

**Financial Supervisory Authority  
Iceland**

# **Pension funds in Iceland**

*Annual Accounts for 2004  
and other Information*

**Reykjavík 2005**

## FINANCIAL SUPERVISORY AUTHORITY

### Pension Funds

*Annual Reports 2004*

*Financial Reports*

*Other information*

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# 1. PREFACE

This report contains various statistical information compiled from the annual accounts of pension funds for the year 2004 and a special report on pension fund investment as of 31 December 2004. The preparation of the annual financial statements of pension funds is governed by Rules 55/2000, as amended by Rules 765/2002 and 067/2004, which are based on the provisions of Act 129/1997 on the Mandatory Guarantee of Pension Rights and the Operations of Pension Funds.

In this report, the FME publishes statements of changes in net assets for pension payments, balance sheets, statements of cash flow, and financial ratios for all financially separate pension fund divisions that publish such information individually in their annual accounts or submit it to the FME. Chapter 3 contains total sums for all the divisions of each pension fund, Chapter 4 gives summary information for financially separate mutual funds and Chapter 5 gives summary information for financially independent private pension schemes. In an excel file, which is published on the webpage of FME, detailed breakdown of Chapters 4 and 5 can be obtained.

Detailed breakdown of pension fund investments is published in the same manner as for previous years. The data is collected from special reports, which the FME collects from the pension funds and are drafted in accordance with the investment authorisations stated in Article 36 of Act 129/1997.

The FME publishes for the third year information on private pension savings with depositories other than pension funds. This information, which gives an indication of the asset development of depositories other than pension funds and the division of private pension savings with pension funds into restricted and open assets, can be found in Chapter 7.

At year-end 2004, a total of 48 pension funds were operating in Iceland, compared with 50 at the same time the previous year. In the year 2004 Séreignalífeyrissjóðurinn merged with Frjálsi lífeyrissjóðurinn and Eftirlaunasjóður slökkviliðsmanna á Keflavíkurflugvelli merged with Lífeyrissjóður starfsmanna sveitarfélaga.

Of the 48 pension funds, 10 no longer receive premium payments, which leaves a total of 38 fully active funds. Of the 48 (38) pension funds, 36 (28) are defined contribution schemes without guarantee, whereas 13 (11) are defined benefit schemes with employer guarantee. The A-division of the Lífeyrissjóður starfsmanna ríkisins (fund no.1) and the A-division of Lífeyrissjóður starfsmanna sveitafélaga (fund no. 21) are grouped with non-guaranteed pension funds. The boards of these funds decide each year the appropriate premium for employers to submit to meet the obligation according to annual actuarial survey.

The report shows that net assets for pension payments amounted to ISK 986.5 billion at year-end 2004, compared with ISK 821.3 billion at the same time in 2003. This corresponds to an annual increase of 20.1%, or a real increase of 15.6% as measured by the consumer price index. Disposable funds as measured by cash flow in 2004 totalled ISK 455.1 billion, compared with ISK 273.2 billion the year before. In net terms, the real rate of return was 10.4% on the consumer-price index, compared with 11.3% in 2003. Premiums decreased slightly between years from ISK 73.6 billion in 2003 to ISK 72.5 billion in 2004. Pensions paid in the year 2004 amounted to ISK 31.2 billion, compared with ISK 28.7 billion in 2003.

FME wishes to point out changes in net assets from FME's last report. In chapters 2.2 and 3.1 net assets for the previous year of those pension funds that merged with other funds in 2004 have been added to comparable sums of the consolidated fund. This applies in the cases of Séreignalífeyrissjóðurinn which merged with Frjálsi lífeyrissjóðurinn and Eftirlaunasjóður

slökkviliðamanna á Keflavíkurflugvelli which merged with Lífeyrissjóður starfsmanna sveitarfélaga. In the year 2004 two divisions of Lífeyrissjóður starfsmanna ríkisins were closed down. Net assets of these divisions are not included in comparable sums of the year 2003.

Private pension savings deposited with pension funds and other depositories amounted to ISK 110.5 billion at year-end 2004, compared with ISK 83.1 billion at the same time in 2003. Private pension savings in total amounted to around 11% of the total assets of the entire pension system. By far the largest share of these savings, or ISK 68.0 billion, were held by pension funds which had operated as private pension schemes prior to the entry into effect of Act 129/1997. Pursuant to the Act, the funds subsequently established mutual insurance divisions in 1999 for premiums for minimum insurance coverage. Depositories other than pension funds held ISK 28.6 billion at year-end 2004 and other pension funds held ISK 14.0 billion. Private pension savings premiums totalled ISK 17.3 billion in 2004, compared with ISK 15.9 billion in 2003.

As in previous reports, the FME wishes to point out that any comparison of individual pension funds must be approached with the utmost caution. This applies in particular when comparing real rates of return on assets. The rules pertaining to the annual accounts of pension funds contain the basic principle that bonds are to be valued at the required investment return of the purchasing date, whereas unit shares and quoted shares are valued at their market price. The composition of the portfolio can thus affect the annual return on assets for individual pension funds. The same applies in the case of realising gains on the sale of bonds before their redemption day.

In 2002 the annual account rules for pension funds were amended to the effect that those pension funds which calculate their exchange rates on a daily basis are permitted to apply a different method for the calculation of net real return than those funds which calculate their exchange rates less frequently. The formulas for calculating returns on assets can be found at the beginning of Chapter 4.

Chapter 4.2 contains ratios on the feature of Act 129/1997 on the Mandatory Guarantee of Pension Rights and the Operations of Pension Funds is that the assets of a pension fund together with the present value of future premiums shall equal the present value of estimated pension payments. The only exemption from this provision is in the case of funds that are guaranteed by the Treasury, municipal authorities or a bank.

The actuarial position of pension funds has deteriorated between years (Comparable figures from previous year are shown in the brackets). At year-end 2004 the position of 27 (24) non-guaranteed mutual funds out of a total of 40 (43) was negative. 4 (0) of these divisions showed a deficit in excess of 10%, 8 (11) had a deficit between 5% and 10% and 15 (13) showed a deficit ranging from 0%-5%. A total of 13 (19) divisions showed positive results with a surplus ranging from 0.6%-12.2%. All pension funds showing a deficit of 10% or higher as calculated by an annual actuarial survey must amend their Articles of Association in order to achieve a balance. Any fund showing a negative position ranging from 5%-10% for a period of 5 consecutive years must also change its Articles of Association to regain equilibrium.

Nearly all the funds that are guaranteed by the Treasury and municipal authorities show operational losses which are, however, covered by the guarantees. In all, 13 guaranteed pension funds operated mutual insurance divisions at the end of 2004. The deficit of these divisions ranged from 47.2% to 97.2%. Only one division maintained equilibrium.

## 2.1. ALPHABETICAL ORDER

Following list shows operating pension funds at the year-end 2004 listed by alphabetical order.  
Total of 48 pension funds.

<b>Name</b>	<b>Divisions</b>	<b>Number by size</b>
Almenni lífeyrissjóðurinn	5	9
Eftirlaunasj. starfsm. Hafnarfjarðarkaupstaðar	1	35
Eftirlaunasj. starfsmanna Íslandsbanka hf.	1	28
Eftirlaunasjóður FÍA	1	25
Eftirlaunasjóður Reykjanesbæjar	1	41
Eftirlaunasjóður Sláturf. Suðurlands	1	40
Eftirlaunasjóður starfsm. Útvegsbanka Ísl.	1	46
Eftirlaunasjóður starfsmanna Olíuverslunar Ísl.	1	39
Frjálsi lífeyrissjóðurinn	4	7
Íslenski lífeyrissjóðurinn	5	24
Lífeyrissj. starfsm. Áburðarverksmiðju ríkisins	1	42
Lífeyrissjóður Akraneskaupstaðar	1	38
Lífeyrissjóður Austurlands	2	14
Lífeyrissjóður bankamanna	2	11
Lífeyrissjóður Bolungarvíkur	1	31
Lífeyrissjóður bænda	1	20
Lífeyrissjóður Eimskipafélags Íslands hf.	2	29
Lífeyrissjóður Flugvirkjafélags Íslands	1	32
Lífeyrissjóður hjúkrunarfræðinga	1	17
Lífeyrissjóður lækna	1	13
Lífeyrissjóður Mjólkursamsölunnar	1	36
Lífeyrissjóður Neskaupstaðar	1	45
Lífeyrissjóður Norðurlands	3	6
Lífeyrissjóður Rangæinga	2	30
Lífeyrissjóður sjómanna	4	4
Lífeyrissjóður starfsm. Akureyrarbæjar	1	37
Lífeyrissjóður starfsm. Búnaðarbanka Íslands hf.	1	26
Lífeyrissjóður starfsm. Kópavogsbæjar	1	34
Lífeyrissjóður starfsm. Reykjavíkrapóteks	1	47
Lífeyrissjóður starfsm. Vestmannaeyjabæjar	1	48
Lífeyrissjóður starfsmanna Húsavíkurkaupstaðar	1	44
Lífeyrissjóður starfsmanna Reykjavíkurborgar	1	23
Lífeyrissjóður starfsmanna ríkisins	5	1
Lífeyrissjóður starfsmanna sveitarfélaga	5	21
Lífeyrissjóður Suðurlands	1	27
Lífeyrissjóður Suðurnesja	1	18
Lífeyrissjóður Tannlæknafélags Íslands	2	33
Lífeyrissjóður verkfræðinga	2	16
Lífeyrissjóður verslunarmanna	2	2
Lífeyrissjóður Vestfirðinga	2	15
Lífeyrissjóður Vestmannaeyja	3	19
Lífeyrissjóður Vesturlands	2	22
Lífeyrissjóðurinn Framsýn	3	3
Lífeyrissjóðurinn Lífiðn	3	10
Lífeyrissjóðurinn Skjöldur	1	43
Sameinaði lífeyrissjóðurinn	4	5
Samvinnulífeyrissjóðurinn	3	12
Söfnunarsjóður lífeyrisréttinda	2	8

## 2.2. PENSION FUNDS LISTED BY NET ASSETS 31.12.2004

		Net assets 31.12.2004 000 IKR	Net assets 31.12.2003 000 IKR	Increase in 2004 %
1	Lífeyrissjóður starfsmanna ríkisins	179.861.123	145.982.582	23,2%
2	Lífeyrissjóður verslunarmanna	150.701.842	123.657.259	21,9%
3	Lífeyrissjóðurinn Framsýn	77.326.398	64.122.733	20,6%
4	Lífeyrissjóður sjómanna	68.451.595	56.246.990	21,7%
5	Sameinaði lífeyrissjóðurinn	59.778.385	52.296.138	14,3%
6	Lífeyrissjóður Norðurlands	39.167.662	32.411.283	20,8%
7	Frjálsi lífeyrissjóðurinn	35.658.116	28.851.013	23,6%
8	Söfnunarsjóður lífeyrisréttinda	33.790.004	28.332.239	19,3%
9	Almenni lífeyrissjóðurinn	33.106.691	26.174.735	26,5%
10	Lífeyrissjóðurinn Lífið	27.249.424	22.826.730	19,4%
11	Lífeyrissjóður bankamanna	25.567.811	22.469.757	13,8%
12	Samvinnulífeyrissjóðurinn	24.282.104	20.326.818	19,5%
13	Lífeyrissjóður lækna	18.624.666	15.564.174	19,7%
14	Lífeyrissjóður Austurlands	18.355.920	15.675.788	17,1%
15	Lífeyrissjóður Vestfirðinga	17.850.447	15.200.633	17,4%
16	Lífeyrissjóður verkfræðinga	17.595.850	14.746.695	19,3%
17	Lífeyrissjóður hjúkrunarfræðinga	15.519.891	12.937.557	20,0%
18	Lífeyrissjóður Suðurnesja	15.433.319	13.717.389	12,5%
19	Lífeyrissjóður Vestmannaeyja	15.062.065	12.922.346	16,6%
20	Lífeyrissjóður bænda	13.894.194	12.696.730	9,4%
21	Lífeyrissjóður starfsmanna sveitarfélaga	12.382.185	9.123.480	35,7%
22	Lífeyrissjóður Vesturlands	11.295.059	9.583.301	17,9%
23	Lífeyrissjóður starfsmanna Reykjavíkurborgar	10.959.237	10.044.471	9,1%
24	Íslenski lífeyrissjóðurinn	10.352.123	7.745.837	33,6%
25	Eftirlaunasjóður FÍA	10.193.237	9.026.776	12,9%
26	Lífeyrissjóður starfsm. Búnaðarbanka Íslands hf.	9.071.163	7.502.572	20,9%
27	Lífeyrissjóður Suðurlands	7.326.024	6.409.499	14,3%
28	Eftirlaunasj. starfsmanna Íslandsbanka hf.	4.096.093	3.247.975	26,1%
29	Lífeyrissjóður Eimskipafélags Íslands hf.	3.119.405	2.728.172	14,3%
30	Lífeyrissjóður Rangæinga	2.973.577	2.679.858	11,0%
31	Lífeyrissjóður Bolungarvíkur	2.542.380	2.279.171	11,5%
32	Lífeyrissjóður Flugvirkjafélags Íslands	2.418.684	2.250.869	7,5%
33	Lífeyrissjóður Tannlæknafélags Íslands	1.842.771	1.585.889	16,2%
34	Lífeyrissjóður starfsm. Kópavogsbæjar	1.747.773	1.601.449	9,1%
35	Eftirlaunasj. starfsm. Hafnarfjarðarkaupstaðar	1.625.460	1.475.470	10,2%
36	Lífeyrissjóður Mjólkursamsölnnar	1.480.328	1.368.427	8,2%
37	Lífeyrissjóður starfsm. Akureyrarbæjar	1.306.001	1.182.750	10,4%
38	Lífeyrissjóður Akraneskaupstaðar	946.454	885.206	6,9%
39	Eftirlaunasjóður starfsmanna Olíuverslunar Ísl.	702.482	665.253	5,6%
40	Eftirlaunasjóður Sláturf. Suðurlands	613.988	595.106	3,2%
41	Eftirlaunasjóður Reykjanesbæjar	608.528	550.918	10,5%
42	Lífeyrissj. starfsm. Áburðarverksmiðju ríkisins	505.608	486.958	3,8%
43	Lífeyrissjóðurinn Skjöldur	458.796	452.728	1,3%
44	Lífeyrissjóður starfsmanna Húsavíkurkaupstaðar	399.524	366.418	9,0%
45	Lífeyrissjóður Neskaupstaðar	210.244	195.390	7,6%
46	Eftirlaunasjóður starfsm. Útvegsbanka Ísl.	88.536	97.770	-9,4%
47	Lífeyrissjóður starfsm. Reykjavíkurapóteks	7.967	8.343	-4,5%
48	Lífeyrissjóður starfsm. Vestmannaeyjabæjar	-16.387	13.904	-217,9%
<b>TOTAL</b>		<b>986.534.746</b>	<b>821.313.548</b>	<b>20,1%</b>

### Explanations:

1) Obligations guaranteed by others. 2) No longer receive premiums.

3) Pension funds that merged in the year 2004 are included in the net asset at the end of the year.

4) Obligations guaranteed by others for department II.

5) The boards of these funds decide each year the appropriate premium for employers to submit to meet the obligations of A-divisions according to annual actuarial survey.

