



VER | VALTION ELÄKERAHASTO
STATENS PENSIONS FOND
THE STATE PENSION FUND

PROFIT AND LOSS STATEMENT

	1.1.–31.12.2014		1.1.–31.12.2013	
OPERATING INCOME				
Other operating income				
Capital gains on equities and participations	199,294,849.38		269,766,460.97	
Pension contributions from government agencies and institutions	776,042,993.08		747,873,952.44	
Other pension contribution income	531,276,534.36		507,234,838.61	
Employees' pension contributions	398,009,653.00		372,855,187.67	
Disability insurance contribution income	6,979,165.26	1,911,603,195.08	5,802,560.00	1,903,532,999.69
OPERATING EXPENSES				
Materials, supplies and goods				
Purchases during the period	70,292.57		94,986.85	
Personnel expenses	2,420,384.12		2,653,927.47	
Rents	301,546.88		295,782.04	
Other services	3,878,021.66		3,568,076.04	
Other expenses				
Other expenses	259,610.11		289,967.76	
Capital losses on disposal of equities and participations	27,104,874.74		44,750,825.76	
Depreciation	9,352.74	-34,044,082.82	49,907.40	-51,703,473.32
SURPLUS I		1,877,559,112.26		1,851,829,526.37
FINANCIAL INCOME AND EXPENSES				
Financial income	455,882,038.16		455,715,743.64	
Financial expenses	-160,195,758.16	295,686,280.00	-52,005,560.40	403,710,183.24
SURPLUS II		2,173,245,392.26		2,255,539,709.61
INCOME AND EXPENSES FROM TRANSFERS				
Income				
Transfer fees		20,077,423.87		25,595,748.13
SURPLUS III		2,193,322,816.13		2,281,135,457.74
SURPLUS/DEFICIT FOR THE PERIOD		2,193,322,816.13		2,281,135,457.74

BALANCE SHEET

ASSETS	31.12.2014		31.12.2013	
FIXED ASSETS AND OTHER LONG-TERM INVESTMENTS				
INTANGIBLE ASSETS				
Other long-term expenditure		0.00		4,416.85
TANGIBLE ASSETS				
Machinery and equipment		19,487.18		24,423.07
SECURITIES HELD AS FIXED ASSETS AND OTHER LONG-TERM INVESTMENTS				
Purchases of bonds denominated in euros	3,537,235,527.53		3,806,393,788.38	
Other long-term investments denominated in euros	6,227,319,748.36		5,842,325,550.57	
Purchases of bonds denominated in foreign currency	1,128,334,459.96		1,040,665,085.42	
Other long-term investments denominated in foreign currency	2,241,900,501.30	13,134,790,237.15	2,302,174,794.43	12,991,559,218.80
TOTAL FIXED ASSETS AND OTHER LONG-TERM INVESTMENTS		13,134,809,724.33		12,991,588,058.72
INVENTORIES AND FINANCIAL ASSETS				
LONG-TERM RECEIVABLES				
Long-term receivables		367,491.26		337,347.33
CURRENT RECEIVABLES				
Accrued credits and deferred charges	193,399,886.57		193,427,797.67	
Other current receivables	44,929,697.49	238,329,584.06	36,934,770.58	230,362,568.25
FINANCIAL SECURITIES AND OTHER SHORT-TERM INVESTMENTS				
Purchases of bonds denominated in euros		1,099,381,138.31		822,782,761.60
CASH, BANK DEPOSITS AND OTHER FINANCIAL ASSETS				
Other bank accounts		241,876,597.23		275,548,271.00
TOTAL INVENTORIES AND FINANCIAL ASSETS		1,579,954,810.86		1,329,030,948.18
TOTAL ASSETS		14,714,764,535.19		14,320,619,006.90

