

# Interim Report

January – March 2017



Folksam Group

A yellow cloud-like icon containing the year 2017.

Large blue and green abstract shapes in the background, resembling stylized clouds or waves.

# Summary: The Folksam Group

Folksam overall	Jan-Mar 2017	Jan-Mar 2016	2016	2015
<b>Folksam Customer Index (FCI), %</b>	<b>79</b>	<b>77</b>	<b>79</b>	<b>78</b>
Premiums, SEK million <sup>1</sup>	22,622	21,322	47,023	50,469
Assets under management, at period-end, SEK million <sup>2,3,4</sup>	390,487	353,488	375,794	344,851
Unit-linked insurance assets, at period-end, SEK million <sup>3,4,5</sup>	132,293	109,471	124,042	111,144
Number of full-time positions <sup>6</sup>	3,721	3,704	3,731	3,706

- <sup>1</sup> Premiums comprise premiums earned in non-life insurance, premiums written in life insurance, and receipts and fees from unit-linked insurance investors in all ten insurance companies.
- <sup>2</sup> Konsumentkooperationens Pensionsstiftelse is not included.
- <sup>3</sup> At the end of the period.

- <sup>4</sup> Assets according to the total return table less strategic holdings, which principally relate to the value of subsidiaries.
- <sup>5</sup> Investment assets for which the policyholders bear the risk.
- <sup>6</sup> Based on the number of hours worked during the period.

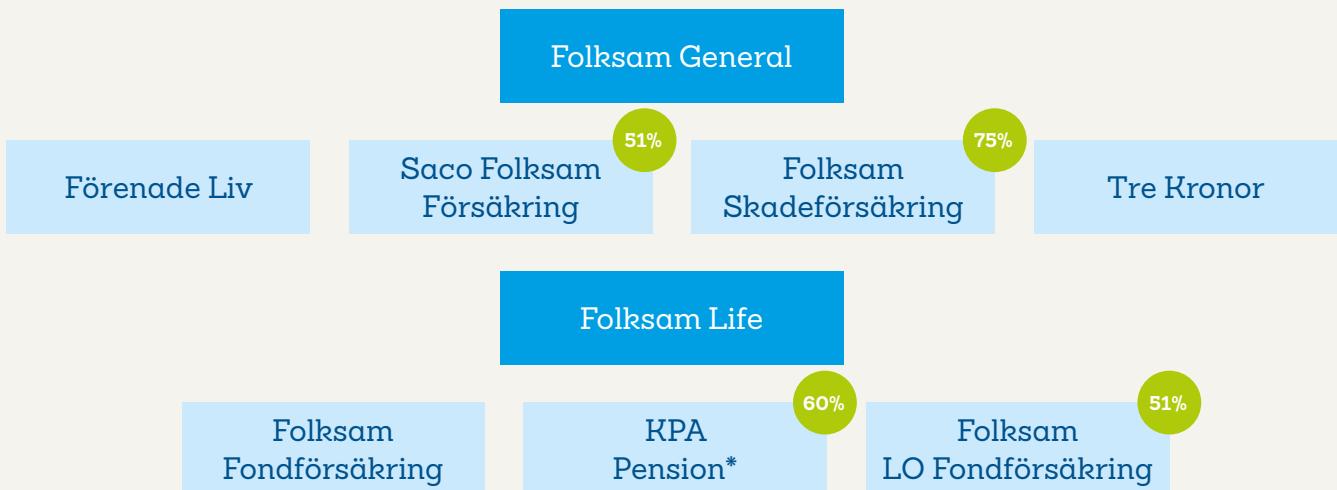
## Significant events during the period

- Folksam Life raised the bonus rate in the traditional life insurance from 4 to 5 per cent as of 1 February.
- Folksam Life and Folksam General sold 25.6 million ordinary shares in Swedbank AB at a price of SEK 219 per share and thereby reduced its ownership from 9.3 to 7.0 per cent.
- The Folksam Group invested SEK 1 billion in the infrastructure fund Infranode I.

## Events after the end of the period

- Folksam Life raised the bonus rate in the traditional life insurance in the occupational pension operations from 5 to 6 per cent as of 1 November.
- The Folksam Group acquired green bonds issued by the World Bank at a value of USD 350 million.
- Folksam Life's Annual General Meeting resolved that surpluses of more than SEK 1.66 billion in collectively agreed defined-benefit occupational pensions should be paid out.