## 2.3. NET ASSETS BROKEN DOWN BY PENSION SCHEMES

Amounts in 000 IKR.	Net assets 31.12.2004	Mutual Insurance Divisions			Personal pension schemes	
		Pension units schemes	Final salary schemes	Age based units schemes		
1	Lífeyrissjóður starfsmanna ríkisins	179.861.123	48.484.650	128.105.354	3.271.119	
2	Lífeyrissjóður verslunarmanna	150.701.842	147.738.095		2.963.747	
3	Lífeyrissjóðurinn Framsýn	77.326.398	76.271.790		1.054.608	
4	Lífeyrissjóður sjómanna	68.451.595	68.259.866		191.729	
5	Sameinaði lífeyrissjóðurinn	59.778.385	56.600.608		1.540.224	
6	Lífeyrissjóður Norðurlands	39.167.662	37.983.696		1.183.966	
7	Frjálsi lífeyrissjóðurinn	35.658.116			5.101.973	
8	Söfnunarsjóður lífeyrisréttinda	33.790.004	33.591.864		198.140	
9	Almenni lífeyrissjóðurinn	33.106.691			6.640.541	
10	Lífeyrissjóðurinn Lífiðn	27.249.424			26.679.914	
11	Lífeyrissjóður bankamanna	25.567.811	5.860.949	19.706.862		
12	Samvinnulífeyrissjóðurinn	24.282.104	20.791.676		2.167.219	
13	Lífeyrissjóður lækna	18.624.666			18.624.666	
14	Lífeyrissjóður Austurlands	18.355.920	18.295.229		60.691	
15	Lífeyrissjóður Vestfirðinga	17.850.447	17.666.338		184.109	
16	Lífeyrissjóður verkfræðinga	17.595.850			16.804.069	
17	Lífeyrissjóður hjúkrunarfræðinga	15.519.891		15.519.891	791.781	
18	Lífeyrissjóður Suðurnesja	15.433.319	15.433.319			
19	Lífeyrissjóður Vestmannaeyja	15.062.065	14.968.808		93.257	
20	Lífeyrissjóður bænda	13.894.194	13.894.194			
21	Lífeyrissjóður starfsmanna sveitarfélaga	12.382.185	11.152.722		845.615	
22	Lífeyrissjóður Vesturlands	11.295.059	11.231.121		63.938	
23	Lífeyrissjóður starfsmanna Reykjavíkurborgar	10.959.237		10.959.237		
24	Íslenski lífeyrissjóðurinn	10.352.123			1.055.047	
25	Eftirlaunasjóður FÍA	10.193.237	10.193.237		9.297.075	
26	Lífeyrissjóður starfsm. Búnaðarbanka Íslands hf.	9.071.163		9.071.163		
27	Lífeyrissjóður Suðurlands	7.326.024	7.326.024			
28	Eftirlaunasj. starfsmanna Íslandsbanka hf.	4.096.093		4.096.093		
29	Lífeyrissjóður Eimskipafélags Íslands hf.	3.119.405	3.119.405			
30	Lífeyrissjóður Rangæinga	2.973.577	2.960.016		13.561	
31	Lífeyrissjóður Bolungarvíkur	2.542.380	2.542.380			
32	Lífeyrissjóður Flugvirkjafélags Íslands	2.418.684	2.418.684			
33	Lífeyrissjóður Tannlæknafélags Íslands	1.842.771			185.941	
34	Lífeyrissjóður starfsm. Kópavogsbæjar	1.747.773		1.747.773	1.656.830	
35	Eftirlaunasj. starfsm. Hafnarfjarðarkaupstaðar	1.625.460		1.625.460		
36	Lífeyrissjóður Mjólkursamsölunnar	1.480.328	1.480.328			
37	Lífeyrissjóður starfsm. Akureyrarbæjar	1.306.001		1.306.001		
38	Lífeyrissjóður Akraneskaupstaðar	946.454		946.454		
39	Eftirlaunasjóður starfsmanna Olíuverslunar Ísl.	702.482	702.482			
40	Eftirlaunasjóður Sláturf. Suðurlands	613.988	613.988			
41	Eftirlaunasjóður Reykjanesbæjar	608.528		608.528		
42	Lífeyrissj. starfsm. Aburðarverksmiðju ríkisins	505.608	505.608			
43	Lífeyrissjóðurinn Skjöldur	458.796	458.796			
44	Lífeyrissjóður starfsmanna Húsavíkurkaupstaðar	399.524		399.524		
45	Lífeyrissjóður Neskaupstaðar	210.244		210.244		
46	Eftirlaunasjóður starfsm. Útvegsbanka Ísl.	88.536		88.536		
47	Lífeyrissjóður starfsm. Reykjavíkrapóteks	7.967		7.967		
48	Lífeyrissjóður starfsm. Vestmannaeyjabæjar	-16.387		-16.387		
<b>TOTAL:</b>		<b>986.534.746</b>	<b>630.545.873</b>	<b>194.382.699</b>	<b>79.645.209</b>	<b>81.960.965</b>

### Pension schemes:

Pension units: Premiums are converted into pension units. All premiums are equally weighted counter to the Age-based units scheme.

Final salary: Pension rights are based on final salary or other similar benchmarks (defined benefit scheme).

Age dependent units: Premiums are converted into pension units according to the member's age. A young member's premium accumulates more interest until the pension is paid and is therefore more valuable.

Personal pension: Individual accounts.



### **3. ANNUAL ACCOUNTS FOR THE YEAR 2004 TOTAL FIGURES**

This chapter contains statistical data compiled from the annual accounts of Icelandic pension funds. Total sums are given for all the departments of each pension fund. The pension funds are arranged by the size of their net assets for pension payments as at year-end 2004. The chapter is divided into the following three subsections:

- 3.1 Statement of changes in net assets for pension payments, pp. 10-16
- 3.2 Balance sheets, pp. 17-24
- 3.3 Cash flow, pp. 25-32

In Chapter 3.1 – Statements of changes in net assets for pension payment – net assets for the previous year of those pension funds that merged with other funds in 2004 have been added to comparable sums of the consolidated fund. This applies in the cases of Séreignalífeyrissjóðurinn which merged with Frjálsi lífeyrissjóðurinn and Eftirlaunasjóður slökkviliðamanna á Keflavíkurflugvelli which merged with Lífeyrissjóður starfsmanna sveitarfélaga. In the year 2004 two divisions of the Lífeyrissjóður starfsmanna ríkisins were closed down. Net assets of these divisions are not included in comparable sums of the year 2003.

### 3.1. STATEMENT OF CHANGES IN NET ASSETS FOR PENSION PAYMENT 2004

Amounts in 000 IKR.	Lífeyrissj. starfsm. rikisins (1)	Lífeyrissj. verslunar- manna (2)	Lífeyrissj. Framsýn (3)	Lífeyrissj. sjómanna (4)	Sameinaði lífeyris- sjóðurinn (5)	Lífeyrissj. Norður- lands (6)	Frjálsi lífeyris- sjóðurinn (7)
<b>Premiums</b>							
Members	3.290.612	3.583.754	1.474.312	753.202	1.361.148	772.218	1.502.029
Employers	7.542.934	5.375.631	2.340.844	1.122.677	1.978.235	1.147.744	2.186.195
Transfer of rights and repayments	-5.764	0	-45.313	-1.464	44.602	-2.813	-503.536
Special additional contributions	13.464.239	0	0	0	0	0	64.784
<b>Premiums</b>	<b>24.292.021</b>	<b>8.959.385</b>	<b>3.769.843</b>	<b>1.874.415</b>	<b>3.383.984</b>	<b>1.917.149</b>	<b>3.249.472</b>
<b>Pension</b>							
Pension	11.172.777	2.645.134	2.293.407	1.403.902	1.717.371	1.147.055	354.030
The Pension Committee	0	-2.262	-34.385	-599	-11.573	-13.825	0
Other direct expenses from disability pension	1.436	1.917	12.632	2.475	1.601	4.113	0
Insurance expenses	0	0	0	0	0	0	0
<b>Pension</b>	<b>11.174.213</b>	<b>2.644.789</b>	<b>2.271.654</b>	<b>1.405.778</b>	<b>1.707.399</b>	<b>1.137.343</b>	<b>354.030</b>
<b>Investment income</b>							
From consolidated undertakings	0	0	0	0	0	0	0
From affiliated undertakings	0	0	1.618	0	0	0	0
From holdings	8.648.523	11.188.831	6.699.811	6.379.720	652.362	3.450.902	1.035.674
From buildings and premises	0	1.703	0	4.116	4.647	199	0
Interest income and exchange rate diff.	12.888.811	9.803.088	5.194.862	5.474.442	5.358.706	1.677.612	3.050.223
Income of changes in valuation of inv.	0	0	16.484	0	0	0	0
Profit from sale of investments	0	0	3.113	0	0	0	0
Changes in asset reduction	-10.137	-2.671	-40.000	-12.433	-29.244	-7.090	0
Other investment income	0	0	0	0	0	940.039	0
<b>Investment income</b>	<b>21.527.197</b>	<b>20.990.951</b>	<b>11.875.887</b>	<b>11.845.845</b>	<b>5.986.471</b>	<b>6.061.662</b>	<b>4.085.897</b>
<b>Investment expenses</b>							
Office and management expenses	146.363	157.454	46.514	30.221	90.294	28.579	116.228
Interest expenses	0	0	0	0	0	0	0
Expenses of changes in valuation of inv.	0	0	0	0	0	0	0
Loss on sale of investments	0	0	0	0	0	0	0
Other investment expenses	408.227	0	21.800	0	0	0	1.062
<b>Investment expenses</b>	<b>554.590</b>	<b>157.454</b>	<b>68.314</b>	<b>30.221</b>	<b>90.294</b>	<b>28.579</b>	<b>117.290</b>
<b>Operating expenses</b>							
Office and management expenses	203.262	156.638	128.075	66.350	49.365	23.465	56.945
Other operating expenses	8.612	0	0	13.306	41.150	33.045	0
<b>Operating expenses</b>	<b>211.874</b>	<b>156.638</b>	<b>128.075</b>	<b>79.656</b>	<b>90.515</b>	<b>56.510</b>	<b>56.945</b>
<b>Other income</b>	<b>0</b>	<b>53.128</b>	<b>25.978</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Increase in net assets before extraordinary items and changes in valuation</b>	<b>33.878.541</b>	<b>27.044.583</b>	<b>13.203.666</b>	<b>12.204.605</b>	<b>7.482.247</b>	<b>6.756.379</b>	<b>6.807.103</b>
<b>Extraordinary items</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Extraordinary income	0	0	0	0	0	0	0
Extraordinary expenses	0	0	0	0	0	0	0
<b>Changes in valuation</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Increase in net assets</b>	<b>33.878.541</b>	<b>27.044.583</b>	<b>13.203.666</b>	<b>12.204.605</b>	<b>7.482.247</b>	<b>6.756.379</b>	<b>6.807.103</b>
<b>Net assets from previous year end</b>	<b>145.982.582</b>	<b>123.657.259</b>	<b>64.122.733</b>	<b>56.246.990</b>	<b>52.296.138</b>	<b>32.411.283</b>	<b>28.851.013</b>
<b>NET ASSETS FOR PENSION PAYMENTS END OF YEAR</b>	<b>179.861.124</b>	<b>150.701.842</b>	<b>77.326.399</b>	<b>68.451.595</b>	<b>59.778.385</b>	<b>39.167.662</b>	<b>35.658.116</b>

### 3.1. STATEMENT OF CHANGES IN NET ASSETS FOR PENSION PAYMENT 2004

Amounts in 000 IKR.	Söfnunarsj. lífeyris- réttinda (8)	Almenn lífeyrissj. (9)	Lífeyrissj. Lífið (10)	Lífeyrissj. banka- manna (11)	Samvinnu- lífeyris- sjóðurinn (12)	Lífeyrissj. lækna (13)	Lífeyrissj. Austur- lands (14)	Lífeyrissj. Vest- firðinga (15)
<b>Premiums</b>								
Members	671.346	1.568.870	670.904	320.492	327.637	302.780	427.041	193.813
Employers	1.021.759	2.069.152	1.000.925	644.262	488.458	490.711	666.946	307.304
Transfer of rights and repayments	-45.239	265.387	146	-3.635	-4.188	-509	-6.592	-3.959
Special additional contributions	0	0	0	0	0	0	0	0
<b>Premiums</b>	<b>1.647.866</b>	<b>3.903.409</b>	<b>1.671.975</b>	<b>961.119</b>	<b>811.907</b>	<b>792.982</b>	<b>1.087.395</b>	<b>497.158</b>
<b>Pension</b>								
Pension	358.262	237.838	304.400	734.652	910.509	383.300	449.842	405.756
The Pension Committee	0	0	-376	0	-5.468	0	-3.838	-4.778
Other direct expenses from disability pension	122	0	1.175	0	441	0	0	3.530
Insurance expenses	0	0	0	0	0	0	0	0
<b>Pension</b>	<b>358.384</b>	<b>237.838</b>	<b>305.199</b>	<b>734.652</b>	<b>905.482</b>	<b>383.300</b>	<b>446.004</b>	<b>404.509</b>
<b>Investment income</b>								
From consolidated undertakings	0	0	0	0	0	0	0	0
From affiliated undertakings	0	0	0	0	0	0	373	0
From holdings	1.559.286	281.394	978.448	5.046	2.586.995	858.353	581.405	1.445.466
From buildings and premises	0	0	0	0	-1.956	0	0	3.097
Interest income and exchange rate diff.	2.691.781	3.061.702	2.152.699	2.911.453	1.582.325	1.806.689	1.548.408	1.187.849
Income of changes in valuation of inv.	0	0	0	0	0	0	0	0
Profit from sale of investments	0	0	0	0	0	0	0	0
Changes in asset reduction	-1.819	0	6.502	0	-45.021	11.426	-18.000	-6.699
Other investment income	0	0	0	0	0	0	0	0
<b>Investment income</b>	<b>4.249.248</b>	<b>3.343.096</b>	<b>3.137.649</b>	<b>2.916.499</b>	<b>4.122.343</b>	<b>2.676.469</b>	<b>2.112.186</b>	<b>2.629.712</b>
<b>Investment expenses</b>								
Office and management expenses	26.706	32.107	40.163	7.683	29.058	10.542	29.326	27.839
Interest expenses	418	255	0	0	838	0	0	529
Expenses of changes in valuation of inv.	0	0	0	0	0	0	0	0
Loss on sale of investments	0	0	0	0	0	0	0	0
Other investment expenses	0	0	0	0	0	0	18.742	0
<b>Investment expenses</b>	<b>27.124</b>	<b>32.362</b>	<b>40.163</b>	<b>7.683</b>	<b>29.896</b>	<b>10.542</b>	<b>48.068</b>	<b>28.369</b>
<b>Operating expenses</b>								
Office and management expenses	53.841	44.348	41.568	37.229	43.586	15.117	25.377	44.178
Other operating expenses	0	0	0	0	0	0	0	0
<b>Operating expenses</b>	<b>53.841</b>	<b>44.348</b>	<b>41.568</b>	<b>37.229</b>	<b>43.586</b>	<b>15.117</b>	<b>25.377</b>	<b>44.178</b>
<b>Other income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Increase in net assets before extraordinary items and changes in valuation</b>	<b>5.457.765</b>	<b>6.931.957</b>	<b>4.422.694</b>	<b>3.098.054</b>	<b>3.955.286</b>	<b>3.060.492</b>	<b>2.680.132</b>	<b>2.649.815</b>
<b>Extraordinary items</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Extraordinary income	0	0	0	0	0	0	0	0
Extraordinary expenses	0	0	0	0	0	0	0	0
<b>Changes in valuation</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Increase in net assets</b>	<b>5.457.765</b>	<b>6.931.957</b>	<b>4.422.694</b>	<b>3.098.054</b>	<b>3.955.286</b>	<b>3.060.492</b>	<b>2.680.132</b>	<b>2.649.815</b>
<b>Net assets from previous year end</b>	<b>28.332.239</b>	<b>26.174.735</b>	<b>22.826.730</b>	<b>22.469.757</b>	<b>20.326.818</b>	<b>15.564.174</b>	<b>15.675.788</b>	<b>15.200.633</b>
<b>NET ASSETS FOR PENSION PAYMENTS END OF YEAR</b>	<b>33.790.004</b>	<b>33.106.691</b>	<b>27.249.424</b>	<b>25.567.811</b>	<b>24.282.104</b>	<b>18.624.666</b>	<b>18.355.920</b>	<b>17.850.447</b>

### 3.1. STATEMENT OF CHANGES IN NET ASSETS FOR PENSION PAYMENT 2004

Amounts in 000 IKR.	Lífeyrissj. verk- fræðinga (16)	Lífeyrissj. hjúkrunar- fræðinga (17)	Lífeyrissj. Suður- nesja (18)	Lífeyrissj. Vestmanna- eyja (19)	Lífeyrissj. bænda (20)	Lífeyrissj. starfsm. sveitarfél. (21)	Lífeyrissj. Vestur- lands (22)	Lífeyrissj. starfsm. Reykjavb. (23)
<b>Premiums</b>								
Members	590.829	83.628	348.792	188.313	138.631	675.766	217.234	134.319
Employers	827.150	139.981	523.187	282.471	246.346	1.789.762	344.236	347.846
Transfer of rights and repayments	2.556	-27	-4.543	-1.738	2.970	-6.770	-6.469	-7.334
Special additional contributions	0	1.284.784	0	0	0	0	0	1.034.682
<b>Premiums</b>	<b>1.420.535</b>	<b>1.508.366</b>	<b>867.436</b>	<b>469.046</b>	<b>387.947</b>	<b>2.458.758</b>	<b>555.001</b>	<b>1.509.513</b>
<b>Pension</b>								
Pension	178.319	743.689	556.905	345.494	671.733	89.393	329.359	1.355.574
The Pension Committee	0	0	-6.304	-2.200	-57.464	0	-5.373	0
Other direct expenses from disability pension	93	19	1.145	29	455	78	820	0
Insurance expenses	0	0	0	0	0	0	0	0
<b>Pension</b>	<b>178.412</b>	<b>743.708</b>	<b>551.746</b>	<b>343.323</b>	<b>614.724</b>	<b>89.471</b>	<b>324.806</b>	<b>1.355.574</b>
<b>Investment income</b>								
From consolidated undertakings	0	794.602	0	0	0	0	0	0
From affiliated undertakings	0	1.094.341	0	1.618	0	0	0	0
From holdings	658.619	0	250.088	1.136.510	32.624	97.726	510.924	1.091
From buildings and premises	0	0	0	0	0	0	288	0
Interest income and exchange rate diff.	1.005.188	0	1.213.407	909.395	1.440.403	832.487	996.133	772.728
Income of changes in valuation of inv.	0	0	0	0	0	0	0	0
Profit from sale of investments	0	0	0	3.148	0	0	0	0
Changes in asset reduction	0	-1.000	-6.806	0	0	12.546	7.027	28.202
Other investment income	0	0	0	0	0	0	0	0
<b>Investment income</b>	<b>1.663.807</b>	<b>1.887.943</b>	<b>1.456.689</b>	<b>2.050.671</b>	<b>1.473.027</b>	<b>942.758</b>	<b>1.514.372</b>	<b>802.022</b>
<b>Investment expenses</b>								
Office and management expenses	24.759	13.748	23.642	12.087	10.195	7.730	14.179	0
Interest expenses	0	0	119	0	462	0	6	0
Expenses of changes in valuation of inv.	0	0	661	0	0	0	0	0
Loss on sale of investments	0	0	0	1.952	0	0	0	0
Other investment expenses	0	37.959	0	574	10.719	1.812	3.057	1.111
<b>Investment expenses</b>	<b>24.759</b>	<b>51.707</b>	<b>24.422</b>	<b>14.613</b>	<b>21.376</b>	<b>9.542</b>	<b>17.242</b>	<b>1.111</b>
<b>Operating expenses</b>								
Office and management expenses	33.912	17.603	36.979	22.062	24.018	43.800	15.603	40.084
Other operating expenses	0	957	0	0	3.392	0	0	0
<b>Operating expenses</b>	<b>33.912</b>	<b>18.560</b>	<b>36.979</b>	<b>22.062</b>	<b>27.410</b>	<b>43.800</b>	<b>15.603</b>	<b>40.084</b>
<b>Other income</b>	<b>1.896</b>	<b>0</b>	<b>4.952</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>36</b>	<b>0</b>
<b>Other expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Increase in net assets before extraordinary items and changes in valuation</b>	<b>2.849.155</b>	<b>2.582.334</b>	<b>1.715.930</b>	<b>2.139.719</b>	<b>1.197.464</b>	<b>3.258.705</b>	<b>1.711.758</b>	<b>914.766</b>
<b>Extraordinary items</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Extraordinary income	0	0	0	0	0	0	0	0
Extraordinary expenses	0	0	0	0	0	0	0	0
<b>Changes in valuation</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Increase in net assets</b>	<b>2.849.155</b>	<b>2.582.334</b>	<b>1.715.930</b>	<b>2.139.719</b>	<b>1.197.464</b>	<b>3.258.705</b>	<b>1.711.758</b>	<b>914.766</b>
<b>Net assets from previous year end</b>	<b>14.746.695</b>	<b>12.937.557</b>	<b>13.717.389</b>	<b>12.922.346</b>	<b>12.696.730</b>	<b>9.123.480</b>	<b>9.583.301</b>	<b>10.044.471</b>
<b>NET ASSETS FOR PENSION PAYMENTS END OF YEAR</b>	<b>17.595.850</b>	<b>15.519.891</b>	<b>15.433.319</b>	<b>15.062.065</b>	<b>13.894.194</b>	<b>12.382.185</b>	<b>11.295.059</b>	<b>10.959.237</b>

