



**FINANCIAL STATEMENTS
2019**

Contents

Profit and loss account 1 Jan – 31 Dec 2019	3	Changes in tangible and intangible assets ¹²⁾	18
Balance sheet at 31 Dec 2019	4	Loan portfolio by borrower ¹³⁾	19
Source and application of funds 2019	6	Other receivables and prepayments ¹⁴⁾	19
Accounting policies	7	Other accrued income ¹⁵⁾	20
Consolidated financial statements	7	Pension liability fund ¹⁶⁾	20
Financial result and transfer to the pension liability fund	7	Other liabilities ¹⁷⁾	20
Contribution income and pensions	7	Accrued liabilities and deferred income ¹⁸⁾	21
Valuation of investments	7	Receivables and liabilities, subsidiaries and associated companies ¹⁹⁾	21
Net income from investments in the profit and loss account	8	Real estate, real estate shares and other real estate investments ²⁰⁾	22
Securities lending	8	Holdings in investment properties	23
Financial collateral	8	Major shareholdings ²¹⁾	26
Return on investments	8	Hybrid funds ²²⁾	27
Valuation of assets other than investments	8	Major private equity investments ²³⁾	28
Net present value of benefits accrued in the pension system of Keva member organisations	9	Hedge funds investments ²⁴⁾	31
Depreciation according to the plan	9	Other shares in subsidiaries and associated companies ²⁵⁾	32
Items denominated in foreign currency	9	Major bond holdings by issuer ²⁶⁾	33
Leases	9	Fixed-income funds ²⁷⁾	35
Operating costs and depreciation	9	Forex funds ²⁸⁾	35
Reimbursements for pension services provided	9	Other notes to the financial statements	36
Pension coverage of Keva personnel	9	Derivative contracts	36
Notes to the profit and loss account	10	Liabilities	36
Contributions from Keva member organisations ¹⁾	10	Net present value of accrued benefits in Keva member organisations' pension system	39
Keva member organisations' pensions ²⁾	10	Key indicators	40
Adjustments to pension expenditure ³⁾	11	Investment allocation (fair value)	40
State pensions ⁴⁾	11	Net investment income on capital employed (fair value)	41
Evangelical Lutheran Church pensions ⁵⁾	12	Return on investment assets and risk figures	42
Pensions of Social Insurance Institution Kela employees ⁶⁾	13	Date and signatures to the financial statements and the report of the Board of Directors	43
Net investment income ⁷⁾	14	Auditor's notation	43
Personnel expenses ⁸⁾	14	Auditor's report	44
Operating costs and depreciation by function ⁹⁾	15		
Reimbursements received ¹⁰⁾	16		
Notes to the balance sheet	17		
Investments ¹¹⁾	17		

The English translation of Keva's financial statements complies with the Finnish convention with regard to writing figures. This means that in percentages commas rather than decimal points are used and that the separator between whole euros and eurocents is a decimal point.

Profit and loss account 1 Jan – 31 Dec 2019

	2019 EUR		2018 EUR	
Contribution income				
Contributions from Keva member organisations ¹⁾		5 127 288 851,75		4 919 837 273,83
Employment Fund contribution		128 260 297,42		127 937 259,91
Financial support		4 728 340,54		4 752 101,92
		5 260 277 489,71		5 052 526 635,66
Pension expenditure				
Keva member organisations' pensions ²⁾		-5 470 434 072,40		-5 209 682 720,28
Adjustments to pension expenditure ³⁾		15 686 684,60		9 531 039,54
Financial support		-4 618 056,58		-4 717 090,30
Rehabilitation		-28 548 040,93		-25 159 187,62
		-5 487 913 485,31		-5 230 027 958,66
NET INCOME FROM FINANCIAL OPERATIONS		-227 635 995,60		-177 501 323,00
Net investment income ⁷⁾		6 355 767 271,06		-1 521 650 860,54
NET INCOME FROM FINANCIAL AND INVESTMENT OPERATIONS		6 128 131 275,46		-1 699 152 183,54
Statutory net payments				
Statutory payments		-8 992 341,14		-7 659 047,95
Reimbursements received ¹⁰⁾		2 307 716,81		1 983 384,57
		-6 684 624,33		-5 675 663,38
Net operating costs				
Operating costs				
Personnel costs ^{8),9)}		-41 609 135,55		-38 791 651,39
Other operating costs ⁹⁾		-40 609 477,41		-36 119 022,71
		-82 218 612,96		-74 910 674,10
Depreciation ⁹⁾		-7 140 779,64		-6 290 940,17
Reimbursements received ^{9), 10)}		18 524 533,38		18 068 548,97
		-70 834 859,22		-63 133 065,30
Other income and expenses		-20 223,40		-42 053,50
FUNDED RESULT		6 050 591 568,51		-1 768 002 965,72
Decrease (+)/increase (-) in pension liability fund		-6 050 591 568,51		1 768 002 965,72
RESULT		0,00		0,00

Numbers 1),2),3), etc. refer to the corresponding notes to the financial statements.

Balance sheet at 31 Dec 2019

ASSETS	2019 EUR	2018 EUR
Intangible assets		
Intangible rights ¹²⁾	31 538 037,18	28 453 361,65
Investments		
Real estate investments		
Real estate and shares in real estate ¹¹⁾	3 430 567 241,81	3 165 275 621,06
Loans receivable from subsidiaries and associated companies ^{13), 19)}	193 462 490,93	194 541 964,87
	3 624 029 732,74	3 359 817 585,93
Other investments		
Equities and shares ¹¹⁾	38 569 238 009,00	32 505 243 056,51
Money market instruments ¹¹⁾	10 954 812 353,60	11 478 192 605,82
Loans receivable ¹³⁾	123 578 041,53	154 907 058,95
	49 647 628 404,13	44 138 342 721,28
Total investments ¹¹⁾	53 271 658 136,87	47 498 160 307,21
Receivables		
Contribution income receivable	434 860 496,12	406 541 937,54
Receivables from subsidiaries and associated companies	8 810 929,15	12 288 313,26
Other receivables ¹⁴⁾	128 590 266,71	51 756 283,27
	572 261 691,98	470 586 534,07
Other assets		
Machinery and equipment ¹²⁾	4 670 963,04	3 055 339,99
Other ¹²⁾	95 026,55	87 526,55
Cash in hand and at bank	3 189 273 905,80	3 313 641 753,54
	3 194 039 895,39	3 316 784 620,08
Accrued income and prepayments		
Prepayments ¹⁴⁾	32 264 299,59	30 376 681,47
Accumulated interest	77 614 360,11	107 087 152,11
Other accrued income ¹⁵⁾	103 242 817,21	99 414 355,42
	213 121 476,91	236 878 189,00
TOTAL ASSETS	57 282 619 238,33	51 550 863 012,01

2 Balance sheet at 31 Dec 2019

LIABILITIES	2019 EUR	2018 EUR
Pension liability fund ¹⁶⁾	56 543 954 179,30	50 493 362 610,79
Liabilities		
Liabilities to subsidiaries and associated companies ¹⁹⁾	895 956,34	704 207,87
Other liabilities ¹⁷⁾	502 578 387,49	727 381 573,95
	503 474 343,83	728 085 781,82
Accrued liabilities and deferred income		
Accrued liabilities ¹⁸⁾	208 981 078,08	308 182 696,21
Deferred income	26 209 637,12	21 231 923,19
	235 190 715,20	329 414 619,40
TOTAL LIABILITIES	57 282 619 238,33	51 550 863 012,01

Source and application of funds 2019

	2019 EUR	2018 EUR
Decrease/increase in pension liability fund	6 050 591 568,51	-1 768 002 965,72
Adjustments:		
Changes in valuation	-4 398 115 517,40	1 570 875 883,28
Depreciation	7 140 779,64	6 290 940,17
Gains and losses on disposal	-2 220 464 827,51	-564 439 487,24
Cash flow before change in working capital	-560 847 996,76	-755 275 629,51
Decrease (+)/increase (-) in receivables	-77 918 445,82	-37 464 065,48
Increase (+)/decrease (-) in liabilities	-227 032 538,13	33 563 327,35
Cash flow from business operations	-865 798 980,71	-759 176 367,64
Assets bought (excl. cash assets)	-753 279 711,19	828 289 534,95
Investments in intangible and tangible assets and investments in other assets and proceeds from disposal	11 848 578,22	11 767 396,34
Cash flow from investments	-741 431 132,97	840 056 931,29
Change in cash assets	-124 367 847,74	-1 599 233 298,93
Cash in hand and at bank at 1 Jan	3 313 641 753,54	4 912 875 052,47
Cash in hand and at bank at 31 Dec	3 189 273 905,80	3 313 641 753,54
Change	-124 367 847,74	-1 599 233 298,93

Accounting policies

Keva's accounting and financial statements are based on the Act of Keva, according to which the financial statements must be prepared in compliance with the Accounting Act as applicable. Keva's operations are overseen by the Ministry of Finance and, with regard to financial planning and investment operations, by the Financial Supervisory Authority. As regards implementation of the State's pension provision, Keva's operations are also overseen by the National Audit Office of Finland and the Finnish Parliament's Audit Committee.

Consolidated financial statements

Under the Accounting Act, consolidated financial statements need not be prepared if consolidation is unnecessary in terms of giving a true and fair view of the financial performance of group operations and the group's financial position. Hence, no consolidated statements are prepared for the Keva group.

Most of the subsidiaries and associated companies are mutual real estate and housing companies, largely financed by the owners (mainly by Keva). The rental income from these companies is paid to shareholders and the expenses are covered by maintenance charges collected from the shareholders. As the income and costs are included in Keva's financial statements, non-consolidation has minimum significance on the result, balance sheet and pension liability fund. The associated company Municipality Finance Plc engages in credit institu-

tion activity differing from that of Keva. The investment has no material effect on Keva's result and balance sheet. The other subsidiaries and associated companies are of minimal significance.

Financial result and transfer to the pension liability fund

The difference between annual income and expenses, "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 accounting period is zero.

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

Contribution income and pensions

Contributions from Keva member organisations are made up of an earnings-based pension contribution and a pension expenditure-based pension contribution. The earnings-based pension contribution comprises the earnings-based pension contribution collected from all employers and an employer-specific disability pension contribution. The earnings-based contribution is calculated and recognised in the financial statements on the basis of the earnings transferred to the system earnings system via the Incomes Register. The pension expenditure-based contribution is booked and

collected in the amount specified in the Council's decision. The total earnings-based pension payment includes the employee pension contribution which is withheld by the employer.

Keva member organisations' pension expenditure is recognised in the accounts primarily on a contribution basis.

The transfer of assets required to pay State pensions has been decided in section 1 of Government Decree 284/2017. The transfer of assets required to pay Evangelical Lutheran Church and Kela, i.e. Social Insurance Institution of Finland Kela personnel pensions has been decided in section 1 of Government Decree 183/2017. These payments have no impact on the result disclosed in Keva's financial statements. Gross pension payments are itemised in the notes to the financial statements.

The pension contributions of the State and Evangelical Lutheran Church are collected in the bank accounts of the State Pension Fund and have no impact on Keva's financial statements.

Valuation of investments

Pursuant to chapter 5, section 2a of the Accounting Act, investment assets are recognised in the financial statements at fair value. Financial instruments comprise the balance sheet item Investments, excluding investment properties, real estate in Keva's own use and shares and holdings in housing and real estate companies.

