuation	-3,067,218,048.27	987,886,029.68
Depreciation	5,482,811.36	3,095,223.92
Profit/loss from sales	-402,096,993.02	53,801,657.05
Cash flow before change in working capital	1,356,805,202.77	1,531,104,859.51
Decrease(+)/increase(-) in receivables	-4,663,155.83	166,231,364.51
Increase(+)/decrease(-) in liabilities	50,682,837.43	141,468,381.24
<b>Cash flow from business operations</b>	<b>1,402,824,884.37</b>	<b>1,838,804,605.26</b>
Assets bought (excl. cash assets)	1,149,761,408.18	1,339,434,766.85
Investments in intangible and tangible assets and other assets, and income from disposals	6,094,835.62	15,054,374.52
<b>Cash flow from investments</b>	<b>1,155,856,243.80</b>	<b>1,354,489,141.37</b>
<b>Change in cash assets</b>	<b>246,968,640.57</b>	<b>484,315,463.89</b>
Cash at bank and in hand 1 Jan.	597,550,137.76	113,234,673.87
Cash at bank and in hand 31 Dec.	844,518,778.33	597,550,137.76
<b>Change</b>	<b>246,968,640.57</b>	<b>484,315,463.89</b>

## 4 Accounting principles

Keva's accounting and financial statements are based on the Local Government Pensions Act, according to which the financial statements must be drawn up in compliance with the Accounting Act, as applicable. Keva's operations are monitored by the Ministry of Finance as well as by the Financial Supervisory Authority in respect to its financial operation's planning and investments.

### 4.1 Consolidated Financial Statements

Under the Accounting Act, consolidated financial statements need not be drawn up if consolidation is unnecessary in terms of giving a true and fair view of the financial performance of group activities and the group's financial position. Hence, Keva does not draw up consolidated financial statements.

The majority of the subsidiary and associated companies are mutual real estate and housing companies, for the large part financed by the owners (mainly by Keva). The rental income resulting from them is paid to the shareholders, and the expenses are covered with the maintenance charge collected from the shareholders. As the income and costs are included in Keva's financial statements, the significance of non-consolidation on the result, balance sheet and pension liability fund is minimal. The associated company Municipality Finance Plc engages in credit institution activity different from that of Keva. The effect of the investment on the result and balance sheet of Keva is minimal. The significance of the other subsidiary and associated companies is minimal.

### 4.2 Financial result and transfer to pension liability fund

The difference between annual income and expenses, i.e. the funded result in the profit and loss account, is added to/subtracted from the pension liability fund in the balance sheet. Following this transfer, the result for the financial year is zero.

The pension liability fund also includes the accumulated unrealised change in value between the acquisition cost and market value of the investment assets, entered in the profit and loss account.

### 4.3 Contribution income and pensions

Contributions under the Local Government Pensions Act consist of three parts: the pay-based contribution, pension-expenditure-based contribution and early-retirement-pension-expenditure-based contribution. The pay-based contribution is recorded in the financial statements as the amount of advance contributions. The pension-expenditure-based and early-retirement-pension-expenditure-based contributions are recorded and collected in the amount specified by the Council. The financial statements also include the difference between the advance and final contributions in the previous year.

Local government pension expenditure is recorded in the financial accounts primarily on a cash basis.

The transfer of the assets required for paying state pensions has been decided in Section 1 of the Decree by the Council of State (784/2010). The transfer of the assets required for paying Evangelic-Lutheran Church and Social Insurance Institution Kela pensions has been decided in Section 1 of the Decree by the Council of State (1299/2011). These payments have no impact on the result presented in the financial statements. A breakdown of the gross pensions payments are presented in the notes to the financial statements.

### 4.4 Valuation of investments

In accordance with Section 5, Paragraph 2a of the Accounting Act, investment assets are entered in the financial statements at market value. Financial instruments comprise the



balance sheet item Investments, not including investment real estate, real estate in Keva's own use or shares and holdings in housing and real estate companies.

Real estate investments are also valued at market value with the exception of real estate in Keva's own use, which is valued at the acquisition price less planned depreciation, and the shares of housing and real estate companies in Keva's own use, which are valued at the lower of acquisition price or market value.

Real estate investments are valued at market value on an individual basis primarily using the income method. External real estate assessors value individual real estates at regular intervals and update the values on an annual basis. As a rule, the net asset values (NAV) at the balance sheet date that are reported by management companies are used as the market values for real estate funds. If said value at the closing of the accounts is not available, the last available value adjusted by changes in capital in the fund in question subsequent to the valuation is used. In the event the net asset value is not available, the real estate fund part is valued at the remaining acquisition price.

The latest available closing price of the year is used as the market value for listed equities. The fair value of other shares and holdings is their likely realisable value or, when this is not available, the acquisition cost. As a rule, the net asset values (NAV) at the balance sheet date that are reported by management companies are used as the market value for shares in private equity funds. If said value at the closing of the accounts is not available, the last available value adjusted by changes in capital in the fund in question subsequent to the valuation is used. In the event the net asset value is not available, the private equity fund part is valued at the remaining acquisition price. The latest notification by the management company of the value of a fund unit is used as the market value of a mutual fund.

The latest available closing price or probable selling price is used as the market value for money market instruments. The market value does not include accumulated interest that is included in the prepayments and accrued income (clean price).

Hedge accounting is not applied to derivative contracts and, just like other financial instruments, they are entered in the balance sheet at market value and value changes are recorded in the profit and loss account. The publicly quoted market price at the balance sheet date or the reliable market price of a similar contract, probable selling price or a valuation given by an outside party are used as the market value of derivative contracts. The advance payments of option premiums are given as part of the market value of derivative contracts under investment assets. The market value is the sum that would have been received or paid if the contracts had been closed with counter-contracts at the balance sheet date.

Loan receivables are entered at the lower of nominal value or probable value.

## 4.5 Net income from investments in profit and loss account

All changes in the value of investments valued at market value are entered in the profit and loss account. The net income from investments includes both realised income and expenses and the change in the valuation difference of investments during the financial year.

## 4.6 Securities lending

Information about securities assigned under securities lending agreements at the balance sheet date is given in the notes to the financial statements. Loaned securities are included in the balance sheet. The counterparty for the lending agreements outstanding at the balance sheet date is a clearing house with which the borrower has placed collateral for the loans.

## 4.7 Financial collateral

Cash and securities collateral given on behalf of commitments (e.g. derivative contracts) are included in the balance sheet and are valued at market value in the financial statements. Collateral given is presented in more detail in the notes to the financial statements.

## 4.8 Return on investments

The return percentage on investments in relation to the tied capital is calculated separately for each type of investment and for the aggregate amount of investments, taking into consideration the cash flows time-weighted daily or monthly. The calculation uses the modified time- and money-weighted Dietz formula, in which the tied capital is calculated by adding the cash flows during the period to the market value at the beginning of the period weighted by the relative share of the length of the entire period that is left from the event date or half-way through the event month to the end of the period.

## 4.9 Valuation of assets other than investments

The book value of intangible assets, machinery and equipment is the acquisition cost less planned depreciation and write-downs. The acquisition cost includes costs directly caused by the acquisition.

Contribution income and other receivables are valued at the lower of nominal value or probable selling price.

Cash at bank and in hand is valued at the nominal value.

## 4.10 Present value of the benefits accrued under the local government pension system

The present value of the benefits accrued under the local government pension system is not presented in the balance sheet. Instead it is an estimate, presented in the notes to the financial statements, of the pension expenditure resulting from the local government pensions to be paid and those unpaid pensions accrued by the end of the reporting period.

When calculating the estimate, the mortality rate based on Statistics Finland's population projection is used. A three per cent discount rate is used in calculating the present value of pension expenditure.

## 4.11 Planned depreciation

The acquisition cost of fixed assets is recorded as a cost during their effective period, using a planned depreciation method, on the basis of the following economic lives:

- buildings and constructions 20–40 years
- technical equipment in buildings 15 years
- machinery and equipment 5 years
- other non-current costs 3–10 years

## 4.12 Foreign currency items

Business transactions in a foreign currency are recorded in euros using the exchange rate on the transaction date. Receivables and liabilities denominated in a foreign currency in the financial statements and items to be valued at market value have been valued at the European Central Bank's average exchange rate on the balance sheet date. The foreign exchange differences have been recorded in the profit and loss account.

#### 4.13 Rental leasing agreements

Rental leasing agreements applying to tangible assets have been treated as operational leasing agreements.

#### 4.14 Operating costs and depreciation

Operating costs and depreciation are presented as separate items in the profit and loss account, adjusted with received payments. The division into the pension, investment and administrative functions is shown in the notes to the financial statements.

#### 4.15 Payments for pension services provided

Since the beginning of 2011, Keva has been statutorily in charge of implementing the state pension system for employee customers and, since the beginning of 2012, the implementation of the pension system of the personnel of the Evangelical Lutheran Church and Social Insurance Institution of Finland. The state has been reimbursing Keva for the costs arising from the implementation of the state pension system in accordance with section 2 of the Decree by the Council of State (784/2010). The Evangelical Lutheran Church and Social Insurance Institution of Finland have been reimbursing Keva for the costs arising from the implementation of their pension systems in accordance with section 2 of the Decree by the Council of State (1299/2011). The amount of these payments has been calculated according to the absorption price as referred to in Section 6 of the Act on Criteria for Charges Payable to the State (150/1992). Furthermore, Keva made preparations in 2012 for the statutory handling of the pension insurance matters related to state employers starting at the beginning of 2013. In 2012, Keva also made preparations for the contract-based collection of the Evangelical Lutheran Church's pension contributions, due to start at the beginning of 2013.

Payments for these operating cost and depreciation expenses are presented on an accrual basis under 'Net operating expenses' in the financial statements, which also includes minor reimbursement, for example, for the payment services relating to the member organisations' supplementary pensions. Reimbursement of statutory payments are presented under "Statutory net payments".

#### 4.16 Personnel pension security

Keva's personnel are provided with pension security in accordance with the Local Government Pensions Act.

## 5 Notes to the profit and loss account

### 5.1 Local government pension contributions <sup>1)</sup>

<b>Contribution type</b>	<b>2012 EUR</b>	<b>2011 EUR</b>
Pay-based contributions		
employers' contribution	2,635,859,629.10	2,475,467,302.91
employees' contribution	<u>898,488,319.40</u>	<u>784,558,077.33</u>
	3,534,347,948.50	3,260,025,380.24
Pension-expenditure-based contributions	1,001,000,000.00	992,000,000.00
Early-retirement-pension-expenditure-based contributions	160,000,000.00	153,000,000.00
<b>Total local government pension contributions for the year</b>	<b>4,695,347,948.50</b>	<b>4,405,025,380.24</b>
Total adjustments for previous years	288,269.45	688,195.92
<b>Total local government pension contributions</b>	<b>4,695,636,217.95</b>	<b>4,405,713,576.16</b>

## 5.2 Local government pension expenditure <sup>2)</sup>

<b>Pension benefit</b>	<b>2012 EUR</b>	<b>2011 EUR</b>
Old-age pension	3,009,302,046.54	2,724,917,804.87
Early old-age pension	124,047,008.33	117,705,633.23
Disability pension	398,349,190.64	394,944,063.01
Individual early retirement pension	9,661.11	59,449.26
Unemployment pension	8,121,344.19	17,451,158.69
Survivors' pension	175,903,684.22	171,084,696.07
Part-time pension	66,940,688.45	67,951,204.71
Cash rehabilitation benefit	41,375,881.92	42,755,968.89
Rehabilitation increment	701,578.62	530,230.02
	<b>3,824,751,084.02</b>	<b>3,537,400,208.75</b>
Contributions payable to the state	777,120.00	3,102,326.80
	3,825,528,204.02	3,540,502,535.55
Compensation for transfer of EU pensions	146,748.89	99,680.29
<b>Total</b>	<b>3,825,674,952.91</b>	<b>3,540,602,215.84</b>