### 3.1. STATEMENT OF CHANGES IN NET ASSETS FOR PENSION PAYMENT 2004

Amounts in 000 IKR.	Íslenski lífeyris-sjóðurinn (24)	Eftirlauna-sjóður FÍA (25)	Lífeyrissj. starfsm. Búnaðarb. (26)	Lífeyrissj. Suðurlands (27)	Eftirlaunasj starfsm. Íslandsb. hf. (28)	Lífeyrissj. Eimskipa-félags Ísl. (29)	Lífeyrissj. Rangæinga (30)	Lífeyrissj. Bolungar-víkur (31)
<b>Premiums</b>								
Members	844.307	112.164	22.533	170.153	0	0	52.378	39.253
Employers	909.517	448.657	82.299	255.229	495.363	0	83.341	58.879
Transfer of rights and repayments	-102.048	0	0	-2.576	2.567	-737	-11.842	-1.308
Special additional contributions	106.985	0	0	0	0	0	0	0
<b>Premiums</b>	1.758.761	560.821	104.833	422.806	497.930	-737	123.877	96.824
<b>Pension</b>								
Pension	97.875	317.399	289.944	207.042	111.190	150.908	70.974	58.739
The Pension Committee	0	0	0	-1.981	0	0	-189	-765
Other direct expenses from disability pension	0	416	0	0	0	0	79	0
Insurance expenses	1.512	0	0	0	0	0	0	0
<b>Pension</b>	99.387	317.815	289.944	205.061	111.190	150.908	70.864	57.974
<b>Investment income</b>								
From consolidated undertakings	0	0	0	0	0	0	0	0
From affiliated undertakings	0	0	0	0	0	0	0	0
From holdings	10.076	62.990	1.096.418	17.273	0	240.860	15.996	-3.765
From buildings and premises	0	0	0	0	0	0	2.826	0
Interest income and exchange rate diff.	1.000.454	882.819	664.741	734.988	466.131	315.993	235.827	236.061
Income of changes in valuation of inv.	0	0	0	0	0	0	0	0
Profit from sale of investments	0	0	0	0	0	0	0	0
Changes in asset reduction	0	0	0	-3.500	0	0	-5.051	0
Other investment income	0	0	0	0	0	0	0	0
<b>Investment income</b>	1.010.530	945.809	1.761.158	748.761	466.131	556.853	249.598	232.296
<b>Investment expenses</b>								
Office and management expenses	20.099	4.541	5.211	14.571	2.153	5.656	5.368	3.309
Interest expenses	0	63	0	0	0	0	0	0
Expenses of changes in valuation of inv.	0	0	0	0	0	0	0	0
Loss on sale of investments	0	0	0	0	0	0	0	0
Other investment expenses	716	10.046	0	17.601	0	0	548	0
<b>Investment expenses</b>	20.815	14.650	5.211	32.172	2.153	5.656	5.916	3.309
<b>Operating expenses</b>								
Office and management expenses	42.804	7.704	2.245	17.809	1.474	8.319	4.392	4.628
Other operating expenses	0	0	0	0	1.126	0	0	0
<b>Operating expenses</b>	42.804	7.704	2.245	17.809	2.600	8.319	4.392	4.628
<b>Other income</b>	0	0	0	0	0	0	1.416	0
<b>Other expenses</b>	0	0	0	0	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	2.606.285	1.166.461	1.568.591	916.525	848.118	391.233	293.719	263.209
<b>Extraordinary items</b>	0	0	0	0	0	0	0	0
Extraordinary income	0	0	0	0	0	0	0	0
Extraordinary expenses	0	0	0	0	0	0	0	0
<b>Changes in valuation</b>	0	0	0	0	0	0	0	0
<b>Increase in net assets</b>	2.606.285	1.166.461	1.568.591	916.525	848.118	391.233	293.719	263.209
<b>Net assets from previous year end</b>	7.745.837	9.026.776	7.502.572	6.409.499	3.247.975	2.728.172	2.679.858	2.279.171
<b>NET ASSETS FOR PENSION PAYMENTS END OF YEAR</b>	10.352.123	10.193.237	9.071.163	7.326.024	4.096.093	3.119.405	2.973.577	2.542.380

### 3.1. STATEMENT OF CHANGES IN NET ASSETS FOR PENSION PAYMENT 2004

Amounts in 000 IKR.	Lífeyrissj. Flugvirkjaf. Íslands (32)	Lífeyrissj. Tannl.fél. Íslands (33)	Lífeyrissj. stm. Kópa- vogsbæjar (34)	Eftirlaunasj. Hafnarfj- kaupst. (35)	Lífeyrissj. Mjólkur- samsöl. (36)	Lífeyrissj. stm. Akur- eyrarbæjar (37)	Lífeyrissj. Akranes- kaupst. (38)	Eftirlaunasj. stm. Olú- versl. Ísl. (39)
<b>Premiums</b>								
Members	0	39.310	18.907	21.701	0	21.359	7.336	0
Employers	0	53.878	28.361	47.205	0	110.163	11.005	0
Transfer of rights and repayments	0	0	50	0	-735	-214	-158	-247
Special additional contributions	0	0	65.143	59.770	12.409	0	0	0
<b>Premiums</b>	0	93.188	112.461	128.676	11.674	131.308	18.183	-247
<b>Pension</b>								
Pension	103.385	38.381	118.439	122.499	75.638	180.957	111.446	39.931
The Pension Committee	0	0	0	0	-268	0	-41.358	0
Other direct expenses from disability pension	0	393	0	65	0	0	0	0
Insurance expenses	0	-604	0	0	0	0	0	0
<b>Pension</b>	103.385	38.170	118.439	122.564	75.370	180.957	70.088	39.931
<b>Investment income</b>								
From consolidated undertakings	0	0	0	0	0	0	0	0
From affiliated undertakings	0	0	0	0	0	0	0	0
From holdings	3.254	720	45.804	27.463	226	0	0	36
From buildings and premises	0	0	0	0	0	0	0	0
Interest income and exchange rate diff.	271.096	206.833	106.499	126.138	177.486	160.182	116.242	79.112
Income of changes in valuation of inv.	0	0	0	0	0	0	0	0
Profit from sale of investments	0	0	0	0	0	0	0	0
Changes in asset reduction	0	4.328	0	0	984	1.401	0	0
Other investment income	0	-5.147	0	0	0	16.965	0	0
<b>Investment income</b>	274.350	206.734	152.303	153.601	178.696	178.548	116.242	79.148
<b>Investment expenses</b>								
Office and management expenses	1.952	1.255	2.479	2.883	717	1.277	1.300	392
Interest expenses	68	28	0	0	156	0	61	356
Expenses of changes in valuation of inv.	0	0	0	0	0	0	0	0
Loss on sale of investments	0	0	0	0	0	0	0	0
Other investment expenses	154	0	0	0	0	0	0	0
<b>Investment expenses</b>	2.174	1.283	2.479	2.883	873	1.277	1.361	748
<b>Operating expenses</b>								
Office and management expenses	976	3.587	2.304	6.454	559	4.371	1.728	992
Other operating expenses	0	0	6.020	387	1.667	0	0	0
<b>Operating expenses</b>	976	3.587	8.324	6.841	2.226	4.371	1.728	992
<b>Other income</b>	0	0	10.802	0	0	0	0	0
<b>Other expenses</b>	0	0	0	0	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	167.815	256.882	146.324	149.989	111.901	123.251	61.248	37.229
<b>Extraordinary items</b>	0	0	0	0	0	0	0	0
Extraordinary income	0	0	0	0	0	0	0	0
Extraordinary expenses	0	0	0	0	0	0	0	0
<b>Changes in valuation</b>	0	0	0	0	0	0	0	0
<b>Increase in net assets</b>	167.815	256.882	146.324	149.989	111.901	123.251	61.248	37.229
<b>Net assets from previous year end</b>	2.250.869	1.585.889	1.601.449	1.475.470	1.368.427	1.182.750	885.206	665.253
<b>NET ASSETS FOR PENSION PAYMENTS END OF YEAR</b>	2.418.684	1.842.771	1.747.773	1.625.460	1.480.328	1.306.001	946.454	702.482

### 3.1. STATEMENT OF CHANGES IN NET ASSETS FOR PENSION PAYMENT 2004

Amounts in 000 IKR.	Eftirlaunasj. Sláturfélags Suðurlands (40)	Eftirlaunasj. Reykjanes- bæjar (41)	Lífeyrissj. starfsm. Áburðarv. (42)	Lífeyris- sjóðurinn Skjöldur (43)	Lífeyrissj.stn Húsavíkur- kaupstaðar (44)	Lífeyrissj. Neskaup- staðar (45)
<b>Premiums</b>						
Members	0	14.109	0	0	2.866	2.175
Employers	0	21.164	0	0	4.300	3.262
Transfer of rights and repayments	-805	0	0	-12	0	0
Special additional contributions	0	42.485	84	0	26.615	24.164
<b>Premiums</b>	-805	77.758	84	-12	33.781	29.601
<b>Pension</b>						
Pension	38.883	78.417	37.903	38.926	40.044	35.020
The Pension Committee	-470	0	-975	0	0	0
Other direct expenses from disability pension	0	0	0	0	0	0
Insurance expenses	0	0	0	0	0	0
<b>Pension</b>	38.413	78.417	36.928	38.926	40.044	35.020
<b>Investment income</b>						
From consolidated undertakings	0	0	0	0	0	0
From affiliated undertakings	0	0	0	0	0	0
From holdings	-3.472	4.017	11	0	0	1.192
From buildings and premises	0	0	0	0	0	0
Interest income and exchange rate diff.	60.561	57.693	54.763	45.401	41.971	22.227
Income of changes in valuation of inv.	0	0	0	0	0	0
Profit from sale of investments	0	0	0	0	0	0
Changes in asset reduction	2.904	0	0	0	0	0
Other investment income	0	0	0	0	0	0
<b>Investment income</b>	59.993	61.710	54.774	45.401	41.971	23.419
<b>Investment expenses</b>						
Office and management expenses	185	842	510	148	56	1.573
Interest expenses	0	0	53	0	0	0
Expenses of changes in valuation of inv.	0	0	0	0	0	0
Loss on sale of investments	0	0	0	0	0	0
Other investment expenses	0	72	0	0	0	0
<b>Investment expenses</b>	185	914	563	148	56	1.573
<b>Operating expenses</b>						
Office and management expenses	394	2.527	1.245	247	2.545	1.573
Other operating expenses	1.314	0	0	0	0	0
<b>Operating expenses</b>	1.708	2.527	1.245	247	2.545	1.573
<b>Other income</b>	0	0	0	0	0	0
<b>Other expenses</b>	0	0	0	0	0	0
<b>Increase in net assets before extraordinary</b>						
<b>items and changes in valuation</b>	18.882	57.610	16.122	6.068	33.105	14.854
<b>Extraordinary items</b>	0	0	2.528	0	0	0
Extraordinary income	0	0	2.528	0	0	0
Extraordinary expenses	0	0	0	0	0	0
<b>Changes in valuation</b>	0	0	0	0	0	0
<b>Increase in net assets</b>	18.882	57.610	18.650	6.068	33.105	14.854
<b>Net assets from previous year end</b>	595.106	550.918	486.958	452.728	366.418	195.390
<b>NET ASSETS FOR PENSION</b>						
<b>PAYMENTS END OF YEAR</b>	613.988	608.528	505.608	458.796	399.524	210.244

### 3.1. STATEMENT OF CHANGES IN NET ASSETS FOR PENSION PAYMENT 2004

Amounts in 000 IKR.	Eftirlaunasj starfsm. Útvegsb. (46)	Lífeyrissj. stm. Rvík- apóteks (47)	Lífeyrissj. stm. Vestm- eyjabæjar (48)	TOTAL
<b>Premiums</b>				
Members	0	0	4.670	20.970.891
Employers	0	0	7.005	35.504.384
Transfer of rights and repayments	0	0	0	-452.296
Special additional contributions	130.000	0	15.577	16.331.721
<b>Premiums</b>	130.000	0	27.252	72.354.700
<b>Pension</b>				
Pension	143.765	797	56.222	31.353.426
The Pension Committee	0	0	0	-194.451
Other direct expenses from disability pension	0	0	0	33.034
Insurance expenses	0	0	0	908
<b>Pension</b>	143.765	797	56.222	31.192.917
<b>Investment income</b>				
From consolidated undertakings	0	0	0	794.602
From affiliated undertakings	0	0	0	1.097.950
From holdings	0	0	0	50.558.896
From buildings and premises	0	0	0	14.920
Interest income and exchange rate diff.	6.874	641	2.497	73.633.620
Income of changes in valuation of inv.	0	0	0	16.484
Profit from sale of investments	0	0	0	6.261
Changes in asset reduction	110	0	0	-114.041
Other investment income	0	0	0	951.857
<b>Investment income</b>	6.984	641	2.497	126.960.549
<b>Investment expenses</b>				
Office and management expenses	0	0	0	1.001.894
Interest expenses	0	0	0	3.413
Expenses of changes in valuation of inv.	0	0	0	661
Loss on sale of investments	0	0	0	1.952
Other investment expenses	0	0	3.157	537.358
<b>Investment expenses</b>	0	0	3.157	1.545.278
<b>Operating expenses</b>				
Office and management expenses	590	0	291	1.343.162
Other operating expenses	1.863	220	370	113.429
<b>Operating expenses</b>	2.453	220	661	1.456.591
<b>Other income</b>	0	0	0	98.208
<b>Other expenses</b>	0	0	0	0
<b>Increase in net assets before extraordinary</b>				
<b>items and changes in valuation</b>	-9.234	-376	-30.291	165.218.671
<b>Extraordinary items</b>	0	0	0	2.528
Extraordinary income	0	0	0	2.528
Extraordinary expenses	0	0	0	0
<b>Changes in valuation</b>	0	0	0	0
<b>Increase in net assets</b>	-9.234	-376	-30.291	165.221.199
<b>Net assets from previous year end</b>	97.770	8.343	13.904	821.313.548
<b>NET ASSETS FOR PENSION</b>				
<b>PAYMENTS END OF YEAR</b>	88.536	7.967	-16.387	986.534.746