Also real estate investments are valued at fair 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 in housing and real estate companies in Keva's own use, which are valued at acquisition cost or fair value, whichever is the lower.

The fair value of real estate investments is valued mainly using the income capitalisation method for each property. External evaluators value individual properties at regular intervals and update the valuations annually. As a rule, the net asset values (NAV) at the balance sheet date reported by management companies are used as the fair value of shares in private equity funds. If the said value at the balance sheet date is not available, the last available value adjusted by changes in capital in the relevant fund 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 available closing price on the year is used as the fair 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 reported by management companies are used as the fair value of shares in private equity funds. If the said value at the balance sheet date is not available, the last available value adjusted by changes in capital in the relevant fund 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

likely selling price is used as the fair value for money market instruments. Fair value does not include accumulated interest that is included in prepayments and accrued income (clean price).

Hedge accounting is not applied to derivative contracts which, like other financial instruments, are recognised in the balance sheet at fair value, and value changes are booked through profit and loss. The publicly quoted market price at the balance sheet date or the reliable market price of a similar contract, the likely 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 stated as part of the fair value of derivative contracts under investment assets. The fair 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.

Loans receivable are entered at the nominal value or likely value, whichever is the lower.

Net income from investments in the profit and loss account

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

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.

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 fair value in the financial statements. More detailed information about collateral given is shown in the notes to the financial statements.

Return on investments

The return percentage on investments in relation to capital employed 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 capital employed 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 remaining from the transaction date or halfway through the transaction month to the end of the period.

Valuation of assets other than investments

The book value of intangible assets, machinery and equipment is the acquisition cost less depreciation according to the plan and write-downs. The acquisition cost includes costs directly arising from acquisition.

Contribution income receivable and other receivables are valued at the nominal value or likely selling price, whichever is the lower.

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

Net present value of benefits accrued in the pension system of Keva member organisations

The net present value of the benefits accrued in the pension system of Keva member organisations is not shown in the balance sheet. Instead, it is presented in the notes to the financial statements as an estimate of the pension expenditure resulting from Keva member organisations' pensions to be paid and those unpaid pensions accrued by the end of the accounting period.

When calculating the estimate, the mortality rate based on Statistics Finland's population projection is used. A 3% discount rate is used in calculating the present value of pension expenditure.

Depreciation according to the plan

The acquisition cost of fixed assets is booked as a cost during their effective period using a planned depreciation method and based on the following economic lives:

- buildings and structures 20–40 years
- technical equipment in buildings 15 years
- machinery and equipment 5 years
- other long-term expenditure 3–10 years

Depreciation on long-term intangible IT assets begins during the financial year in which the investment was brought

into use in operations or when income expectations contain uncertainty during the accounting period in which the expenses arise.

Items denominated in foreign currency

Business transactions in a foreign currency are booked in euro using the exchange rate at the transaction date. Receivables and liabilities denominated in a foreign currency in the financial statements and items valued at fair value have been valued at the European Central Bank's average exchange rate at the balance sheet date. Foreign exchange differences have been recognised through profit and loss.

Leases

Leasing contracts in respect of tangible assets have been treated as operational leasing contracts.

Operating costs and depreciation

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

Reimbursements for pension services provided

Keva has been statutorily in charge of the implementation of the State pension system for employee customers since the beginning of 2011 and for the implementation of the pension system of the personnel of the Evangelical Lutheran Church and Social Insurance In-

stitution of Finland Kela since the beginning of 2012. The State has been reimbursing Keva for the costs arising from the implementation of the state pension system in accordance with section 2 of Government Decree 1245/2018. The Evangelical Lutheran Church and Social Insurance Institution of Finland Kela have been reimbursing Keva for the costs arising from the implementation of their pension systems in accordance with section 2 of Government Decree 183/2017. 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). Keva has handled the statutory tasks related to the State pension insurance matters of State employers since the start of 2013 and since the start of 2017 has been statutorily responsible for collecting the pension contributions of the Evangelical Lutheran Church.

Reimbursements for these operating cost and depreciation expenses are shown on an accrual basis under 'Net operating expenses' in the profit and loss account, which also includes minor reimbursements for payment services relating to the member organisations' supplementary pensions, for example. Reimbursement of statutory payments is shown under 'Statutory net payments'.

Pension coverage of Keva personnel

Keva personnel have pension coverage under the Public Sector Pensions Act (JuEL).

Notes to the profit and loss account

Contributions from Keva member organisations ¹⁾

Contribution type	2019 EUR	2018 EUR
Earnings-based contributions	4 422 098 730,09	4 096 836 981,58
Pension expenditure-based contributions	706 000 000,00	653 000 000,00
Early retirement pension expenditure-based contributions	0,00	170 000 000,00
Total contributions from Keva member organisations for the year	5 128 098 730,09	4 919 836 981,58
Total adjustments in previous years	-809 878,34	292,25
Total contributions from Keva member organisations	5 127 288 851,75	4 919 837 273,83

New calculation criteria for earnings-based pension contributions from Keva member organisations entered into force on 1 January 2019.

The earnings-based pension contribution is made up of an earnings-related pension contribution, which is the same percentage for all employers, and an employer-specific disability pension contribution. The total earnings-related pension contribution includes the employee's pension contribution that the employer withholds from the employee. Since the calculation criteria have no material impact on contribution income, the comparability of contribution income in 2019 and 2018 is not affected.

Keva member organisations' pensions ²⁾

Pension type	2019 EUR	2018 EUR
Old-age pension	4 700 661 182,28	4 440 064 849,91
Early old-age pension	129 709 289,97	131 239 717,31
Partial early old-age pension	37 363 090,85	25 571 956,03
Years-of-service pension	25 840,26	11 477,96
Disability pension	345 195 977,41	350 364 627,64
Individual early retirement pension	9 001,86	335,04
Unemployment pension	2 628,04	8 050,23
Survivors' pension	185 173 101,06	182 397 294,42
Part-time pension	8 080 114,70	19 801 628,22
Rehabilitation allowance	63 257 364,14	59 283 408,94
Rehabilitation increment	956 481,83	921 250,74
	5 470 434 072,40	5 209 664 596,44
Compensation for transfer of EU pensions	0,00	18 123,84
Total	5 470 434 072,40	5 209 682 720,28

Adjustments to pension expenditure ³⁾

	2019 EUR	2018 EUR
Returned pensions	4 257 509,37	4 055 070,17
Other adjustments	11 429 175,23	5 475 969,37
Total	15 686 684,60	9 531 039,54

State pensions ⁴⁾

	2019 EUR	2018 EUR
Expenditure by pension type		
Old-age pension	3 836 179 631,05	3 756 185 003,88
Early old-age pension	110 614 092,14	112 453 660,42
Partial early old-age pension	14 236 551,80	10 430 091,72
Years-of-service pension	0,00	7 806,24
Disability pension	90 567 526,09	97 908 467,28
Extraordinary pension	5 534,59	414,93
Part-time pension	3 385 923,65	7 170 657,30
Unemployment pension	0,00	28 766,21
Survivors' pension	303 011 066,03	304 547 075,57
Cash rehabilitation benefit	1 874 865,22	1 786 850,48
Rehabilitation increment	110 364,08	129 974,76
Rehabilitation allowance	10 680 642,37	10 779 285,51
Compensation for rehabilitation and expenses	273 212,16	268 361,01
Total expenditure	4 370 939 409,18	4 301 696 415,31
Payments and refunds of cost division (net) ¹	390 430 782,43	373 316 095,52
Total expenditure	4 761 370 191,61	4 675 012 510,83
Income		
Advance payments received	-4 796 352 106,92	-4 702 031 067,96
Refund/charge (+/-)	34 981 915,31	27 018 557,13
Total income	-4 761 370 191,61	-4 675 012 510,83
Impact on Keva's result	0,00	0,00

1) The division of costs includes the items that need to be processed by the Finnish Centre for Pensions in conjunction with different cost allocations, other pensions paid on behalf of the State by other pension providers and transfers of EU pensions.

Evangelical Lutheran Church pensions ⁵⁾

	2019 EUR	2018 EUR
Expenditure by pension type		
Old-age pension	214 484 744,15	202 971 351,02
Early old-age pension	8 219 574,45	8 285 222,50
Partial early old-age pension	1 459 314,78	984 650,97
Disability pension	10 157 325,64	10 262 374,17
Extraordinary pension	11 883,32	13 055,52
Part-time pension	204 515,62	521 345,01
Survivors' pension	9 723 615,16	9 615 727,61
Cash rehabilitation benefit	508 680,67	563 777,86
Rehabilitation increment	13 895,51	24 429,16
Rehabilitation allowance	2 207 537,07	2 015 484,46
Compensation for rehabilitation and expenses	113 662,53	78 006,52
Total expenditure	247 104 748,90	235 335 424,80
Payments and refunds of cost division (net) ¹⁾	-34 892 372,42	-30 962 291,58
Total expenditure	212 212 376,48	204 373 133,22
Income		
Advance payments received	-209 900 498,04	-203 385 812,04
Refund/charge (+/-)	-2 311 878,44	-987 321,18
Total income	-212 212 376,48	-204 373 133,22
Impact on Keva's result	0,00	0,00

1) The division of costs includes the items that need to be processed by the Finnish Centre for Pensions in conjunction with different cost allocations and other pensions paid on behalf of the Evangelical Lutheran Church by other pension providers.

Pensions of Social Insurance Institution Kela employees ⁶⁾

	2019 EUR	2018 EUR
Expenditure by pension type		
Old-age pension	94 455 180,81	91 481 775,14
Early old-age pension	4 932 822,78	4 934 093,59
Partial early old-age pension	704 377,94	517 100,07
Disability pension	4 162 408,33	3 958 033,09
Part-time pension	268 271,80	506 692,36
Unemployment pension	0,00	29,98
Survivors' pension	2 772 691,76	2 793 781,14
Cash rehabilitation benefit	86 241,13	194 397,45
Rehabilitation increment	8 786,71	5 657,61
Rehabilitation allowance	563 969,22	481 354,88
Compensation for rehabilitation and expenses	11 470,41	7 952,10
Total expenditure	107 966 220,89	104 880 867,41
Payments and refunds of cost division (net) ¹⁾	-3 350 550,68	-2 526 121,78
Total expenditure	104 615 670,21	102 354 745,63
Income		
Advance payments received	-105 561 498,96	-102 520 040,04
Refund/charge (+/-)	945 828,75	165 294,41
Total income	-104 615 670,21	-102 354 745,63
Impact on Keva's result	0,00	0,00

1) The division of costs includes the items that need to be processed by the Finnish Centre for Pensions in conjunction with different cost allocations, other pensions paid on behalf of the Social Insurance Institution Kela by other pension providers and transfers of EU pensions.