## 5.3 Adjustments to pension expenditure <sup>3)</sup>

	<b>2012 EUR</b>	<b>2011 EUR</b>
State Treasury compensation for pensions based on special legislation	12,433,920.00	27,003,281.86
Returned pensions	2,906,571.60	2,935,502.37
Other adjustments	-441,235.17	591,322.21
<b>Total</b>	<b>14,899,256.43</b>	<b>30,530,106.44</b>

## 5.4 State pension expenditure <sup>4)</sup>

	<b>2012</b>	<b>2011</b>
	<b>EUR</b>	<b>EUR</b>
<b>Pension benefit</b>		
Old-age pension	3,187,100,167.41	2,997,248,629.89
Early old-age pension	116,691,116.99	112,406,825.88
Disability pension	162,865,183.28	175,885,794.70
Individual early retirement pension	488.67	9,762.25
Part-time pension	24,856,770.85	26,281,359.74
Unemployment pension	3,857,028.51	10,822,315.73
Survivors' pension	327,454,084.76	322,374,723.90
Rehabilitation allowance	1,633,669.56	1,593,870.36
Rehabilitation increment	64,043.85	70,034.67
Cash rehabilitation benefit	9,231,741.15	8,998,386.38
Compensation for rehabilitation and expenses	113,688.71	139,985.23
<b>Total expenditure</b>	<b>3,833,867,983.74</b>	<b>3,655,831,688.73</b>
<b>Income</b>		
Advance payments received	-3,863,790,000.00	-3,719,775,000.00
Excessive advance payments returned	29,922,016.26	63,943,311.27
<b>Total income</b>	<b>-3,833,867,983.74</b>	<b>-3,655,831,688.73</b>
<b>Impact on Keva's result</b>	<b>0.00</b>	<b>0.00</b>

Includes state pensions and pensions paid on behalf of other institutions.

## 5.5 Evangelical Lutheran Church pension expenditure <sup>5)</sup>

	<b>2012</b>
	<b>EUR</b>
<b>Pension benefit</b>	
Old-age pension	137,171,300.62
Early old-age pension	8,187,414.22
Disability pension	11,250,815.65
Extra pension	20,709.97
Individual early retirement pension	
Part-time pension	1,763,733.45
Unemployment pension	79,253.67
Survivors' pension	10,057,660.28
Rehabilitation allowance	183,012.95
Rehabilitation increment	18,598.16
Cash rehabilitation benefit	1,555,792.78
Compensation for rehabilitation and expenses	28,737.05
<b>Total expenditure</b>	<b>170,317,028.80</b>
<b>Income</b>	
Advance payments received	-174,500,004.00
Excessive advance payments returned	4,182,975.20
<b>Total income</b>	<b>-170,317,028.80</b>
<b>Impact on Keva's result</b>	<b>0.00</b>

Includes Ev. Luth. Church pensions and pensions paid on behalf of other institutions. Keva has been handling Ev. Luth. Church pensions since the beginning of 2012.

## 5.6 Social Insurance Institution pension expenditure <sup>6)</sup>

	<b>2012</b>
	<b>EUR</b>
<b>Pension benefit</b>	
Old-age pension	66,251,515.46
Early old-age pension	4,883,580.08
Disability pension	5,918,950.62
Individual early retirement pension	
Part-time pension	1,578,254.70
Unemployment pension	8,104.24
Survivors' pension	2,990,099.94
Rehabilitation allowance	114,240.79
Rehabilitation increment	13,836.54
Cash rehabilitation benefit	423,057.46
Compensation for rehabilitation and expenses	4,609.19
Compensation for transfer of EU pensions	3,322.51
<b>Total expenditure</b>	<b>82,189,571.53</b>
<b>Income</b>	
Advance payments received	-83,838,000.00
Excessive advance payments returned	1,648,428.47
<b>Total income</b>	<b>-82,189,571.53</b>
<b>Impact on Keva's result</b>	<b>0.00</b>

Includes the Social Insurance Institution's staff pensions and pensions paid on behalf of other institutions. Keva has been handling the Social Insurance Institution's staff pensions since the beginning of 2012.



## 5.7 Net investment income <sup>7)</sup>

	<b>2012</b>	<b>2011</b>
	<b>EUR</b>	<b>EUR</b>
<b>Investment income</b>		
Interest income	277,322,678.36	297,978,771.98
Dividend income	171,330,628.48	197,047,816.41
Real estate income	140,224,933.54	146,926,325.10 <sup>*)</sup>
Sales profit and other income	2,634,613,886.40	2,800,765,036.72
	<b>3,223,492,126.78</b>	<b>3,442,717,950.21</b>
<b>Investment expenses</b>		
Real estate investment expenses	-53,698,557.60	-45,999,368.54
Sales losses and other expenses	-2,340,415,578.86	-2,874,546,982.63
	<b>-2,394,114,136.46</b>	<b>-2,920,546,351.17</b>
<b>Change in valuation items</b>		
Equities and equity funds	1,440,073,851.35	-963,048,737.12
Bonds	1,507,331,515.58	-110,591,945.06
Short-term investments	163,055.02	-9,080.71
Private equity funds	2,889,250.82	44,325,395.84
Hedge funds	80,448,939.65	389,008.21
Unlisted equities	-243,266.04	
Real estate	6,679,447.34	24,165,951.26
Other subsidiary and associated company shares	24,572,389.29	19,281,234.28
Investments in commodities	5,302,865.26	-2,397,856.38
	<b>3,067,218,048.27</b>	<b>-987,886,029.68</b>
<b>Net investment income</b>	<b>3,896,596,038.59</b>	<b>-465,714,430.64</b>

\*) the figure for 2011 has been adjusted to match the current classification.

## 5.8 Personnel expenses <sup>8)</sup>

	<b>2012</b>	<b>2011</b>
	<b>EUR</b>	<b>EUR</b>
Salaries and remunerations <sup>*)</sup>	29,133,815.96	27,475,079.00
Pension costs	5,732,743.01	5,517,957.03
Other statutory social security expenses	1,569,440.11	1,407,813.53
Voluntary social security expenses	908,932.05	1,026,318.64
	37,344,931.13	35,427,168.20

<sup>\*)</sup> CEO and Managing Director's, deputy managing directors', Board's and Council's share

910,486.77

852,327.16

## 5.9 Operating costs and depreciation by operation <sup>9)</sup>

<b>2012</b>	<b>Pensions</b>	<b>Investments</b>	<b>Administration</b>	<b>Total</b>
<b>Type of cost</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Personnel	-20,778,374.11	-5,606,701.20	-10,959,855.82	-37,344,931.13
IT	-25,406,554.00	-2,788,584.12	-2,984,090.18	-31,179,228.30
Purchase of services	-1,837,884.46	-11,732,074.76	-2,199,342.62	-15,769,301.84
Other	-379,332.38	-536,005.96	-4,584,591.97	-5,499,930.31
<b>External expenses</b>	<b>-48,402,144.95</b>	<b>-20,663,366.04</b>	<b>-20,727,880.59</b>	<b>-89,793,391.58</b>
Internal income and expenses	-4,658,085.30	-850,095.47	5,508,180.77	0.00
<b>Total operating costs</b>	<b>-53,060,230.25</b>	<b>-21,513,461.51</b>	<b>-15,219,699.82</b>	<b>-89,793,391.58</b>
Depreciation	-3,170,807.92	-121,728.41	-2,190,275.03	-5,482,811.36
<b>Total operating costs and depreciation</b>	<b>-56,231,038.17</b>	<b>-21,635,189.92</b>	<b>-17,409,974.85</b>	<b>-95,276,202.94</b>
Payments received <sup>10)</sup>	21,136,884.88	0.00	4,851,026.64	25,987,911.52
<b>Net operating costs</b>	<b>-35,094,153.29</b>	<b>-21,635,189.92</b>	<b>-12,558,948.21</b>	<b>-69,288,291.42</b>

<b>2011</b>	<b>Pensions</b>	<b>Investments</b>	<b>Administration</b>	<b>Total</b>
<b>Type of cost</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Personnel	-20,002,371.01	-5,679,531.62	-9,745,265.57	-35,427,168.20
IT	-21,333,128.10	-2,566,664.45	-2,845,694.51	-26,745,487.06
Purchase of services	-1,410,626.68	-10,925,694.44	-2,259,733.55	-14,596,054.67
Other	-362,278.30	-462,021.38	-4,828,998.78	-5,653,298.46
<b>External expenses</b>	<b>-43,108,404.09</b>	<b>-19,633,911.89</b>	<b>-19,679,692.41</b>	<b>-82,422,008.39</b>
Internal income and expenses	-4,797,245.37	-785,896.75	5,583,142.12	0.00
<b>Total operating costs</b>	<b>-47,905,649.46</b>	<b>-20,419,808.64</b>	<b>-14,096,550.29</b>	<b>-82,422,008.39</b>
Depreciation	-876,110.53	-125,688.88	-2,093,424.51	-3,095,223.92
<b>Total operating costs and depreciation</b>	<b>-48,781,759.99</b>	<b>-20,545,497.52</b>	<b>-16,189,974.80</b>	<b>-85,517,232.31</b>
Payments received <sup>10)</sup>	18,345,069.95	0.00	5,178,012.29	23,523,082.24
<b>Net operating costs</b>	<b>-30,436,690.04</b>	<b>-20,545,497.52</b>	<b>-11,011,962.51</b>	<b>-61,994,150.07</b>

## 5.10 Payments received <sup>10)</sup>

	<b>2012</b>	<b>2011</b>
	<b>EUR</b>	<b>EUR</b>
<b>For statutory payments</b>		
State	337,356.93	352,647.94
Evangelical Lutheran Church	157,779.63	
Social Insurance Institution (Kela)	66,022.37	
	<b>561,158.93</b>	<b>352,647.94</b>
<b>For operating costs</b>		
State	21,073,197.17	20,745,928.62
Evangelical Lutheran Church	3,337,545.56	1,678,411.00
Social Insurance Institution (Kela)	1,055,452.16	125,899.58
Other	521,716.63	972,843.04
	<b>25,987,911.52</b>	<b>23,523,082.24</b>
<b>Total payments received</b>	<b>26,549,070.45</b>	<b>23,875,730.18</b>