### 3.2. BALANCE SHEETS 31.12.2004

Amounts in IKR.	Lífeyrissj. starfsm. ríkisins (1)	Lífeyrissj. verslunar- manna (2)	Lífeyrissj. Framsýn (3)	Lífeyrissj. sjómanna (4)	Sameinaði lífeyris- sjóðurinn (5)	Lífeyrissj. Norður- lands (6)
<b>ASSETS</b>						
<b>Intangible assets</b>	0	0	0	0	0	0
<b>Investments</b>						
Buldings and premises	135.092	293.390	214.121	94.674	154.809	76.800
Consolidated and affiliated undert.	0	0	28.392	0	0	0
Shares in consolidated undertakings	0	0	0	0	0	0
Loans to consolidated undertakings	0	0	0	0	0	0
Shares in affiliated undertakings	0	0	0	0	0	0
Loans to affiliated undertakings	0	0	0	0	0	0
<i>Other investments</i>						
Variable-yield securities	72.520.731	61.792.887	29.732.588	26.847.552	23.323.841	15.704.432
Fixed rate securities	79.619.435	59.044.152	38.354.366	36.937.979	25.318.255	19.645.713
Mortgage loans	25.620.549	23.515.860	6.865.644	3.347.948	10.346.111	1.250.291
Other loans	0	0	0	0	22.289	0
Bank deposits	277.878	0	0	22.393	0	904.783
Other investments	84	0	0	38.890	0	467.840
<i>Other investments</i>	178.038.677	144.352.899	74.952.599	67.194.762	59.010.496	37.973.059
<i>Investments</i>	178.173.769	144.646.289	75.195.112	67.289.436	59.165.305	38.049.859
<b>Claims</b>						
On consolidated and affiliated undert.	0	0	0	0	0	0
On employers	435.808	978.000	500.000	129.482	255.156	267.549
Other claims	246.622	832.577	474.980	500.752	1.503.247	17.490
<i>Claims</i>	682.430	1.810.577	974.980	630.234	1.758.403	285.039
<b>Other assets</b>						
Operating and other tangible assets	18.754	70.410	19.637	4.916	10.485	4.125
Cash and current deposits	1.571.177	4.384.276	1.008.496	556.169	349.119	864.334
Other assets	0	0	243.206	0	0	0
<i>Other assets</i>	1.589.931	4.454.686	1.271.338	561.085	359.604	868.459
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	180.446.130	150.911.552	77.441.430	68.480.755	61.283.312	39.203.356
<b>LIABILITIES</b>						
<b>Obligations</b>	43.988	0	0	0	0	0
<b>Accounts payable</b>						
Liabilities with consolid. and affil. undert.	0	0	26.712	0	0	0
Liabilities with credit institutions	147.599	0	0	0	0	0
Bonds payable	0	0	0	0	0	0
Other liabilities	393.420	209.710	88.321	23.372	1.492.428	35.694
<i>Accounts payable</i>	541.019	209.710	115.032	23.372	1.492.428	35.694
<b>Accrued expenses and unearned income</b>	0	0	0	5.788	12.499	0
<b>TOTAL LIABILITIES</b>	585.007	209.710	115.032	29.160	1.504.927	35.694
<b>NET ASSETS FOR PENSION PAYMENTS</b>	179.861.123	150.701.842	77.326.398	68.451.595	59.778.385	39.167.662

### 3.2. BALANCE SHEETS 31.12.2004

Amounts in IKR.	Frjálsi lífeyris- sjóðurinn (7)	Söfnunarsj. lífeyris- réttinda (8)	Almenni lífeyrissj. (9)	Lífeyrissj. Lífiðn (10)	Lífeyrissj. banka- manna (11)	Samvinnu- lífeyris- sjóðurinn (12)
<b>ASSETS</b>						
<b>Intangible assets</b>	0	0	0	0	0	0
<b>Investments</b>						
Buldings and premises	0	0	0	70.345	0	73.713
Consolidated and affiliated undert.	0	0	0	0	0	0
Shares in consolidated undertakings	0	0	0	0	0	0
Loans to consolidated undertakings	0	0	0	0	0	0
Shares in affiliated undertakings	0	0	0	0	0	0
Loans to affiliated undertakings	0	0	0	0	0	0
<i>Other investments</i>						
Variable-yield securities	15.305.608	11.289.569	26.117.925	7.791.058	12.484.315	8.207.560
Fixed rate securities	16.269.264	20.575.082	3.921.165	12.258.918	10.298.471	12.495.044
Mortgage loans	80.459	1.096.828	1.795.064	6.547.061	2.113.639	2.596.249
Other loans	0	0	0	23.372	0	14.845
Bank deposits	3.753.678	0	935.579	0	0	195.845
Other investments	0	5.989	0	69.625	0	56.738
<i>Other investments</i>	35.409.010	32.967.468	32.769.732	26.690.034	24.896.425	23.566.281
<i>Investments</i>	35.409.010	32.967.468	32.769.732	26.760.379	24.896.425	23.639.994
<b>Claims</b>						
On consolidated and affiliated undert.	0	0	0	0	0	0
On employers	2.469	358.652	120.761	222.605	0	58.003
Other claims	304.135	0	100.885	43.380	15.934	87.947
<i>Claims</i>	306.603	358.652	221.646	265.985	15.934	145.950
<b>Other assets</b>						
Operating and other tangible assets	0	6.120	0	16.324	1.582	17.294
Cash and current deposits	241.557	485.773	129.891	378.533	525.265	491.899
Other assets	0	0	0	0	131.850	0
<i>Other assets</i>	241.557	491.893	129.891	394.857	658.697	509.193
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	35.957.170	33.818.013	33.121.270	27.421.221	25.571.056	24.295.137
<b>LIABILITIES</b>						
<b>Obligations</b>	0	0	0	0	0	0
<b>Accounts payable</b>						
Liabilities with consolid. and affil. undert.	0	0	0	0	0	0
Liabilities with credit institutions	58.243	0	0	0	0	0
Bonds payable	240.812	0	0	0	0	0
Other liabilities	0	28.009	14.579	171.797	3.245	13.033
<i>Accounts payable</i>	299.054	28.009	14.579	171.797	3.245	13.033
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	0
<b>TOTAL LIABILITIES</b>	299.054	28.009	14.579	171.797	3.245	13.033
<b>NET ASSETS FOR PENSION PAYMENTS</b>	35.658.116	33.790.004	33.106.691	27.249.424	25.567.811	24.282.104

### 3.2. BALANCE SHEETS 31.12.2004

Amounts in IKR.	Lífeyrissj. lækna (13)	Lífeyrissj. Austur- lands (14)	Lífeyrissj. Vest- firðinga (15)	Lífeyrissj. verk- fræðinga (16)	Lífeyrissj. hjúkrunar- fræðinga (17)	Lífeyrissj. Suður- nesja (18)
<b>ASSETS</b>						
<b>Intangible assets</b>	0	0	0	0	0	0
<b>Investments</b>						
Buildings and premises	0	27.180	36.880	0	15.010	0
Consolidated and affiliated undert.	0	0	0	0	0	0
Shares in consolidated undertakings	0	0	0	0	0	0
Loans to consolidated undertakings	0	0	0	0	0	0
Shares in affiliated undertakings	0	33.373	0	0	0	0
Loans to affiliated undertakings	0	0	0	0	0	0
<i>Other investments</i>						
Variable-yield securities	13.293.740	10.975.578	8.291.397	6.353.628	6.192.659	5.780.486
Fixed rate securities	3.283.551	4.772.267	8.292.999	6.791.684	7.432.843	7.711.740
Mortgage loans	2.034.779	973.472	563.242	4.002.235	1.595.350	1.166.956
Other loans	0	0	0	0	0	0
Bank deposits	0	0	0	294.395	0	467.638
Other investments	1.336	893.768	23.599	0	0	5.889
<i>Other investments</i>	18.613.406	17.615.085	17.171.238	17.441.942	15.220.852	15.132.709
<i>Investments</i>	18.613.406	17.675.638	17.208.118	17.441.942	15.235.862	15.132.709
<b>Claims</b>						
On consolidated and affiliated undert.	0	0	0	0	0	0
On employers	0	120.338	330.540	139.961	49.145	184.025
Other claims	5.892	40.478	124.172	3.199	17.973	6.868
<i>Claims</i>	5.892	160.816	454.712	143.160	67.118	190.893
<b>Other assets</b>						
Operating and other tangible assets	0	3.595	3.046	8.686	2.084	1.901
Cash and current deposits	16.899	467.455	204.608	9.533	218.842	113.366
Other assets	0	64.224	0	0	0	0
<i>Other assets</i>	16.899	535.274	207.654	18.219	220.926	115.267
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	18.636.197	18.371.727	17.870.484	17.603.321	15.523.906	15.438.869
<b>LIABILITIES</b>						
<b>Obligations</b>	0	0	0	0	4.000	0
<b>Accounts payable</b>						
Liabilities with consolid. and affil. undert.	0	0	0	0	0	0
Liabilities with credit institutions	0	0	3.545	0	0	0
Bonds payable	0	0	0	0	0	0
Other liabilities	11.531	15.807	16.492	7.471	15	5.550
<i>Accounts payable</i>	11.531	15.807	20.037	7.471	15	5.550
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	0
<b>TOTAL LIABILITIES</b>	11.531	15.807	20.037	7.471	4.015	5.550
<b>NET ASSETS FOR PENSION PAYMENTS</b>	18.624.666	18.355.920	17.850.447	17.595.850	15.519.891	15.433.319

### 3.2. BALANCE SHEETS 31.12.2004

Amounts in IKR.	Lífeyrissj. Vestmanna- eyja (19)	Lífeyrissj. bænda (20)	Lífeyrissj. starfsm. sveitarfél. (21)	Lífeyrissj. Vestur- lands (22)	Lífeyrissj. starfsm. Reykjavb. (23)	Íslenski lífeyris- sjóðurinn (24)
<b>ASSETS</b>						
<b>Intangible assets</b>	0	0	0	0	0	0
<b>Investments</b>						
Buldings and premises	24.561	0	0	17.968	0	0
Consolidated and affiliated undert.	0	0	0	0	0	0
Shares in consolidated undertakings	0	0	0	0	0	0
Loans to consolidated undertakings	0	0	0	0	0	0
Shares in affiliated undertakings	28.392	0	0	0	0	0
Loans to affiliated undertakings	0	0	0	0	0	0
<i>Other investments</i>						
Variable-yield securities	6.322.500	9.847.586	5.396.033	2.816.359	1.110.946	9.801.975
Fixed rate securities	7.576.587	2.530.671	4.105.283	7.970.393	4.335.958	356.115
Mortgage loans	0	743.330	1.681.798	4.384	2.020.371	0
Other loans	0	546.442	0	0	0	0
Bank deposits	745.921	25.644	826.427	302.224	0	159.689
Other investments	130.408	0	31.236	0	0	0
<i>Other investments</i>	14.775.416	13.693.673	12.040.777	11.093.360	7.467.275	10.317.779
<i>Investments</i>	14.828.369	13.693.673	12.040.777	11.111.328	7.467.275	10.317.779
<b>Claims</b>						
On consolidated and affiliated undert.	0	0	0	0	0	0
On employers	68.001	52.057	172.421	85.259	3.424.793	24.405
Other claims	7.894	12.772	14.483	74.364	0	13.141
<i>Claims</i>	75.895	64.829	186.904	159.623	3.424.793	37.546
<b>Other assets</b>						
Operating and other tangible assets	2.755	2.430	12.463	0	0	0
Cash and current deposits	104.654	142.368	156.302	26.902	156.545	42.329
Other assets	55.556	5.112	0	0	0	0
<i>Other assets</i>	162.965	149.910	168.766	26.902	156.545	42.329
<b>Prepaid expenses and accrued income</b>						
	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	15.067.229	13.908.413	12.396.446	11.297.853	11.048.612	10.397.654
<b>LIABILITIES</b>						
<b>Obligations</b>	0	0	0	0	0	0
<b>Accounts payable</b>						
Liabilities with consolid. and affil. undert.	0	0	0	0	0	0
Liabilities with credit institutions	0	0	0	0	0	0
Bonds payable	0	0	0	0	0	0
Other liabilities	5.164	14.219	14.261	2.794	89.375	37.941
<i>Accounts payable</i>	5.164	14.219	14.261	2.794	89.375	37.941
<b>Accrued expenses and unearned income</b>						
	0	0	0	0	0	7.590
<b>TOTAL LIABILITIES</b>	5.164	14.219	14.261	2.794	89.375	45.531
<b>NET ASSETS FOR PENSION PAYMENTS</b>	15.062.065	13.894.194	12.382.185	11.295.059	10.959.237	10.352.123

### 3.2. BALANCE SHEETS 31.12.2004

Amounts in IKR.

	Eftirlauna- sjóður FÍA (25)	Lífeyrissj. starfsm. Búnaðarb. (26)	Lífeyrissj. Suðurlands (27)	Eftirlaunasj. starfsm. Íslandsb. hf. (28)	Lífeyrissj. Eimskipa- félags Ísl. (29)	Lífeyrissj. Rangæinga (30)	Lífeyrissj. Bolungar- víkur (31)
<b>ASSETS</b>							
<b>Intangible assets</b>	0	0	0	0	0	0	0
<b>Investments</b>							
Buldings and premises	0	0	11.410	0	0	12.169	0
Consolidated and affiliated undert.	0	0	0	0	0	0	0
Shares in consolidated undertakings	0	0	0	0	0	0	0
Loans to consolidated undertakings	0	0	0	0	0	0	0
Shares in affiliated undertakings	0	0	0	0	0	0	0
Loans to affiliated undertakings	0	0	0	0	0	0	0
<i>Other investments</i>							
Variable-yield securities	6.417.044	1.778.091	4.507.422	3.410.054	1.082.711	1.235.465	1.197.968
Fixed rate securities	2.512.560	6.516.415	1.736.097	581.643	1.935.027	1.228.366	848.124
Mortgage loans	1.169.361	368.555	659.567	0	81.580	538	58.476
Other loans	0	0	0	0	0	0	0
Bank deposits	0	0	173.611	0	0	0	334.462
Other investments	0	0	0	0	0	0	0
<i>Other investments</i>	10.098.965	8.663.061	7.076.697	3.991.698	3.099.318	2.464.369	2.439.030
<i>Investments</i>	10.098.965	8.663.061	7.088.107	3.991.698	3.099.318	2.476.538	2.439.030
<b>Claims</b>							
On consolidated and affiliated undert.	0	0	0	0	0	0	0
On employers	59.824	0	44.500	100.000	0	10.741	14.334
Other claims	6.581	16.582	0	3.327	1.121	1.503	0
<i>Claims</i>	66.405	16.582	44.500	103.327	1.121	12.244	14.334
<b>Other assets</b>							
Operating and other tangible assets	0	0	1.044	0	0	1.112	0
Cash and current deposits	39.240	400.910	68.866	1.150	21.487	484.291	82.735
Other assets	10.676	0	123.507	0	0	0	6.281
<i>Other assets</i>	49.916	400.910	193.417	1.150	21.487	485.403	89.016
<b>Prepaid expenses and accrued income</b>							
	0	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	10.215.286	9.080.553	7.326.024	4.096.175	3.121.926	2.974.185	2.542.380
<b>LIABILITIES</b>							
<b>Obligations</b>	0	0	0	0	0	0	0
<b>Accounts payable</b>							
Liabilities with consolid. and affil. undert.	0	0	0	0	0	0	0
Liabilities with credit institutions	0	0	0	0	0	0	0
Bonds payable	0	0	0	0	0	0	0
Other liabilities	11.904	9.390	0	82	2.521	608	0
<i>Accounts payable</i>	11.904	9.390	0	82	2.521	608	0
<b>Accrued expenses and unearned income</b>							
	10.145	0	0	0	0	0	0
<b>TOTAL LIABILITIES</b>	22.049	9.390	0	82	2.521	608	0
<b>NET ASSETS FOR PENSION PAYMENTS</b>	10.193.237	9.071.163	7.326.024	4.096.093	3.119.405	2.973.577	2.542.380

### 3.2. BALANCE SHEETS 31.12.2004

Amounts in IKR.	Lífeyrissj. Flugvirkjaf. Íslands (32)	Lífeyrissj. Tannlfél. Íslands (33)	Lífeyrissj. stm. Kópa- vogsbæjar (34)	Eftirlaunaj. Hafnarfj- kaupst. (35)	Lífeyrissj. Mjólkur- samsöl. (36)	Lífeyrissj. stm. Akur- eyrarbæjar (37)
<b>ASSETS</b>						
<b>Intangible assets</b>	0	0	0	0	0	0
<b>Investments</b>						
Buldings and premises	0	0	0	0	0	0
Consolidated and affiliated undert.	0	0	0	0	0	0
Shares in consolidated undertakings	0	0	0	0	0	0
Loans to consolidated undertakings	0	0	0	0	0	0
Shares in affiliated undertakings	0	0	0	0	0	0
Loans to affiliated undertakings	0	0	0	0	0	0
<i>Other investments</i>						
Variable-yield securities	1.645.436	1.586.147	1.085.730	405.212	1.359.160	619.661
Fixed rate securities	744.952	73.080	152.264	1.213.071	97.293	581.961
Mortgage loans	27.772	64.780	473.790	0	20.265	100.178
Other loans	0	0	0	0	0	0
Bank deposits	0	0	0	306	0	0
Other investments	0	0	0	0	0	-1.233
<i>Other investments</i>	2.418.160	1.724.007	1.711.784	1.618.589	1.476.718	1.300.567
<i>Investments</i>	2.418.160	1.724.007	1.711.784	1.618.589	1.476.718	1.300.567
<b>Claims</b>						
On consolidated and affiliated undert.	0	0	0	0	0	0
On employers	0	0	0	0	0	11.148
Other claims	0	122.829	18.160	1.635	3.365	0
<i>Claims</i>	0	122.829	18.160	1.635	3.365	11.148
<b>Other assets</b>						
Operating and other tangible assets	0	0	0	0	0	0
Cash and current deposits	1.573	5.964	21.413	8.131	1.631	10
Other assets	1.067	1.335	0	0	889	0
<i>Other assets</i>	2.640	7.299	21.413	8.131	2.520	10
<b>Prepaid expenses and accrued income</b>						
	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	2.420.800	1.854.135	1.751.357	1.628.355	1.482.603	1.311.725
<b>LIABILITIES</b>						
<b>Obligations</b>	0	0	0	0	0	0
<b>Accounts payable</b>						
Liabilities with consolid. and affil. undert.	0	0	0	0	0	0
Liabilities with credit institutions	0	0	0	0	0	3.702
Bonds payable	0	0	0	0	0	0
Other liabilities	1.087	11.364	3.584	2.541	2.275	2.022
<i>Accounts payable</i>	1.087	11.364	3.584	2.541	2.275	5.724
<b>Accrued expenses and unearned income</b>						
	1.029	0	0	354	0	0
<b>TOTAL LIABILITIES</b>	2.116	11.364	3.584	2.895	2.275	5.724
<b>NET ASSETS FOR PENSION PAYMENTS</b>	2.418.684	1.842.771	1.747.773	1.625.460	1.480.328	1.306.001