Net investment income ⁷⁾

	2019 EUR	2018 EUR
Investment income		
Interest income	141 235 982,47	161 339 679,16
Dividend income	103 468 914,21	109 327 379,51
Real estate income	181 115 448,62	162 724 734,94
Gains on disposal and other income	5 106 711 218,87	3 036 686 528,38
	5 532 531 564,17	3 470 078 321,99
Investment expenses		
Real estate investment expenses	-72 296 732,14	-69 788 308,12
Losses on disposal and other expenses	-3 502 583 078,37	-3 345 012 189,19
	-3 574 879 810,51	-3 414 800 497,31
Change in valuation items		
Equities and equity funds	4 465 239 361,47	-1 998 237 082,16
Bonds	-170 336 398,20	-122 319 082,44
Short-term investments	105 801,83	214 881,90
Private equity and infra funds	114 568 434,39	243 961 283,86
Hedge funds	-89 542 727,19	213 126 163,72
Unlisted equities	11 334 881,39	14 040 342,48
Real estate	32 222 697,11	29 778 541,98
Other shares in subsidiaries and associated companies	34 523 466,60	42 506 265,44
	4 398 115 517,40	-1 576 928 685,22
Net investment income	6 355 767 271,06	-1 521 650 860,54

Personnel expenses ⁸⁾

	2019 EUR	2018 EUR
Salaries and remuneration	33 281 179,27	30 754 001,92
Pension costs	5 973 840,99	5 898 278,92
Other statutory social security expenses	1 241 941,40	1 074 773,84
Voluntary social security expenses	1 112 173,89	1 064 596,71
	41 609 135,55	38 791 651,39
Salary and remuneration paid to the CEO and deputy CEOs		
CEO Timo Kietäväinen	246 190,96	249 275,35
Deputy CEO Tapani Hellstén	204 281,28	205 626,03
Deputy CEO Kimmo Mikander	204 267,71	202 725,16

Operating costs and depreciation by function ⁹⁾

2019	Pension	Investment	Administration	Total
Type of cost	EUR	EUR	EUR	EUR
Personnel	-19 453 972,71	-9 041 282,93	-13 113 879,91	-41 609 135,55
IT	-17 471 120,35	-3 837 971,76	-3 767 279,98	-25 076 372,09
Services purchased	-2 415 256,15	-5 712 319,84	-2 385 370,35	-10 512 946,34
Other operating costs	-330 545,70	-444 489,84	-4 245 123,44	-5 020 158,98
External expenses	-39 670 894,91	-19 036 064,37	-23 511 653,68	-82 218 612,96
Internal income and expenses	-3 782 761,72	-830 246,95	4 613 008,67	0,00
Total operating costs	-43 453 656,63	-19 866 311,32	-18 898 645,01	-82 218 612,96
Depreciation	-3 993 914,41	-202 601,22	-2 944 264,01	-7 140 779,64
Total operating costs and depreciation	-47 447 571,04	-20 068 912,54	-21 842 909,02	-89 359 392,60
Reimbursements received ¹⁰⁾	13 986 514,89	0,00	4 538 018,49	18 524 533,38
Net operating costs	-33 461 056,15	-20 068 912,54	-17 304 890,53	-70 834 859,22

2019	Pension	Investment	Administration	Total
Type of cost	EUR	EUR	EUR	EUR
Personnel	-19 586 262,78	-7 466 604,85	-11 738 783,76	-38 791 651,39
IT	-14 635 175,31	-4 046 849,31	-3 339 324,68	-22 021 349,30
Services purchased	-1 699 550,33	-4 331 943,00	-2 396 451,63	-8 427 944,96
Other operating costs	-371 205,34	-666 179,52	-4 632 343,59	-5 669 728,45
External expenses	-36 292 193,76	-16 511 576,68	-22 106 903,66	-74 910 674,10
Internal income and expenses	-5 041 227,49	-375 134,54	5 416 362,03	0,00
Total operating costs	-41 333 421,25	-16 886 711,22	-16 690 541,63	-74 910 674,10
Depreciation	-4 095 867,12	-111 180,86	-2 083 892,19	-6 290 940,17
Total operating costs and depreciation	-45 429 288,37	-16 997 892,08	-18 774 433,82	-81 201 614,27
Reimbursements received ¹⁰⁾	13 519 723,74	0,00	4 548 825,23	18 068 548,97
Net operating costs	-31 909 564,63	-16 997 892,08	-14 225 608,59	-63 133 065,30

^{*)} The fees paid to the auditors included in external operating costs are itemised below. Also shown are the fees paid to the audit firm for the statutory audit of Keva's subsidiaries. These fees are not included in Keva's financial statements.

Fees paid to the auditors				
Ernst & Young Oy appointed as the principal statutory auditor by Keva's Council.	Keva 2019	Keva 2018	Group 2019	Group 2018
Audit	101 184,00	103 757,26	170 748,00	171 957,26
Other assignments under the Auditing Act*	0,00	0,00	10 366,40	7 440,00
Tax consultation	1 860,00	6 324,00	1 860,00	6 324,00
Other services	12 914,60	23 776,20	12 914,60	23 776,20

Fees paid to the auditors				
Statutory auditors appointed by the Ministry of Finance BDO Oy	Keva 2019	Keva 2018	Group 2019	Group 2018
Audit*	20 780,00	3 100,00	20 780,00	3 100,00

* Revision of reference year: the unvoiced share of EUR 8,840.00 for the reference year has been stated in the accrual total in 2019.

Reimbursements received ¹⁰⁾

	2019 euro	2018 euro
Reimbursements for statutory payments		
State	2 035 335,89	1 751 122,81
Evangelical Lutheran Church	166 852,14	152 009,73
Social Insurance Institution Kela	105 528,78	80 252,03
	2 307 716,81	1 983 384,57
Reimbursements for operating costs		
State	15 310 998,41	15 126 360,16
Evangelical Lutheran Church	2 033 472,25	1 919 478,57
Social Insurance Institution Kela	546 607,89	482 832,82
Other	633 454,83	539 877,42
	18 524 533,38	18 068 548,97
Total reimbursements received	20 832 250,19	20 051 933,54

Notes to the balance sheet

Investments ¹⁾

	31 Dec 2019		31 Dec 2018	
	Book value, i.e. fair value EUR	Acquisition cost EUR	Book value, i.e. fair value EUR	Acquisition cost EUR
Real estate investments				
In own use				
Land and sites	10 430 571,00	10 430 571,00	10 430 571,00	10 430 571,00
Buildings *)	36 034 558,28	36 034 558,28	32 719 239,91	32 719 239,91
	46 465 129,28	46 465 129,28	43 149 810,91	43 149 810,91
Investment properties				
Land and sites	9 724 286,83	9 724 286,83	7 909 600,00	7 909 600,00
Real estate shares	2 479 614 048,72	2 227 503 491,63	2 318 294 756,75	2 152 958 222,33
Other real estate investments	894 763 776,98	973 189 425,62	795 921 453,40	821 586 242,60
	3 384 102 112,53	3 210 417 204,08	3 122 125 810,15	2 982 454 064,93
Real estate and real estate shares	3 430 567 241,81	3 256 882 333,36	3 165 275 621,06	3 025 603 875,84
Loans receivable from real estate companies	193 462 490,93	193 462 490,93	194 541 964,87	194 541 964,87
Total real estate investments	3 624 029 732,74	3 450 344 824,29	3 359 817 585,93	3 220 145 840,71
Other investments				
Equities and shares				
Equities	1 730 272 771,38	1 384 770 611,99	2 754 723 181,94	2 300 639 711,78
Fixed income funds	625 151 237,06	272 710 799,64	615 828 668,64	303 760 362,82
Forex funds	107 172 660,55	104 211 168,46	96 992 112,89	50 298 999,75
Fund units	26 347 352 308,22	18 814 215 550,22	20 553 313 713,64	17 587 417 584,54
Unlisted equities	252 980 902,92	120 874 100,31	257 034 606,36	136 262 685,14
Private equity and infra funds	5 196 666 720,41	4 500 362 348,13	4 086 310 588,24	3 507 227 981,42
Hedge funds	3 954 561 901,39	3 335 869 929,26	3 820 484 144,33	3 104 494 995,47
Other shares and holdings in subsidiaries and associated companies	355 079 507,07	24 604 238,77	320 556 040,47	24 604 238,77
	38 569 238 009,00	28 557 618 746,78	32 505 243 056,51	27 014 706 559,69
Money market instruments				
Bonds	10 290 482 852,56	9 824 301 939,59	10 904 123 437,95	10 189 053 507,86
Money market investments	664 329 501,04	663 644 278,51	574 069 167,87	573 489 747,17
	10 954 812 353,60	10 487 946 218,10	11 478 192 605,82	10 762 543 255,03
Loans receivable from other than real estate companies	123 578 041,53	123 578 041,53	154 907 058,95	154 907 058,95
Total other investments	49 647 628 404,13	39 169 143 006,41	44 138 342 721,28	37 932 156 873,67
Total investments	53 271 658 136,87	42 619 487 830,70	47 498 160 307,21	41 152 302 714,38

*) Acquisition cost less depreciation has been used as the acquisition cost.

	2019	2018
Valuation difference between fair value and acquisition value	10 652 170 306,17	6 345 857 592,83
Negative valuation difference of derivatives	-156 996 696,62	-266 582 469,85
Total valuation difference	10 495 173 609,55	6 079 275 122,98

Changes in tangible and intangible assets ¹²⁾

	Intangible rights *) EUR	Land in own use**) EUR	Buildings in own use**) EUR	IT hardware EUR	Machinery and equipment EUR	Other EUR	Total EUR
Completed at 1 Jan 2019	18 459 499,70	10 430 571,00	32 719 239,91	1 202 818,73	1 852 521,26	87 526,55	64 752 177,15
In progress at 1 Jan 2019	9 993 861,95						9 993 861,95
Balance at 1 Jan 2019	28 453 361,65	10 430 571,00	32 719 239,91	1 202 818,73	1 852 521,26	87 526,55	74 746 039,10
Changes in 2019							
Completed investments	3 426 749,72		4 641 329,96	239 897,29	2 307 414,28	7 500,00	10 622 891,25
Investments in progress	4 541 005,34						4 541 005,34
Disposals							0,00
Depreciation to plan	-4 883 079,53		-1 326 011,59	-435 462,85	-496 225,67		-7 140 779,64
Change in year	3 084 675,53	0,00	3 315 318,37	-195 565,56	1 811 188,61	7 500,00	8 023 116,95
Completed at 31 Dec 2019	17 003 169,89	10 430 571,00	36 034 558,28	1 007 253,17	3 663 709,87	95 026,55	68 234 288,76
In progress at 31 Dec 2019	14 534 867,29						14 534 867,29
Balance at 31 Dec 2019	31 538 037,18	10 430 571,00	36 034 558,28	1 007 253,17	3 663 709,87	95 026,55	82 769 156,05

*) long-term IT expenditure

**) included in real estate investment items

Loan portfolio by borrower ¹³⁾

Borrowers	31 Dec 2019		31 Dec 2018	
	Book value EUR	%	Book value EUR	%
Subsidiaries, associated companies and real estate companies	193 462 490,93	61,0 %	194 541 964,87	55,7 %
Others				
Non-financial companies excl. housing corporations, public	36 516 124,03	11,5 %	43 290 144,53	12,4 %
Non-financial companies excl. housing corporations, Finnish, private	17 045 790,73	5,4 %	17 929 026,22	5,1 %
Housing corporations	18 583 124,18	5,9 %	21 504 260,02	6,2 %
Municipalities	33 756 817,71	10,6 %	51 248 085,53	14,7 %
Joint municipal authorities	2 732 000,00	0,9 %	3 446 188,00	1,0 %
Government of Åland	8 789 648,00	2,8 %	9 811 414,00	2,8 %
Employee households	4 291 114,91	1,4 %	5 390 743,11	1,5 %
Non-profit institutions serving households	1 863 421,97	0,6 %	2 287 197,54	0,7 %
	123 578 041,53	39,0 %	154 907 058,95	44,3 %
Total loan portfolio	317 040 532,46	100,0 %	349 449 023,82	100,0 %