## Four brands, two Groups and ten insurance companies



\*The brand KPA Pension comprises KPA AB, KPA Livförsäkring AB (publ) (KPA Livförsäkring), KPA Pensionsförsäkring AB (publ) (KPA Pensionsförsäkring), KPA Pensionsservice AB and KPA Pensionstjänst AB (under liquidation).

In this interim overview, we present reports on the Folksam as a whole, the Folksam General Group and Folksam Life Group. Group refers to all insurance companies within Folksam Life and Folksam General, meaning both those consolidated and those not consolidated. The exception to this is in the KPI tables for the Folksam Life Group and Folksam General Group is the solvency factor that relates to the respective legal group. We concentrate on the profit/loss for the parent companies Folksam General and Folksam Life and the subsidiary KPA Pensionsförsäkring. We also present a number of KPIs for the other subsidiaries and associated companies in the Folksam Group.

# Forward step by step

2017 began stably for the Folksam Group, just as 2016 ended. We continue to work in the best interest of the customers through the small daily improvements and larger change efforts.

The situation in the surrounding world and its challenges remain even if the global economic development looks brighter and important analysts are now adjusting their growth forecasts up. The largest question is the U.S. President Donald Trump and his choices in both U.S. and foreign policy issues.

At the same time, the low interest rates continue to influence the Folksam Group's situation. Our total premium volume is growing according to plan. Our strong non-life insurance offering continues to drive demand, at the same time that the premium inflows in the life insurance operations remain more controlled. In February 2017, we were able to again raise the bonus rate, from 4 to 5 per cent, and after the end of the quarter, we raised the bonus rate for the occupational pension operations from 5 to 6 per cent. It is the continued good return, despite the interest rate situation, that means that we can feel secure in these increases.

During the year, we continued to make a concerted effort to be a responsible investor and owner, in particular through our investments in green bonds. Fully in line with Folksam's vision that our customers should feel secure in a sustainable world. These investments provide both secure returns and contribute to building a more environmentally adapted world. In less than a year, we have surpassed SEK 10 billion in green bonds, most recently as the sole investor in an issue from the World Bank. I am proud of this!

During the quarter, we also made our single largest transaction in the Folksam Group's history. Folksam Life and Folksam General sold 25.6 million ordinary shares in Swedbank AB, corresponding to 2.3 per cent of the capital, as a result of Swedbank's fantastic development increasing the concentration risk in our portfolios. The Folksam Group's participating interest decreased from 9.3 to 7.0 per cent, which is our new strategic level. At the same time, the transaction entailed a capital gain of SEK 4.5 billion, which can be compared with the original investment of SEK 4.4 billion. In total, Swedbank has to-date given the customers around SEK 22 billion in returns.

After the end of the year, we also launched our "Drive Safely" service, which is the first connected insurance policy from Folksam. It rewards customers for safe driving with a discount of up to 20 per cent on their car insurance premium. "Drive Safely" is making use of the opportunities offered by digitisation, but at the same time it is also helping to save lives, money and the environment.

On the regulation side, pressure remains high. In November 2016, the proposal was made on a finance tax that would have also affected us in the insurance industry, but in February, the



Government chose to withdraw the proposal after extensive criticism. This was a relief for us. At present, the Insurance Distribution Directive (IDD) is being prepared at the Ministry of Finance and this autumn, information is expected on the new occupational pension regulation. These are two new regulations that will entail major changes for our operations.

In terms of regulations, the Swedish Financial Supervisory Authority issued Folksam Life a reprimand and a fine of SEK 10 million after the end of the period after an inspection of the bonus to some customers in group risk insurance for 2013 and 2014. Earlier customers in 2013 and 2014 who did not have a right to bonus were able to share SEK 3 million per year, an average of around SEK 115 per customer. However, our intention to be customer friendly lacked support in our Articles of Association and technical insurance guidelines, which naturally should not occur. We should of course have order in all matters.

We are now continuing to focus on day-to-day operations. We will do things smarter and at a lower cost. To reposition ourselves and close down the old. Consolidate operations and work with what we are best at. This is why we decided, among other things, to outsource our IT operations in Östersund and the operations for scanning and archiving. Step by step, we are accepting upcoming challenges and closing in on the target of having the industry's most satisfied customers.