## 6 Notes to the balance sheet

### 6.1 Investments <sup>11)</sup>

	31 Dec. 2012		31 Dec. 2011	
	Book value i.e. market value EUR	Acquisition cost EUR	Book value i.e. market value EUR	Acquisition cost EUR
<b>Real estate investments</b>				
<b>Owner-occupied</b>				
Land and sites	10,430,571.00	10,430,571.00	10,430,571.00	10,430,571.00
Buildings <sup>*)</sup>	33,431,522.82	33,431,522.82	34,628,631.65	34,628,631.65
	<b>43,862,093.82</b>	<b>43,862,093.82</b>	<b>45,059,202.65</b>	<b>45,059,202.65</b>
<b>Investments in real estate</b>				
Land and sites	3,709,898.00	3,709,898.00	3,709,898.00	3,709,898.00
Buildings <sup>*)</sup>	201,765.08	201,765.08	210,423.40	210,423.40
Real estate shares	1,770,278,878.38	1,690,792,720.15	1,632,631,512.42	1,560,876,257.59
Other real estate investments	690,780,700.72	802,929,917.28	601,218,975.40	712,316,735.90
	<b>2,464,971,242.18</b>	<b>2,497,634,300.51</b>	<b>2,237,770,809.22</b>	<b>2,277,113,314.89</b>
<b>Real estate and shares in real estate</b>	<b>2,508,833,336.00</b>	<b>2,541,496,394.33</b>	<b>2,282,830,011.87</b>	<b>2,322,172,517.54</b>
<b>Loans receivable from real estate companies</b>	242,757,611.44	242,757,611.44	167,096,248.77	167,096,248.77
<b>Total real estate investments</b>	<b>2,751,590,947.44</b>	<b>2,784,254,005.77</b>	<b>2,449,926,260.64</b>	<b>2,489,268,766.31</b>
<b>Other investments</b>				
<b>Equities and shares</b>				
Equities	4,439,509,140.77	3,870,839,764.65	3,600,607,941.48	3,651,173,882.28
Equity funds	8,459,515,344.09	7,093,680,279.14	7,571,020,330.03	6,987,419,623.27
Unlisted equities	518,022.00	3,396,648.00	761,288.04	3,396,648.00
Private equity funds	1,645,410,939.95	1,677,135,934.47	1,419,385,427.40	1,443,211,388.15
Hedge funds	773,931,484.86	642,291,235.33	617,279,578.59	552,591,708.28
Investments in commodities	204,192,000.00	190,995,397.00	7,263,903.07	0.00
Other shares and holdings in subsidiary and associated companies	82,221,446.81	24,641,892.61	57,649,057.52	24,641,892.61
	<b>15,605,298,378.48</b>	<b>13,502,981,151.20</b>	<b>13,273,967,526.13</b>	<b>12,662,435,142.59</b>
<b>Money market instruments</b>				
Bonds	8,678,067,526.90	7,765,944,852.50	7,365,582,078.07	7,176,582,159.60
Fixed-income funds	4,969,999,981.56	3,660,126,049.25	3,979,682,210.44	3,392,020,575.83
Foreign currency funds	161,300,708.65	149,829,307.71	170,759,157.95	149,829,307.71
Money market investments	652,614,456.84	652,491,074.27	971,502,085.56	971,541,758.01
	<b>14,461,982,673.95</b>	<b>12,228,391,283.73</b>	<b>12,487,525,532.02</b>	<b>11,689,973,801.15</b>
<b>Loans receivable from other than real estate companies</b>	709,379,676.10	709,379,676.10	832,667,114.38	832,667,114.38
<b>Total other investments</b>	<b>30,776,660,728.53</b>	<b>26,440,752,111.03</b>	<b>26,594,160,172.53</b>	<b>25,185,076,058.12</b>
<b>Total investments</b>	<b>33,528,251,675.97</b>	<b>29,225,006,116.80</b>	<b>29,044,086,433.17</b>	<b>27,674,344,824.43</b>
<sup>*)</sup> The acquisition cost minus depreciation has been used as the acquisition cost.				
	<b>2012</b>		<b>2011</b>	
Valuation difference between market value and acquisition cost	4,303,245,559.17		1,369,741,608.74	
Negative valuation difference of derivatives	-42,029,907.05		-173,414,370.91	
<b>Total valuation difference</b>	<b>4,261,215,652.12</b>		<b>1,196,327,237.83</b>	

## 6.2 Changes in tangible and intangible assets <sup>12)</sup>

	<b>Intangible rights <sup>*)</sup></b> EUR	<b>Land areas in own use <sup>**)</sup></b> EUR	<b>Buildings in own use <sup>**)</sup></b> EUR	<b>IT hardware</b> EUR	<b>Machinery and equipment</b> EUR	<b>Other</b> EUR	<b>Total</b> EUR
Completed 1 Jan. 2012	11,075,261.78	10,430,571.00	34,628,631.65	1,813,364.42	2,335,470.49	2,362,288.95	62,645,588.29
In progress 1 Jan. 2012	28,692,076.93			921,898.59			29,613,975.52
<b>Balance 1 Jan. 2012</b>	<b>39,767,338.71</b>	<b>10,430,571.00</b>	<b>34,628,631.65</b>	<b>2,735,263.01</b>	<b>2,335,470.49</b>	<b>2,362,288.95</b>	<b>92,259,563.81</b>
<b>Changes in 2012</b>							
Completed investments	27,946,965.13			127,373.53	189,424.72		28,263,763.38
Investments in progress	12,098,419.39			494,203.33			12,592,622.72
Transfer from investments in progress to completed	-28,082,339.91			-69,760.33			-28,152,100.24
Sales, completed	-4,946,806.73				-43,050.23		-4,989,856.96
Sales, in progress	-1,619,593.28						-1,619,593.28
Planned depreciation	-3,208,548.37		-1,197,108.83	-575,647.61	-501,506.55		-5,482,811.36
<b>Change for the year</b>	<b>2,188,096.23</b>		<b>-1,197,108.83</b>	<b>-23,831.08</b>	<b>-355,132.06</b>		<b>612,024.26</b>
Completed 31 Dec. 2012	30,866,871.81	10,430,571.00	33,431,522.82	1,365,090.34	1,980,338.43	2,362,288.95	80,436,683.35
In progress 31 Dec. 2012	11,088,563.13			1,346,341.59			12,434,904.72
<b>Balance 31 Dec. 2012</b>	<b>41,955,434.94</b>	<b>10,430,571.00</b>	<b>33,431,522.82</b>	<b>2,711,431.93</b>	<b>1,980,338.43</b>	<b>2,362,288.95</b>	<b>92,871,588.07</b>

<sup>\*)</sup> long-term IT expenses

<sup>\*\*)</sup> included in the balance sheet's real estate investments item

### 6.3 Loans by debtor <sup>13)</sup>

Debtors	31 Dec. 2012 Book value EUR	%	31 Dec. 2011 Book value EUR	%
<b>Subsidiary, associated and real estate companies</b>	<b>242,757,611.44</b>	25	<b>167,096,248.77</b>	17
<b>Other</b>				
Cities	210,264,678.42	22	250,873,669.22	25
Other municipalities	130,764,228.48	14	159,612,557.78	16
Joint municipal boards	65,796,703.94	7	69,438,705.54	7
Public companies	119,438,236.26	13	140,017,122.22	14
Private companies	120,670,931.40	13	148,335,330.83	15
Åland	18,237,133.08	2	15,788,975.75	2
Housing corporations	21,860,179.85	2	24,682,106.02	2
Other financial institutions	30,000.00	0	35,000.00	0
Other non-profit organisations	15,066,661.10	2	16,817,233.96	2
Other	7,250,923.57	1	7,066,413.06	1
	<b>709,379,676.10</b>	<b>75</b>	<b>832,667,114.38</b>	<b>83</b>
<b>Total loan portfolio</b>	<b>952,137,287.54</b>	<b>100</b>	<b>999,763,363.15</b>	<b>100</b>

## 6.4 Other receivables and prepayments <sup>14)</sup>

<b>Other receivables</b>	<b>31 Dec. 2012</b>	<b>31 Dec. 2011</b>
	<b>EUR</b>	<b>EUR</b>
Interest	979,353.61	954,270.11
Rent	394,295.54	445,868.28
Pension	1,134,307.69	1,205,669.16
Withholding tax on dividends	6,373,808.36	4,877,650.56
Sales of securities	2,654,755.54	1,062,602.65
State	4,093.89	15,903,281.86
Other	1,528,495.26	1,772,820.99
<b>Total other receivables</b>	<b>13,069,109.89</b>	<b>26,222,163.61</b>

<b>Prepayments</b>	<b>31 Dec. 2012</b>	<b>31 Dec. 2011</b>
	<b>EUR</b>	<b>EUR</b>
Balancing payments to Ev. Luth. Church pensions	11,962,144.76	11,080,063.50
Balancing payments to Social Ins. Institution's (Kela) pensions	5,503,561.63	5,151,533.41
Other prepayments	2,866,237.46	4,313,437.99
<b>Total prepayments</b>	<b>20,331,943.85</b>	<b>20,545,034.90</b>

## 6.5 Other accrued income <sup>15)</sup>

	<b>31 Dec. 2012</b>	<b>31 Dec. 2011</b>
	<b>EUR</b>	<b>EUR</b>
State	77,844,844.64	75,951,906.57
Evangelical Lutheran Church	3,235,416.39	16,096.36
Social Insurance Institution (Kela)	1,676,500.00	130,303.58
Finnish Centre for Pensions	8,718,998.11	7,589,301.92
Arek	778,590.00	0.00
Other	48,927.40	324,246.21
<b>Total other accrued income and prepayments</b>	<b>92,303,276.54</b>	<b>84,011,854.64</b>



## 6.6 Pension liability fund <sup>16)</sup>

	<b>2012</b>	<b>2011</b>
	<b>EUR</b>	<b>EUR</b>
Fund capital 1 Jan.	29,926,304,899.29	29,439,982,950.43
Increase	4,820,637,432.70	486,321,948.86
<b>Fund capital 31 Dec.</b>	<b>34,746,942,331.99</b>	<b>29,926,304,899.29</b>

## 6.7 Other liabilities <sup>17)</sup>

	<b>31 Dec. 2012</b>	<b>31 Dec. 2011</b>
	<b>EUR</b>	<b>EUR</b>
PAYE and social security contributions	66,809,702.88	61,729,342.69
State/PAYE	76,356,866.03	72,048,952.87
Ev. Luth. Church/PAYE	2,845,935.43	
Social Ins. Institution/PAYE	1,605,565.31	
Value added tax	2,708,369.25	2,733,617.08
Trade payables	1,039,770.46	4,867,808.55
Purchases of securities	3,050,789.35	104,335.73
Collateral received for derivative contracts	62,340,000.00	
Other liabilities	646,291.64	636,334.17
<b>Total other liabilities</b>	<b>217,403,290.35</b>	<b>142,120,391.09</b>

## 6.8 Accrued liabilities and deferred income <sup>18)</sup>

	<b>31 Dec. 2012</b>	<b>31 Dec. 2011</b>
	<b>EUR</b>	<b>EUR</b>
Negative market value of derivatives	42,029,907.05	173,414,370.91
Wages, salaries and holiday pay	7,958,717.41	7,358,205.98
State	30,876,379.08	64,908,146.93
Evangelical Lutheran Church	4,246,193.62	
Social Insurance Institution (Kela)	1,796,790.24	
Other accrued liabilities and deferred income	4,672,789.99	4,612,766.97
<b>Total accrued liabilities and deferred income</b>	<b>91,580,777.39</b>	<b>250,293,490.79</b>

## 6.9 Receivables and liabilities, subsidiary and associated companies <sup>19)</sup>

Receivables	31 Dec. 2012 EUR	31 Dec. 2011 EUR
Loan receivables from subsidiary, associated and real estate companies <sup>1)</sup>	242,757,611.44	167,096,248.77
Capital loans to other real estate companies <sup>1)</sup>	1,509,989.47	1,834,123.03
Other receivables from real estate subsidiary companies <sup>2)</sup>	10,055,846.76	7,355,031.11
Prepayments and accrued income from real estate subsidiary and associated companies <sup>3)</sup>	1,431,063.95	430,410.38
<b>Total receivables</b>	<b>255,754,511.62</b>	<b>176,715,813.29</b>

Liabilities	31 Dec. 2012 EUR	31 Dec. 2011 EUR
Liabilities to real estate subsidiary and associated companies <sup>4)</sup>	1,825,875.42	797,896.76
<b>Total liabilities</b>	<b>1,825,875.42</b>	<b>797,896.76</b>

Presented in balance sheet item:

