

3 Claims incurred

P&C insurance

EURm	2013			2012		
	Gross	Ceded	Net	Gross	Ceded	Net
P&C insurance						
Claims cost attributable to current-year operations						
Claims paid	-1,718	21	-1,697	-1,694	30	-1,665
Change in provision for claims outstanding (incurred and reported losses)	-715	19	-696	-894	166	-727
Change in provision for claims outstanding (incurred but not reported losses, IBNR)	-633	13	-620	-622	13	-609
Claims-adjustment costs	-4	0	-4	2	-	2
Change in claims provision for annuities	-7	0	-7	-9	-	-9
Total claims cost attributable to current-year operations	-3,078	53	-3,025	-3,218	209	-3,009
Claims costs attributable to prior-year operations						
Claims paid	-1,274	165	-1,108	-1,426	139	-1,288
Annuities paid	-77	0	-77	-20	-0	-20
Change in provision for claims outstanding (incurred and reported losses)	915	-140	775	938	-100	837
Change in provision for claims outstanding (incurred but not reported losses, IBNR)	508	-18	489	647	-44	603
Total claims cost attributable to prior-year operations	71	7	79	139	-6	133
Insurance claims paid						
Claims paid	-2,991	186	-2,805	-3,121	168	-2,952
Annuities paid	-129	-	-129	-42	-	-42
Total claims paid	-3,120	186	-2,935	-3,163	168	-2,995
Change in provision for claims outstanding						
Change in provision for claims outstanding (incurred and reported losses)	199	-121	79	44	66	110
Change in provision for claims outstanding (incurred but not reported losses, IBNR)	-126	-5	-131	25	-31	-6
Change in claims provision for annuities	45	0	45	13	-0	13
Claims-adjustment costs	-4	-	-4	2	-	2
Total change in provision for claims outstanding	114	-126	-12	84	35	119
P&C insurance, total	-3,006	60	-2,946	-3,079	203	-2,876

The provision for annuities is valued in accordance with normal actuarial principles taking anticipated inflation and mortality into consideration, and discounted to take the anticipated future investment return into account. To cover costs for the upward adjustment of annuity provisions required for the gradual reversal of such discounting, an anticipated return is added to the annuity results. Provisions for incurred but not reported losses pertaining to annuities in Finland are discounted. The provisions in 2013 amounted to EURm 282 (289). The non-discounted value was EURm 453 (513). The exchange effect on the discounted provisions was an increase of EURm 9. The acquired businesses increased the the provision by some EURm 9. The real decrease EURm 15 is partly explained by the model adjustment for Motor Third Party Liability and Workers' Compensation insurances.

Interest rate used in calculating the technical provisions of annuities (%)

	2013	2012
Sweden	1.19%	0.18%
Finland	2.50%	3.00%
Denmark	2.00%	2.00%

Life insurance

EURm	Claims paid		Change in provision for claims outstanding		Claims incurred	
	2013	2012	2013	2012	2013	2012
Insurance contracts						
Life insurance						
Contracts with discretionary participation feature (DPF)	-50	-77	-0	-3	-50	-80
Other contracts	-0	-0	-0	-1	-0	-1
Unit-linked contracts	-160	-155	0	4	-160	-152
Total	-211	-233	0	0	-210	-233
Pension insurance						
Contracts with discretionary participation feature (DPF)	-344	-346	24	51	-320	-296
Unit-linked contracts	-12	-10	-16	-10	-29	-20
Total	-357	-357	8	41	-349	-315
Assumed reinsurance	-1	-1	-1	0	-2	-1
Insurance contracts total, gross	-568	-590	7	41	-561	-548
Reinsurers' share	3	4	-1	0	2	4
Insurance contracts total, net	-565	-586	7	41	-559	-545
Investment contracts						
Capital redemption policies						
Contracts with discretionary participation feature (DPF)	-1	-1	-	-	-1	-1
Unit-linked contracts	-172	-123	-	-	-172	-123
Investment contracts, total	-173	-124	-	-	-173	-124
Life insurance, total	-738	-710	7	41	-731	-669

Claims paid by type of benefit

EURm	2013	2012
Insurance contracts		
Life insurance		
Surrender benefits	-10	-8
Death benefits	-21	-26
Maturity benefits	-9	-33
Loss adjustment expenses	-0	-0
Other	-10	-10
Total	-50	-77

Life insurance, unit-linked		
Surrender benefits	-115	-89
Death benefits	-34	-27
Maturity benefits	-12	-40
Loss adjustment expenses	0	-0
Total	-160	-155
Pension insurance		
Pension payments	-319	-320
Surrender benefits	-20	-19
Death benefits	-5	-7
Loss adjustment expenses	-0	-0
Total	-344	-346
Pension insurance, unit-linked		
Surrender benefits	-9	-8
Death benefits	-4	-2
Other	-0	-0
Total	-12	-10
Assumed reinsurance	-1	-1
Insurance contracts total, gross	-569	-590
Reinsurers' share	3	4
Insurance contracts total, net	-565	-586
Investment contracts		
Capital redemption policy, with-profit		
Surrender benefits	-0	-0
Loss adjustment expenses	-0	-0
Total	-1	-1
Investment contracts		
Capital redemption policy, unit-linked		
Surrender benefits	-170	-123
Loss adjustment expenses	-2	-0
Total	-172	-123
Investment contracts total, gross	-173	-124
Claims paid total, gross	-741	-714
Claims paid total, net	-738	-710
Elimination items between segments	-	4
EURm	2013	2012
Group, total	-3,677	-3,541