**Jens Henriksson**  
President and CEO

# Market overview and the Folksam Group

## Market development

Folksam has a stable position in the market. According to premium figures from the Swedish Insurance Federation for 2016, we are still the market leader in life insurance and the third largest in the non-life insurance market.

In life insurance, the planned slow-down we did almost two years ago to suppress speculative investments in our traditional life insurance is apparent. After the fourth quarter of the year, Folksam has market share of 15.3 per cent (paid premiums for both old and new policies). At the same time last year, our market share was 16.4 per cent.

Folksam's market share in the more mature non-life insurance market is 16.5 per cent after the fourth quarter of the year, compared with 16.3 per cent at the same time last year. The four largest companies still have around 80 per cent of the market, but start-ups are also now being seen in the statistics.

Folksam is increasing its share in the household market and we see the largest growth in sickness and accident insurance and pet insurance. The Folksam Group's total premium volume in the first quarter of 2017 amounted to SEK 22,622 million (21,322). The Folksam Life Group accounted for SEK 13,213 million (12,221) and the Folksam General Group for SEK 3,525 million (3,454).

## Macroeconomics

The economic trend in the world looks significantly better than just one year ago. The IMF has revised up the growth for the world in 2017, and it looks even better for 2018. But political developments – not least in the U.S. – are creating uncertainty. The new Trump administration is impeding the interpretation of the continued economic situation. The UK's decision to leave the EU is having an impact, at the same time that Sweden, despite everything, continues to show both high growth and lower unemployment.

At the same time, the prevailing interest rates continue to concern both the industry and authorities. New kinds of investments and adaptation in the products are two measures for handling the situation.

## Managed assets and unit-linked insurance assets

At 31 March 2017, Folksam managed SEK 390,487 million (353,488). At 31 March 2017, the unit-linked insurance assets amounted to SEK 132,293 million (109,471). The increase of the unit-linked insurance assets is due both to good value growth and a strong positive premium inflow.

Despite the continued low interest rates and the political unease in the world, we succeeded in providing a good return in the first quarter of the year. It is primarily our property and equity portfolios that are developing strongly, but the interest-bearing investments are also providing returns.

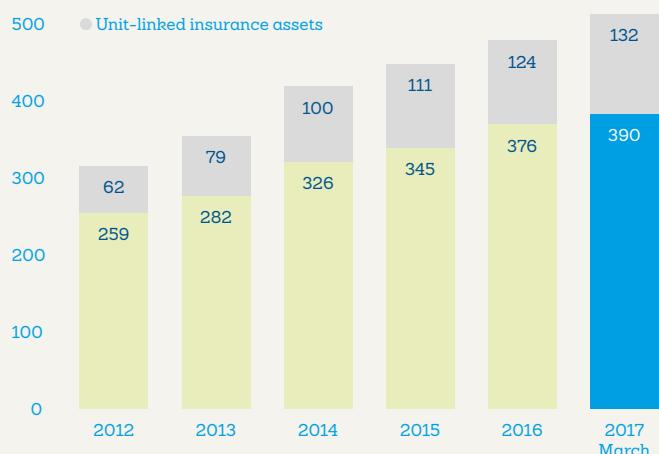
Total premium volume, SEK millions



Folksam's managed assets, March 2017



Folksam's managed assets and unit-linked insurance assets, SEK billions



Some special events in the asset management operations:

- Folksam Life and Folksam General sold 25.6 million ordinary shares in Swedbank AB – equal to 2.3 per cent of Swedbank's share capital – at a price of SEK 219 per share. This means that the Folksam Group's participating interest decreased from 9.0 to 7.3 per cent. Swedbank remains a long-term and strategic investment for the Folksam Group and there is no intention to sell further shares.
- Our investment in property is continuing, most recently through the establishment in the property market in Gothenburg.
- We are continuing to invest in infrastructure, most recently through a SEK 1 billion investment in the fund Infranode.
- After the end of the period, the Folksam Group acquired green bonds issued by the World Bank at a value of USD 350 million. This is the Folksam Group's largest single investment to-date in green bonds and entails that we have invested more than SEK 10 billion in green bonds in less than one year.

## Regulations

New and future regulations are placing major demands for the reorganisation of companies in the insurance and pension savings industries.

At the end of February, the Government withdrew the harshly criticised proposal of a finance tax that would have also affected the actors in insurance and pension savings. The Government hopes to instead find a tax that can be more directly aimed at the banks.