<sup>1)</sup> Investments: real estate investments

<sup>2)</sup> Receivables: receivables from subsidiary and associated companies

<sup>3)</sup> Prepayments and accrued income: interest

<sup>4)</sup> Liabilities: liabilities to subsidiary and associated companies

## 6.10 Real estate, real estate shares and other real estate investments <sup>20)</sup>

31 Dec. 2012

Company name	Holding %	Book value i.e. market value EUR	Acquisition cost, EUR
<b>Land areas and buildings for own use</b>			
Unioninkatu 43	100.00%	42,975,065.06	42,975,065.06
Järsö course centre and cottages	100.00%	887,028.76	887,028.76
		<b>43,862,093.82</b>	<b>43,862,093.82</b>
<b>Investments in real estate</b>			
<b>Land areas, sites and buildings</b>			
Albertinkatu 34, site	100.00%	3,500,000.00	3,500,000.00
Laurinlahdenkuja 10	100.00%	411,663.08	411,663.08
<b>Total land areas, sites and buildings</b>		<b>3,911,663.08</b>	<b>3,911,663.08</b>
<b>Real estate shares</b>			
<b>Real estate subsidiary companies</b>			
Asunto Oy Tampereen Pellavanliikka	100.00%	9,804,000.00	8,043,957.50
Kiint. Oy Lintulahdenkulma	100.00%	8,531,000.00	23,942,418.65
Kiinteistö Oy Abraham Wetterintie 6	100.00%	72,429,784.25	85,077,767.33
Kiinteistö Oy Albertinkatu 34	100.00%	21,109,000.00	15,433,166.76
Kiinteistö Oy Aurajoenranta	100.00%	32,718,000.00	23,580,802.03
Kiinteistö Oy Espoon Itsehallintotie 2-4	100.00%	6,976,000.00	8,242,314.32
Kiinteistö Oy Espoon Keilasatama 5	100.00%	50,196,333.65	51,762,615.43
Kiinteistö Oy Espoon Komentajankatu 4	100.00%	3,507,416.69	2,111,419.38
Kiinteistö Oy Espoon Suviniitty	100.00%	4,928,000.00	5,025,982.81
Kiinteistö Oy Gaselli	100.00%	63,373,000.00	42,600,092.50
Kiinteistö Oy Hatanpään Elisa	100.00%	4,213,000.00	3,339,932.56
Kiinteistö Oy Haukipurontie	100.00%	51,035,000.00	40,160,820.58
Kiinteistö Oy Helsingin Apollonkatu 10	100.00%	17,331,000.00	9,061,442.12
Kiinteistö Oy Helsingin Auringonkehrä	100.00%	14,526,000.00	11,445,677.26
Kiinteistö Oy Helsingin Hämeentie 17 a	100.00%	6,412,870.03	3,469,951.77
Kiinteistö Oy Helsingin Kaivonkatsojantie 8	100.00%	4,290,634.06	2,598,439.79
Kiinteistö Oy Helsingin Kuparitalo	100.00%	24,421,000.00	23,564,712.39
Kiinteistö Oy Helsingin Merikorttikuja 4	100.00%	7,558,000.00	7,403,596.78
Kiinteistö Oy Helsingin Pohjoinen Rautatiekatu 25	100.00%	16,996,000.00	17,795,345.56
Kiinteistö Oy Helsingin Rukkilantie 7-9	100.00%	4,341,000.00	4,191,652.96
Kiinteistö Oy Helsingin Strömberginaukio	100.00%	22,158,000.00	30,914,013.58
Kiinteistö Oy Helsingin Suvilahdenkatu 6	100.00%	6,257,031.02	4,190,563.05
Kiinteistö Oy Helsingin Tapulikaupungintie 11	100.00%	4,709,000.00	4,158,489.83
Kiinteistö Oy Helsingin Tyynenmerenkatu 3	100.00%	6,443,638.91	6,443,638.91
Kiinteistö Oy Helsingin Työpajankatu 13	100.00%	69,817,000.00	51,190,298.39
Kiinteistö Oy Helsingin Valimotie 17-19	100.00%	43,684,000.00	72,132,970.18
Kiinteistö Oy Helsingin Veneentekijänranta	100.00%	6,714,000.00	5,172,079.95
Kiinteistö Oy Hermannin Tuulensuuntori	100.00%	22,586,000.00	26,397,069.52
Kiinteistö Oy Hermian Bitti	100.00%	30,728,000.00	32,806,859.25
Kiinteistö Oy HTC Santa Maria	100.00%	18,812,000.00	22,410,850.14
Kiinteistö Oy HTC Vega	100.00%	30,900,000.00	25,885,992.30
Kiinteistö Oy Hämeenlinnakeskus	100.00%	17,751,722.58	17,751,722.58
Kiinteistö Oy Jokiniementalo	100.00%	9,026,000.00	6,680,794.11
Kiinteistö Oy Jyväskylän Isohoivi	100.00%	1,745,000.00	1,346,364.70
Kiinteistö Oy Jyväskylän Schaumanin Puistotie	100.00%	3,572,000.00	2,837,202.36

Kiinteistö Oy Kaapelipuisto	100.00%	11,179,000.00	6,651,487.61
Kiinteistö Oy Kaarenmänty	100.00%	2,051,000.00	1,517,825.16
Kiinteistö Oy Kaarenpetäjä	100.00%	2,244,986.25	1,651,702.16
Kiinteistö Oy Kalliokrouvi	100.00%	4,402,000.00	3,766,303.52
Kiinteistö Oy Karanlahti	100.00%	2,484,000.00	4,565,710.35
Kiinteistö Oy Keilarannanpuisto	100.00%	42,502,000.00	53,964,009.55
Kiinteistö Oy Kiirulankulma	100.00%	3,303,000.00	10,506,686.26
Kiinteistö Oy Kipparin Kruunu	100.00%	33,553,000.00	26,869,417.27
Kiinteistö Oy Konalankuja 1-3	100.00%	5,274,000.00	16,019,196.60
Kiinteistö Oy Kotkan Kaivokaari	100.00%	7,678,000.00	6,302,075.15
Kiinteistö Oy Kouvolan Hansakaari	100.00%	2,948,177.30	2,049,271.08
Kiinteistö Oy Kulma-Sarvis	100.00%	16,182,000.00	16,090,780.91
Kiinteistö Oy Kuopion Haapaniemenkatu 18	100.00%	10,001,000.00	8,232,087.59
Kiinteistö Oy Kuopion Kirkkokatu 1	100.00%	5,855,000.00	7,223,582.20
Kiinteistö Oy Kuopion Safiiri	100.00%	8,482,000.00	8,389,277.38
Kiinteistö Oy Kuopion Särkiranta 6	100.00%	2,264,000.00	2,068,385.89
Kiinteistö Oy Kuopion Tulliportinkatu 3	100.00%	2,151,000.00	1,832,082.54
Kiinteistö Oy Käsityöläiskatu 18	100.00%	10,869,000.00	9,426,323.28
Kiinteistö Oy Lahden Laaksokatu 7	100.00%	3,081,000.00	2,344,901.89
Kiinteistö Oy Lahden Rauhankatu 5	100.00%	3,861,997.86	3,335,251.09
Kiinteistö Oy Lakelanportti	100.00%	5,734,000.00	4,120,251.48
Kiinteistö Oy Lappeenrannan Porarinpolku 1	100.00%	2,084,000.00	1,901,934.24
Kiinteistö Oy Lappeenrannan Valtakatu 43	100.00%	4,506,000.00	4,043,227.37
Kiinteistö Oy Lielahतिकeskus	100.00%	49,496.64	49,496.64
Kiinteistö Oy Mastokoukku	100.00%	11,362,000.00	13,025,396.37
Kiinteistö Oy Menuetto	100.00%	36,822,000.00	34,050,231.28
Kiinteistö Oy Oulun Tullipuomi	100.00%	10,216,000.00	8,690,231.14
Kiinteistö Oy Paciuksenkatu 21	100.00%	23,759,000.00	24,399,333.20
Kiinteistö Oy Piispanpuro	100.00%	574,785.19	574,785.19
Kiinteistö Oy Porin Valta-Antti	100.00%	3,441,340.02	2,784,650.61
Kiinteistö Oy Powergate Vaasa	100.00%	6,227,000.00	6,350,364.74
Kiinteistö Oy Quartetto	100.00%	22,545,000.00	29,532,903.80
Kiinteistö Oy Ratinanraitti	100.00%	11,141,000.00	12,729,682.97
Kiinteistö Oy Rauman Kanalinparras	100.00%	3,144,000.00	2,752,329.08
Kiinteistö Oy Riihentausta	100.00%	2,360,000.00	3,468,151.03
Kiinteistö Oy Riihimäen Merkurius	100.00%	1,379,000.00	1,855,953.77
Kiinteistö Oy Rovaniemen Ahjotie 30	100.00%	4,810,021.05	8,697,749.65
Kiinteistö Oy Rovaniemen Pohjanpuistikko	100.00%	15,224,000.00	12,758,706.16
Kiinteistö Oy Ruoholahdenkatu 8	100.00%	14,006,000.00	39,771,995.53
Kiinteistö Oy Seinäjoen Alkionkatu 4	100.00%	1,743,000.00	1,409,197.56
Kiinteistö Oy Seinäjoen Torikatu 21	100.00%	2,428,938.56	1,897,627.00
Kiinteistö Oy Sofianlehdonkadun senioritalo	100.00%	10,224,000.00	7,687,403.47
Kiinteistö Oy Spektrin Kvartti	100.00%	11,533,000.00	16,839,043.51
Kiinteistö Oy Sörnäisten Rantatie 31	100.00%	5,134,000.00	7,674,469.53
Kiinteistö Oy Tampereen Hovi-Sarvis	100.00%	7,260,000.00	5,234,155.71
Kiinteistö Oy Tampereen Hämeenkadunaukio	100.00%	20,787,000.00	15,980,768.70
Kiinteistö Oy Tampereen Ilveshotelli	100.00%	54,380,000.00	41,405,200.22
Kiinteistö Oy Tampereen Tarmontalo	100.00%	10,562,000.00	8,794,211.99
Kiinteistö Oy Tampereen Tullinkulma	100.00%	7,626,000.00	6,163,151.15
Kiinteistö Oy Tirkkosentalo	100.00%	13,515,000.00	9,019,315.27
Kiinteistö Oy Turun Catharina	100.00%	717,000.00	1,741,211.51
Kiinteistö Oy Turun Kaakelinna	100.00%	6,949,000.00	9,738,900.06
Kiinteistö Oy Turun Pakkarinpuisto	100.00%	3,028,000.00	6,684,199.13
Kiinteistö Oy Turun Panimonlinna	100.00%	8,534,000.00	13,427,725.04
Kiinteistö Oy Turun Telakkaranta	100.00%	12,878,000.00	10,962,425.51
Kiinteistö Oy Turun Väinämöinen	100.00%	12,706,000.00	10,596,060.19

Kiinteistö Oy Turun Yliopistonkatu 22	100.00%	18,516,740.33	19,525,883.60
Kiinteistö Oy Tuusulan Kievarinkaari	100.00%	2,877,000.00	2,093,375.36
Kiinteistö Oy Tuusulan Pakkasraitti 2A	100.00%	12,838,167.00	13,305,396.40
Kiinteistö Oy Vaasan Pitkäkatu 52	100.00%	1,716,000.00	1,298,377.65
Kiinteistö Oy Valimotie 15	100.00%	15,065,000.00	23,789,463.13
Kiinteistö Oy Vantaan Hakkilankaari 1	100.00%	16,920,000.00	9,440,691.31
Kiinteistö Oy Vantaan Kielotie 50	100.00%	4,646,000.00	4,383,670.96
Kiinteistö Oy Vantaan Lähettiläentie 7	100.00%	7,768,000.00	6,699,596.98
Kiinteistö Oy Vantaan Myllymäentie 3	100.00%	7,980,000.00	6,149,214.59
Kiinteistö Oy Vantaan Puutarharanta	100.00%	3,127,112.65	1,720,513.46
Kiinteistö Oy Westport	100.00%	21,577,000.00	24,227,239.99
Kiinteistö Oy Värehteankatu 4	100.00%	8,441,000.00	4,685,032.40
Oy Kampiparkki Ab	100.00%	58,921,000.00	59,942,893.88
Kiinteistö Oy Tilkanhovi	99.99 %	5,181,000.00	3,398,342.94
Kiinteistö Oy Helsingin Kaarlenkatu 9 -11	99.56 %	14,801,000.00	10,966,006.14
Kiinteistö-oy Rekipellonpuisto 1	98.93%	6,687,000.00	7,360,527.42
Kiinteistö Oy Lohjantähti	86.46%	10,346,000.00	31,524,247.70
Kiinteistö Oy Mikonkatu 2 - Pohjoisesplanadi 35	84.18%	47,741,000.00	33,998,967.00
Kiinteistö Oy Kirkkonummen Kunnantalo	81.00%	23,683,000.00	22,471,638.16
Kiinteistö Oy Rukavarri	78.25%	1,243,290.22	1,243,290.22
Kiinteistö Oy Pohjoisesplanadi 37	68.98%	31,866,000.00	24,667,506.42
Kiinteistö Oy Tampereen Hämeenkatu 11	66.59%	13,860,000.00	9,602,100.89
Kiinteistö Oy Helsingin Liisankatu 14	55.87%	14,697,000.00	13,925,957.68
<b>Total real estate subsidiary companies</b>		<b>1,619,854,484.26</b>	<b>1,615,209,748.89</b>