Other receivables and prepayments ¹⁴⁾

Other receivables	31 Dec 2019	31 Dec 2018
	EUR	EUR
Interest	60 958,86	76 289,68
Rent	952 746,48	965 256,91
Pension	1 294 001,22	1 063 232,46
Withholding tax on dividends	9 205 328,24	7 949 411,44
Proceeds from sales of securities	83 124 744,42	1 555 745,52
Derivatives	30 650 000,00	40 270 000,00
Other	3 302 487,49	-123 652,74
Total other receivables	128 590 266,71	51 756 283,27

Prepayments	31 Dec 2019	31 Dec 2018
	EUR	EUR
Balancing payments to Keva member organisations' pensions	1 246 561,70	1 294 236,41
Balancing payments to Church pensions	16 783 390,66	16 093 777,79
Balancing payments to Kela pensions	6 881 701,16	6 672 607,94
Other prepayments	7 352 646,07	6 316 059,33
Total prepayments	32 264 299,59	30 376 681,47

Other accrued income ¹⁵⁾

	31 Dec 2019	31 Dec 2018
	EUR	EUR
State	94 981 311,97	92 697 825,53
Evangelical Lutheran Church	6 018 763,46	4 556 283,13
Social Insurance Institution Kela	2 242 741,78	2 160 246,76
Total other accrued income	103 242 817,21	99 414 355,42

Pension liability fund ¹⁶⁾

	2019	2018
	EUR	EUR
Fund capital at 1 Jan	50 493 362 610,79	52 261 365 576,51
Change in fund	6 050 591 568,51	-1 768 002 965,72
Fund capital at 31 Dec	56 543 954 179,30	50 493 362 610,79

Other liabilities ¹⁷⁾

	31 Dec 2019	31 Dec 2018
	EUR	EUR
PAYE and social security contributions	105 358 348,32	99 424 009,72
State/PAYE	93 303 474,15	91 398 074,13
Evangelical Lutheran Church/PAYE	4 256 343,95	4 052 419,32
Social Insurance Institution Kela/PAYE	2 258 067,86	2 185 267,75
Value added tax	4 441 337,55	3 574 028,19
Trade payables	6 877 620,03	2 568 132,15
Purchase of securities	67 866 188,00	0,00
Collateral received for derivative contracts	215 012 000,00	522 142 000,00
Other liabilities	3 205 007,63	2 037 642,69
Total other liabilities	502 578 387,49	727 381 573,95

Accrued liabilities and deferred income ¹⁸⁾

	31 Dec 2019	31 Dec 2018
	EUR	EUR
Negative market value of derivatives	156 996 696,62	266 582 469,85
Liability dispersion Finnish Centre for Pensions	3 407 866,94	3 194 717,44
Wages, salaries and holiday pay	9 021 820,02	7 446 853,22
State	37 463 724,10	29 823 424,72
Evangelical Lutheran Church	269 734,35	262 400,13
Social Insurance Institution Kela	1 089 036,23	361 508,91
Other accrued liabilities and deferred income	732 199,82	511 321,94
Total accrued liabilities and deferred income	208 981 078,08	308 182 696,21

Receivables and liabilities, subsidiaries and associated companies ¹⁹⁾

Receivables	31 Dec 2019	31 Dec 2018
	EUR	EUR
Loans receivable from subsidiaries, associated companies and real estate companies ¹⁾	193 462 490,93	194 541 964,87
Capital loans to other real estate companies ¹⁾	1 509 989,47	1 509 989,47
Other receivables from real estate subsidiaries and other subsidiaries and associated companies ²⁾	8 810 929,15	12 288 313,26
Prepayments and accrued income from real estate subsidiaries and associated companies ³⁾	514 596,28	516 814,50
Total receivables	204 298 005,83	208 857 082,10

Liabilities	31 Dec 2019	31 Dec 2018
	EUR	EUR
Amounts owed to real estate subsidiaries and associated companies ⁴⁾	895 956,34	704 207,87
Total liabilities	895 956,34	704 207,87

Stated in balance sheet item

1) investments: real estate investments

2) receivables: receivables from subsidiaries and associated companies

3) prepayments and accrued income: interest

4) liabilities: amounts owed to subsidiaries and associated companies

Real estate, real estate shares and other real estate investments ²⁰⁾

31 Dec 2019	Book value, i.e. fair value EUR	Acquisition cost EUR
Land and buildings in own use	46 465 129,28	46 465 129,28
Investment properties		
Land, sites and buildings	9 724 286,83	9 724 286,83
Shares in real estate subsidiaries	2 183 176 582,07	2 049 139 480,80
Shares and holdings in associated companies	174 356 808,75	83 829 957,35
Other real estate shares	12 836 346,53	6 448 231,49
Shares in real estate investments, Nordics	109 244 311,37	88 085 821,99
	2 489 338 335,55	2 237 227 778,46
Other real estate investments		
Holdings in real estate funds		
Blackstone Real Estate Partners Europe V LP	93 109 424,13	76 971 607,28
Patrizia TransEuropean Properties VI LP	88 540 343,00	67 500 000,00
Landmark RE Partners VIII Offshore Co inv LP	78 867 723,25	63 341 601,13
EQT Real Estate I LP	57 140 000,00	53 491 850,22
Ares European Real Estate Fund IV LP	49 581 661,00	48 440 414,69
Aberdeen Asia III Property Fund of Funds	45 173 943,53	43 492 418,96
Blackstone Real Estate Partners IX Lux SCSp	37 583 506,80	38 506 886,65
Aberdeen Keava Asia IV Property Fund	36 201 665,31	39 289 872,05
Patron Capital V LP	36 173 676,00	31 022 233,00
Patrizia UK Value 2 LP	34 926 998,03	38 519 633,66
Aberdeen Property Finland I Ky	30 520 363,06	39 499 999,99
Landmark RE Partners VIII Offshore Fund LP	30 354 281,75	26 002 375,52
LRAF Holdings VII Hazel LP	26 666 331,76	26 811 918,91
Sierra Portugal Fund	24 166 666,67	31 296 399,17
Ares European Real Estate Fund V LP	20 468 706,00	22 182 329,63
Carlyle Realty VIII LP	18 601 943,27	15 799 267,39
Fosca II SCA	16 767 000,00	0,00
CapMan RE II Ky	6 594 211,00	12 218 825,12
EQT Real Estate II LP	6 430 000,00	0,00
Patrizia TransEuropean Properties V LP	5 219 058,00	5 000,00
	743 087 502,56	674 392 633,37
Other investments in real estate funds	150 166 284,95	297 286 802,78
Other real estate investments, capital loans	1 509 989,47	1 509 989,47
Total real estate and real estate shares	3 430 567 241,81	3 256 882 333,36

Holdings in investment properties**31 Dec 2019****Real estate subsidiaries**

Kiint. Oy Lintulahdenkulma	100,00 %
Kiinteistö Oy Abraham Wetterrintie 6	100,00 %
Kiinteistö Oy Albertinkatu 34	100,00 %
Kiinteistö Oy Aurajoenranta	100,00 %
Kiinteistö Oy Espoon Andante	100,00 %
Kiinteistö Oy Espoon Itsehallintotie 2-4	100,00 %
Kiinteistö Oy Espoon Keilasatama 5	100,00 %
Kiinteistö Oy Espoon Komentajankatu 4	100,00 %
Kiinteistö Oy Espoon Suviniitty	100,00 %
Kiinteistö Oy Gaselli	100,00 %
Kiinteistö Oy Hatanpään Elisa	100,00 %
Kiinteistö Oy Haukipurontie	100,00 %
Kiinteistö Oy Helsingin Apollonkatu 10	100,00 %
Kiinteistö Oy Helsingin Auringonkehrä	100,00 %
Kiinteistö Oy Helsingin Hämeentie 17 a	100,00 %
Kiinteistö Oy Helsingin Kaivonkatsojantie 8	100,00 %
Kiinteistö Oy Helsingin Kuparitalo	100,00 %
Kiinteistö Oy Helsingin Liisankatu 14	100,00 %
Kiinteistö Oy Helsingin Merikorttikuja 4	100,00 %
Kiinteistö Oy Helsingin Pohjoinen Rautatiekatu 25	100,00 %
Kiinteistö Oy Helsingin Rukkilantie 7-9	100,00 %
Kiinteistö Oy Helsingin Strömbergin aukio	100,00 %
Kiinteistö Oy Helsingin Suvilahdenkatu 6	100,00 %
Kiinteistö Oy Helsingin Tapulikaupungintie 11	100,00 %
Kiinteistö Oy Helsingin Tyynenmerenkatu 3	100,00 %
Kiinteistö Oy Helsingin Työpajankatu 13	100,00 %
Kiinteistö Oy Helsingin Valimotie 17-19	100,00 %
Kiinteistö Oy Helsingin Veneentekijänranta	100,00 %
Kiinteistö Oy Hermannin Tuulensuuntori	100,00 %
Kiinteistö Oy Hermian Bitti	100,00 %
Kiinteistö Oy HTC Santa Maria	100,00 %
Kiinteistö Oy HTC Vega	100,00 %
Kiinteistö Oy Hämeenlinnakeskus	100,00 %
Kiinteistö Oy Jokiniementalo	100,00 %
Kiinteistö Oy Jyväskylän Isohovi	100,00 %
Kiinteistö Oy Jyväskylän Schaumanin Puistotie 11	100,00 %
Kiinteistö Oy Kaapelipuisto	100,00 %
Kiinteistö Oy Kaarenmänty	100,00 %
Kiinteistö Oy Kaarenpetäjä	100,00 %
Kiinteistö Oy Kalliokrouvi	100,00 %
Kiinteistö Oy Karhu	100,00 %
Kiinteistö Oy Keilarannanpuisto	100,00 %
Kiinteistö Oy Kiirilankulma	100,00 %
Kiinteistö Oy Kipparin Kruunu	100,00 %