EQUITY AND LIABILITIES		31.12.2014		31.12.2013	
EQUITY					
Fund capital		-22,688,870,289.46		-21,010,572,211.33	
Accrued changes in capital		36,927,326,133.41		34,646,190,675.67	
Budget transfers		-1,728,242,094.73		-1,678,298,078.13	
Surplus/deficit for the period		2,193,322,816.13	14,703,536,565.35	2,281,135,457.74	14,238,455,843.95
LIABILITIES					
CURRENT					
Accounts payable		420,889.25		467,214.67	
Items to be forwarded for payment		112,579.87		108,626.30	
Accrued charges and deferred credits		398,600.50		821,929.07	
Other current liabilities		10,295,900.22	11,227,969.84	80,765,392.91	82,163,162.95
TOTAL LIABILITIES			11,227,969.84		82,163,162.95
TOTAL EQUITY AND LIABILITIES			14,714,764,535.19		14,320,619,006.90

Portfolio structure and returns 2005–2014

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Portfolio structure (at year end)										
AUM (MEUR)*	17,599.9	16,334.9	15,359.0	13,736.1	13,938.1	12,318.0	10,359.4	12,050.9	10,305.6	8,200.6
Allocation %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Fixed-income investments	50.4%	51.6%	54.6%	56.6%	54.3%	54.9%	61.8%	55.7%	55.5%	59.1%
Listed equities	39.5%	39.9%	38.4%	36.4%	40.4%	40.8%	30.7%	38.0%	40.4%	39.6%
Other investments	10.1%	8.5%	7.0%	6.9%	5.2%	4.3%	7.5%	6.3%	4.1%	1.3%
Performance and costs %										
Fixed-income investments	4.9%	-1.6%	8.8%	4.1%	3.9%	8.0%	4.4%	1.8%	0.1%	5.4%
Listed equities	11.7%	18.2%	16.8%	-12.3%	23.6%	38.7%	-42.8%	0.7%	17.4%	31.5%
Other investments	7.8%	5.7%	3.5%	6.1%	8.6%	-14.7%	-11.2%	9.5%	6.7%	2.2%
Costs (as % of average invested capital)	0.04%	0.04%	0.05%	0.05%	0.05%	0.05%	0.04%	0.04%	0.05%	0.05%
Return after investment costs	7.8%	6.4%	11.3%	-2.3%	11.7%	16.4%	-15.8%	1.8%	7.0%	14.9%
Effective average interest rate on government debt** %	1.8%	2.0%	2.3%	2.5%	2.5%	2.8%	4.1%	4.1%	4.1%	3.9%
Added value*** %	6.0%	4.4%	9.1%	-4.9%	9.2%	13.6%	-19.8%	-2.3%	2.9%	11.0%
Risk indicators										
Volatility****	3.2%	5.3%	5.0%	6.3%	5.0%	8.3%	10.2%	3.5%	4.1%	4.5%
Volatility (benchmark)****	3.3%	5.4%	5.1%	6.5%	5.0%	9.2%	11.7%	3.6%	4.0%	4.5%
Beta****	0.9	1.0	1.0	0.9	1.0	0.8	0.8	0.9	0.9	0.9
Sharpe Ratio*****	2.4	1.2	2.3	-0.7	2.2	2.1	-2.4	-0.6	1.0	2.7
Sharpe Ratio (benchmark)*****	2.5	1.2	2.2	-0.7	1.9	1.8	-2.3	-0.7	1.0	2.6
Sharpe Ratio value added	0.0	0.0	0.1	0.0	0.3	0.3	0.0	0.1	-0.1	0.1

*AUM corresponds to the market value of investments, plus accrued interest, investment bank account values, market values of forward contracts, warranties received and open deals. Exchange rate: ECB fixing.

**The effective average interest rate on government debt and the return on investment operations are calculated using different principles, so they are not directly comparable.

***Value added reflects excess return above the effective average interest rate on government debt.

****Excluding other investments whenever a figure is available for other investments; otherwise applies to whole portfolio.

*****Excluding other investments; the figures for 2005–2007 apply to the whole portfolio.

Cumulative return over 10 years (2005–2014)	70.8%
Average annual return over 10 years (2005–2014)	5.5%
Real return over 10 years (2005–2014)	3.5%
Average annual return over 5 years (2010–2014)	6.8%

