



VER

VALTION ELÄKERAHASTO
STATENS PENSIONSFOND
THE STATE PENSION FUND

THE STATE PENSION FUND (VER)

PRESS RELEASE 28th January 2015.

Year 2014 in Brief

- Return on investment for the year 2014 was 7,8 per cent (6,4 per cent in 2013).
- Market value of investments was 17,6 billion euros (16,3 billion euros 31st December 2013).
- The proportion of the fixed-income investments was 50,4 (51,6) per cent on 31st December 2013, the proportion of quoted equities was 39,5 (39,9) per cent and the proportion of other investments was 10,1 (8,5) per cent.
- The return of fixed-income investments was 4,9 (-1,6 per cent in 2013) and the return of listed equities was 11,7 (18,2) per cent. Other investments gained a return of 7,8 (5,7) per cent.

Investments Grouped According to the Risk

31.12.2014	Basic Distribution		Risk Distribution		1-12/2014 24 months Return	
	Million euros 1)	%	Million euros 1)	%	MWR 2)	Volatility 3)
					%	%
Fixed-Income Investments	8 874,1	50,4	8 928,1	50,7	4,9	
Bonds	7 154,1	40,6	7 208,2	41,0	6,0	3,3
General Government Bonds	3 139,3	17,8	3 193,3	18,1	9,2	
Other Communities Bonds	4 014,8	22,8	4 014,8	22,8	3,6	
Other Financial market Instruments and Deposits	1 720,0	9,8	1 720,0	9,8	0,5	
Equity Investments	7 745,3	44,0	7 745,3	44,0	11,4	
Listed Equities	6 951,4	39,5	6 951,4	39,5	11,7	7,5
Private Equity Investments	582,9	3,3	582,9	3,3	7,9	
Unlisted Equities	211,0	1,2	211,0	1,2	2,4	
Real Estate Investments	472,3	2,7	472,3	2,7	10,3	
Real Estate Investments and Joint Investments	472,3	2,7	472,3	2,7	10,3	
Other Investments	508,2	2,9	508,2	2,9	6,0	
Hedge Funds	508,2	2,9	508,2	2,9	6,0	2,8
Investments in Total	17 599,9	100,0	17 653,9	100,3	7,8	3,9
The Effect of Derivatives			-54,1	-0,3		
The Total Market Value of Investments	17 599,9	100,0	17 599,9	100,0		
The Modified Duration of the Credit Portfolio			4,4 year			

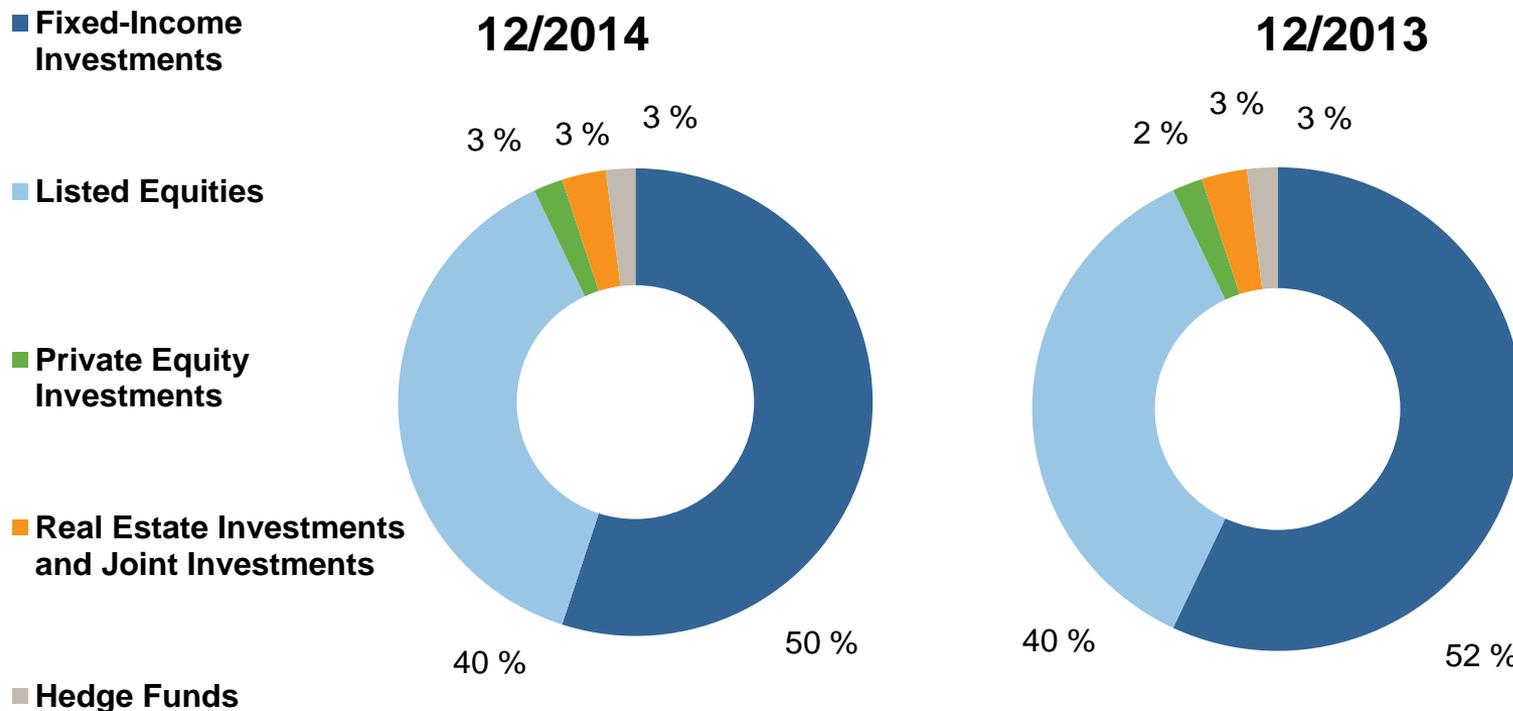
1) Including transferable interests.