Kiinteistö Oy Konalankuja 1-3	100,00 %
Kiinteistö Oy Kotkan Kaivokaari	100,00 %
Kiinteistö Oy Kouvolan Hansakaari	100,00 %
Kiinteistö Oy Kulma-Sarvis	100,00 %
Kiinteistö Oy Kuopion Haapaniemenkatu 18	100,00 %
Kiinteistö Oy Kuopion Kirkkokatu 1	100,00 %
Kiinteistö Oy Kuopion Safiri	100,00 %
Kiinteistö Oy Kuopion Särkiranta 6	100,00 %
Kiinteistö Oy Kuopion Tulliportinkatu 3	100,00 %
Kiinteistö Oy Käsityöläiskatu 18	100,00 %
Kiinteistö Oy Lahden Laaksokatu 7	100,00 %
Kiinteistö Oy Lahden Rauhankatu 5	100,00 %
Kiinteistö Oy Lakelanportti	100,00 %
Kiinteistö Oy Lappeenrannan Porarinpolku 1	100,00 %
Kiinteistö Oy Lappeenrannan Valtakatu 43	100,00 %
Kiinteistö Oy Lielhtikeskus	100,00 %
Kiinteistö Oy Mastokoukku	100,00 %
Kiinteistö Oy Menuetto	100,00 %
Kiinteistö Oy Oulun Tullipuomi	100,00 %
Kiinteistö Oy Paciuksenkatu 21	100,00 %
Kiinteistö Oy Piispanpuro	100,00 %
Kiinteistö Oy Porin Valta-Antti	100,00 %
Kiinteistö Oy Powergate Vaasa	100,00 %
Kiinteistö Oy Quartetto	100,00 %
Kiinteistö Oy Ratinanraitti	100,00 %
Kiinteistö Oy Rauman Kanalinparras	100,00 %
Kiinteistö Oy Riihentausta	100,00 %
Kiinteistö Oy Riihimäen Mercurius	100,00 %
Kiinteistö Oy Rovaniemen Ahjotie 30	100,00 %
Kiinteistö Oy Rovaniemen Pohjanpuistikko	100,00 %
Kiinteistö Oy Rukavarri	100,00 %
Kiinteistö Oy Ruoholahdenkatu 8	100,00 %
Kiinteistö Oy Seinäjoen Alkionkatu 4	100,00 %
Kiinteistö Oy Seinäjoen Torikatu 21	100,00 %
Kiinteistö Oy Sofianlehdonkadun senioritalo	100,00 %
Kiinteistö Oy Sörnäisten Rantatie 31	100,00 %
Kiinteistö Oy Tampereen Hovi-Sarvis	100,00 %
Kiinteistö Oy Tampereen Hämeenkadunaukio	100,00 %
Kiinteistö Oy Tampereen Ilveshotelli	100,00 %
Kiinteistö Oy Tampereen Pellavanlikka	100,00 %
Kiinteistö Oy Tampereen Tarmontalo	100,00 %
Kiinteistö Oy Tampereen Tullinkulma	100,00 %
Kiinteistö Oy Tampereen Yliopistonkatu 57	100,00 %
Kiinteistö Oy Tirkkosentalo	100,00 %
Kiinteistö Oy Turun Catharina	100,00 %
Kiinteistö Oy Turun Kaakelinna	100,00 %
Kiinteistö Oy Turun Pakkarinpuisto	100,00 %

Kiinteistö Oy Turun Panimonlinna	100,00 %
Kiinteistö Oy Turun Telakkaranta	100,00 %
Kiinteistö Oy Turun Väinämöinen	100,00 %
Kiinteistö Oy Turun Yliopistonkatu 22	100,00 %
Kiinteistö Oy Tuusulan Kievarinkaari	100,00 %
Kiinteistö Oy Tuusulan Pakkasraitti 2A	100,00 %
Kiinteistö Oy Tuusulan Tykkimiehenraitti	100,00 %
Kiinteistö Oy Vaasan Pitkäkatu 52	100,00 %
Kiinteistö Oy Valimotie 15	100,00 %
Kiinteistö Oy Vantaan Hakkilankaari 1	100,00 %
Kiinteistö Oy Vantaan Kielotie 50	100,00 %
Kiinteistö Oy Vantaan Lähettiläantie 7	100,00 %
Kiinteistö Oy Vantaan Osmankäämintie 5	100,00 %
Kiinteistö Oy Vantaan Puutarharanta	100,00 %
Kiinteistö Oy Vantaan Spinellikuja	100,00 %
Kiinteistö Oy Westport	100,00 %
Kiinteistö Oy Väritehtaankatu 4	100,00 %
Mågen Ejendomme Aps	100,00 %
Oy Kamppiparkki Ab	100,00 %
Kiinteistö Oy Tilkanhovi	99,99 %
Kiinteistö Oy Lohjantähti	99,73 %
Kiinteistö Oy Helsingin Kaarlenkatu 9–11	99,56 %
Kiinteistö-oy Rekipellonpuisto 1	98,93 %
Kiinteistö Oy Kirkkonummen Kunnantalo	95,00 %
Kiinteistö Oy Mikonkatu 2 – Pohjoisesplanadi 35	84,18 %
Kiinteistö Oy Pohjoisesplanadi 37	68,98 %
Kiinteistö Oy Tampereen Hämeenkatu 11	66,59 %
Associated companies	
Campus Marian Kehitys Oy	50,00 %
Stadsrum Fastigheter AB	49,00 %
Asunto Oy Espoon Sellonhuippu	49,00 %
Kiinteistö Oy Kauppakeskus Sello	49,00 %
Leppävaaran HotelliKiinteistö Oy	49,00 %
Akiva Kiinteistöt I Ky	38,91 %
Kiinteistö Oy Massun Parkki	22,92 %
Kiinteistö Oy Selloparkki	24,81 %
Other shares	
Asunto Oy Espoon Sellonkulma	18,38 %
Kiinteistö Oy Kluuvin Pysäköinti	10,10 %
P-Turkuparkki Oy	4,71 %
Asunto Oy Laivastokatu 8–10	3,31 %
Bostadsaktiebolaget Semafor	2,60 %

Major shareholdings ²¹⁾

31 Dec 2019			
Name	Number of shares	Book value i.e. fair value EUR	Acquisition cost EUR
Sampo Oyj	2 465 300	95 924 823,00	72 183 729,79
Kone Oyj	1 626 358	94 784 144,24	33 075 618,75
Huhtamaki Oyj	1 607 175	66 504 901,50	37 996 404,51
Stora Enso Oyj	4 793 208	62 143 941,72	30 814 283,40
Nokia Oyj	18 396 714	60 635 569,34	71 433 516,75
Metso Oyj	1 575 166	55 414 339,88	36 172 261,75
Roche Holding AG	135 298	39 140 936,06	27 540 360,85
Novo Nordisk A/S	722 841	37 407 009,66	31 244 755,08
UPM-Kymmene Oyj	1 206 907	37 305 495,37	12 751 559,06
Wartsila Oyj	3 736 467	36 804 199,95	35 700 919,07
Finnair Oyj	6 250 875	36 755 145,00	19 159 944,84
Nordea Bank Abp	4 764 244	34 493 126,56	35 196 735,92
Valmet Oyj	1 502 166	32 086 265,76	10 330 143,03
Thule Group AB	1 533 740	31 711 896,47	31 115 418,64
Heineken NV	320 000	30 374 400,00	30 139 704,09
Adidas AG	100 000	28 980 000,00	21 598 732,49
Beiersdorf AG	270 000	28 795 500,00	28 342 758,37
Davide Campari-Milano SpA	3 294 692	26 818 792,88	14 892 791,25
Remy Cointreau SA	239 527	26 228 206,50	20 283 526,70
Salvatore Ferragamo Italia SpA	1 377 586	25 829 737,50	29 439 752,42
Konecranes Oyj	931 042	25 510 550,80	25 976 000,29
Sanofi	283 235	25 383 520,70	20 777 249,83
Svenska Handelsbanken AB	2 567 800	24 800 993,61	22 749 692,00
Cap Gemini SA	219 000	23 849 100,00	22 645 745,68
Sika AG	140 040	23 462 570,48	17 993 339,96
MTU Aero Engines AG	91 628	23 328 488,80	22 441 682,17
DnB ASA	1 399 800	23 273 707,90	22 301 084,02
Schneider Electric SE	251 544	23 016 276,00	19 549 785,52
Siemens AG	192 006	22 376 379,24	19 564 919,35
Prudential Plc	1 301 600	22 167 588,15	20 526 395,20
Skandinaviska Enskilda Banken AB	2 590 100	21 837 884,14	21 157 808,89
EQT AB	2 000 000	20 848 489,49	12 551 164,73
Experian Plc	692 346	20 767 124,96	20 854 732,34
SAP AG	167 000	20 093 440,00	13 110 727,09
Allianz SE	91 740	20 036 016,00	19 832 947,04
Nestle SA	207 000	19 982 918,74	16 973 566,70
JC Decaux SA	704 165	19 350 454,20	18 440 883,98
St James's Place Plc	1 402 310	19 193 582,45	19 379 706,36
Boliden AB	792 511	18 851 608,48	18 051 062,88
Royal Unibrew A/S	195 230	15 939 275,92	15 830 613,85
Metsä Board Oyj	2 641 000	15 832 795,00	16 850 509,78
Gjensidige Forsikring ASA	824 015	15 392 117,01	14 443 953,65
Outotec Oyj	2 650 120	15 259 390,96	21 627 025,05

AtoS SA	204 025	15 163 138,00	15 415 182,12
Vinci SA	149 100	14 760 900,00	14 505 808,61
Husqvarna AB	2 002 272	14 378 608,32	14 528 251,79
Air Liquide SA	108 559	13 700 145,80	13 281 616,12
Amadeus IT Group SA	181 058	13 181 022,40	13 235 714,85
Swisscom AG	27 648	13 057 273,63	12 714 928,84
Telenor ASA	792 966	12 657 646,82	12 601 890,44
Smith & Nephew Plc	514 998	11 092 311,18	9 331 232,19
Symrise AG	116 604	10 937 455,20	10 255 269,10
Epiroc AB	995 863	10 900 652,26	8 808 794,36
Atlas Copco AB	298 898	10 689 234,29	9 961 814,10
Croda International Plc	175 352	10 552 429,82	9 861 851,43
Fresenius SE & Co KGaA	208 398	10 457 411,64	9 464 169,89
Coloplast A/S	93 900	10 385 994,78	9 662 545,52
DSV A/S	100 329	10 310 192,89	10 120 274,86
Hella KGaA Hueck & Co	208 507	10 287 735,38	9 414 931,57
Freni Brembo SpA	925 926	10 240 741,56	10 421 447,67
Cie Generale des Etablissements Michelin	92 593	10 101 896,30	10 249 230,52
Asiakastieto Group Oyj	320 140	10 084 410,00	6 037 546,90
Fresenius Medical Care AG & Co	151 930	10 021 302,80	9 871 267,11
Deutsche Post AG	294 074	10 001 456,74	7 872 925,73
Assa Abloy AB	471 200	9 877 933,91	10 253 697,02
Elisa Oyj	199 379	9 819 415,75	9 640 248,60
Sonova Holding AG	46 893	9 569 559,15	9 741 224,64
Munters Group AB	1 825 000	8 570 519,20	13 315 022,94
Orion Oyj	207 198	8 551 061,46	5 264 074,31
Verkkokauppa.com Oyj	2 171 000	7 663 630,00	11 219 741,99
Outokumpu Oyj	2 365 000	6 636 190,00	18 426 848,14
Telia Company AB	47 917	184 767,95	257 042,01
		1 672 527 741,65	1 378 778 106,49
Other		57 745 029,73	5 992 505,50
		1 730 272 771,38	1 384 770 611,99

Hybrid funds ²²⁾

31 Dec 2019	Book value i.e. fair value EUR	Acquisition cost EUR
Mercer Investment Fund 1	14 732 986 395,27	11 633 706 287,65
Mercer Investment Fund 2	11 450 272 676,87	7 004 008 557,39
AQR Alt Risk Premia Fund	164 093 236,08	176 500 705,18
	26 347 352 308,22	18 814 215 550,22

The share of the fair value of hybrid funds classified as fixed-income investments based on yield totals EUR 6 420 078 729.