At present, the Insurance Distribution Directive (IDD) is also being prepared at the Ministry of Finance. IDD is a political agreement at the EU level for an insurance distribution directive, including the insurance companies' own distribution channels. It includes demands for higher standards when selling insurance products, processes for product approval, neutral compensation systems and a set number of hours of further training each year for employees in certain categories of insurance companies, but the issue of a commission ban has been left to the Member States to decide. A bill to the Swedish Parliament is planned for autumn 2017 to enter into effect in the legislation on 23 February 2018.

### Solvency II and occupational pension regulation

Since 2016, Solvency II (insurance business legislation) applies, at the same time that companies that conduct occupational pension operations can instead follow transitional rules.

At the start of October 2016, the Government announced a policy decision regarding the upcoming occupational pension regulation. Based on the ambition of achieving a solution that provides adequate protection for consumers at the same time as allowing effective management of occupational pensions, the decision means that there are different regulations for occupational pension companies and insurance companies. A number of significant issues are still awaiting decisions, however, such as what the capital requirements will be for the occupational pension companies. A proposal for a new occupational pension regulation will be referred during autumn 2017.

## Digitisation

Digitisation is affecting insurance and pension savings in many different ways. On one hand, new risks and changed ways of communicating with customers are arising, and on the other, new insurance needs, business models and competitors are being created. The Internet of Things and self-driving cars, a sharing economy and automated claims handling and robot advice are concrete examples of the consequences of digitisation and automation.

For Folksam, major development initiatives, such as enhancement of our IT systems and an increase in our digital presence for customer communication are continuing with a view to making us an even more modern and effective enterprise. But they also drive costs, which we are keeping a careful watch on. We therefore prioritise among the projects to ensure that the projects we have under way provide the intended benefit. At the end of March, we launched an opportunity for customers to get their Folksam correspondence through the digital letter box Kivra.

## Sustainability

While the Trump administration in the U.S. has torn up climate legislation and the country's commitments in the climate agreement are uncertain, researchers continue to sound the alarm of the Arctic ice melting faster than previously thought and the Swedish Government has, among other efforts, commissioned a study of how the finance market can contribute to the climate adjustment by promoting the market for green bonds.

Within the scope of the corporate network of the Haga Initiative, Folksam has committed to be fossil-free by 2030. We have also invested extensively in green bonds and today have surpassed SEK 10 billion in investments.

Folksam General with subsidiaries reports in accordance with Solvency II. Folksam Life with subsidiaries has pure Solvency II companies (KPA Livförsäkring), companies with mixed operations (Folksam Fondförsäkring and Folksam Life) and pure occupational pension companies (Folksam LO fondförsäkring and KPA Pensionsförsäkring) that follow the Solvency I regulations. The companies' capital requirements under Solvency II are determined according to the standard model, which is adapted to an average, European insurance company. All companies meet the solvency and minimum capital requirements. Calculations of the solvency factor for Folksam General (Group) and Folksam Life (parent company) are presented with a one-quarter delay in this full-year overview.

# Folksam General

Folksam General

Förenade Liv

Saco Folksam  
Försäkring

51%

Folksam  
Skadeförsäkring

75%

Tre Kronor

Folksam General Group	Jan-Mar 2017	Jan-Mar 2016	2016	2015
Premiums earned, SEK millions	3,525	3,454	14,269	13,395
Assets under management, at period-end, SEK million	46,328	43,414	46,106	43,189
Solvency factor <sup>1)</sup> (SCR), at period-end	1.96	1.86	1.96	1.87

The premiums earned in the Folksam General Group increased to SEK 3,525 million (3,454), which is 2 per cent higher than the year-earlier period. Assets under management increased by 7 per cent to SEK 46,328 million (43,414). The solvency factor according to the Solvency II directive is 1.96 (1.86).