2) The total return includes non allocated expenses/returns.

3) The volatility of investments is calculated according to a period of a 24 months observation. The bonds volatility is calculated of all (not solely general government) bonds.

The Breakdown of The Investment Portfolio

31.12.2014

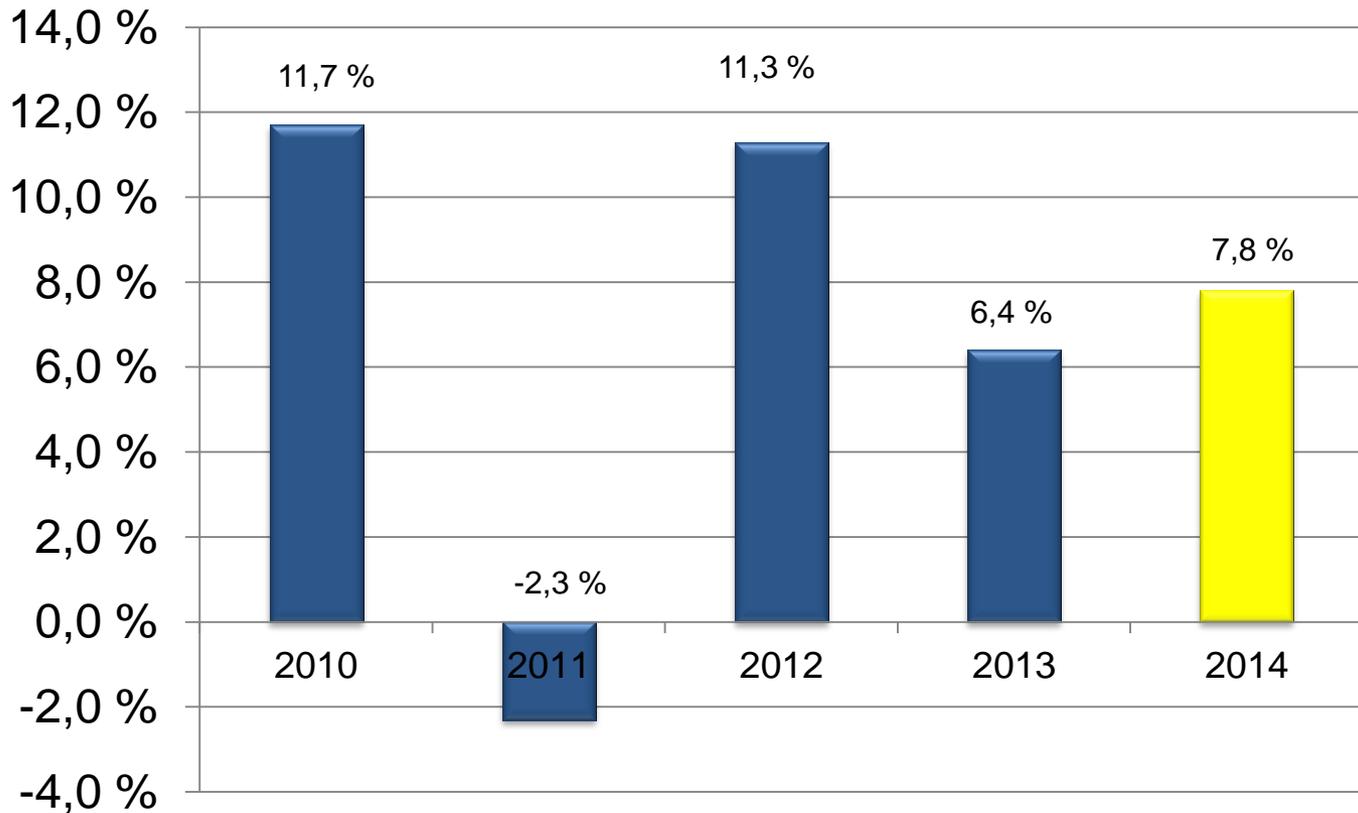


Investments are grouped according to TELA's recommendations

The Return and The Difference From The Strategic Allocation

31.12.2014	% Return	% Portfolio Allocation	% Strategic Allocation	% Difference
Fixed-Income Investments	4,9	50,4	51,0	- 0,6
Listed Equity Investments	11,7	39,5	40,0	- 0,5
Other Investments	7,8	10,1	9,0	1,1
INVESTMENTS IN TOTAL	7,8	100	100	

5 Years Investment Returns, %



Returns are calculated after the costs of investment activities.
The geometric average of VER's 5 years return is 6,8 per cent
and the 10 years is 5,5 per cent