Major private equity investments ²³⁾

Major private equity investments	Book value i.e. fair value EUR	Acquisition cost EUR
31 Dec 2019		
Blackstone Core Equity Partners LP	226 248 526,93	192 479 543,49
Keva Investments Ky	207 420 098,63	203 661 956,64
Keva Investments III LP	188 728 717,93	142 557 663,86
Warburg Pincus Private Equity XII LP	171 285 851,57	131 804 223,77
EQT Infrastructure III	157 378 581,00	126 245 171,78
Advent GPE VIII LP	142 336 447,00	111 562 500,00
Keva Crown Emerging Asia Fund I LP	127 952 297,93	35 649 545,37
Pine Brook Capital Partners II LP	124 468 456,90	106 468 289,56
Keva Crown Emerging Asia Fund II LP	115 472 626,35	94 592 963,09
Bridgepoint Europe V LP	104 683 596,00	78 019 851,94
Ares Corporate Opportunities Fund V LP	101 890 030,61	92 188 845,59
Energy Capital Partners III D LP	97 902 932,51	81 108 736,47
Resolute Fund III LP	96 726 559,88	59 301 691,39
Lexington Capital Partners VIII LP	95 274 948,70	91 462 379,46
MBK Partners Fund III LP	94 017 490,09	49 334 611,18
EQT VII LP	93 915 077,00	79 119 734,89
Blackstone Capital Partners VII LP	88 585 174,10	69 386 285,73
EQT VIII LP	87 023 092,00	86 493 600,55
Carlyle Asia Partners IV LP	83 562 303,12	74 048 939,19
Carlyle Partners VI LP	82 335 762,25	65 727 322,42
Lindsay Goldberg IV LP	82 075 938,50	59 683 576,32
Advent International GPE VII LP	81 393 459,00	58 180 620,00
Platinum Equity Capital Partners IV LP	79 459 995,82	65 562 290,85
MBK Partners Fund IV LP	75 531 174,37	60 237 950,97
Committed Advisors Secondary Fund III SLP	75 522 364,07	54 452 546,06
Clearlake Capital Partners V LP	74 102 132,09	57 983 499,69
Crown Global Secondaries IV PLC	69 869 729,63	53 519 698,47
Cinven Fund 6 LP	69 023 894,00	61 788 740,73
Montagu V LP	64 938 516,00	57 008 079,39
Crown Secondaries Special Opportunities PLC	63 931 849,96	34 784 982,81
ASF Cruise LP	61 525 053,62	24 412 543,64
Keva Investments IV LP	60 033 891,96	58 410 258,84
SAIF Partners III LP	59 246 305,17	10 950 261,44
Hitec Vision VI LP	58 178 683,66	45 383 612,21
Wynnchurch Capital IV LP	55 736 655,88	47 647 931,77
Warburg Pincus Private Equity XI LP	55 599 179,47	30 902 707,63
Crescent Mezzanine VII LP	55 538 427,29	56 848 625,32
Resolute Fund IV LP	53 715 178,22	47 459 338,45
Centerbridge III LP	52 163 076,55	44 416 852,46
Silver Lake Partners V LP	52 031 026,53	45 421 456,81
Carlyle Partners VII LP	48 023 317,77	55 243 039,25
Energy Capital Partners IV D LP	47 035 473,72	36 286 581,59
Crown Global Secondaries III PLC	45 470 070,48	9 185 000,42

Altor Fund IV AB	45 418 537,00	42 097 027,87
Warburg Pincus China LP	43 068 702,30	32 005 494,13
Hitec Vision VII LP	41 806 516,97	38 129 176,14
Pinebridge SOP Feeder LP	41 739 477,62	27 052 049,19
Energy Capital Partners Volt Parent LP	36 823 826,01	19 211 675,77
Blackstone Motion Partners (Cayman) LP	35 250 133,64	35 707 844,91
Intera Fund II Ky	32 647 076,00	26 277 110,75
ASF VII Infrastructure LP	31 071 209,83	26 645 838,01
Sponsor Fund IV Ky	28 302 000,00	21 433 673,72
EQT Marcel Co Investment	28 005 067,75	26 355 090,93
Ulysses Co Inv partners LP	27 971 893,46	27 633 088,38
Intera Fund III Ky	27 375 645,00	24 717 214,10
Activa Capital Fund III FCPR	26 757 618,00	27 551 797,00
EQT Infrastructure IV	26 754 843,60	29 518 805,30
Carlyle Sabre Coinvestment LP	26 460 490,57	26 536 930,56
Warburg Pincus Global Growth LP	26 010 972,14	28 879 970,47
Cortec VII A LP	25 730 209,27	26 022 415,03
Cinven Fund 5 LP	25 615 127,00	29 174 966,48
EQT VI LP	25 112 241,34	27 254 605,44
Element Co-Investment LP	24 333 793,03	8 169 368,71
Bridgepoint Europe VI LP	24 130 313,00	22 335 787,61
Crescent Mezzanine VI LP	23 830 700,63	27 010 966,78
Bowmark Capital Partners V LP	23 257 863,13	23 681 397,07
Keva Crown Emerging Asia Fund III LP	23 059 574,58	23 513 811,20
Ares Capital Europe II LP	22 997 897,12	24 423 586,58
Committed Advisors Secondary Fund IV SLP	22 870 817,41	21 750 000,00
EQT Infrastructure II	21 992 065,37	30 406 000,29
Apollo Investment Fund IX LP	21 888 095,07	36 882 166,38
Hitec Vision Asset Solutions	21 518 661,28	17 407 806,36
Affinity Asia Pacific Fund V LP	19 489 013,78	20 977 218,08
MBK Partners 2015-3 Inc	19 380 662,64	22 026 470,07
Nordic Mezzanine Fund III LP	18 918 001,00	1 826 718,48
Altor Fund III LP	18 115 564,00	16 777 345,09
Triton Fund III	17 394 794,18	21 497 663,00
Crown Opportunities Fund Ky	17 093 373,00	0,00
Hitec Vision V LP	16 962 450,65	24 296 893,68
Bowmark Capital Partners IV LP	16 689 011,48	18 050 856,96
ASF VIII LP	16 555 290,25	15 037 827,10
Advent International GPE IX SCSp	16 355 299,00	17 250 000,00
Kasvurahastojen Rahasto Ky	16 053 625,00	10 357 923,21
ASF Peak Co-investment SLP	15 887 749,74	3 226 711,69
Blackstone TN Partners LP	15 604 617,29	24 964 445,87
Carlyle Asia Partners V LP	15 413 849,97	16 922 203,87
Wynnchurch Capital III LP	15 349 197,13	17 442 904,15
SLP Zephyr Investors LP	14 618 571,04	12 863 250,97
Zeus Co-Investment LP	14 105 466,58	19 795 598,87
Hermes GPE Global Secondary T1 LP	13 559 568,37	8 203 657,32

Montagu IV LP	12 240 599,00	15 465 738,82
Kasvurahastojen Rahasto II Ky	11 639 401,00	9 436 311,28
Advent International GPE-VI LP	11 484 932,00	17 269 232,00
Baring Vostok PE Fund IV LP	10 567 369,69	13 457 437,67
Bridgepoint Europe IV A	10 054 447,00	10 803 226,94
Hermes GPE Global Secondary T2 LP	8 553 270,37	6 925 091,77
Bowmark Capital Partners VI LP	7 797 571,68	8 431 269,80
MB Equity Fund IV Ky	7 083 634,00	7 515 132,03
PAI Europe VII LP	6 687 475,31	9 206 299,99
Affinity Asia Pasific Fund III LP	5 513 124,67	19 446 280,21
Energy Capital Partners II D LP	5 406 945,90	12 140 170,73
	5 153 730 208,10	4 226 383 596,30
Other private equity investments	42 936 512,31	273 978 751,83
Total private equity investments	5 196 666 720,41	4 500 362 348,13

Investments in unlisted companies	Book value i.e. fair value EUR	Acquisition cost EUR
31 Dec 2019		
Suomi Power Networks SHL 8,17 %	96 705 198,25	96 705 198,25
Suomi Power Networks TopCo B.V.	156 275 704,67	21 462 950,06
Other investments	0,00	2 705 952,00
Total unlisted	252 980 902,92	120 874 100,31
Total private equity investments	5 449 647 623,33	4 621 236 448,44

Hedge fund investments ²⁴⁾

31 Dec 2019	Book value i.e. fair value EUR	Acquisition cost EUR
OZ Overseas Fund II	376 366 738,50	222 942 014,62
Citadel Kensington Global Strategies Fund	358 641 312,09	265 304 657,31
Marshall Wace Eureka Fund	337 853 427,89	280 991 940,28
King Street Capital	328 849 858,93	235 165 690,89
GoldenTree Master Fund	325 119 828,72	316 834 427,28
Arya Partners Funds	319 160 460,98	299 240 547,37
Davidson Kempner International, Ltd - Class C	285 163 338,68	183 292 491,29
Alyeska Fund	189 672 315,17	181 293 509,84
Taconic Opportunity Offshore Fund	142 109 453,13	133 299 954,68
Blue Mountain Credit Alternatives Fund Ltd	141 731 150,24	149 660 049,68
Davidson Kempner Long-Term Distressed Opportunities International III	117 387 570,77	93 824 653,75
Davidson Kempner Long-Term Distressed Opportunities International IV	114 129 247,82	100 285 188,48
Ares Capital Europe III Feeder	108 837 565,00	99 546 249,63
York Distressed Asset Fund III	103 177 854,73	103 648 856,01
GoldenTree CLO Debt Investment Fund	76 228 052,67	65 847 500,23
York European Distressed Credit Fund II	73 180 999,64	58 880 788,97
Bluebay Private Debt Fund	66 783 889,04	71 025 234,39
H.I.G.WhiteHorse Direct Lending Fund	62 294 245,15	63 401 958,42
Ares Capital Europe IV	55 808 080,65	52 565 883,85
H.I.G Bayside Loan Opportunity Feeder Fund IV	51 994 724,05	60 099 548,06
BlueBay Direct Lending Fund II SLP	50 170 667,92	52 690 508,63
EQT Credit Opportunities III	44 016 333,00	43 442 338,26
York Distressed Asset Fund IV	38 167 237,85	42 531 756,95
Blackstone Tactical Opportunities III	36 246 572,89	41 961 781,89
H.I.G Bayside Loan Opportunity Feeder Fund III	30 791 505,00	41 013 875,72
Davidson Kempner Long-Term Distressed Opportunities International II	28 720 103,26	18 535 337,75
BlueBay Direct Lending Fund III SLP	25 821 055,79	25 942 646,81
York European Distressed Credit Fund	24 749 019,95	20 860 994,77
H.I.G Bayside Loan Opportunity Fund V	9 720 899,00	7 500 000,00
Davidson Kempner Long-Term Distressed Opportunities International	5 623 128,89	3 967 640,42
AllBlue Class A	379 997,69	229 202,61
Mesirow Multimanager Fund II	27 470,41	42 700,42
	3 928 924 105,49	3 335 869 929,26
Other	25 637 795,90	0,00
Total	3 954 561 901,39	3 335 869 929,26

Other shares in subsidiaries and associated companies ²⁵⁾

31 Dec 2019	Holding	Book value i.e. fair value	Acquisition cost
Company name	%	EUR	EUR
Subsidiaries			
Kuntasjoitus KE Oy ¹⁾	100,00 %	8 409,40	8 409,40
		8 409,40	8 409,40
Shares in associated companies			
Municipal finance plc ²⁾	30,66 %	355 071 097,67	24 595 829,37
		355 071 097,67	24 595 829,37
Total		320 556 040,47	24 604 238,77

1) Acts as the general partner in Keva Investments Ky. Investments through the latter are shown under private equity funds. Keva Investments Ky owns a share in two United States equity funds, the book values, i.e. fair values, of which are EUR 181 920 162.63 and EUR 25 499 936.00 and acquisition values EUR 135 124 361.41 and EUR 68 537 595.23.