Folksam General (parent company)	Jan-Mar 2017	Jan-Mar 2016	2016	2015
Premiums earned, SEK millions	2,808	2,760	11,298	10,592
Underwriting result, SEK millions	-27	-83	-250	148
Profit/loss before appropriations and income tax, SEK million	-9	-134	1,746	557
Total expenses, %	102.4	105.0	100.8	96.8
of which claims expenses, %	86.6	87.7	84.0	77.9
of which operating expenses, %	15.8	17.2	16.8	18.9
Total return, %	0.3	0.3	6.6	2.4
Solvency capital, at period-end, %	17,864	16,223	18,092	16,293
Funding ratio, at period-end, %	150	144	157	149
Solvency factor <sup>1)</sup> (SCR), at period-end	2.16	2.01	2.16	2.05

<sup>1)</sup> The solvency factor pertains to the capital base in relation to capital requirements in accordance with the Solvency II directive. The solvency factor is presented with a one-quarter delay.

The premiums earned for the period amounted to SEK 2,808 (2,760) million in the parent company, which is around 2 per cent higher than the first quarter of 2016. The strong offering and the greater insurance willingness among customers continue to drive demand. The trend towards insurance with more content is continuing, at the same time that some premium adjustments contribute to higher revenues. It is above all the household and home owner insurance and pet insurance that account for the premium increase.

The degree of cancellations remains at a stable level. The total cost ratio in the parent company amounted to 102 (105). This is an improvement of 3 percentage points compared with the same period the previous year and is due to both a lower expense ratio and a lower claims expense ratio. The claims expense ratio amounted to 87 (88) per cent. The improvement is mainly due to lower provisions for personal injury annuities due to interest rate changes compared with the previous year. At the same time, we see higher expenses for water damage claims during the period, which impacts the underlying claims expenses.

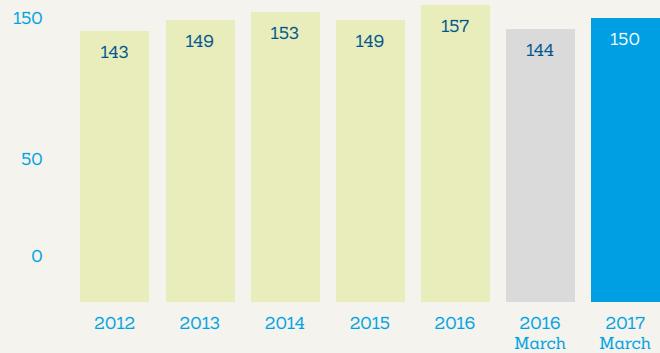
The expense ratio decreased to 16 (17), mainly as a result of lower development and acquisition expenses. The underwriting result for the period was SEK -27 million (-83). This is SEK 56 million better than the same period of the previous year and is mainly due to an improved claims outcome resulting from lower provisions for personal injury annuities, lower operating expenses and higher premiums earned. Profit/loss before income tax amounted to a loss of SEK 9 million (loss: 134). The improvement is due to the underwriting result combined with improved return on assets. The total return ratio amounted to 0.3 (0.3) per cent. We see a strongly improved return on equities and a corresponding deterioration in interest-bearing securities. The solvency factor, which we present with a one-quarter delay, amounts to 2.16 (2.01) for the parent company.

The funding ratio improved compared to the year-before period and amounted to 150 (144) per cent in the parent company.

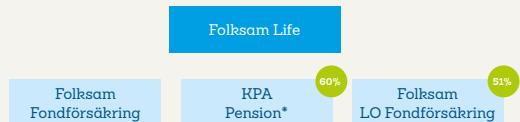
## Events during the period

- Folksam launched the connected service "Drive Safely" for customers with car insurance. The policyholder gets a specially designed indicator which gives the driver direct feedback on their speed with a green, yellow or red light. Driving safely, i.e. with a green light, is rewarded through a 20 per cent discount on the car insurance premium.
- Folksam General signed an agreement to acquire the office property Stampen 6:17 in Gothenburg at a value of SEK 330 million.
- Folksam General signed an agreement with the Swedish Football Association to sell its interest in the jointly owned company Cooperante AB, which owns 11.1 per cent of Arenabolaget i Solna. Folksam General's agreement with the Swedish Football Association entails a sales price of SEK 17,000 and an additional sales amount of one third of the association's possible income from Arenabolaget until 2030.

Solvency ratio, %, parent company



# Folksam Life



Folksam Life Group	Jan-Mar 2017	Jan-Mar 2016	2016	2015
Premium income, SEK million	13,213	12,221	22,352	25,552
Assets under management, at period-end, SEK million	343,953	309,772	329,485	301,464
Unit-linked insurance assets, SEK millions	122,944	101,449	115,134	102,741
Solvency factor <sup>1)</sup> , at period-end	3.37	3.31	3.37	3.45

Premiums written for the Folksam Life Group amounted to SEK 13,213 million (12,221) for the first quarter of the year. Assets under management amounted to SEK 343,953 million (309,772) and the unit-linked insurance assets amounted to SEK 122,944 (101,449) million. In total, the customers' assets increased by 14 per cent at 31 March 2017, compared to the year-earlier period. The solvency factor was 3.37.