### 3.2. BALANCE SHEETS 31.12.2004

Amounts in IKR.	Lífeyrissj. Akranes- kaupst. (38)	Eftirlaunasj. stm. Olíu- versl. Ísl. (39)	Eftirlaunasj. Sláturfélags Suðurlands (40)	Eftirlaunasj. Reykjanes- bæjar (41)	Lífeyrissj. starfsm. Áburðarv. (42)	Lífeyris- sjóðurinn Skjöldur (43)
<b>ASSETS</b>						
<b>Intangible assets</b>	0	0	0	0	0	0
<b>Investments</b>						
Buldings and premises	0	0	0	0	0	0
Consolidated and affiliated undert.	0	0	0	0	0	0
Shares in consolidated undertakings	0	0	0	0	0	0
Loans to consolidated undertakings	0	0	0	0	0	0
Shares in affiliated undertakings	0	0	0	0	0	0
Loans to affiliated undertakings	0	0	0	0	0	0
<i>Other investments</i>						
Variable-yield securities	747.267	523.628	7.518	321.421	472.920	0
Fixed rate securities	197.565	179.565	213.707	139.704	37.933	386.923
Mortgage loans	0	0	27.320	82.089	1.080	24.174
Other loans	0	0	0	0	0	0
Bank deposits	0	0	369.442	0	0	0
Other investments	0	0	-5.000	0	0	0
<i>Other investments</i>	944.832	703.193	612.987	543.214	511.933	411.097
<i>Investments</i>	944.832	703.193	612.987	543.214	511.933	411.097
<b>Claims</b>						
On consolidated and affiliated undert.	0	0	0	0	0	0
On employers	0	0	0	1.217	0	0
Other claims	2.016	178	79	0	178	0
<i>Claims</i>	2.016	178	79	1.217	178	0
<b>Other assets</b>						
Operating and other tangible assets	0	0	0	0	0	0
Cash and current deposits	1.655	348	1.716	66.015	1.671	47.699
Other assets	0	0	0	0	0	0
<i>Other assets</i>	1.655	348	1.716	66.015	1.671	47.699
<b>Prepaid expenses and accrued income</b>						
	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	948.503	703.719	614.782	610.446	513.782	458.796
<b>LIABILITIES</b>						
<b>Obligations</b>	0	0	0	0	0	0
<b>Accounts payable</b>						
Liabilities with consolid. and affil. undert.	0	0	0	0	0	0
Liabilities with credit institutions	0	0	0	0	0	0
Bonds payable	0	0	0	0	0	0
Other liabilities	2.049	1.237	794	1.918	1.277	0
<i>Accounts payable</i>	2.049	1.237	794	1.918	1.277	0
<b>Accrued expenses and unearned income</b>						
	0	0	0	0	6.897	0
<b>TOTAL LIABILITIES</b>	2.049	1.237	794	1.918	8.174	0
<b>NET ASSETS FOR PENSION PAYMENTS</b>	946.454	702.482	613.988	608.528	505.608	458.796

### 3.2. BALANCE SHEETS 31.12.2004

Amounts in IKR.	Lífeyrissj. n. Húsavíku kaupstaðar (44)	Lífeyrissj. Neskaup- staðar (45)	Eftirlaunasj starfsm. Útvegsb. Ísl. (46)	Lífeyrissj. stm. Rvík.- apóteks (47)	Lífeyrissj. stm. Vestm- eyjabæjar (48)	TOTAL
<b>ASSETS</b>						
<b>Intangible assets</b>	0	0	0	0	0	0
<b>Investments</b>						
Buldings and premises	0	0	0	0	0	1.258.122
Consolidated and affiliated undert.	0	0	0	0	0	28.392
Shares in consolidated undertakings	0	0	0	0	0	0
Loans to consolidated undertakings	0	0	0	0	0	0
Shares in affiliated undertakings	0	0	0	0	0	61.765
Loans to affiliated undertakings	0	0	0	0	0	0
<i>Other investments</i>						
Variable-yield securities	202.545	91.430	0	8.639	10.000	426.016.423
Fixed rate securities	151.253	62.968	16.335	0	1.495	419.506.237
Mortgage loans	12.070	4.711	27.069	0	2.709	103.167.704
Other loans	0	0	0	0	0	606.948
Bank deposits	29.072	27.039	0	0	0	9.846.026
Other investments	0	0	0	0	0	1.719.169
<i>Other investments</i>	394.941	186.148	43.404	8.639	14.204	960.862.508
<i>Investments</i>	394.941	186.148	43.404	8.639	14.204	962.210.787
<b>Claims</b>						
On consolidated and affiliated undert.	0	0	0	0	0	0
On employers	2.419	0	0	0	0	8.223.611
Other claims	0	0	0	0	0	4.626.739
<i>Claims</i>	2.419	0	0	0	0	12.850.350
<b>Other assets</b>						
Operating and other tangible assets	0	0	0	0	0	208.763
Cash and current deposits	5.214	27.118	46.792	50	43.532	14.025.502
Other assets	0	0	0	0	0	643.702
<i>Other assets</i>	5.214	27.118	46.792	50	43.532	14.877.968
<b>Prepaid expenses and accrued income</b>						
	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	402.573	213.266	90.196	8.689	57.736	989.939.104
<b>LIABILITIES</b>						
<b>Obligations</b>	0	0	0	0	0	47.988
<b>Accounts payable</b>						
Liabilities with consolid. and affil. undert.	0	0	0	0	0	26.712
Liabilities with credit institutions	0	0	0	0	0	213.089
Bonds payable	0	0	0	0	0	240.812
Other liabilities	3.050	3.022	1.660	722	74.123	2.831.456
<i>Accounts payable</i>	3.050	3.022	1.660	722	74.123	3.312.068
<b>Accrued expenses and unearned income</b>						
	0	0	0	0	0	44.302
<b>TOTAL LIABILITIES</b>	3.050	3.022	1.660	722	74.123	3.404.358
<b>NET ASSETS FOR PENSION PAYMENTS</b>	399.524	210.244	88.536	7.967	-16.387	986.534.746



### 3.3. CASH FLOW 2004

Amounts in 000 IKR.	Lífeyrissj. st. ríkisins	Lífeyrissj. verslunar- manna	Lífeyrissj. Framsýn	Lífeyrissj. sjómanna	Sameinaði lífeyris- sjóðurinn	Lífeyrissj. Norður- lands
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Inflow</b>						
Premiums	24.211.289	9.057.047	3.675.508	1.878.817	3.442.723	1.863.239
Investment income	8.415.112	6.906.179	3.307.357	3.067.963	4.486.414	1.780.036
Other income	0	0	44.911	0	0	0
Securities amortizations	12.841.334	8.681.715	4.334.042	4.199.393	6.903.081	1.196.995
Sold variable yield securities	47.911.800	10.799.051	14.020.557	12.072.007	6.735.060	8.581.763
Sold fixed rate securities	35.067.691	9.749.894	12.660.349	156.850	10.504.247	14.747.926
Reduction of bank deposits	184.570	0	0	0	0	218.225
Sold other investments	0	0	0	0	0	80.929
Other inflow	0	117.780	0	0	496.420	-58.929
<b>Inflow</b>	<b>128.631.796</b>	<b>45.311.666</b>	<b>38.042.724</b>	<b>21.375.030</b>	<b>32.567.945</b>	<b>28.410.184</b>
<b>Outflow</b>						
Pension payment	11.111.583	2.642.872	2.271.654	1.404.032	1.707.398	1.137.343
Investment expenses	554.494	146.683	64.328	30.221	90.061	26.950
Operating exp. excluding depreciation	225.515	145.923	119.256	76.520	84.368	55.273
Other expenses	127.181	0	230.398	0	0	0
Other outflow	0	114.436	-398	7.184	503.364	383.920
<b>Outflow</b>	<b>12.018.773</b>	<b>3.049.914</b>	<b>2.685.237</b>	<b>1.517.957</b>	<b>2.385.191</b>	<b>1.603.486</b>
<b>Disposable resources to purchase securities and other investments</b>	<b>116.613.023</b>	<b>42.261.752</b>	<b>35.357.486</b>	<b>19.857.073</b>	<b>30.182.754</b>	<b>26.806.698</b>
<b>Purchase of securities and other inv.</b>						
Variable-yield securities	69.147.932	17.786.996	14.728.608	14.529.637	15.023.141	9.010.996
Fixed rate securities	41.855.506	16.703.667	19.478.370	4.749.372	13.027.595	17.363.898
New mortgage loans and other loans	4.431.120	6.286.106	860.466	382.070	2.264.709	210.000
Increase of bank deposits	0	0	0	7.237	0	0
Other investments, cf. item 4.6	0	14.463	1.929	14.501	0	0
Buildings and premises	7.410	0	5.091	823	0	0
Consolidated and affiliated undertakings	0	0	0	0	0	0
<i>Purchase of securities and other inv.</i>	<b>115.441.969</b>	<b>40.791.232</b>	<b>35.074.465</b>	<b>19.683.640</b>	<b>30.315.445</b>	<b>26.584.894</b>
<b>Increase in cash and current deposits</b>	<b>1.171.054</b>	<b>1.470.520</b>	<b>283.022</b>	<b>173.433</b>	<b>-132.691</b>	<b>221.804</b>
<b>Cash and current deposits at beg. of year</b>	<b>400.122</b>	<b>2.913.756</b>	<b>725.475</b>	<b>382.736</b>	<b>481.810</b>	<b>642.530</b>
<b>Cash and current deposits end of year</b>	<b>1.571.177</b>	<b>4.384.276</b>	<b>1.008.496</b>	<b>556.169</b>	<b>349.119</b>	<b>864.334</b>

### 3.3. CASH FLOW 2004

Amounts in 000 IKR.	Frjálsi lífeyris-sjóðurinn (7)	Söfnunarsj. lífeyris-réttinda (8)	Almennir lífeyris-sj. (9)	Lífeyrissj. Lífið (10)	Lífeyrissj. banka-manna (11)	Samvinnu-sjóðurinn (12)	Lífeyrissj. lækna (13)
<b>Inflow</b>							
Premiums	3.193.434	1.699.394	3.902.062	1.678.469	961.119	824.707	792.982
Investment income	490.624	887.769	1.065.318	398.366	1.453.997	1.675.889	570.488
Other income	0	0	0	0	0	0	0
Securities amortizations	1.128.009	1.889.533	614.171	3.267.315	4.646.536	5.754.251	793.973
Sold variable yield securities	9.952.086	292.353	8.824.973	1.733.480	10.648.895	4.200.379	2.311.412
Sold fixed rate securities	6.055.479	361.779	689.666	869.955	1.380.339	0	492.619
Reduction of bank deposits	0	0	0	0	0	0	0
Sold other investments	0	0	0	126.476	0	0	0
Other inflow	0	0	1.403	7.226	23.471	23.637	9.514
<b>Inflow</b>	<b>20.819.632</b>	<b>5.130.828</b>	<b>15.097.593</b>	<b>8.081.287</b>	<b>19.114.357</b>	<b>12.478.863</b>	<b>4.970.988</b>
<b>Outflow</b>							
Pension payment	354.030	358.385	240.853	305.200	734.652	904.301	383.300
Investment expenses	117.290	25.076	7.216	40.163	7.683	29.896	9.577
Operating exp. excluding depreciation	56.945	55.541	89.591	33.551	36.524	33.211	14.180
Other expenses	0	0	0	0	0	0	0
Other outflow	5.429	0	14.960	34.575	31.435	0	1.803
<b>Outflow</b>	<b>533.694</b>	<b>439.002</b>	<b>352.620</b>	<b>413.489</b>	<b>810.294</b>	<b>967.408</b>	<b>408.860</b>
<b>Disposable resources to purchase securities and other investments</b>	<b>20.285.937</b>	<b>4.691.826</b>	<b>14.744.973</b>	<b>7.667.798</b>	<b>18.304.063</b>	<b>11.511.455</b>	<b>4.562.128</b>
<b>Purchase of securities and other inv.</b>							
Variable-yield securities	10.160.472	2.149.158	12.276.804	3.018.538	9.817.548	4.587.767	2.650.195
Fixed rate securities	9.757.810	2.227.140	2.165.709	3.173.266	7.992.840	6.397.644	1.623.065
New mortgage loans and other loans	51.062	201.829	0	1.272.094	271.048	202.417	276.381
Increase of bank deposits	870.689	0	301.012	0	0	15.996	0
Other investments, cf. item 4.6	0	3.444	0	11.538	0	699	0
Buildings and premises	0	0	0	0	0	0	0
Consolidated and affiliated undertakings	0	0	0	0	0	0	0
<i>Purchase of securities and other inv.</i>	<b>20.840.033</b>	<b>4.581.571</b>	<b>14.743.525</b>	<b>7.475.436</b>	<b>18.081.436</b>	<b>11.204.523</b>	<b>4.549.641</b>
<b>Increase in cash and current deposits</b>	<b>-554.096</b>	<b>110.255</b>	<b>1.448</b>	<b>192.362</b>	<b>222.627</b>	<b>306.932</b>	<b>12.487</b>
<b>Cash and current deposits at beg. of year</b>	<b>795.653</b>	<b>375.518</b>	<b>128.442</b>	<b>186.171</b>	<b>302.638</b>	<b>184.967</b>	<b>4.412</b>
<b>Cash and current deposits end of year</b>	<b>241.557</b>	<b>485.773</b>	<b>129.891</b>	<b>378.533</b>	<b>525.265</b>	<b>491.899</b>	<b>16.899</b>

### 3.3. CASH FLOW 2004

Amounts in 000 IKR.	Lífeyrissj. Austur- lands (14)	Lífeyrissj. Vest- firðinga (15)	Lífeyrissj. verk- fræðinga (16)	Lífeyrissj. hjúkrunar- fræðinga (17)	Lífeyrissj. Suður- nesja (18)	Lífeyrissj. Vestmanna- eyja (19)	Lífeyrissj. bænda (20)
<b>Inflow</b>							
Premiums	1.074.229	558.746	1.415.686	1.558.852	872.470	475.147	362.131
Investment income	45.167	213.995	516.356	869.626	159.390	413.304	263.984
Other income	0	0	1.896	0	4.952	0	62.542
Securities amortizations	897.293	1.809.444	586.532	1.043.469	699.586	622.315	513.787
Sold variable yield securities	2.763.435	2.810.133	100.000	5.618.560	12.936.367	2.380.008	5.042.297
Sold fixed rate securities	3.168.334	3.461.144	396.700	2.307.829	446.987	2.548.596	864.241
Reduction of bank deposits	0	0	217.703	0	100.000	354.411	97.085
Sold other investments	17.800	0	0	0	11.891	0	0
Other inflow	2.144	0	35.522	0	0	0	0
<b>Inflow</b>	<b>7.968.402</b>	<b>8.853.463</b>	<b>3.270.395</b>	<b>11.398.336</b>	<b>15.231.643</b>	<b>6.793.781</b>	<b>7.206.066</b>
<b>Outflow</b>							
Pension payment	446.004	404.509	178.319	743.708	552.357	343.323	671.173
Investment expenses	34.284	25.903	24.759	51.720	779	12.661	18.595
Operating exp. excluding depreciation	24.016	45.757	30.818	16.441	59.916	20.139	26.612
Other expenses	0	0	0	37.104	0	0	0
Other outflow	70	358	36.970	0	0	5.371	0
<b>Outflow</b>	<b>504.374</b>	<b>476.527</b>	<b>270.866</b>	<b>848.973</b>	<b>613.052</b>	<b>381.494</b>	<b>716.379</b>
<b>Disposable resources to purchase securities and other investments</b>	<b>7.464.028</b>	<b>8.376.936</b>	<b>2.999.529</b>	<b>10.549.363</b>	<b>14.618.591</b>	<b>6.412.287</b>	<b>6.489.687</b>
<b>Purchase of securities and other inv.</b>							
Variable-yield securities	3.102.306	3.244.699	628.520	6.784.457	8.666.229	2.599.131	5.287.547
Fixed rate securities	4.037.163	4.900.921	2.045.889	3.250.310	5.693.751	3.794.021	1.045.949
New mortgage loans and other loans	188.850	147.807	316.442	294.930	173.382	0	50.282
Increase of bank deposits	0	0	-1	0	0	0	0
Other investments, cf. item 4.6	3.940	0	1.837	823	25.519	1.250	2.430
Buildings and premises	7.385	0	0	0	0	0	0
Consolidated and affiliated undertakings	33.000	0	0	0	0	0	0
<i>Purchase of securities and other inv.</i>	<i>7.372.644</i>	<i>8.293.426</i>	<i>2.992.687</i>	<i>10.330.521</i>	<i>14.558.881</i>	<i>6.394.402</i>	<i>6.386.208</i>
<b>Increase in cash and current deposits</b>	<b>91.384</b>	<b>83.509</b>	<b>6.842</b>	<b>218.842</b>	<b>59.710</b>	<b>17.885</b>	<b>103.479</b>
<b>Cash and current deposits at beg. of year</b>	<b>376.071</b>	<b>121.099</b>	<b>2.691</b>	<b>0</b>	<b>53.656</b>	<b>86.769</b>	<b>38.889</b>
<b>Cash and current deposits end of year</b>	<b>467.455</b>	<b>204.608</b>	<b>9.533</b>	<b>218.842</b>	<b>113.366</b>	<b>104.654</b>	<b>142.368</b>

### 3.3. CASH FLOW 2004

Amounts in 000 IKR.