#### Shares in associated companies

Asunto Oy Espoon Sellonhuippu	49.00%	6,215,200.00	5,605,993.40
Kiinteistö Oy Kauppakeskus Sello	49.00%	123,900,173.53	55,609,014.59
Leppävaaran Hotelliikiinteistö Oy	49.00%	5,205,525.00	2,413,359.28
Kiinteistö Oy Selloparkki	24.81%	956,000.00	3,391,951.86
Kiinteistö Oy Massun Parkki	22.92%	955,153.22	955,153.22
<b>Total associated companies</b>		<b>137,232,051.75</b>	<b>67,975,472.35</b>

#### Other real estate shares

Asunto Oy Espoon Sellonkulma	18.38%	7,767,000.00	3,277,451.58
Kiinteistö Oy Kluuvins Pysäköinti	10.10%	1,142,010.53	43,028.53
Asunto Oy Kuusiniementie 6	7.44%	410,550.69	410,550.69
Asunto Oy Mikonkatu 20	5.40%	748,716.73	748,716.73
P-Turkuparkki Oy	4.71%	652,649.04	656,336.00
Asunto Oy Laivastokatu 8-10	3.31%	1,151,631.38	1,151,631.38
Bostadsaktiebolaget Semafor	2.60%	1,319,784.00	1,319,784.00
<b>Total other real estate shares</b>		<b>13,192,342.37</b>	<b>7,607,498.91</b>

**Total real estate shares** **1,770,278,878.38** **1,690,792,720.15**

#### Other real estate investments

##### Holdings in real estate funds

Exilion Real Estate I Ky	37.39%	80,117,239.00	81,500,000.00
Capman Hotels Real Estate Ky	18.05%	49,134,257.00	55,458,030.84
Fosca II, SCA	23.14%	46,775,000.00	45,471,840.00
Franklin Templeton Asian Real Estate Fund	19.58%	41,413,822.25	38,557,744.49
AIPP Asia Select	30.00%	39,394,572.59	33,199,082.07
Rockspring UK Value Fund, L.P.	10.42%	37,517,640.00	36,554,925.44
Aberdeen Property Finland I Ky	26.60%	33,912,313.41	39,499,999.99
CBRE SPE III	6.63%	27,859,847.00	49,325,000.00
IRUS European Retail Property Fund	6.25%	27,689,176.60	30,000,000.00

AXA European Logistics	22.08%	23,951,624.15	35,615,380.01
Sierra Portugal Fund	16.67%	23,004,600.00	46,144,419.00
Grosvenor Retail European Properties S.A.	18.60%	21,490,184.18	14,019,854.90
AXA DV III	8.50%	20,930,351.25	18,199,946.00
EPI HealthCare I Ky	27.50%	20,759,066.00	16,500,000.00
EPI Russia I Ky	27.16%	18,463,026.00	40,000,000.00
Franklin Templeton European Real Estate Fund	19.09%	18,338,028.48	36,628,097.81
CapMan RE II	13.33%	16,262,831.00	15,956,904.05
Grosvenor French Retail Investments S.A	6.67%	16,257,000.00	15,646,586.00
Rockspring TransEuropean V	10.00%	13,056,982.00	12,500,000.00
UBS (Lux) Euro Value Added Real Estate Fund	8.04%	12,780,000.00	16,315,200.00
		<b>589,107,560.91</b>	<b>677,093,010.60</b>
Others		100,163,150.34	124,326,917.21
<b>Total holdings in real estate funds</b>		<b>689,270,711.25</b>	<b>801,419,927.81</b>
<b>Other real estate investments</b>			
Kiinteistö Oy Kluuvin Pysäköinti	11.33%	1,509,989.47	1,509,989.47
<b>Total other real estate investments</b>		<b>690,780,700.72</b>	<b>802,929,917.28</b>
<b>Total real estate investments</b>		<b>2,464,971,242.18</b>	<b>2,497,634,300.51</b>
<b>Total real estate and shares in real estate</b>		<b>2,508,833,335.99</b>	<b>2,541,496,394.33</b>

## 6.11 Major shareholdings <sup>21)</sup>

31.12.2012		Book value	Acquisition
Name	Number of shares	i.e. market value EUR	cost EUR
Royal Dutch Shell PLC	3,307,393	86,886,052.52	89,329,441.13
Nokia OYJ	24,776,634	72,496,431.08	76,343,493.66
HSBC Holdings Plc	8,212,934	65,169,623.41	65,153,548.37
Kone OYJ	1,131,770	63,152,766.00	36,330,795.83
Sampo OYJ	2,552,530	62,128,580.20	45,316,751.80
Samsung Electronics Ltd	124,328	58,161,921.92	21,167,535.80
BHP Billiton Plc	2,208,695	57,748,468.48	43,214,065.32
Taiwan Semiconductor Manufacturing Co Ltd	22,712,551	57,545,148.53	30,950,795.92
Novartis AG	1,130,705	53,809,644.01	44,666,353.58
Nestle SA	1,016,104	50,165,505.63	35,623,587.78
Oversea-Chinese Banking Corp. Ltd	8,205,510	49,576,706.29	29,964,625.97
Roche Holding AG	301,409	45,966,958.75	40,710,722.11
QBE Insurance Group Ltd	5,228,422	44,877,708.61	55,174,463.57
Total SA	1,141,578	44,532,957.78	52,823,249.77
Metso OYJ	1,362,233	43,645,945.32	39,380,402.25
GlaxoSmithKline PLC	2,377,320	42,580,896.68	46,899,603.92
Fortum OYJ	2,951,403	41,762,352.45	60,516,649.22
Amer Sports OYJ	3,682,061	41,423,186.25	37,790,580.81
Wartsila OYJ	1,211,204	39,630,594.88	29,125,185.02
Vodafone Group PLC	20,739,143	39,249,609.56	46,714,467.46
Standard Chartered Plc	2,006,727	38,596,211.21	31,162,164.56
DBS Group Holdings Ltd	4,165,122	38,381,405.90	33,808,488.77
Nordea Bank AB	5,300,145	38,363,801.98	36,637,901.42
UPM-Kymmene OYJ	3,940,521	34,696,287.41	39,939,895.33
Sanofi	476,549	34,020,833.11	24,165,784.55
Cheung Kong Holdings Ltd	2,732,000	31,814,935.45	25,549,394.65
BASF SE	441,662	31,424,251.30	26,225,894.31
Unilever PLC	3,526,397	30,986,673.02	19,288,784.45
Nokian Renkaat OYJ	1,007,852	30,336,345.20	31,167,002.50
British American Tobacco PLC	1,024,278	29,552,180.38	17,327,798.65
AIA Group Ltd	9,504,000	28,134,240.57	20,409,325.24
Hong Kong & China Gas Co Ltd	13,565,934	28,077,824.92	14,704,187.08
ENI SpA	1,475,424	27,059,276.16	26,284,367.46
Swedish Match AB	1,064,120	27,055,579.59	31,118,948.80
Outotec OYJ	606,280	25,688,083.60	19,913,605.05
Rio Tinto Plc	590,000	25,543,747.32	18,736,434.53
Housing Development Finance Corp.	2,220,986	25,484,327.91	14,382,002.96
Axiata Group Berhad	15,288,500	24,989,958.41	17,677,456.71
Jardine Strategic Holdings Ltd	918,038	24,733,543.31	7,787,725.76
BG Group PLC	1,949,576	24,187,546.87	22,426,833.12
Stora Enso OYJ	4,605,001	24,153,230.25	27,798,103.48
Siemens AG	282,105	23,189,031.00	22,695,108.00
Allianz SE	213,348	22,358,870.40	16,605,701.26
SAP AG	368,299	22,352,066.31	17,511,060.53
ABB Ltd	1,419,401	22,045,865.43	17,803,458.75
CSL Ltd	515,363	21,874,369.50	10,169,256.99
Novo Nordisk A/S	174,604	21,448,139.12	7,071,003.72
Newcrest Mining Ltd	1,212,416	21,176,137.29	17,994,450.88
SabMiller Plc	599,651	20,757,432.61	15,894,301.53

China Mobile Ltd	2,340,000	20,666,477.43	12,470,245.66
Daimler AG	490,909	20,284,359.88	19,615,625.02
Infosys Ltd	622,321	19,976,087.90	20,901,260.10
Singapore Telecommunications Ltd	9,495,000	19,415,298.67	14,156,257.03
AstraZeneca PLC	530,271	18,904,833.65	20,112,975.44
Prudential PLC	1,778,486	18,861,409.55	15,658,529.63
Siam Cement Plc	1,623,800	18,627,843.74	9,454,891.71
Bayer AG	258,396	18,576,088.44	13,242,791.63
Banco Santander SA	2,918,114	17,800,495.40	25,812,590.76
United Overseas Bank Ltd	1,408,107	17,321,256.14	10,057,005.22
City Developments Ltd	2,149,000	17,174,108.94	8,270,315.42
Swire Pacific Ltd	9,441,000	17,005,917.16	10,027,727.16
Li & Fung Limited	12,676,000	16,969,604.40	19,431,238.69
Telefonica SA	1,663,499	16,951,054.81	25,361,881.13
Beiersdorf AG	273,093	16,898,994.84	14,388,051.58
BNP Paribas SA	394,716	16,808,980.86	21,150,628.41
PetroChina Co Ltd	15,618,000	16,781,514.35	10,320,799.07
Diageo PLC	762,995	16,707,169.04	9,550,486.49
Schneider Electric SA	297,866	16,331,992.78	10,317,952.01
Anheuser-Busch InBev NV	248,389	16,329,092.86	9,318,982.37
Davide Campari-Milano SpA	2,801,712	16,249,929.60	15,361,766.87
Hang Lung Properties Ltd	5,362,000	16,161,472.08	11,549,769.81
Mahindra & Mahindra Ltd	1,208,209	15,582,827.98	12,423,831.81
Pohjola Bank PLC	1,362,800	15,358,756.00	11,944,512.26
Keppel Corporation Limited	2,230,000	15,231,995.38	13,307,903.23
TeliaSonera AB	2,911,444	14,959,642.21	14,721,263.99
Aurizon Holdings Limited	5,037,452	14,835,974.09	9,329,713.21
E.ON AG	1,041,260	14,671,353.40	16,487,705.31
Muenchener Rueckversicherungs	106,592	14,496,512.00	12,077,510.56
Barclays PLC	4,486,780	14,426,308.93	22,123,934.28
Banco Bilbao Vizcaya Argentari	2,056,096	14,310,428.16	15,897,664.12
YIT Oyj	966,452	14,284,160.56	14,399,406.27
Atlas Copco AB	702,345	14,212,937.66	11,770,687.26
Bharti Airtel Limited	3,217,277	14,123,297.85	13,047,369.68
Apple Inc	35,000	14,117,064.57	16,700,553.88
Anglo American PLC	604,784	14,035,790.91	14,613,534.38
UBS AG	1,169,300	13,821,993.87	11,549,630.41
Finnair Oyj	5,781,815	13,760,719.70	17,723,458.27
Dairy Farm International Holdings Ltd	1,659,700	13,721,728.25	3,133,523.60
PTT Exploration & Production PCL	3,350,000	13,622,659.46	4,773,771.36
Orion Oyj	612,336	13,581,612.48	8,788,499.85
Hutchison Whampoa Limited	1,689,000	13,371,544.11	11,291,377.57
Air Liquide SA	140,545	13,358,802.25	6,555,720.77
Deutsche Bank AG	387,492	12,767,861.40	12,849,247.69
Amorepacific Corporation	14,823	12,749,419.76	9,403,714.52
ResMed Inc.	4,092,060	12,696,141.61	9,037,139.67
Samsung Fire & Marine Insurance	82,160	12,689,734.89	8,515,570.81
Volvo AB	1,221,438	12,647,723.49	12,060,027.34
National Grid PLC	1,463,817	12,609,525.19	10,686,340.17
E-Mart Co Ltd	71,382	12,036,529.75	7,813,854.78
GDF Suez	762,152	11,870,517.40	27,510,929.85
Volkswagen AG	68,815	11,742,058.85	11,156,065.51
Mead Johnson Nutrition Co	234,231	11,697,347.73	14,847,465.13
ASM Pacific Technology Ltd	1,253,000	11,562,883.60	6,101,893.17
Idea Cellular Ltd	7,959,503	11,437,595.31	10,835,405.28