2) Equity according to the 2019 financial statements is EUR 1 594 321k. *) Profit for the period is EUR 104 932k *). The dividend is EUR 0.16 per share *).

*) Proposal to the Annual General Meeting of Municipal Finance plc to be held in March 2020.

Major bond holdings by issuer ²⁶⁾

31 Dec 2019	Book value i.e. fair value EUR	Acquisition cost EUR
French Government	2 173 744 712,44	2 218 949 084,86
German Government	738 639 025,60	706 600 591,46
Belgian Government	566 134 282,78	560 453 500,00
DNB Boligkredit AS	167 462 217,55	163 420 720,00
Norwegian Government	150 788 742,67	148 266 136,64
BPCE SA	137 524 347,41	133 726 760,00
Dexia Credit Local	119 481 669,04	115 602 960,00
Netherlands Government	113 025 081,68	107 542 875,00
Municipal Finance plc	108 944 885,24	100 000 000,00
Caisse Francaise de Financement Local	99 028 496,50	94 677 800,00
Cie Finacement Foncier SA	94 885 775,65	93 703 160,00
Skandinaviska Enskilda Banken AB	91 856 915,96	87 468 254,53
Rabobank Group	91 287 249,50	88 903 342,31
Austrian Government	90 786 970,49	84 189 000,00
China Development Bank	80 722 213,02	79 494 100,00
Unicredit Bank AG	79 396 865,57	79 705 860,00
Corp Andina de Fomento	75 583 440,42	74 869 650,00
Bank of Nova Scotia	71 678 314,18	69 576 150,00
Babson Euro CLO BV	71 198 750,00	73 945 000,00
AXA SA	69 393 682,81	66 566 795,00
Societe Generale SA	68 123 976,57	65 843 270,00
Banco Santander SA	67 959 133,25	65 553 388,00
Nordea Mortgage Bank PLC	66 683 783,60	65 830 520,00
TVO Teollisuuden voima Oyj	66 000 892,75	63 281 570,00
Citycon Oyj	64 889 368,22	63 758 520,00
OP Mortgage Bank	64 059 594,94	62 890 020,00
Leaseplan Corporation NV	59 844 271,66	56 384 260,00
Jubilee CLO 2014-XIV BV	59 180 000,00	61 686 000,00
European Investment Bank	59 117 768,85	60 273 000,00
Lloyds Bank Plc	58 868 122,29	57 974 180,00
Swedbank AB	56 336 425,47	55 945 701,49
FCA Bank SpA of Ireland	54 991 281,31	53 813 020,00
Oak Hill Advisors (Europe) LLP	54 848 187,50	54 875 000,00
German Postal Pensions	54 796 729,17	49 524 000,00
ING Bank NV	54 627 746,47	52 695 790,00
Royal Bank Of Canada Plc	52 347 035,00	51 809 300,00
RCI Banque SA	51 460 080,11	49 849 850,00
Landsbankinn NV	50 305 139,92	51 251 869,40
Capital Four CLO I DAC	49 791 875,00	49 790 000,00
Santander UK PLC	49 078 441,97	47 754 420,00
Akelius Residential AB	48 969 788,22	46 759 080,00
Kojamo Oyj	48 920 532,63	46 735 770,00
Dryden 35 Euro CLO BV	48 446 820,50	52 556 786,00
Sato-Yhtymä Oyj	47 880 704,68	46 891 739,40
Telecom Italia SpA	47 282 490,98	44 788 500,00
Svenska Handelsbanken AB	45 842 702,55	43 518 504,49
Archean SA	44 170 000,00	50 000 000,00
CaixaBank SA	44 120 260,33	42 857 160,00

Neste Oyj	43 603 793,34	41 777 846,00
Commonwealth Bank of Australia	40 747 629,51	39 760 800,00
Jubilee CLO 2014-XII BV	40 427 402,78	44 549 000,00
Thulite SA	40 000 000,00	40 000 000,00
Hutchison Telecom SA	39 874 059,02	39 904 400,00
Polish Government	39 308 787,67	34 933 500,00
British Telecom Plc	39 300 266,81	38 913 210,00
Stadshypotek AB	38 869 468,03	37 946 790,00
The Royal Bank of Scotland Plc	38 860 737,38	37 732 480,00
CVC Cordatus Loan Funding VIII Limited	38 767 000,00	40 627 000,00
Fastighets AB Balder	38 262 035,17	36 770 300,00
ABN Amro Bank NV	38 065 705,40	36 986 200,00
AXA Home Loan SFH SA	37 867 915,74	37 860 920,00
Sampo Oyj	37 004 057,55	34 824 350,00
DNA Oyj	36 915 216,43	35 274 066,89
AT&T Inc	36 888 308,20	34 858 950,00
National Australia Bank Ltd	36 393 757,53	35 116 500,00
Islandsbanki HF	35 589 429,99	34 958 400,00
Sparebank 1 Boligkreditt AS	35 249 208,61	34 752 200,00
Dartry Park CLO Ltd	35 179 400,00	39 205 000,00
Elia System Operator SA/NV	34 137 082,69	32 376 500,00
Carlyle Global Market Strategies Euro CLO 2014-3 Ltd	33 812 259,72	34 795 500,00
Halcyon Loan Advisors European Funding	33 586 200,00	34 770 890,00
Aegon NV	32 463 695,74	31 754 880,00
Huhtamäki Oyj	31 590 275,58	31 161 583,18
OP Yrityspankki Oyj	31 488 516,39	30 902 950,00
VVO-Yhtymä Oyj	31 121 495,90	29 837 100,00
KBC Groep NV	31 049 650,82	30 000 000,00
AIB Mortgage Bank	30 724 727,70	28 891 820,00
Vakuutusosakeyhtiö Garantia	30 692 012,70	29 938 650,00
SR-Boligkredit AS	30 672 622,13	29 777 400,00
FedEx Corporation	30 602 682,95	29 458 699,29
BNP Paribas Issuance B.V	30 545 636,67	30 000 000,00
NN Group NV	30 409 216,44	29 956 800,00
BlueMountain Fuji Management, LLC	30 386 450,00	29 748 250,00
Finnish Government	30 256 567,62	24 835 250,00
Mondi Finance Plc	29 915 428,27	28 394 520,00
Banco Bilbao Vizcaya Argentaria SA	29 866 881,51	28 913 290,00
Aqueduct European CLO	29 710 000,00	29 722 100,00
Elisa Oyj	28 728 629,04	27 847 384,00
Volvo AB	28 285 879,53	29 628 534,52
Kemira Oyj	27 861 349,83	26 876 060,00
Aroundtown SA	27 594 599,18	26 358 210,00
Ellevio AB	27 583 386,31	29 198 475,31
Nykredit Bank A/S	27 583 020,66	25 977 120,00
Kommunal Landspensjonskasse KLP	27 443 240,66	23 820 450,00
Molnlycke AB	27 168 722,01	27 462 974,02
Tele2 AB	27 165 104,51	24 785 250,00
Pohjolan Voima Oy	27 092 050,99	26 561 212,00
Nationwide Building Society	27 074 360,66	26 986 500,00
Crédit Mutuel-CIC Home Loan SFH	27 054 855,62	25 862 980,00
Ahlstrom Oyj	26 888 263,93	26 260 730,00
Jyske Bank AS	26 112 871,97	25 906 140,00

Korea Development Bank	25 594 280,74	24 948 000,00
Eika BoligKreditt AS	25 527 020,55	24 891 750,00
BBVA	25 235 506,79	25 360 000,00
Westpac Banking Corporation	24 589 706,30	23 678 400,00
	8 575 295 223,72	8 466 951 223,79
Other	1 715 187 628,84	1 357 350 715,80
Total	10 290 482 852,56	9 824 301 939,59

Fixed-income funds ²⁷⁾

31 Dec 2019	Book value i.e. fair value EUR	Acquisition cost EUR
Pimco Distressed Senior Credit Opportunities Fund (DISCO) II	455 631 077,56	127 506 790,45
Pimco Bravo II	112 345 791,35	90 185 978,37
Pimco Bravo	3 213 674,56	4 626 727,27
Whitecroft Core Bank Risk	53 960 693,59	50 391 303,55
	625 151 237,06	272 710 799,64

Forex funds ²⁸⁾

31 Dec 2019	Book value i.e. fair value EUR	Acquisition cost EUR
IPM Global Currency Fund	107 172 660,55	104 211 168,46
	107 172 660,55	104 211 168,46

Other notes to the financial statements

Derivative contracts

	31 Dec 2019	31 Dec 2018
Equity derivatives		
Forward and future contracts		
Value of underlying instrument	-694 082 369	-481 860 107
Positive fair value	508 111	10 979 096
Negative fair value	-8 440 756	-280 000
Total net	-7 932 645	10 699 096
Option contracts		
Value of underlying instrument	2 433 227	11 956 685
Positive fair value	330 000	11 349 000
Negative fair value	-4 759 404	-10 056 774
Total net	-4 429 404	1 292 226
Other equity derivatives		
Value of underlying instrument	238 746 065	300 268 379
Positive fair value	3 658 162	3 763 241
Negative fair value	-3 257 895	-5 122 288
Total net	400 267	-1 359 047
Interest rate derivatives		
Forward and future contracts		
Value of underlying instrument	0	-10 025 839 584
Positive fair value	0	0
Negative fair value	0	-49 065 550
Total net	0	-49 065 550
Option contracts		
Value of underlying instrument	88 189 432	3 445 834 771
Positive fair value	91 328 853	342 451 687
Negative fair value	-3 139 421	-8 840 110
Total net	88 189 432	333 611 578
Interest rate swaps		
Value of underlying instrument	537 300 000	9 768 959 389
Positive fair value	153 064 270	290 195 199
Negative fair value	-104 531 704	-108 555 934
Total net	48 532 566	181 639 265

Credit risk swaps

Value of underlying instrument	1 080 123 910	436 681 223
Positive fair value	0	0
Negative fair value	0	0
Total net	0	0

Forex derivatives

Forward contracts

Value of underlying instrument	11 948 057 833	12 435 481 744
Positive fair value	95 201 716	51 015 602
Negative fair value	-16 443 689	-76 675 594
Total net	78 758 027	-25 659 992

Option contracts

Purchased

Value of underlying instrument	2 318 872 158	168 928 741
Positive fair value	58 222 694	17 554 708
Negative fair value	0	-210 281
Total net	58 222 694	17 344 427

Option contracts

Written

Value of underlying instrument	-451 429 925	-110 219 873
Positive fair value	0	137 428
Negative fair value	-16 423 828	-7 775 939
Total net	-16 423 828	-7 638 510

Liabilities

	31 Dec 2019	31 Dec 2018
	EUR	
Securities lending		
Loaned securities are included in the balance sheet. The counterparty to the lending operations is the custodian bank, State Street Bank & 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 25 days in 2019.		
Equities		
Fair value	253 217 379,12	371 218 845,29
Bonds		
Fair value	2 932 903 827,41	3 108 879 970,05
Investment commitments,,		
Binding contracts that have not yet been drawn, but to which a commitment has been made through valid contracts		
Private equity funds	4 756 290 409,05	4 052 605 195,94
Silent partner's private equity investment	5 837 894,03	6 464 788,04
Real estate investment funds	938 369 476,61	955 775 412,00
Real estate investments in subsidiaries and associated companies	40 399 882,43	66 112 000,92
Rent liabilities		
Under 1 year	738 174,90	879 082,56
1-5 year	0,00	732 568,80
Other liabilities	1 269 050,56	5 764 635,62
Collateral given on own behalf		
Collateral for derivatives transactions		
Financial contribution	0,00	199 894 828,77
Cash collateral	66 940 862,20	78 121 480,97

Net present value of accrued benefits in Keva member organisations' pension system

The estimate of the net present value of the accrued benefits in the pension system of Keva member organisations has been calculated using a 3% 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 interest. The mortality used in the estimate is based on a population projection by Statistics Finland in 2018. For those on disability pension, the mortality rate used is based on estimates by the Finnish Centre for Pensions. The present value of accrued benefits in the pension system of Keva member

organisations includes an estimate of the share of Keva member organisations' pension system of the costs of pension expenditure for unpaid periods in the whole earnings-based pension system.