	Lífeyrissj. starfsm. sveitarfél. (21)	Lífeyrissj. Vestur- lands (22)	Lífeyrissj. starfsm. Reykjavb. (23)	Íslenski lífeyris- sjóðurinn (24)	Eftirlauna- sjóður FÍA (25)	Lífeyrissj. starfsm. Búnaðarb. (26)	Lífeyrissj. Suðurlands (27)
<b>Inflow</b>							
Premiums	2.414.793	560.963	4.522.568	1.740.328	550.177	88.251	419.306
Investment income	622.352	397.278	833.959	78.313	271.408	395.350	181.455
Other income	0	0	0	0	0	0	0
Securities amortizations	163.079	1.010.030	100.568	16.687	390.016	496.661	265.024
Sold variable yield securities	1.368.285	850.670	163.021	4.656.437	3.621.206	1.008.650	1.801.374
Sold fixed rate securities	1.569.721	2.156.031	129.511	0	789.672	243.178	1.840.912
Reduction of bank deposits	0	0	0	0	0	0	-5.239
Sold other investments	0	0	0	0	0	0	0
Other inflow	6.263	609	0	0	5.411	0	0
<b>Inflow</b>	<b>6.144.493</b>	<b>4.975.581</b>	<b>5.749.627</b>	<b>6.491.766</b>	<b>5.627.890</b>	<b>2.232.088</b>	<b>4.502.832</b>
<b>Outflow</b>							
Pension payment	89.470	321.928	1.353.450	99.387	317.815	281.154	205.061
Investment expenses	9.095	17.242	1.111	20.815	9.240	0	32.172
Operating exp. excluding depreciation	42.710	13.724	25.638	42.804	12.155	7.456	16.931
Other expenses	0	0	0	0	0	0	0
Other outflow	-592	2.878	0	0	0	0	0
<b>Outflow</b>	<b>140.683</b>	<b>355.772</b>	<b>1.380.199</b>	<b>163.006</b>	<b>339.210</b>	<b>288.610</b>	<b>254.164</b>
<b>Disposable resources to purchase securities and other investments</b>	<b>6.003.809</b>	<b>4.619.809</b>	<b>4.369.428</b>	<b>6.328.759</b>	<b>5.288.680</b>	<b>1.943.478</b>	<b>4.248.668</b>
<b>Purchase of securities and other inv.</b>							
Variable-yield securities	2.856.159	849.534	590.867	5.904.454	4.172.373	437.679	2.331.108
Fixed rate securities	2.598.209	3.760.496	3.684.101	264.353	918.255	1.268.701	1.919.764
New mortgage loans and other loans	434.788	0	79.545	0	170.217	23.700	33.168
Increase of bank deposits	113.551	18.709	0	159.689	0	0	0
Other investments, cf. item 4.6	13.635	900	0	0	0	0	378
Buildings and premises	0	0	0	0	0	0	0
Consolidated and affiliated undertakings	0	0	0	0	0	0	0
<i>Purchase of securities and other inv.</i>	<b>6.016.342</b>	<b>4.629.639</b>	<b>4.354.514</b>	<b>6.328.495</b>	<b>5.260.845</b>	<b>1.730.079</b>	<b>4.284.418</b>
<b>Increase in cash and current deposits</b>	<b>-12.533</b>	<b>-9.830</b>	<b>14.914</b>	<b>264</b>	<b>27.835</b>	<b>213.399</b>	<b>-35.750</b>
<b>Cash and current deposits at beg. of year</b>	<b>168.835</b>	<b>36.732</b>	<b>141.630</b>	<b>42.065</b>	<b>11.405</b>	<b>187.511</b>	<b>104.616</b>
		<b>0</b>					
<b>Cash and current deposits end of year</b>	<b>156.302</b>	<b>26.902</b>	<b>156.544</b>	<b>42.329</b>	<b>39.240</b>	<b>400.910</b>	<b>68.866</b>

### 3.3. CASH FLOW 2004

Amounts in 000 IKR.

	Eftirlaunasj. starfsm. Íslandsb. hf. (28)	Lífeyrissj. Eimskipa- félags Ísl. (29)	Lífeyrissj. Rangæinga (30)	Lífeyrissj. Bolungar- víkur (31)	Lífeyrissj. Flugvirkjaf. Íslands (32)	Lífeyrissj. Tannl.fél. Íslands (33)
<b>Inflow</b>						
Premiums	395.363	0	125.061	99.830	0	93.188
Investment income	35.494	107.255	166.855	34.462	50.300	13.207
Other income	2.567	0	1.512	2.053	0	0
Securities amortizations	19.428	120.741	335.178	109.647	66.649	30.796
Sold variable yield securities	540.516	1.594.681	0	525.238	1.789.702	1.591.771
Sold fixed rate securities	17.251	711.473	0	261.136	225.666	0
Reduction of bank deposits	0	0	0	285.274	0	0
Sold other investments	0	0	0	0	0	0
Other inflow	0	0	0	0	0	197
<b>Inflow</b>	<b>1.010.618</b>	<b>2.534.150</b>	<b>628.606</b>	<b>1.317.640</b>	<b>2.132.317</b>	<b>1.729.159</b>
<b>Outflow</b>						
Pension payment	111.190	148.511	70.864	57.974	103.385	38.381
Investment expenses	1.722	5.656	5.917	3.309	233	5
Operating exp. excluding depreciation	2.600	8.195	4.657	4.628	2.741	4.261
Other expenses	0	737	0	0	0	0
Other outflow	0	0	0	0	0	118.528
<b>Outflow</b>	<b>115.512</b>	<b>163.099</b>	<b>81.438</b>	<b>65.911</b>	<b>106.359</b>	<b>161.175</b>
<b>Disposable resources to purchase securities and other investments</b>	<b>895.106</b>	<b>2.371.051</b>	<b>547.168</b>	<b>1.251.729</b>	<b>2.025.958</b>	<b>1.567.984</b>
<b>Purchase of securities and other inv.</b>						
Variable-yield securities	631.681	1.521.038	1.072.553	579.085	1.800.460	1.561.593
Fixed rate securities	267.542	830.134	187.579	599.619	226.023	0
New mortgage loans and other loans	0	0	0	7.926	0	7.500
Increase of bank deposits	0	0	0	0	0	0
Other investments, cf. item 4.6	0	0	0	0	0	0
Buildings and premises	0	0	0	0	0	0
Consolidated and affiliated undertakings	0	0	0	0	0	0
<i>Purchase of securities and other inv.</i>	<b>899.223</b>	<b>2.351.172</b>	<b>1.260.132</b>	<b>1.186.630</b>	<b>2.026.483</b>	<b>1.569.093</b>
<b>Increase in cash and current deposits</b>	<b>-4.117</b>	<b>19.879</b>	<b>-712.964</b>	<b>65.099</b>	<b>-525</b>	<b>-1.109</b>
<b>Cash and current deposits at beg. of year</b>	<b>5.267</b>	<b>1.608</b>	<b>1.197.255</b>	<b>17.636</b>	<b>2.098</b>	<b>7.073</b>
<b>Cash and current deposits end of year</b>	<b>1.150</b>	<b>21.487</b>	<b>484.291</b>	<b>82.735</b>	<b>1.573</b>	<b>5.964</b>

### 3.3. CASH FLOW 2004

Amounts in 000 IKR.

	Lífeyrissj. stm. Kópa- vogsbæjar (34)	Eftirlaunasj. Hafnarfj- kaupst. (35)	Lífeyrissj. Mjólkur- samsöl. (36)	Lífeyrissj. stm. Akur- eyrarbæjar (37)	Lífeyrissj. Akranes- kaupst. (38)	Eftirlaunasj stm. Olú- versl. Ísl. (39)
<b>Inflow</b>						
Premiums	112.461	69.912	11.749	131.308	18.183	0
Investment income	49.523	71.755	14.185	75.449	41.944	17.560
Other income	10.803	0	0	0	0	0
Securities amortizations	196.725	118.320	52.897	72.487	51.528	17.611
Sold variable yield securities	369.784	1.660	879.216	86.596	30.019	481.523
Sold fixed rate securities	0	46.767	33.176	178.733	554.067	24.995
Reduction of bank deposits	0	21.543	0	0	0	0
Sold other investments	0	0	0	0	0	0
Other inflow	841	1.521	0	1.965	0	0
<b>Inflow</b>	<b>740.137</b>	<b>331.478</b>	<b>991.223</b>	<b>546.538</b>	<b>695.741</b>	<b>541.689</b>
<b>Outflow</b>						
Pension payment	118.439	60.949	75.303	180.957	70.104	39.932
Investment expenses	2.479	2.883	846	1.277	1.361	698
Operating exp. excluding depreciation	8.324	6.841	2.170	4.371	724	892
Other expenses	0	0	0	0	0	0
Other outflow	16.666	0	0	0	0	0
<b>Outflow</b>	<b>145.908</b>	<b>70.673</b>	<b>78.319</b>	<b>186.605</b>	<b>72.189</b>	<b>41.522</b>
<b>Disposable resources to purchase securities and other investments</b>	<b>594.229</b>	<b>260.805</b>	<b>912.904</b>	<b>359.933</b>	<b>623.552</b>	<b>500.167</b>
<b>Purchase of securities and other inv.</b>						
Variable-yield securities	352.378	125.119	889.216	152.151	622.476	482.319
Fixed rate securities	15.076	104.270	25.000	218.747	1.490	19.448
New mortgage loans and other loans	235.172	30.250	0	5.600	0	0
Increase of bank deposits	0	0	0	0	0	0
Other investments, cf. item 4.6	0	49.817	0	0	0	0
Buildings and premises	0	0	0	0	0	0
Consolidated and affiliated undertakings	0	0	0	0	0	0
<i>Purchase of securities and other inv.</i>	<b>602.626</b>	<b>309.456</b>	<b>914.216</b>	<b>376.498</b>	<b>623.966</b>	<b>501.767</b>
<b>Increase in cash and current deposits</b>	<b>-8.397</b>	<b>-48.651</b>	<b>-1.312</b>	<b>-16.565</b>	<b>-414</b>	<b>-1.600</b>
<b>Cash and current deposits at beg. of year</b>	<b>29.810</b>	<b>56.782</b>	<b>2.943</b>	<b>16.575</b>	<b>2.069</b>	<b>1.948</b>
<b>Cash and current deposits end of year</b>	<b>21.413</b>	<b>8.131</b>	<b>1.631</b>	<b>10</b>	<b>1.655</b>	<b>348</b>

### 3.3. CASH FLOW 2004

Amounts in 000 IKR.	Eftirlaunasj. Sláturfélags Suðurlands (40)	Eftirlaunasj. Reykjanes- bæjar (41)	Lífeyrissj. starfsm. Áburðarv. (42)
<b>Inflow</b>			
Premiums	0	34.308	1.112
Investment income	40.013	16.261	9.999
Other income	0	0	0
Securities amortizations	60.008	52.377	8.130
Sold variable yield securities	1.320	92.356	323.538
Sold fixed rate securities	22.702	0	0
Reduction of bank deposits	0	0	0
Sold other investments	2.695	0	0
Other inflow	931	0	2.528
<b>Inflow</b>	127.668	195.302	345.307
<b>Outflow</b>			
Pension payment	38.413	35.932	37.904
Investment expenses	185	72	53
Operating exp. excluding depreciation	1.258	3.542	2.289
Other expenses	0	0	0
Other outflow	640	0	0
<b>Outflow</b>	40.496	39.546	40.246
<b>Disposable resources to purchase securities and other investments</b>	87.172	155.756	305.061
<b>Purchase of securities and other inv.</b>			
Variable-yield securities	405	128.324	307.155
Fixed rate securities	0	25.577	0
New mortgage loans and other loans	0	7.135	0
Increase of bank deposits	85.417	0	0
Other investments, cf. item 4.6	0	0	0
Buildings and premises	0	0	0
Consolidated and affiliated undertakings	0	0	0
<i>Purchase of securities and other inv.</i>	85.822	161.036	307.155
<b>Increase in cash and current deposits</b>	1.350	-5.280	-2.094
<b>Cash and current deposits at beg. of year</b>	366	71.295	3.765
<b>Cash and current deposits end of year</b>	1.716	66.015	1.671

### 3.3. CASH FLOW 2004

Amounts in 000 IKR.

	Lífeyris- sjóðurinn Skjöldur (43)	Lífeyrissj. n. Húsavíku kaupstaðar (44)	Lífeyrissj. Neskaup- staðar (45)	Eftirlaunasj starfsm. Útvegsb. Ísl. (46)	Lífeyrissj. stm. Rvík.- apóteks (47)	Lífeyrissj. stm. Vestm- eyjabæjar (48)	TOTAL
<b>Inflow</b>							
Premiums	0	25.921	30.270	130.000	0	27.252	75.100.354
Investment income	42.739	15.417	6.219	5.033	6	2.497	40.583.621
Other income	35.137	0	0	0	0	0	166.372
Securities amortizations	0	-13.503	14.133	13.374	0	2.352	66.193.716
Sold variable yield securities	0	-17.686	11.263	0	0	0	191.505.756
Sold fixed rate securities	0	46.671	32.505	0	0	0	114.814.791
Reduction of bank deposits	0	0	0	0	0	0	1.473.572
Sold other investments	0	0	0	0	0	0	239.791
Other inflow	0	0	1.000	1.661	0	28.827	709.941
<b>Inflow</b>	<b>77.876</b>	<b>56.820</b>	<b>95.390</b>	<b>150.068</b>	<b>6</b>	<b>60.928</b>	<b>490.787.916</b>
<b>Outflow</b>							
Pension payment	38.926	37.961	31.999	143.765	797	56.222	31.061.167
Investment expenses	0	56	1.573	0	0	0	1.436.341
Operating exp. excluding depreciation	396	3.736	1.573	2.453	0	3.818	1.480.984
Other expenses	0	0	0	0	-468	0	394.952
Other outflow	12	0	0	0	0	0	1.277.609
<b>Outflow</b>	<b>39.334</b>	<b>41.754</b>	<b>35.145</b>	<b>146.218</b>	<b>329</b>	<b>60.040</b>	<b>35.651.053</b>
<b>Disposable resources to purchase securities and other investments</b>	<b>38.542</b>	<b>15.066</b>	<b>60.245</b>	<b>3.850</b>	<b>-323</b>	<b>888</b>	<b>455.136.863</b>
<b>Purchase of securities and other inv.</b>							
Variable-yield securities	0	67.193	24.100	0	0	0	242.660.100
Fixed rate securities	32.574	-37.678	15.598	0	0	0	188.228.765
New mortgage loans and other loans	0	0	0	0	0	0	18.915.998
Increase of bank deposits	0	-11.249	0	0	0	0	1.561.049
Other investments, cf. item 4.6	0	0	0	0	0	0	147.103
Buildings and premises	0	0	0	0	0	0	20.709
Consolidated and affiliated undertakings	0	0	0	0	0	0	33.000
<i>Purchase of securities and other inv.</i>	<i>32.574</i>	<i>18.266</i>	<i>39.698</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>451.566.724</i>
<b>Increase in cash and current deposits</b>	<b>5.968</b>	<b>-3.200</b>	<b>20.547</b>	<b>3.850</b>	<b>-323</b>	<b>888</b>	<b>3.570.139</b>
<b>Cash and current deposits at beg. of year</b>	<b>41.731</b>	<b>8.414</b>	<b>6.571</b>	<b>42.942</b>	<b>373</b>	<b>42.644</b>	<b>10.455.362</b>
<b>Cash and current deposits end of year</b>	<b>47.699</b>	<b>5.214</b>	<b>27.118</b>	<b>46.792</b>	<b>50</b>	<b>43.532</b>	<b>14.025.501</b>



#### 4. ANNUAL ACCOUNTS OF MUTUAL INSURANCE DIVISIONS FOR THE YEAR 2004

This chapter contains summary information on the mutual insurance divisions of Icelandic pension funds. The chapter is divided into two subsections:

- 4.1 Mutual insurance divisions, balance sheets and cash flow for 2004, pp. 35-43
- 4.2 Financial ratios for mutual insurance divisions for 2004, pp. 44-52

At the end of each subsection (4.1-4.2) separate sum totals are given for the liabilities of guaranteed and non-guaranteed pension funds. Guaranteed pension funds are funds that are backed by the Treasury, municipal authorities or a bank.

A principal feature of Act 129/1997 on the Mandatory Guarantee of Pension Rights and the Operations of Pension Funds is that the assets of a pension fund together with the present value of future premiums shall equal the present value of estimated pension payments. The only exemption from this provision is in the case of funds that are guaranteed by the Treasury, municipal authorities or a bank. The A-division of the Lífeyrissjóður starfsmanna ríkisins (fund no.1) and the A-division of Lífeyrissjóður starfsmanna sveitafélaga (fund no. 21) are grouped with non-guaranteed pension funds. The boards of these funds decide each year the appropriate premium for employers to submit to meet the obligation according to annual actuarial survey.

One of the financial ratios is that of net real return, i.e. the return on the assets of the pension funds in question taking into account price level changes as measured by the consumer price index. In 2002 the annual account rules for pension funds were amended to the effect that those pension funds which calculate their exchange rates on a daily basis are permitted to apply a different formula than those funds which calculate their exchange rates less frequently.