LVMH Moet Hennessy Louis Vuitt	81,981	11,378,962.80	7,934,170.10
Remy Cointreau SA	136,999	11,333,927.27	11,530,278.61
Hopewell Holdings Limited	3,436,500	11,181,791.45	8,225,543.37
Linde AG	83,772	11,057,904.00	10,447,895.42
Colruyt SA	294,321	11,037,037.50	9,345,323.19
AXA SA	803,722	10,729,688.70	11,556,163.32
Xstrata Plc	822,764	10,676,474.40	6,768,066.88
Holcim Ltd	191,557	10,615,609.10	8,668,020.25
Taiwan Mobile Co. Ltd	3,753,951	10,491,641.51	3,576,548.21
Deutsche Telekom AG	1,214,581	10,439,323.70	12,198,043.66
CIMB Group Holdings	5,490,200	10,390,296.59	7,812,389.50
Cie Financiere Richemont SA	175,419	10,375,179.42	4,974,846.26
Rolls-Royce Holdings PLC	966,760	10,347,565.98	7,413,510.48
LG Corporation	222,542	10,280,049.53	8,766,720.62
Kingfisher PLC	2,924,513	10,180,788.42	10,348,674.43
Tesco PLC	2,460,096	10,128,565.81	10,516,108.20
Salvatore Ferragamo Italia SpA	608,071	10,118,301.44	10,553,817.39
Rayonier Inc.	257,000	10,103,388.53	8,309,524.37
Danone	199,534	9,957,744.27	8,298,051.82
Credit Suisse Group AG	536,020	9,883,867.79	14,094,229.63
Sandvik AB	815,093	9,830,124.16	9,246,648.54
Public Bank Bhd	2,408,400	9,737,141.12	5,419,862.24
Telefonaktiebolaget L. M. Ericsson	1,247,016	9,459,419.90	8,469,601.21
Woolworths Limited	400,000	9,238,587.95	7,818,541.68
Bank of the Philippine Islands Plc	5,211,814	9,145,761.01	4,120,697.64
Zurich Financial Services AG	45,301	9,133,750.33	8,211,369.46
Reckitt Benckiser Group PLC	190,211	9,040,907.60	7,095,468.84
Deutsche Post AG	544,506	9,038,799.60	9,712,238.11
FMC Corporation	203,340	9,025,678.49	6,732,241.28
The Warnaco Group, Inc.	166,150	9,019,533.69	7,816,215.95
BT Group PLC	3,183,406	9,014,644.36	9,507,542.73
		3,008,583,141.62	2,554,952,110.92
Others		1,430,925,999.15	1,315,887,653.73
<b>Total</b>		<b>4,439,509,140.77</b>	<b>3,870,839,764.65</b>

## 6.12 Equity funds <sup>22)</sup>

31 Dec. 2012	Book value i.e. market value EUR	Acquisition cost EUR
<b>Index funds</b>		
Vanguard Institutional Index Fund	1,163,524,708.89	1,029,267,908.68
Vanguard Emerging Markets Stock Index Fund	605,448,062.06	542,311,881.97
	<b>1,768,972,770.95</b>	<b>1,571,579,790.65</b>
<b>Equity funds</b>		
Edinburgh Partners Pan European Opportunities	348,887,759.27	291,076,710.84
Wellington Strategic European Equity	327,208,883.53	243,906,534.66
GS US Superconcentrated Growth Fund	312,199,643.60	229,606,585.05
Skagen Kon-Tiki Emerging Markets Fund	306,473,295.95	229,490,808.64
Russell Investment Company II PLC - The Emerging Markets Equity Fund	289,744,157.40	284,811,924.27
Hotchkis and Wiley US Large Cap Value Fund	284,927,933.88	225,012,291.17
Cramer Large Cap SIF US	280,480,522.70	226,552,535.19
UBS Global US Growth	277,386,673.89	228,076,481.54
Wellington US LC Quality Value Fund	268,530,872.47	234,788,653.36
UBS Global Emerging Markets Opportunity Fund	259,875,547.36	250,702,667.00
AllianceBernstein - Pacific Ex Japan Portfolio	230,634,401.57	200,000,000.00
ING L Invest Europe Opportunités	229,372,367.56	190,473,973.26
Robeco Emerging Stars Equities Fund, I EUR Share	207,369,728.00	87,993,944.99
Threadneedle Investment Funds ICVC - Pan European Smaller Companies Fund	202,428,450.04	116,867,029.84
Havenport - Asia Pacific Fund	200,110,000.00	200,000,000.00
William Blair US Small-Mid Cap Growth Fund	187,380,469.36	167,481,600.21
Blackrock European Focus Fund	185,963,114.13	146,048,492.20
Nomura Funds Ireland - Japan Strategic Value Fund	176,566,583.41	143,624,787.52
AllianceBernstein - Japan Strategic Value Portfolio	174,652,140.21	141,811,305.73
DWS Invest European Small/Mid Cap	173,617,868.49	120,803,701.80
Marathon Japan Equity Fund	171,146,076.45	142,802,948.73
Henderson Horizon Pan European Smaller Companies	161,441,118.47	130,499,999.90
Robeco Emerging Conservative Equities	152,584,117.20	146,250,000.00
Coronation Global Emerging Market Fund	151,475,855.69	146,101,889.51
Russian Prosperity Fund	149,526,668.40	105,926,674.47
Taiyo Offshore Fund Ltd.	149,198,719.77	151,746,980.40
Arisaig Asia Consumer Fund	117,446,900.86	101,947,541.75
Lansdowne Europa Fund Limited	114,353,910.00	100,000,000.00
Fidelity Active SStrategy - Japan Fund	109,600,356.13	91,980,168.99
Russell Institutional Funds - Frontier Markets Equity Fund	104,435,025.98	102,432,740.00
Relational Investors XV L.P Fund	97,160,031.07	100,000,000.00
Arisaig Africa Fund	77,927,368.95	51,678,594.24
Morant Wright Japan Fund Ltd	70,920,836.75	61,453,226.52
Arisaig Latin America	56,316,738.81	49,911,505.20
Blakeney Investors Emerging Markets Fund	41,677,760.07	40,378,655.78
Russell Investment Company PLC - RQIF China A Equity Fund	41,495,547.61	39,771,375.60
	<b>6,690,517,445.03</b>	<b>5,522,012,328.36</b>
Other equity funds	25,128.11	88,160.13
	<b>8,459,515,344.09</b>	<b>7,093,680,279.14</b>

## 6.13 Major private equity fund investments <sup>23)</sup>

<b>31.12.2012</b>	<b>Book value i.e market value EUR</b>	<b>Acquisition cost EUR</b>
Keva Investments II L.P.	118,539,351.60	107,414,596.74
Crown Opportunities KY	77,861,352.00	58,500,000.00
Keva Investments L.P.	75,403,212.90	84,386,780.46
Advent International GPE-VI	75,282,430.00	55,442,467.00
SAIF Partners III, L.P.	42,970,643.47	28,917,347.08
Affinity Asia Pasific Fund III, L.P.	36,940,668.49	25,809,327.74
Bridgepoint Europe IV A	35,939,087.00	31,501,256.11
Energy Capital II	29,974,996.97	24,829,611.96
Lindsay Goldberg III	28,978,163.56	30,155,369.21
Permira IV	28,618,973.03	25,270,935.78
Altor Fund III L.P.	28,267,833.43	23,884,951.65
Warburg Pincus Private Equity VIII	27,928,343.94	12,012,275.88
Triton Fund III	27,140,742.43	32,858,064.00
EQT IV Limited	31,886,756.15	40,817,369.21
Indigo Capital V L.P.	24,993,382.00	26,849,673.75
Hitec Vision V L.P.	24,941,066.62	14,932,419.20
WLR Recovery Fund IV	24,892,663.33	26,279,242.30
Emerging Europe II	23,721,372.00	12,828,675.13
Activa Capital Fund II FCPR	22,376,128.00	25,011,995.99
Water Street Healthcare II	21,277,282.86	1,081,054.96
Hermes Global Secondary LP	20,630,271.06	20,682,195.86
Bain Capital IX L.P.	20,283,963.92	18,641,911.79
Advent GPE V	19,798,551.00	9,010,144.63
Genstar Capital Partners V L.P.	19,640,095.31	17,704,354.33
Polish Enterprise Fund VI	18,787,682.06	25,590,493.41
Montagu IV, L.P.	18,594,243.00	19,485,312.89
TA XI L.P.	18,325,879.19	17,441,506.05
Baring Vostok PE Fund IV, L.P.	17,597,805.45	13,043,397.88
Bowmark IV	17,478,856.76	16,206,349.56
Nordic Mezzanine Fund III	16,833,356.00	16,908,148.88
TPG Partners IV L.P.	16,607,566.32	20,992,466.44
EQT VI L.P.	16,155,704.00	16,904,029.75
Intera Fund I Ky	15,618,839.00	13,855,618.87
Sponsor Fund III KY	15,600,000.00	15,104,746.42
Warburg Pincus Private Equity XI L.P.	15,578,017.28	17,288,112.40
Permira Europe III	15,445,679.45	23,440,575.00
HitecVision Asset Solutions	15,296,326.25	14,254,503.01
Advent International GPE VII L.P.	14,616,128.00	15,450,000.00
Mid Europa Fund III. L.P.	14,462,073.24	14,804,399.07
Polish Enterprise Fund V L.P.	14,182,234.06	15,761,233.10
TorQuest Partners II (U.S), L.P.	14,138,791.07	13,415,566.77
Wynnchurch Capital III L.P.	13,547,155.53	14,371,737.70
Bertram II L.P.	12,344,347.49	16,572,452.42
Innova 5 L.P.	12,310,044.72	11,746,472.76
Warburg Pincus International Partners	12,227,603.46	7,899,282.75
Graphite Capital Partners VII	12,060,893.41	10,887,638.74
TA Atlantic and Pacific VI L.P.	11,887,294.98	11,178,771.43
Wynnchurch Capital II L.P.	11,190,151.58	13,571,715.53
KSEAF I	9,417,950.42	11,303,931.05