Folksam Life (parent company)	Jan-Mar 2017	Jan-Mar 2016	2016	2015
Premium income, SEK million	2,687	2,837	9,839	13,479
Underwriting result, SEK millions	2,506	-3,644	8,273	8,985
Management expense, %	0.5	0.6	0.6	0.7
Total return, %	1.7	0.0	8.4	3.7
Assets under management, at period-end, SEK million	178,396	164,290	176,267	164,489
Solvency ratio, at period-end, %	167.0	155.7	165.4	162.0
Solvency factor <sup>1)</sup> mixed companies	3.93	3.86	3.93	4.10
Collective funding ratio, occupational pension, at period-end, %	121.6	114.7	120.8	118.9
Collective funding, other life insurance activities, at period-end, %	119.9	115.0	119.5	117.5

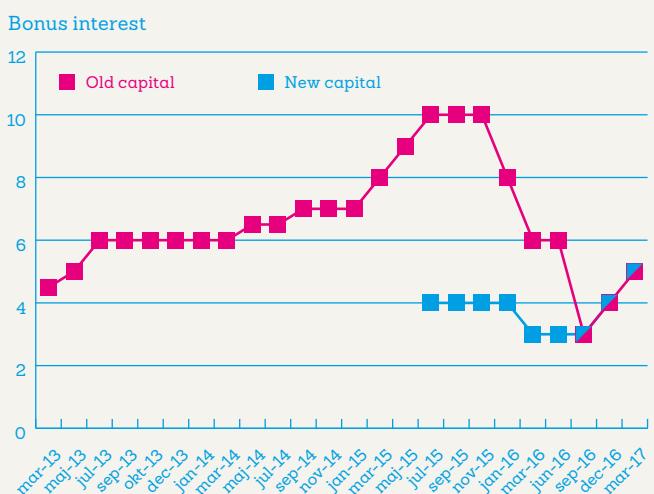
<sup>1)</sup> The solvency factor for mixed companies refers to the sum of the capital base relative to the capital requirements for other life insurance (in accordance with the Solvency II directive) and the capital base relative to the capital requirements (in accordance with the Solvency I directive) for the occupational pension operations.

The solvency factor is presented with a one-quarter delay.

<sup>2)</sup> The collective funding ratio was calculated until 30 November 2015 divided into the business lines Life1 and Life2. Thereafter, all occupational pension business was combined and the business lines "occupational pension business" and "other life insurance business" were formed.

Premiums written for Folksam Life amounted to SEK 2,687 (2,837) million. These figures still reflect some slow-down of one-time paid premiums according to plan. The share of continuing agreements is increasing in new policies, however. Individual occupational pension insurance increased to SEK 278 million (218), while private savings insurance decreased to SEK 951 million (1,101). Premiums written for partner and collectively agreed business amounted to SEK 1,949 (1,598) million. Operating expenses decreased overall as a result of lower acquisition costs even if the on-going development projects, such as regulatory adaptation and efficiency enhancements to IT systems and other processes, drive costs. The total return for the period was 1.7 (0.0) per cent, and has made a contribution to the positive result. It is above all equities that contribute with a return of 4.2 per cent. Seen over the past five years 2012-2016, the annual average total return for Folksam Life was 7.7 per cent.

The solvency ratio in the parent company was 167.0 (155.7) per cent as of 31 March 2017. The solvency ratio increased mainly as a result of the good return on assets. The solvency factor for mixed companies, which we present with a one-quarter delay, is stable and amounts to 3.9 for the



In 2015, Folksam Life divided up the bonus interest into "old capital" and "new capital". Depending on the portfolio, the breakpoint is 1 June 2015 (Life2) or 1 July 2015 (Life1). The diagram shows the breakpoint for Life1. Since 1 September 2015, Folksam Life went back to a joint bonus rate for "old" and "new" capital. On 30 November 2015, all occupational pension business was combined and the business lines "occupational pension business" and "other life insurance business" were formed.

parent company. The collective funding ratio for the defined-contribution occupational pension insurance amounted to 122 per cent (115) on 31 March 2017, and 120 per cent (115) for other life insurance business.