The calculation is based on information obtained from the registers of Keva and the Finnish Centre for Pensions. The calculation is based on information from the end of 2018 as well as the sum of wages and salaries and pension expenditure information from 2019. With regard to unpaid periods, the calculation is based on the forecast of pension expenditure and earnings accrued by the end of 2019 ob-

tained from the Finnish Centre for Pensions.

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 database and the calculation premises, especially interest rate and mortality factors, can alter the assessment of the net 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.

Net present value of benefits

31 Dec 2019	31 Dec 2019
EUR	EUR
126 000 000 000,00	123 000 000 000,00

Key indicators

	2019	2018	2017	2016	2015
Sum of wages and salaries of Keva member organisations, €m	18 126	17 410	16 844	16 888	16 820
Contribution income from Keva member organisations, €m	5 127	4 920	4 793	4 966	5 013
Number of insured Keva member organisation employees at 31 Dec*)	556 000	535 000	528 000	519 000	522 000
Number of Keva member organisation pension recipients at 31 Dec	413 084	406 286	398 000	387 000	378 000
Keva member organisation pensions paid, €m	5 488	5 230	5 005	4 754	4 559
Investments at fair value, €m	56 166	50 129	51 871	48 524	44 214
Return on investments at fair value	12,8 %	-3,0 %	7,7 %	7,4 %	4,8 %
Annual real return on investments since funding started in 1988	4,2 %	3,8 %	4,3 %	4,2 %	4,0 %
Operating costs, €m	82,2	74,9	76,1	73,7	81,5
Permanent personnel at 31 Dec	513	515	519	520	530
Number of State pension recipients at 31 Dec	246 874	251 505	256 000	259 000	263 000
State pensions paid, €m **)	4 761	4 675	4 597	4 502	4 440
Number of Evangelical Lutheran Church pension recipients at 31 Dec	19 469	19 250	19 000	18 700	18 400
Evangelical Lutheran Church pensions paid, €m **)	212	204	196	188	180
Number of Social Insurance Institution Kela pension recipients at 31 Dec	5 942	5 945	6 000	5 900	5 900
Social Insurance institution Kela pensions paid, €m **)	105	102	99	96	93

*) Due to the Incomes Register and new reporting practice in employment relationships, there is a break in the time series between 2018 and 2019.

**) These payments have no impact through profit and loss on Keva's financial statements.

Investment allocation (fair value)

	2019		2018		2017		2016		2015	
	€m	%	€m	%	€m	%	€m	%	€m	%
Loans receivable	123,6	0,2 %	154,9	0,3 %	315,0	0,7 %	386,1	0,9 %	455,9	1,1 %
Bonds	17 442,9	32,7 %	17 354,1	36,5 %	16 993,7	35,8 %	16 759,8	37,7 %	15 382,3	37,5 %
Short-term investments	664,3	1,2 %	574,1	1,2 %	403,4	0,8 %	679,0	1,5 %	750,1	1,8 %
Equities and equity funds	21 657,6	40,7 %	17 570,9	37,0 %	19 599,0	41,2 %	17 408,4	39,2 %	15 775,1	38,5 %
Private equity and hedge funds and commodities	9 769,6	18,3 %	8 487,7	17,9 %	6 911,8	14,5 %	6 146,6	13,8 %	5 632,0	13,7 %
Real estate	3 613,7	6,8 %	3 356,5	7,1 %	3 297,0	6,9 %	3 041,7	6,8 %	2 994,3	7,3 %
Total investments	53 271,7	100,0 %	47 498,2	100,0 %	47 520,0	100,0 %	44 421,6	100,0 %	40 989,7	100,0 %
Accumulated interest	77,6		107,1		91,2		93,5		108,9	
Other items	2 816,7		2 523,6		4 259,6		4 008,8		3 115,5	
Investments used in calculating return	56 166,0		50 128,8		51 870,8		48 523,8		44 214,1	

Net investment income on capital employed

	2019 Net income market value €m	Capital employed €m	Return on capital employed, %	2018 Return on capital employed, %	2017 Return on capital employed, %	2016 Return on capital employed, %	2015 Return on capital employed, %
Total fixed-income investments	1 331,2	20 193,1	6,6 %	-1,6 %	1,8 %	6,5 %	0,4 %
Loans receivable	1,3	143,3	0,9 %	0,7 %	0,7 %	0,7 %	0,9 %
Bonds	1 326,2	16 898,1	7,8 %	-2,0 %	2,6 %	8,8 %	0,3 %
Other money market instruments and deposits	3,7	3 151,7	0,1 %	-0,2 %	-0,5 %	-0,5 %	0,6 %
Total equity investments	4 599,2	22 284,8	20,6 %	-6,0 %	14,3 %	9,6 %	10,2 %
Listed equities	4 047,2	17 313,6	23,4 %	-10,4 %	14,5 %	8,8 %	8,7 %
Private equity investments	493,0	4 397,4	11,2 %	16,5 %	11,2 %	14,6 %	16,8 %
Unlisted equities	59,1	573,8	10,3 %	13,5 %	22,1 %	14,2 %	36,6 %
Total real estate investments	247,8	3 379,9	7,3 %	7,0 %	7,9 %	5,0 %	8,1 %
Direct real estate investments	191,0	2 534,2	7,5 %	5,6 %	6,9 %	4,6 %	6,0 %
Real estate investment funds and co-investments	56,8	845,7	6,7 %	11,2 %	10,8 %	6,2 %	15,3 %
Other investments	177,5	3 773,9	4,7 %	0,3 %	5,7 %	3,6 %	-1,2 %
Hedge fund investments	177,5	3 773,9	4,7 %	0,3 %	5,7 %	3,6 %	1,1 %
Commodity investments							-30,1 %
Total investments	6 355,8	49 631,7	12,8 %	-2,9 %	7,7 %	7,5 %	4,8 %
Income, expenses and business expenses not allocated to investment types	-20,5		0,0 %	0,0 %	0,0 %	0,0 %	0,0 %
Net investment income at fair value	6 335,2	49 631,7	12,8 %	-3,0 %	7,7 %	7,4 %	4,8 %

Capital employed = Market value at start of reporting period + daily / monthly time-weighted cash flows

Return on investment assets and risk figures *)

RETURN ON INVESTMENT ASSETS AND RISK FIGURES *)							
	Market value €m	%	Distri- bution by risk	%	Return	Risk Volatility	Mod. duration
Fixed-income investments	21 213,5	37,8 %	22 245,2	39,6 %	6,6 %		
Loans receivable	124,3	0,2 %	124,3	0,2 %	0,9 %		
Bonds	17 394,9	31,0 %	18 330,9	32,6 %	7,8 %	2,5 %	5,2
Public sector bonds	6 199,5	11,0 %	6 097,2	10,9 %	7,3 %		
Other corporation bonds	11 195,4	19,9 %	12 233,7	21,8 %	8,2 %		
Other money market instruments and deposits	3 694,3	6,6 %	3 790,0	6,7 %	0,1 %		
Equity investments		48,8 %	26 987,8	48,1 %	20,6 %		
Listed equities	21 617,3	38,5 %	21 170,7	37,7 %	23,4 %	11,6 %	
Private equity investments	5 207,0	9,3 %	5 207,0	9,3 %	11,2 %		
Unlisted equities	610,1	1,1 %	610,1	1,1 %	10,3 %		
Real estate investments		6,3 %	3 565,5	6,3 %	7,3 %		
Direct real estate investments	2 672,2	4,8 %	2 672,2	4,8 %	7,5 %		
Real estate investment funds	893,3	1,6 %	893,3	1,6 %	6,7 %		
Other investments	3 952,7	7,0 %	3 952,7	7,0 %	4,7 %		
Hedge funds	3 952,7	7,0 %	3 952,7	7,0 %	4,7 %	2,5 %	
Commodity investments							
Other investments							
Total investments %			56 751,1	101,0 %			
Effect of derivatives, %			-585,2	-1,0 %			
Total investments**)	56 166,0	100 %	56 166,0	100 %	12,8 %	5,1 %	

* Classification complies with the recommendations of the Finnish Pension Alliance's working group on pension returns.

** Total investments are the year-end market value of the investments used in the calculation.

Volatility is calculated from monthly logarithmised historical returns for two years.

Date and signatures to the financial statements and the report of the Board of Directors

Helsinki, 26 February 2020

Minna Arve, Chairman of the Board

Risto Kangas

Kari Nenonen, Deputy Chairman of the Board

Markus Lohi

Olli Heino

Päivi Niemi-Laine

Heini Jalkanen

Raimo Vistbacka

Heli Järvinen

Timo Kietäväinen

Auditor's notation

A report on the audit performed has been submitted today

Helsinki, 26 February 2020

Ernst & Young Oy

Authorised public accountant firm

Ulla Nykky

Authorised Public Accountant

Auditor's report

To Keva's Council

Audit of the financial statements

Opinion

We have audited the financial statements of Keva (business identity code 0119343-0) for the financial period 1 January to 31 December 2019. The financial statements comprise the balance sheet, profit and loss account, statement of source and application of funds, and notes to the financial statements.

In our opinion the financial statements give a true and fair view of the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Basis of opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the CEO for the financial statements

The Board of Directors and the CEO are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the CEO are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the CEO are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the company or cease operations, or there is no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from

fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of the Board of Directors' and the CEO's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related

to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any

significant deficiencies in internal control that we identify during our audit.

Other reporting requirements

Other information

The Board of Directors and the CEO are responsible for the other information. The other information comprises information included in the report of the Board of Directors.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed, we conclude that there is a material misstatement in of the information included in the report of the Board of Directors, we are required to report this fact. We have nothing to report in this regard.

Supervisory audit under Keva's Standing Orders

As required under Keva's Standing Orders, we have issued two annual supervisory audit reports on the supervisory audit performed by us.

Helsinki 26 February 2020

Ernst & Young Oy
Authorised Public Accountant Firm

Ulla Nykky
Authorised Public Accountant

PUBLIC SECTOR PENSIONS



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