HarbourVest Partners VI-Partnership Fund L.P	9,297,516.30	23,453,327.38
Crescent Mezzanine VI L.P.	9,127,328.33	9,394,541.93
Graphite Capital Partners VI	8,467,055.19	14,613,959.23
Bowmark III	7,268,933.95	11,551,093.37
Monomoy II	6,788,048.36	4,786,149.90
Crown Global Secondaries III Plc	6,217,113.84	5,727,268.46
Bain Capital Fund VIII	6,009,104.14	7,558,175.06
Intera Fund II Ky	5,941,087.00	6,456,000.00
Genstar Capital Partners IV, L.P.	5,481,125.05	6,983,407.04
Astorg V	5,465,391.93	6,800,000.00
TA X L.P	5,120,713.20	6,004,061.46
Baring Vostok Fund IV Supplemental Fund L.P	5,015,632.44	3,532,310.53
	<b>1,338,791,003.52</b>	<b>1,249,160,777.00</b>
Others	293,919,152.16	427,975,157.47
<b>Total</b>	<b>1,632,710,155.68</b>	<b>1,677,135,934.47</b>

## 6.14 Hedge funds <sup>24)</sup>

<b>31 Dec 2012</b>	<b>Book value i.e. market value EUR</b>	<b>Acquisition cost EUR</b>
OZ Overseas Fund II	139,422,467.17	104,643,558.66
Mesirow Multi M F II	113,430,467.95	93,277,142.36
AllBlue Class A	88,098,397.24	74,999,999.98
King Street	76,700,077.30	60,929,543.75
Atlas Institutional Fund II, LLC	56,654,572.88	49,271,485.89
Davidson Kempner International, Ltd - Class C	55,270,781.43	49,101,072.67
Nektar Fund	54,983,577.01	50,000,000.00
MKP Credit Offshore	54,358,033.00	47,277,622.51
Taconic Opportunity Offshore Fund, Ltd - Class A	50,280,871.22	46,577,427.78
GoldenTree CLO Debt Investment Fund	40,125,126.72	35,700,137.15
Davidson Kempner Long Term Distressed Opportunities Fund	34,631,092.80	30,513,253.04
<b>Total</b>	<b>763,955,464.72</b>	<b>642,291,243.79</b>

## 6.15 Other shares and holdings in subsidiary and associated companies <sup>25)</sup>

<b>31 Dec. 2012</b>			
<b>Company name</b>	<b>Holding %</b>	<b>Book value i.e. market value EUR</b>	<b>Acquisition cost EUR</b>
<b>Subsidiaries</b>			
Kuntakehitys KE Oy	100.00%	2,522.82	2,522.82
Kuntakiinteistöt KE Oy	100.00%	2,522.82	2,522.82
Kuntasijoitus KE Oy <sup>1)</sup>	100.00%	8,409.40	8,409.40
		<b>13,455.04</b>	<b>13,455.04</b>
<b>Shares in associated companies</b>			
Kuntarahoitus Oyj <sup>2)</sup>	30.66%	82,175,383.57	24,595,829.37
Exilion Capital Oy <sup>3)</sup>	25.00%	32,608.20	32,608.20
		<b>82,207,991.77</b>	<b>24,628,437.57</b>
<b>Total</b>		<b>82,221,446.81</b>	<b>24,641,892.61</b>

1) Operates as the liable partner in Keva Investments Ky and investments made through the latter are shown in private equity funds.

2) The equity according to the consolidated financial statements for 2012 is EUR 345,264,549.77. \*)  
The profit for the financial period is EUR 104,610,547.97. \*)  
\*) Proposal to Annual General Meeting of Kuntarahoitus Oyj to be held on 26 March 2013.

3) The equity according to the financial statements for 2012 is EUR 140,301.35.  
The profit for the financial period is EUR 10,655.74.

## 6.16 Major bond holdings by issuer <sup>26)</sup>

<b>31 Dec. 2012</b>	<b>Book value i.e.</b>	
<b>Issuer</b>	<b>market value</b>	<b>Acquisition cost</b>
	<b>EUR</b>	<b>EUR</b>
German Government	1,758,666,222.01	1,719,961,205.07
Finnish Government	1,452,120,766.44	1,391,607,505.69
German postal pensions	204,469,116.67	177,253,507.69
Credit Suisse	137,834,231.12	125,311,072.75
Nordea Bank AB	121,414,813.29	112,480,200.00
Swedish Government	119,776,700.08	114,429,926.89
Polish Government	115,242,110.66	110,058,200.00
Danish Government	110,722,208.18	104,491,532.35
Danske Bank A/S	99,706,309.73	91,727,180.00
DNB Boligkreditt AS	96,643,836.99	91,321,000.00
ING Bank N.V.	91,446,639.03	84,597,150.00
UBS AG	81,283,759.72	77,305,194.29
Nykredit Bank A/S	77,489,764.66	73,589,400.00
Northern Rock	77,345,436.99	67,408,150.00
Sparebanken 1 Boligkreditt	75,790,625.34	69,597,500.00
ABN Amro Bank NV	74,843,634.35	65,528,603.64
Achmea Hypotheekbank	72,753,413.66	70,000,000.00
Nationwide Building Society	72,633,547.77	62,756,100.00
Dexia Municipal Agency	71,036,143.84	69,913,900.00
Stadshypotek AB	67,196,412.33	64,725,050.00
OP Mortgage Bank	66,970,299.32	64,061,100.00
People's Republic of China	64,089,945.21	60,344,191.07
The Royal Bank of Scotland	61,964,889.48	56,636,250.00
International Bank for Rec. and Dev.	59,301,232.88	56,480,000.00
Societe Generale SA	58,006,512.11	56,318,950.00
Erste Abwicklungsanstalt	54,178,623.29	49,868,000.00
FMS Wertmanagement	53,894,068.49	49,685,500.00
Dutch Government	52,684,661.20	51,797,999.99
JP Morgan Chase & Co. Bank	50,939,614.93	48,496,881.43
Banca Popolare Di Milano	50,206,308.22	47,536,500.00
NCG Banco SA	48,834,438.36	49,601,500.00
Intesa Sanpaolo S.p.A.	43,347,978.08	39,950,000.00
Aktia Real Estate Mortgage Bank	42,914,898.63	39,836,000.00
Sampo Housing Loan Bank	42,363,106.85	39,955,600.00
HSBC Holdings Plc	41,112,465.34	38,008,271.11
Stockholms läns landsting	40,846,115.07	39,793,600.00
Credit Mutuel Arkea	39,938,883.56	34,848,100.00
Morgan Stanley	38,626,373.19	34,790,697.50
Coventry Building Society	37,493,102.47	35,904,240.00
AIB Mortgage Bank	36,672,448.63	35,420,000.00
SLM Student Loan	34,698,994.89	38,000,000.00
Citigroup Inc.	33,763,321.64	27,796,540.00
Statkraft AS	33,607,478.22	27,928,960.00
	6,064,871,452.92	5,767,121,259.47
Others	2,613,196,073.98	1,998,823,593.03
<b>Total</b>	<b>8,678,067,526.90</b>	<b>7,765,944,852.50</b>

## 6.17 Fixed-income funds <sup>27)</sup>

<b>31 Dec. 2012</b>	<b>Book value i.e. market value EUR</b>	<b>Acquisition cost EUR</b>
Stone Harbor Emerging Markets Local Currency Debt Fund	884,815,799.19	583,888,457.70
Wellington EMD Portfolio	743,303,136.90	612,903,871.25
SEB Institutional PI US High Yield Bonds	737,076,044.66	484,074,394.65
Nordea Dedicated Investment Fund, US High Yield Bond Fund	624,909,218.26	450,511,346.84
Investec Emerging Markets Local Currency Debt Fund	385,078,444.75	327,153,762.27
Natixis Loomis Sayles Institutional High Income Fund	383,810,839.95	284,399,757.22
BlueBay High Yield Institutional Credit Select Fund	245,424,068.54	226,786,157.63
Pimco Bravo	234,260,877.68	168,972,234.04
Pimco Distressed Senior Credit Opportunities Fund II	220,822,511.44	143,999,337.42
Twelve Capital Insurance Bond Fund	205,629,726.85	175,000,000.00
BlueBay Structured Funds - High Income Loan	177,717,163.18	102,271,438.45
Fidelity Funds -Institutional European High Yield Fund	127,152,150.16	100,165,291.78
<b>Total</b>	<b>4,969,999,981.56</b>	<b>3,660,126,049.25</b>

## 6.18 Foreign currency funds <sup>28)</sup>

<b>31 Dec. 2012</b>	<b>Book value i.e. market value EUR</b>	<b>Acquisition cost EUR</b>
BlackRock Specialist Strategies Funds	95,798,278.00	99,530,307.97
IPM Global Currency Fund	65,502,430.65	50,298,999.74
	161,300,708.65	149,829,307.71

## 7 Other notes to the financial statements

### 7.1 Derivative contracts

	31 Dec. 2012	31 Dec. 2011
	EUR	EUR

The values of the underlying instruments are entered at the market value of the equities at the balance sheet date for equity derivatives, at the nominal value for interest-rate derivatives and at a currency's euro-denominated countervalue at the balance sheet date for currency derivatives.

The market values are the sums that would have been received or payable if the contracts had been fixed with counter-agreements at the balance sheet date.

The market values of the derivatives have been recorded in the balance sheet and the changes in the market values in the profit and loss account.

#### Equity derivatives

Forward and future contracts		
Value of underlying instruments	-446,231,940.20	448,973,719.51
Positive market value	4,830,810.20	21,502,183.83
Negative market value	-707,912.84	-1,633,700.00
Total net	4,122,897.36	19,868,483.83
Option contracts		
Value of underlying instruments	12,249,599.55	21,936,704.55
Positive market value	10,638,998.41	1,796,407.19
Negative market value	-6,491,152.29	-2,131,476.31
Total net	4,147,846.12	-335,069.12

#### Interest rate derivatives

Forward and future contracts		
Value of underlying instruments	228,200,000.00	-238,200,000.00
Positive market value	2,852,500.00	0.00
Negative market value	0.00	-9,623,280.00
Total net	2,852,500.00	-9,623,280.00
Option contracts		
Value of underlying instruments	0.00	-500,000,000.00
Positive market value	0.00	0.00
Negative market value	0.00	-720,000.00
Total net	0.00	-720,000.00
Interest rate swaps		
Value of underlying instruments	0.00	0.00
Positive market value	70,949,264.63	8,688,888.03
Negative market value	-9,845,922.00	-1,456,299.44
Total net	61,103,342.63	7,232,588.59
Credit risk swaps		
Value of underlying instruments	-32,794,106.41	429,204,293.99
Positive market value	1,205,906.00	6,338,578.00
Negative market value	-4,539,980.00	-13,212,615.47
Total net	-3,334,074.00	-6,874,037.47



**Currency derivatives**

## Forward and future contracts

Value of underlying instruments	4,568,795,691.69	4,630,119,724.29
Positive market value	66,941,501.87	2,396,231.36
Negative market value	-3,235,392.00	-135,446,527.65
Total net	63,706,109.87	-133,050,296.28

## Option contracts

## Purchased

Value of underlying instruments	1,008,470,649.17	-36,834,144.89
Positive market value	47,092,082.69	8,441,879.75
Negative market value	0.00	0.00
Total net	47,092,082.69	8,441,879.75

## Written

Value of underlying instruments	-264,385,015.22	323,211,624.65
Positive market value	0.00	0.00
Negative market value	-16,579,713.25	-8,400,337.97
Total net	-16,579,713.25	-8,400,337.97

## Other currency derivatives

Value of underlying instruments	0.00	99,209,865.93
Positive market value	0.00	0.00
Negative market value	0.00	-790,134.07
Total net	0.00	-790,134.07

**Commodity derivatives**

Value of underlying instruments	32,861,644.03	235,256,792.78
Positive market value	20,937,000.00	7,263,903.07
Negative market value	-629,834.67	0.00
Total net	20,307,165.33	7,263,903.07