The return on assets formula for pension funds calculating exchange rates for their assets on a daily basis is as follows:

$$r = \frac{(1+i)}{(1+j)} - 1$$

where  $i$  represents exchange rate changes over the year and  $j$  represents increases in the consumer price index.

For calculating the net real return of pension funds that do not calculate exchange rates on a daily basis, ( $F$ ) represents investment income – price level adjustments – investment cost, ( $K$ ) represents operating expenses + other expenses – other income, ( $A$ ) net assets at the beginning of the year and ( $B$ ) net assets at year end.

The formula for calculating return on assets ( $i$ ) is as follows:

$$i = \frac{2(F - K)}{(A + B - (F - K))}$$

Taking price level changes into account, the formula for net real return ( $r$ ) is:

$$r = \frac{(1+i)}{(1+j)} - 1$$

where  $j$  represents increases in the consumer price index during the year.

Average yield for the past 5 years is based on the consumer price index and net real return, i.e. where costs have been deducted from investment income. The value of this average depends on the availability of comparable data and differences in accounting methods between years may cause a deviation. The financial ratio is published as shown in the annual accounts of the pension funds. The FME has not ascertained as to whether adjustments have been made for differences in accounting methods between years, so this ratio is published with general reservations.

The formula for average yield ( $r_{\bar{5}}$ ) is :

$$r_{\bar{5}} = \sqrt[5]{(1+r_1)(1+r_2)\cdots(1+r_5)} - 1$$

Chapter 4.2 contains the results of actuarial surveys on the financial position of the pension funds. For pension funds that no longer receive premium payments, only accrued liabilities are calculated, this being the same as total liabilities. For pension funds operating more than one mutual insurance division, the financial position of each division is shown separately. The chapter also contains information on the pension burden of the funds, but this financial ratio is not calculated for those funds that no longer receive premium payments.

The FME does not calculate net real return for funds/divisions which calculate exchange rates on a daily basis. Instead, results are published as they appear in the annual financial statements or according to information supplied by the pension funds. This applies to the mutual insurance divisions of funds no. 9 and 24.

The FME does not calculate net real return for funds/divisions which merged in the year 2004. Instead, results are published as they appear in the annual financial statements or according to information supplied by the pension funds. This applies to the mutual insurance divisions of funds no. 7 and 21.

## 4.1. MUTUAL INSURANCE DIVISIONS CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.

	Lífeyrissj. st. ríkisins		Lífeyrissj. verslunar- manna	Lífeyrissj. Framsýn	Lífeyrissj. sjómanna
	(1)		(2)	(3)	(4)
	B-deild	A-deild			
<i>Statement of changes in net assets for pension payment</i>					
<b>Premiums</b>	15.710.112	7.974.695	8.272.339	3.479.579	1.830.775
<b>Pension</b>	10.938.329	208.791	2.625.043	2.262.832	1.405.162
<b>Investment income</b>	15.676.421	5.480.373	20.615.058	11.738.852	11.826.961
<b>Investment expenses</b>	396.636	156.620	156.433	68.141	29.739
<b>Operating expenses</b>	163.364	44.701	155.622	120.325	79.656
<b>Other income</b>	0	0	53.128	25.978	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	19.888.204	13.044.956	26.003.427	12.793.111	12.143.179
<b>Increase in net assets</b>	19.888.204	13.044.956	26.003.427	12.793.111	12.143.179
<b>Net assets from previous year end</b>	108.217.150	35.439.695	121.734.668	63.478.679	56.116.687
<i>Net Assets for Pension</i>	<b>128.105.354</b>	<b>48.484.650</b>	<b>147.738.095</b>	<b>76.271.790</b>	<b>68.259.866</b>
<i>Balance Sheet</i>					
<i>Assets</i>					
<b>Investments</b>	126.519.075	48.465.335	141.769.904	74.200.273	67.103.084
<b>Claims</b>	448.390	204.355	1.810.577	948.268	630.017
<b>Other assets</b>	1.526.929	9.377	4.367.324	1.238.281	555.731
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0
<i>Total Assets</i>	128.494.394	48.679.067	147.947.805	76.386.822	68.288.832
<i>Liabilities</i>					
<b>Obligations</b>	34.505	9.483	0	0	0
<b>Accounts payable</b>	354.535	184.934	209.710	115.032	23.372
<b>Accrued expenses and unearned income</b>			0	0	5.594
<i>Total Liabilities</i>	389.040	194.417	209.710	115.032	28.966
<i>Net Assets for pension</i>	<b>128.105.354</b>	<b>48.484.650</b>	<b>147.738.095</b>	<b>76.271.790</b>	<b>68.259.866</b>
<i>Cash Flow</i>					
<b>Inflow</b>	88.173.398	38.963.843	44.207.241	37.311.266	21.269.209
<b>Outflow</b>	11.583.769	403.111	3.028.131	2.668.891	1.516.447
<b>Disposable resources to purchase securities and other investments</b>	76.589.629	38.560.732	41.179.110	34.642.376	19.752.762
<b>Purchase of securities and other inv.</b>	75.072.077	38.927.426	39.750.076	34.390.829	19.582.524
<b>Increase in cash and current deposits</b>	1.517.552	-366.694	1.429.034	251.547	170.238
<b>Cash and current deposits at beg. of year</b>	0	366.693	2.867.880	723.892	380.577
<i>Cash and current deposits end of year</i>	<b>1.517.552</b>	<b>0</b>	<b>4.296.914</b>	<b>975.439</b>	<b>550.815</b>

## 4.1. MUTUAL INSURANCE DIVISIONS CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.

	Sameinaði lífeyris- sjóðurinn (5)		Lífeyrissj. Norður- lands (6)	Frjálsi lífeyris- sjóðurinn (7)	Söfnunarsj. lífeyris- réttinda (8)	Almennir lífeyrissj. (9)
	Stigadeild	Aldurstengd deild				
<i>Statement of changes in net assets for pension payment</i>						
<b>Premiums</b>	2.421.363	505.034	1.729.354	988.051	1.597.795	1.117.808
<b>Pension</b>	1.690.713	2.501	1.127.943	20.307	357.748	39.385
<b>Investment income</b>	5.705.126	132.100	5.763.925	547.912	4.230.870	659.404
<b>Investment expenses</b>	85.312	3.092	27.017	16.115	27.124	6.138
<b>Operating expenses</b>	86.408	2.273	53.223	9.052	53.534	9.525
<b>Other income</b>	0	0	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	6.264.056	629.268	6.285.096	1.490.489	5.390.259	1.722.164
<b>Increase in net assets</b>	6.264.056	629.268	6.285.096	1.490.489	5.390.259	1.722.164
<b>Net assets from previous year end</b>	50.336.552	910.956	31.698.600	3.611.484	28.201.605	4.918.377
<i>Net Assets for Pension</i>	<b>56.600.608</b>	<b>1.540.224</b>	<b>37.983.696</b>	<b>5.101.973</b>	<b>33.591.864</b>	<b>6.640.541</b>
<i>Balance Sheet</i>						
<i>Assets</i>						
<b>Investments</b>	57.540.190	0	36.887.174	5.018.989	32.769.365	6.465.552
<b>Claims</b>	216.344	1.540.224	263.758	135.318	358.615	140.157
<b>Other assets</b>	349.001	0	868.459	28.282	491.893	40.358
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0
<i>Total Assets</i>	58.105.535	1.540.224	38.019.390	5.182.589	33.619.873	6.646.067
<i>Liabilities</i>						
<b>Obligations</b>	0	0	0	0	0	0
<b>Accounts payable</b>	1.492.428	0	35.694	80.616	28.009	5.526
<b>Accrued expenses and unearned income</b>	12.499	0	0	0	0	0
<i>Total Liabilities</i>	1.504.927	0	35.694	80.616	28.009	5.526
<i>Net Assets for pension</i>	<b>56.600.608</b>	<b>1.540.224</b>	<b>37.983.696</b>	<b>5.101.973</b>	<b>33.591.864</b>	<b>6.640.541</b>
<i>Cash Flow</i>						
<b>Inflow</b>	31.242.200	503.374	26.796.573	3.071.649	5.080.382	3.303.643
<b>Outflow</b>	1.863.907	503.374	1.589.353	45.695	438.366	58.152
<b>Disposable resources to purchase securities and other investments</b>	29.378.293	0	25.207.220	3.025.954	4.642.016	3.245.491
<b>Purchase of securities and other inv.</b>	29.488.271	0	24.985.416	3.117.978	4.531.761	3.241.448
<b>Increase in cash and current deposits</b>	-109.978	0	221.804	-92.024	110.255	4.043
<b>Cash and current deposits at beg. of year</b>	448.494	0	642.530	120.306	375.518	36.315
<i>Cash and current deposits end of year</i>	<b>338.516</b>	<b>0</b>	<b>864.334</b>	<b>28.282</b>	<b>485.773</b>	<b>40.358</b>

## 4.1. MUTUAL INSURANCE DIVISIONS CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.

	Lífeyrissj. Lífiðn	Lífeyrissj. banka- manna	Samvinnu- lífeyris- sjóðurinn		Lífeyrissj. lækna	Lífeyrissj. Austur- lands	
	(10)	(11)	(12)	(12)	(13)	(14)	
		Hlutfalls- deild	Stigadeild	Stigadeild	Aldursháð- deild	Tryggingar- deild	
<b><i>Statement of changes in net assets for pension payment</i></b>							
Premiums	1.531.356	347.417	613.702	346.272	356.684	792.982	1.061.104
Pension	305.199	709.745	24.907	861.893	9.207	383.300	445.936
Investment income	3.089.499	2.201.041	715.458	3.563.573	340.028	2.676.469	2.107.944
Investment expenses	39.545	6.021	1.662	22.123	5.381	10.542	48.063
Operating expenses	40.929	29.177	8.052	23.100	13.948	15.117	25.377
Other income	0	0	0	0	0	0	0
Increase in net assets before extraordinary items and changes in valuation	4.235.182	1.803.515	1.294.539	3.002.729	668.176	3.060.492	2.649.672
Increase in net assets	4.235.182	1.803.515	1.294.539	3.002.729	668.176	3.060.492	2.649.672
Net assets from previous year end	22.444.732	17.903.347	4.566.410	17.788.947	1.499.043	15.564.174	15.645.557
<i>Net Assets for Pension</i>	<b>26.679.914</b>	<b>19.706.862</b>	<b>5.860.949</b>	<b>20.791.676</b>	<b>2.167.219</b>	<b>18.624.666</b>	<b>18.295.229</b>
<b><i>Balance Sheet</i></b>							
<b><i>Assets</i></b>							
Investments	26.230.699	19.304.077	5.592.348	20.241.867	2.109.909	18.613.406	17.615.664
Claims	249.374	10.834	5.100	124.970	13.026	5.892	160.715
Other assets	350.556	395.182	263.515	435.999	45.447	16.899	534.656
Prepaid expenses and accrued income	0	0	0	0	0	0	0
<i>Total Assets</i>	<b>26.830.629</b>	<b>19.710.093</b>	<b>5.860.963</b>	<b>20.802.836</b>	<b>2.168.382</b>	<b>18.636.197</b>	<b>18.311.035</b>
<b><i>Liabilities</i></b>							
Obligations	0	0	0	0	0	0	0
Accounts payable	150.715	3.231	14	11.160	1.163	11.531	15.806
Accrued expenses and unearned income	0	0	0	0	0	0	0
<i>Total Liabilities</i>	<b>150.715</b>	<b>3.231</b>	<b>14</b>	<b>11.160</b>	<b>1.163</b>	<b>11.531</b>	<b>15.806</b>
<i>Net Assets for pension</i>	<b>26.679.914</b>	<b>19.706.862</b>	<b>5.860.949</b>	<b>20.791.676</b>	<b>2.167.219</b>	<b>18.624.666</b>	<b>18.295.229</b>
<b><i>Cash Flow</i></b>							
Inflow	7.740.480	14.555.771	4.558.586	10.344.401	1.391.120	4.970.988	7.924.853
Outflow	408.428	768.016	42.278	900.494	25.203	408.860	504.231
Disposable resources to purchase securities and other investments	7.332.052	13.787.755	4.516.308	9.443.907	1.365.917	4.562.128	7.420.622
Purchase of securities and other inv.	7.148.070	13.687.134	4.394.302	9.181.095	1.338.523	4.549.641	7.329.690
Increase in cash and current deposits	183.982	100.621	122.006	262.812	27.394	12.487	90.932
Cash and current deposits at beg. of year	150.250	164.297	138.341	158.379	16.509	4.412	375.905
<i>Cash and current deposits end of year</i>	<b>334.232</b>	<b>264.918</b>	<b>260.347</b>	<b>421.191</b>	<b>43.903</b>	<b>16.899</b>	<b>466.837</b>

## 4.1. MUTUAL INSURANCE DIVISIONS CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.

	Lífeyrissj. Vest- firðinga (15) Samtrygginga- deild	Lífeyrissj. verk- fræðinga (16)	Lífeyrissj. hjúkrunar- fræðinga (17)	Lífeyrissj. Suður- nesja (18)	Lífeyrissj. Vestmanna- eyja (19)	Lífeyrissj. bænda (20)
<i>Statement of changes in net assets for pension payment</i>						
Premiums	454.395	1.258.470	1.508.366	867.436	444.848	387.947
Pension	404.509	178.222	743.708	551.746	343.148	614.724
Investment income	2.594.187	1.589.204	1.887.943	1.456.689	2.039.489	1.473.027
Investment expenses	28.156	24.759	51.707	24.422	14.186	21.376
Operating expenses	43.840	32.252	18.560	36.979	21.920	27.410
Other income	0	1.896	0	4.952	0	0
Increase in net assets before extraordinary items and changes in valuation	2.572.078	2.614.337	2.582.334	1.715.930	2.105.083	1.197.464
Increase in net assets	2.572.078	2.614.337	2.582.334	1.715.930	2.105.083	1.197.464
Net assets from previous year end	15.094.261	14.189.732	12.937.557	13.717.389	12.863.725	12.696.730
<i>Net Assets for Pension</i>	<b>17.666.338</b>	<b>16.804.069</b>	<b>15.519.891</b>	<b>15.433.319</b>	<b>14.968.808</b>	<b>13.894.194</b>
<i>Balance Sheet</i>						
<i>Assets</i>						
Investments	17.039.861	16.771.321	15.235.862	15.132.709	14.737.189	13.693.673
Claims	459.925	22.000	67.118	190.893	73.818	64.829
Other assets	186.589	18.219	220.926	115.267	162.965	149.910
Prepaid expenses and accrued income	0	0	0	0	0	0
<i>Total Assets</i>	17.686.375	16.811.540	15.523.906	15.438.869	14.973.972	13.908.413
<i>Liabilities</i>						
Obligations	0	0	4.000	0	0	0
Accounts payable	20.037	7.471	15	5.550	5.164	14.219
Accrued expenses and unearned income	0	0	0	0	0	0
<i>Total Liabilities</i>	20.037	7.471	4.015	5.550	5.164	14.219
<i>Net Assets for pension</i>	<b>17.666.338</b>	<b>16.804.069</b>	<b>15.519.891</b>	<b>15.433.319</b>	<b>14.968.808</b>	<b>13.894.194</b>
<i>Cash Flow</i>						
Inflow	8.799.653	3.016.079	11.398.336	15.231.643	6.710.907	7.206.066
Outflow	475.975	234.929	848.973	613.052	380.750	716.379
Disposable resources to purchase securities and other investments	8.323.677	2.781.150	10.549.363	14.618.591	6.330.157	6.489.687
Purchase of securities and other inv.	8.261.189	2.774.308	10.330.521	14.558.881	6.312.272	6.386.208
Increase in cash and current deposits	62.488	6.842	218.842	59.710	17.885	103.479
Cash and current deposits at beg. of year	121.056	2.691	0	53.656	86.769	38.889
<i>Cash and current deposits end of year</i>	<b>183.543</b>	<b>9.533</b>	<b>218.842</b>	<b>113.366</b>	<b>104.654</b>	<b>142.368</b>