### Events during the period

- Folksam Life raised the bonus rate in the traditional life insurance from 4 to 5 per cent as of 1 February.
- Folksam Life raised the bonus rate in the traditional life insurance in the occupational pension operations from 5 to 6 per cent as of 1 April. The bonus rate in other life insurance operations remains at 5 per cent.
- Folksam Life's Annual General Meeting resolved that surpluses in collectively agreed defined-benefit occupational pensions should be paid out. A surplus of more than SEK 1.66 billion was distributed to nearly 5,000 employer customers.
- The Swedish Financial Supervisory Authority issued Folksam Life a reprimand and a fine of SEK 10 million after an inspection of the bonus to some customers in group risk insurance for 2013 and 2014. Earlier customers in 2013 and 2014 who did not have a right to bonus were able to share SEK 3 million per year. On average, around SEK 115 per customer was involved.

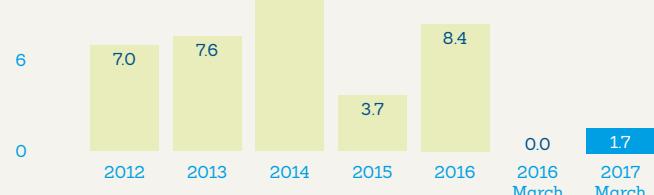
Solvency ratio %, parent company

200



Total return %, parent company

12



Folksam Life

Folksam  
Fondförsäkring

KPA  
Pension

Folksam  
LO Fondförsäkring

60%

51%

# KPA Pensionsförsäkring

KPA Pensionsförsäkring AB	Jan-Mar 2017	Jan-Mar 2016	2016	2015
Premium income, SEK million	10,218	9,094	12,138	11,726
Underwriting result, SEK millions	6,999	-664	7,281	4,098
Management expense, %	0.1	0.2	0.2	0.2
Total return, %	2.0	-0.2	6.6	3.3
Rate of return, %	2.2	0.0	6.7	3.7
Assets under management, at period-end, SEK million	160,569	140,681	148,379	132,283
Solvency ratio, at period-end, %	168	157	164	164
Solvency factor (S1), at period-end	16.20	13.63	15.40	15.20

Premiums written for KPA Pensionförsäkring amounted to SEK 10,218 million (9,094), which is an increase of nearly 12 per cent. In connection with the year's brokering, KPA Pension received 115,000 new pension savers covered by the pension agreements KAP-KL and AKAP-KL. This is 12,000 more than the year before. Capital moved out in the first

three months was more than SEK 200 million, which was on a par with 2016. The administrative cost ratio in KPA Pensionsförsäkring was 0.1. KPA Pensionsförsäkring's solvency ratio at period-end was 168 (157) per cent. It is above all the good return on assets and the positive cash flow of SEK 9 billion that contributed to the improved solvency ratio.

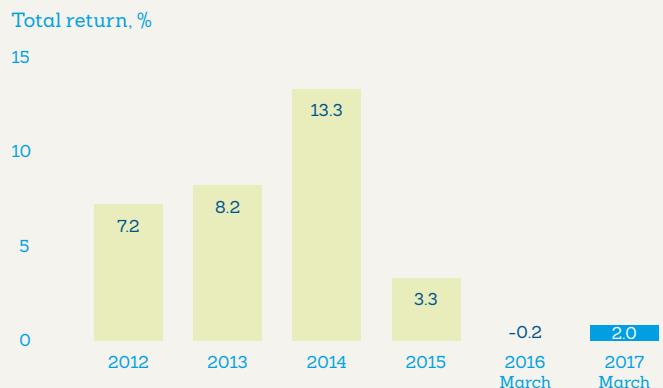
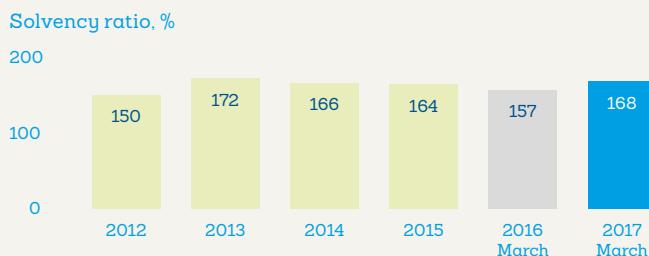
Total return amounted to -2.0 (0.2) per cent for the period and the rate of return amounted to 2.2 (0.0) per cent. All asset classes developed positively during the period. Seen over the past five years 2012-2016, the annual average total return for KPA Pensionsförsäkring was 7.7 per cent.