## 7.2 Liabilities

	31 Dec. 2012 EUR	31 Dec. 2011 EUR
<b>Securities lending</b>		
<p>Loaned securities are included in the balance sheet. The counterparty to the lending operations is the custodian bank, State Street Bank &amp; Trust Company, with which borrowers place collateral. The collateral for the loans comprises cash or securities pledged to the counterparty. The collateral covers the changes in the value of securities being loaned and they may be used in situations where the transfer of loans is delayed. Securities loans can be interrupted at any time. The average maturity of the loans was 32 days in 2012.</p>		
<b>Equities</b>		
Market value	681,133,930.27	607,776,670.84
<b>Bonds</b>		
Market value	3,969,987,811.85	3,060,516,362.43
<b>Investment commitments</b>		
Binding contracts that have not yet been withdrawn but on which a commitment has been made through valid contracts.		
Private equity funds	1,278,657,197.00	1,087,549,316.00
Silent partner's private equity investment	49,245,679.00	83,615,742.00
Loans not taken up and offers given	75,472,971.96	75,691,771.96
Real estate investment funds	201,840,000.00	140,830,074.00
Real estate investments in subsidiary and associated companies	144,501,469.00	159,830,676.00
<b>Rental liabilities</b>		
Under 1 year	1,145,824.24	1,163,260.60
1–5 years	2,066,010.54	3,091,811.42
<b>Other liabilities</b>	62,400.00	62,800.00
<b>Collateral given on own behalf</b>		
Collateral for derivatives transactions		
Financial contribution	101,135,816.10	143,962,000.00
Cash collateral	43,969,858.67	9,327,118.63

### 7.3 Present value of the benefits accrued under the local government pension system

	31 Dec. 2012 EUR	31 Dec. 2011 EUR
<p>The estimate of the present value of the benefits accrued under the local government pension system has been calculated using a 3 per cent discount rate. A low discount rate has been chosen according to the principle of prudence and the effect of future index increments on benefits has been taken into account when choosing the rate. The mortality used in the estimate is based on a population projection by Statistics Finland in 2009, which has been updated with data for 2010 and continued from 2060 onwards with the assumption that the mortality decrease rate will be reduced by half. For those on disability pension, the mortality rate used is based on estimates by the Finnish Centre for Pensions.</p> <p>The calculation is based on information obtained from the registers of Keva and the Finnish Centre for Pensions. The calculation for the reporting year is based on information from the previous year as well as the payroll estimate for the reporting year.</p> <p>When drawing up the calculation, it has been necessary to make several assumptions, such as the number of commencing pensions and amounts of pensions as well as their duration. Changes in the information base and the calculation premises, especially interest and mortality factors, can alter the assessment of the present value of the accrued benefits significantly. Although care has been taken in choosing the premises and drawing up the calculation, the final calculation result should always be considered as being mostly indicative.</p>		
<b>Present value of benefits</b>	<b>98,000,000,000.00</b>	<b>95,000,000,000.00</b>

The figure for 2011 has been adjusted downward by one billion euros over the figure published in the 2011 financial statements.

## 7.4 Key indicators for Keva

	2012	2011	2010	2009	2008
Number of local government pension recipients on 31 Dec.	354,000	349,000	339,900	331,010	321,876
Local government pensions paid (EUR million)	3,826	3,541	3,321	3,141	2,853
Number of state pension recipients on 31 Dec.	272,000	275,000			
State pensions paid (EUR million)	3,834	3,656			
Number of Ev. Luth. Church pension recipients on 31 Dec.	17,300				
Ev. Luth. Church pensions paid (EUR million)	170				
Number of Social Ins. Institution pension recipients on 31 Dec.	5,800				
Social Ins. Institution pensions paid (EUR million)	82				
Local government payroll (EUR million)	16,121	15,376	14,733	14,110	13,469
Local government contribution income (EUR million)	4,696	4,406	4,187	3,982	3,788
Number of insured local government employees on 31 Dec.	520,000	515,000	507,000	497,000	497,000
Operating costs (EUR million)	89.8	82.4	73	63	57.2
Personnel (permanent) on 31 Dec.	519	524	394	396	391
Investments at market value (EUR million)	33,528	29,044	28,643	24,703	19,806
Return on investments at market value	12.9%	-1.7%	12.3%	18.9%	-20.6%
Annual real return on investments since inception (from 1988)	3.7%	3.2%	3.9%	3.3%	2.0%

## 7.5 Return on investments (market value)

	2012	2011	2010	2009	2008	2007
Loan receivables	2.3%	2.3%	2.4%	2.9%	5.0%	4.6%
Bonds	13.4%	3.7%	7.0%	15.1%	2.4%	2.3%
Short-term investments	0.5%	1.5%	0.8%	1.0%	3.9%	3.9%
Equities and equity funds	17.3%	-9.7%	20.0%	35.5%	-41.9%	6.3%
Private equity and hedge funds and commodity investments	9.6%	7.7%	15.7%	4.7%	-15.0%	30.1%
Real estate	4.7%	5.9%	7.2%	-2.9%	0.7%	10.1%
<b>Return on investments excluding operating expenses from investment activities</b>	<b>13.0%</b>	<b>-1.6 %</b>	<b>12.4%</b>	<b>19.0%</b>	<b>-20.5%</b>	<b>6.1%</b>
Operating expenses from investment activities	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
<b>Return on investments</b>	<b>12.9%</b>	<b>-1.7 %</b>	<b>12.3%</b>	<b>18.9%</b>	<b>-20.6%</b>	<b>6.0%</b>

## 7.6 Investment allocation (market value)

	2012		2011		2010		2009		2008	
	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%
Loan receivables	709.4	2.1%	832.7	2.9%	863.5	3.0%	929.8	3.8%	849.2	4.3%
Bonds	13,809.4	41.2%	11,516.0	39.7%	10,853.4	37.9%	10,246.5	41.5%	8,096.2	40.9%
Short-term investments	652.6	1.9%	971.5	3.3%	479.3	1.7%	594.0	2.4%	690.0	3.5%
Equities and equity funds	12,981.2	38.7%	11,229.1	38.7%	12,572.1	43.9%	9,791.3	39.6%	7,182.7	36.3%
Private equity and hedge funds and commodity investments	2,624.1	7.8%	2,044.9	7.0%	1,646.2	5.7%	1,100.3	4.4%	886.2	4.5%
Real estate	2,751.6	8.2%	2,449.9	8.4%	2,228.2	7.8%	2,041.2	8.3%	2,101.9	10.6%
<b>Total investments</b>	<b>33,528.3</b>	<b>100.0%</b>	<b>29,044.1</b>	<b>100.0%</b>	<b>28,642.7</b>	<b>100.0%</b>	<b>24,703.2</b>	<b>100.0%</b>	<b>19,806.2</b>	<b>100.0%</b>
Accumulated interest	134.8		145.2		141.6		195.1		160.6	
Other items	696.1		379.1		-5.8		-130.8		1.1	
<b>Investments used in calculation of return</b>	<b>34,359.2</b>		<b>29,568.4</b>		<b>28,778.47</b>		<b>24,767.6</b>		<b>19,967.9</b>	

## 7.7 Return on investment assets and risk figures <sup>\*)</sup>

	Market value		Distribution by risk		Return	Vola- tility	Risk Mod. duration
	EUR million	%	EUR million	%			
<b>Fixed-income investments</b>	<b>16,070.8</b>	<b>46.8%</b>	<b>16,500.5</b>	<b>48.0%</b>	<b>11.5%</b>		
Loan receivables	712.5	2.1%	712.5	2.1%	2.3%		
Public sector bonds	6,004.2	17.5%	6,328.1	18.4%	9.7%	3.6%	5.7
Other bonds	7,919.3	23.0%	7,890.0	23.0%	16.3%		
Other money market instruments and deposits	1,434.8	4.2%	1,569.9	4.6%	0.5%		
<b>Equity investments</b>	<b>14,603.3</b>	<b>42.5%</b>	<b>14,161.0</b>	<b>41.2%</b>	<b>16.5%</b>		
Listed equities	12,875.3	37.5%	12,433.1	36.2%	17.2%	12.9%	
Private equity investments	1,645.3	4.8%	1,645.3	4.8%	10.0%		
Unlisted equities	82.7	0.2%	82.7	0.2%	41.7%		
<b>Real estate investments</b>	<b>2,707.7</b>	<b>7.9%</b>	<b>2,707.7</b>	<b>7.9%</b>	<b>4.7%</b>		
Direct real estate investments	2,018.5	5.9%	2,018.5	5.9%	4.9%		
Real estate investment funds	689.3	2.0%	689.3	2.0%	4.0%		
<b>Other investments</b>	<b>977.4</b>	<b>2.8%</b>	<b>990.0</b>	<b>2.9%</b>	<b>9.0%</b>		
Hedge funds	773.8	2.3%	773.8	2.3%	10.4%	2.9%	
Investments in commodities	203.6	0.6%	216.1	0.6%	5.2%		
Other investments	-	-	-	-	-		
<b>Total investments <sup>**)</sup></b>	<b>34,359.2</b>	<b>100%</b>	<b>34,359.2</b>	<b>100%</b>	<b>12.9%</b>	<b>6.2%</b>	

## 8 Date and signature of financial statements and the Board of Directors' report

Helsinki, 12 March 2013

Laura Rätty	Kari Nenonen
Päivi Niemi-Laine	Jani Moliis
Harri Virta	Risto Kangas
Raimo Vistbacka	Juha Kuisma
Juha Rehula	
Merja Ailus	

## 9 Auditor's report

### **To Keva's Council**

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of Keva for the financial period 1 January to 31 December 2012. The financial statements comprise the balance sheet, income statement, cash flow statement and notes to the financial statements.

### **The responsibility of the Board of Directors and the Managing Director**

The Board of Directors and the Managing Director are responsible for the preparation of the financial statements and the report of the Board of Directors, and ensure that the financial statements and the report of the Board of Directors give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its asset management has been arranged in a reliable manner.

### **Auditor's responsibility**

It is our responsibility to express an opinion on the financial statements and the report of the Board of Directors on the basis of the audit that we have performed. The Finnish Auditing Act requires that we comply with the principles of professional ethics. We performed this audit in accordance with good auditing practice in Finland. Good auditing practices require us to plan and perform the audit in order to obtain reasonable certainty as to whether the financial statements or the report of the Board of Directors contain material misstatements and whether the members of the Board of Directors or CEO are guilty of an act or negligence that may result in liability for damages towards Keva or violated the Act on the

Local Government Pensions Institution or other provisions or regulations based on it.

The audit involves performing procedures to obtain audit evidence concerning the figures included in the financial statements and the report of the Board of Directors and other facts presented therein. The procedures selected depend on the auditor's judgement, including an assessment of the risks of a material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control that is relevant to Keva's preparation of financial statements and report of the Board of Directors that provide accurate and sufficient information. The auditor assesses the internal control to be able to plan auditing procedures that are appropriate with regard to the circumstances but not for the purpose of expressing an opinion on the efficiency of Keva's internal control. The audit also includes evaluating the appropriateness of the accounting principles applied, the reasonableness of the accounting assessments made by the management and the general presentation of the financial statements and the report of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. As required by Keva's Standing Orders, we have submitted the two annual audit reports on the supervisory audit carried out by us.

### **Opinion**

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of the financial performance and financial position of Keva in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the Report of the Board of Directors is consistent with the information in the Financial Statements.

Helsinki, 12 March 2013

Ernst & Young Oy  
Authorised Public Accounting Company

Ari Lehto  
Authorised Public Accountant, Chartered Public Finance Auditor

The background is a solid teal color with several large, overlapping, curved shapes in a lighter shade of teal, creating a sense of depth and movement. These shapes are positioned in the upper and middle sections of the page.

Keva

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