### Events during the period

- The Board in the pension administration company KPA Pensionsservice appointed Ninni Wibeck as the new Managing Director in the company. She is also the manager for the Employers and Sales business areas in KPA Pension.
- KPA Pension was named the most sustainable brand in the pension industry and the entire finance industry for the sixth consecutive year. This was the result of the large Sustainable Brand Index study of sustainable brands in Sweden.

### Events after the end of the period

- KPA Pension acquired green bonds from the World Bank at a value of SEK 1.3 billion. KPA Pension thereby surpassed SEK 4 billion in investments in green bonds.



# Appendix: Other subsidiaries and associated companies

Folksam General					
Tre Kronor	Jan-Mar 2017	Jan-Mar 2016	2016	2015	
Premiums earned, SEK millions	242	235	962	921	
Underwriting result, SEK millions	2	17	56	123	
Profit before tax, SEK millions	2	24	66	120	
Total expenses, %	99.1	92.8	94.1	86.8	
Solvency factor (SCR), at period-end	2.0	1.90	2.0	1.88	
Folksam Skadeförsäkring					
Premiums earned, SEK millions	180	178	736	708	
Underwriting result, SEK millions	11	23	61	12	
Profit before tax, SEK millions	7	56	99	-3	
Total expenses, %	95.7	88.8	93.3	101.5	
Solvency factor (SCR), at period-end	2.93	2.83	2.93	2.42	
Förenade Liv					
Premiums earned, SEK millions	251	239	1,110	997	
Underwriting result, SEK millions	-11	-44	246	-91	
Profit before tax, SEK millions	-11	-44	246	-91	
Total expenses, %	109.8	112.9	100.8	117.1	
Solvency factor (SCR), at period-end	1.80	1.98	1.80	1.97	
Saco Folksam Försäkring					
Premiums earned, SEK millions	43	40	163	176	
Underwriting result, SEK millions	0	13	18	17	
Profit before tax, SEK millions	4	12	25	23	
Total expenses, %	102.1	89.8	85.8	80.5	
Solvency factor (SCR), at period-end	1.40	1.40	1.40	1.27	
Folksam Life					
KPA Livförsäkring					
Premium income, SEK million	281	267	266	252	
Profit/loss for the period before income tax, SEK million	73	-31	57	17	
Management expense ratio, %	0.2	0.1	0.6	0.6	
Total return, %	1.4	-0.1	4.8	2.4	
Solvency factor (SCR), at period-end	3.20	3.25	3.20	6.80*	
Folksam Fondförsäkring					
Premium income, SEK million	5	2	14	18	
Profit/loss for the period before income tax, SEK million	15	28	110	13	
Management expense ratio, %	0.3	0.3	1.2	1.5	
Unit-linked insurance assets, SEK millions	40,946	36,049	39,961	37,527	
Folksam LO Fondförsäkring					
Premium income, SEK million	22	20	95	77	
Profit/loss for the period before income tax, SEK million	52	38	199	168	
Management expense ratio, %	0.0	0.0	0.1	0.2	
Unit-linked insurance assets, SEK millions	81,998	65,400	75,174	65,214	
Solvency factor (S1), at period-end	4.64	4.05	4.60	3.77	

\* From 2016, according to Solvency II.

# This is the Folksam Group

Our job is to provide security in every phase of life. With us, customers can insure themselves, their loved ones and their property and save for their pension. Every time we meet a customer, we also meet an owner. And we have many owners. We insure almost half of all Swedes and take care of the pensions of more than two million people. As a result, the Folksam Group is one of the leading players when it comes to insurance and pension saving.

## Our vision

Our customers should feel secure in a sustainable world.

## Our business concept

We are our customers' company, offering popular insurance policies and pension investments that provide security.

## Our overriding objective

We should have the most satisfied customers in the insurance and savings industry.



Find out more at [www.folksam.se](http://www.folksam.se)



Our customers  
should feel secure in  
a sustainable world

## For further information, please contact:

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