## 4.1. MUTUAL INSURANCE DIVISIONS CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.

	Lífeyrissj. starfsm. sveitarfél. (21)		Lífeyrissj. Vestur-lands (22)	Lífeyrissj. starfsm. Reykjavb. (23)	Íslenski lífeyris-sjóðurinn (24)	Eftirlauna-sjóður FÍA (25)
	A-deild	V-deild				
<i>Statement of changes in net assets for pension payment</i>						
<b>Premiums</b>	2.238.749	157.764	534.884	1.509.513	253.577	560.821
<b>Pension</b>	80.967	3.062	324.806	1.355.574	2.461	317.815
<b>Investment income</b>	834.675	63.286	1.508.885	802.022	92.430	945.809
<b>Investment expenses</b>	8.746	663	16.649	1.111	2.138	14.650
<b>Operating expenses</b>	40.713	3.087	15.353	40.084	5.341	7.704
<b>Other income</b>	0	0	36	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	2.943.000	214.238	1.686.997	914.766	336.068	1.166.461
<b>Increase in net assets</b>	2.943.000	214.238	1.686.997	914.766	336.068	1.166.461
<b>Net assets from previous year end</b>	8.209.722	631.377	9.544.124	10.044.471	718.979	9.026.776
<i>Net Assets for Pension</i>	<b>11.152.722</b>	<b>845.615</b>	<b>11.231.121</b>	<b>10.959.237</b>	<b>1.055.047</b>	<b>10.193.237</b>
<i>Balance Sheet</i>						
<i>Assets</i>						
<b>Investments</b>	10.839.018	821.830	11.051.826	7.467.275	1.067.753	10.098.965
<b>Claims</b>	173.322	13.142	156.711	3.424.793	-12.499	66.405
<b>Other assets</b>	152.678	11.576	25.378	156.545	261	49.916
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0
<i>Total Assets</i>	11.165.019	846.547	11.233.915	11.048.612	1.055.516	10.215.286
<i>Liabilities</i>						
<b>Obligations</b>	0	0	0	0	0	0
<b>Accounts payable</b>	12.297	932	2.794	89.375	469	11.904
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	10.145
<i>Total Liabilities</i>	12.297	932	2.794	89.375	469	22.049
<i>Net Assets for pension</i>	<b>11.152.722</b>	<b>845.615</b>	<b>11.231.121</b>	<b>10.959.237</b>	<b>1.055.047</b>	<b>10.193.237</b>
<i>Cash Flow</i>						
<b>Inflow</b>	5.446.710	412.977	4.952.062	5.749.627	660.287	5.627.890
<b>Outflow</b>	126.444	9.587	352.644	1.380.199	9.939	339.210
<b>Disposable resources to purchase securities and other investments</b>	5.320.266	403.390	4.599.418	4.369.428	650.348	5.288.680
<b>Purchase of securities and other inv.</b>	5.308.258	403.151	4.609.523	4.354.514	652.436	5.260.845
<b>Increase in cash and current deposits</b>	12.008	239	-10.105	14.914	-2.087	27.835
<b>Cash and current deposits at beg. of year</b>	129.085	10.459	35.483	141.630	2.348	11.405
<i>Cash and current deposits end of year</i>	<b>141.093</b>	<b>10.698</b>	<b>25.378</b>	<b>156.544</b>	<b>261</b>	<b>39.240</b>

## 4.1. MUTUAL INSURANCE DIVISIONS CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.

	Lífeyrissj. starfsm. Búnaðarb.	Lífeyrissj. Suðurlands (27)	Eftirlaunaj. starfsm. Íslandsb. hf. (28)	Lífeyrissj. Eimskipa- félags Ísl (29)		Lífeyrissj. Rangæinga (30)	Lífeyrissj. Bolungar- víkur (31)
	(26)	(27)	(28)	Deild I	Deild II	(30)	(31)
<i>Statement of changes in net assets for pension payment</i>							
<b>Premiums</b>	104.833	422.806	497.930	-737	0	119.046	96.824
<b>Pension</b>	289.944	205.061	111.190	121.540	29.368	70.864	57.974
<b>Investment income</b>	1.761.158	748.761	466.131	533.607	23.246	248.809	232.296
<b>Investment expenses</b>	5.211	32.172	2.153	5.105	551	5.916	3.309
<b>Operating expenses</b>	2.245	17.809	2.600	7.456	863	4.230	4.628
<b>Other income</b>	0	0	0	0	0	1.416	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	1.568.591	916.525	848.118	398.769	-7.536	288.261	263.209
<b>Increase in net assets</b>	1.568.591	916.525	848.118	398.769	-7.536	288.261	263.209
<b>Net assets from previous year end</b>	7.502.572	6.409.499	3.247.975	2.536.260	191.912	2.671.755	2.279.171
<i>Net Assets for Pension</i>	<b>9.071.163</b>	<b>7.326.024</b>	<b>4.096.093</b>	<b>2.935.029</b>	<b>184.376</b>	<b>2.960.016</b>	<b>2.542.380</b>
<i>Balance Sheet</i>							
<i>Assets</i>							
<b>Investments</b>	8.663.061	7.088.107	3.991.698	2.915.582	183.736	2.463.235	2.439.030
<b>Claims</b>	16.582	44.500	103.327	124	997	12.244	14.334
<b>Other assets</b>	400.910	193.417	1.150	21.292	195	485.145	89.016
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0	0
<i>Total Assets</i>	9.080.553	7.326.024	4.096.175	2.936.998	184.928	2.960.624	2.542.380
<i>Liabilities</i>							
<b>Obligations</b>	0	0	0	0	0	0	0
<b>Accounts payable</b>	9.390	0	82	1.969	552	608	0
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	0	0
<i>Total Liabilities</i>	9.390	0	82	1.969	552	608	0
<i>Net Assets for pension</i>	<b>9.071.163</b>	<b>7.326.024</b>	<b>4.096.093</b>	<b>2.935.029</b>	<b>184.376</b>	<b>2.960.016</b>	<b>2.542.380</b>
<i>Cash Flow</i>							
<b>Inflow</b>	2.232.088	4.502.832	1.010.618	2.402.361	131.789	622.985	1.317.640
<b>Outflow</b>	288.610	254.164	115.512	132.869	30.230	81.276	65.911
<b>Disposable resources to purchase securities and other investments</b>	1.943.478	4.248.668	895.106	2.269.492	101.559	541.709	1.251.729
<b>Purchase of securities and other inv.</b>	1.730.079	4.284.418	899.223	2.249.151	102.021	1.254.726	1.186.630
<b>Increase in cash and current deposits</b>	213.399	-35.750	-4.117	20.341	-462	-713.017	65.099
<b>Cash and current deposits at beg. of year</b>	187.511	104.616	5.267	951	657	1.197.050	17.636
<i>Cash and current deposits end of year</i>	<b>400.910</b>	<b>68.866</b>	<b>1.150</b>	<b>21.292</b>	<b>195</b>	<b>484.033</b>	<b>82.735</b>



## 4.1. MUTUAL INSURANCE DIVISIONS CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.

	Lífeyrissj. Flugvirkjaf. Íslands (32)	Lífeyrissj. Tannl.fél. Íslands (33)	Lífeyrissj. stm. Kópa- vogsbæjar (34)	Eftirlaunasj. Hafnarfj- kaupst. (35)	Lífeyrissj. Mjólkur- samsöl. (36)	Lífeyrissj. stm. Akur- eyrarbæjar (37)	Lífeyrissj. Akranes- kaupst. (38)
<i>Statement of changes in net assets for pension payment</i>							
Premiums	0	38.450	112.461	128.676	11.674	131.308	18.183
Pension	103.385	1.018	118.439	122.564	75.370	180.957	70.088
Investment income	274.350	18.478	152.303	153.601	178.696	178.548	116.242
Investment expenses	2.174	23	2.479	2.883	873	1.277	1.361
Operating expenses	976	926	8.324	6.841	2.226	4.371	1.728
Other income	0	0	10.802	0	0	0	0
Increase in net assets before extraordinary items and changes in valuation	167.815	54.961	146.324	149.989	111.901	123.251	61.248
Increase in net assets	167.815	54.961	146.324	149.989	111.901	123.251	61.248
Net assets from previous year end	2.250.869	130.980	1.601.449	1.475.470	1.368.427	1.182.750	885.206
<i>Net Assets for Pension</i>	<b>2.418.684</b>	<b>185.941</b>	<b>1.747.773</b>	<b>1.625.460</b>	<b>1.480.328</b>	<b>1.306.001</b>	<b>946.454</b>
<i>Balance Sheet</i>							
<i>Assets</i>							
Investments	2.418.160	163.648	1.711.784	1.618.589	1.476.718	1.300.567	944.832
Claims	0	22.335	18.160	1.635	3.365	11.148	2.016
Other assets	2.640	730	21.413	8.131	2.520	10	1.655
Prepaid expenses and accrued income	0	0	0	0	0	0	0
<i>Total Assets</i>	2.420.800	186.713	1.751.357	1.628.355	1.482.603	1.311.725	948.503
<i>Liabilities</i>							
Obligations	0	0	0	0	0	0	0
Accounts payable	1.087	772	3.584	2.541	2.275	5.724	2.049
Accrued expenses and unearned income	1.029	0	0	354	0	0	0
<i>Total Liabilities</i>	2.116	772	3.584	2.895	2.275	5.724	2.049
<i>Net Assets for pension</i>	<b>2.418.684</b>	<b>185.941</b>	<b>1.747.773</b>	<b>1.625.460</b>	<b>1.480.328</b>	<b>1.306.001</b>	<b>946.454</b>
<i>Cash Flow</i>							
Inflow	2.132.317	160.558	740.137	331.478	991.223	546.538	695.741
Outflow	106.359	1.967	145.908	70.673	78.319	186.605	72.189
Disposable resources to purchase securities and other investments	2.025.958	158.591	594.229	260.805	912.904	359.933	623.552
Purchase of securities and other inv.	2.026.483	158.207	602.626	309.456	914.216	376.498	623.966
Increase in cash and current deposits	-525	384	-8.397	-48.651	-1.312	-16.565	-414
Cash and current deposits at beg. of year	2.098	257	29.810	56.782	2.943	16.575	2.069
<i>Cash and current deposits end of year</i>	<b>1.573</b>	<b>641</b>	<b>21.413</b>	<b>8.131</b>	<b>1.631</b>	<b>10</b>	<b>1.655</b>

## 4.1. MUTUAL INSURANCE DIVISIONS CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.

	Eftirlaunasj. stm. Oliu- versl. Ísl. (39)	Eftirlaunasj. Sláturfélags Suðurlands (40)	Eftirlaunasj. Reykjanes- bæjar (41)	Lífeyrissj. starfsm. Áburðarv. (42)	Lífeyris- sjóðurinn Skjöldur (43)	Lífeyrissj. stm. Húsavíkur- kaupstaðar (44)
<i>Statement of changes in net assets for pension payment</i>						
Premiums	-247	-805	77.758	84	-12	33.781
Pension	39.931	38.413	78.417	36.928	38.926	40.044
Investment income	79.148	59.993	61.710	54.774	45.401	41.971
Investment expenses	748	185	914	563	148	56
Operating expenses	992	1.708	2.527	1.245	247	2.545
Other income	0	0	0	0	0	0
Increase in net assets before extraordinary items and changes in valuation	37.229	18.882	57.610	16.122	6.068	33.105
Increase in net assets	37.229	18.882	57.610	18.650	6.068	33.105
Net assets from previous year end	665.253	595.106	550.918	486.958	452.728	366.418
<i>Net Assets for Pension</i>	<b>702.482</b>	<b>613.988</b>	<b>608.528</b>	<b>505.608</b>	<b>458.796</b>	<b>399.524</b>
<i>Balance Sheet</i>						
<i>Assets</i>						
Investments	703.193	612.987	543.214	511.933	411.097	394.941
Claims	178	79	1.217	178	0	2.419
Other assets	348	1.716	66.015	1.671	47.699	5.214
Prepaid expenses and accrued income	0	0	0	0	0	0
<i>Total Assets</i>	703.719	614.782	610.446	513.782	458.796	402.573
<i>Liabilities</i>						
Obligations	0	0	0	0	0	0
Accounts payable	1.237	794	1.918	1.277	0	3.050
Accrued expenses and unearned income	0	0	0	6.897	0	0
<i>Total Liabilities</i>	1.237	794	1.918	8.174	0	3.050
<i>Net Assets for pension</i>	<b>702.482</b>	<b>613.988</b>	<b>608.528</b>	<b>505.608</b>	<b>458.796</b>	<b>399.524</b>
<i>Cash Flow</i>						
Inflow	541.689	127.668	195.302	345.307	77.876	56.820
Outflow	41.522	40.496	39.546	40.246	39.334	41.754
Disposable resources to purchase securities and other investments	500.167	87.172	155.756	305.061	38.542	15.066
Purchase of securities and other inv.	501.767	85.822	161.036	307.155	32.574	18.266
Increase in cash and current deposits	-1.600	1.350	-5.280	-2.094	5.968	-3.200
Cash and current deposits at beg. of year	1.948	366	71.295	3.765	41.731	8.414
<i>Cash and current deposits end of year</i>	<b>348</b>	<b>1.716</b>	<b>66.015</b>	<b>1.671</b>	<b>47.699</b>	<b>5.214</b>

## 4.1. MUTUAL INSURANCE DIVISIONS CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.

	Lífeyrissj. Neskaup- staðar (45)	Eftirlaunasj. starfsm. Útvegsb. Ísl. (46)	Lífeyrissj. stm. Rvík- apóteks (47)	Lífeyrissj. stm. Vestm- eyjabæjar (48)	TOTAL  (54 divisions)	Funds guaranteed by others  (14 divisions)	Funds not guaranteed by others  (40 divisions)
<i>Statement of changes in net assets for pension payment</i>							
Premiums	29.601	130.000	0	27.252	62.832.058	19.914.941	42.917.117
Pension	35.020	143.765	797	56.222	30.405.908	14.023.685	16.382.223
Investment income	23.419	6.984	641	2.497	117.821.425	19.593.038	98.228.387
Investment expenses	1.573	0	0	3.157	1.387.098	465.858	921.239
Operating expenses	1.573	2.453	220	661	1.306.019	256.494	1.049.526
Other income	0	0	0	0	98.208	10.802	87.406
Increase in net assets before extraordinary items and changes in valuation	14.854	-9.234	-376	-30.291	147.652.665	24.772.743	122.879.922
Increase in net assets	14.854	-9.234	-376	-30.291	147.655.193	24.772.743	122.882.450
Net assets from previous year end	195.390	97.770	8.343	13.904	756.918.588	141.008.340	615.910.248
<i>Net Assets for Pension</i>	<b>210.244</b>	<b>88.536</b>	<b>7.967</b>	<b>-16.387</b>	<b>904.573.781</b>	<b>165.781.083</b>	<b>738.792.698</b>
<i>Balance Sheet</i>							
<i>Assets</i>							
Investments	186.148	43.404	8.639	14.204	881.212.699	160.155.328	721.057.371
Claims	0	0	0	0	12.221.228	4.081.220	8.140.009
Other assets	27.118	46.792	50	43.532	14.236.497	2.125.624	12.110.873
Prepaid expenses and accrued income	0	0	0	0	0	0	0
<i>Total Assets</i>	213.266	90.196	8.689	57.736	907.670.425	166.362.172	741.308.253
<i>Liabilities</i>							
Obligations	0	0	0	0	47.988	38.505	9.483
Accounts payable	3.022	1.660	722	74.123	3.012.138	542.229	2.469.908
Accrued expenses and unearned income	0	0	0	0	36.518	354	36.164
<i>Total Liabilities</i>	3.022	1.660	722	74.123	3.096.644	581.088	2.515.555
<i>Net Assets for pension</i>	<b>210.244</b>	<b>88.536</b>	<b>7.967</b>	<b>-16.387</b>	<b>904.573.782</b>	<b>165.781.084</b>	<b>738.792.698</b>
<i>Cash Flow</i>							
Inflow	95.390	150.068	6	60.928	446.090.573	109.336.169	336.754.403
Outflow	35.145	146.218	329	60.040	34.360.009	14.756.760	19.603.248
Disposable resources to purchase securities and other investments	60.245	3.850	-323	888	411.730.564	94.579.409	317.151.155
Purchase of securities and other inv.	39.698	0	0	0	407.792.384	92.889.901	314.902.482
Increase in cash and current deposits	20.547	3.850	-323	888	3.938.180	1.689.508	2.248.672
Cash and current deposits at beg. of year	6.571	42.942	373	42.644	9.448.039	424.655	9.023.384
<i>Cash and current deposits end of year</i>	<b>27.118</b>	<b>46.792</b>	<b>50</b>	<b>43.532</b>	<b>13.386.220</b>	<b>2.114.163</b>	<b>11.272.057</b>

## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2004

Amounts in 000 IKR.

		Lífeyrissj. st. ríkisins		Lífeyrissj. verslunar- manna	Lífeyrissj. Framsýn	Lífeyrissj. sjómanna	Sameinaði lífeyris- sjóðurinn	
		(1)		(2)	(3)	(4)	(5)	
		B-deild	A-deild				Stigadeild	Aldurstengd deild
Net real rate of return	1	9,4%	9,2%	12,0%	13,6%	16,3%	6,7%	6,7%
Average net real rate of return 2000-2004	2	4,3%	2,2%	4,1%	4,4%	5,7%	-0,1%	-0,1%
Quoted variable yield securities (%)		36,9	46,7	40,9	37,8	34,2	39,3	39,3
Quoted fixed rate securities (%)		44,9	33,2	36,1	45,3	51,2	0,2	0,2
Unquoted variable yield securities (%)		0,3	0,3	0,0	2,2	0,5	41,9	41,9
Unquoted fixed yield securities (%)		3,8	3,8	6,7	5,5	9,1	1,0	1,0
Mortgages (%)		14,1	16,0	16,3	9,3	5,0	17,5	17,5
Other investments (%)		0,0	0,0	0,0	0,0	0,0	0,0	0,0
<b>Total:</b>	3	100	100	100	100	100	100	100
Assets in ISK (%)		78,0	67,5	74,5	78,8	81,0	71,3	71,3
Assets in foreign currencies (%)		22,0	32,5	25,5	21,2	19,0	28,7	28,7
<b>Total:</b>	4	100	100	100	100	100	100	100
Number of fund members	5	8.149	18.337	28.589	17.735	3.665	8.439	2.438
Number of pensioners	6	8.879	397	6.712	9.739	3.374	4.066	20
Old-age pension (%)		74,0	12,9	59,6	62,5	44,0	63,8	2,3
Disability pension (%)		4,6	80,3	27,2	29,6	43,0	19,0	80,8
Pension to surviving spouse (%)		21,5	5,2	10,5	5,9	10,0	14,9	3,8
Pension to surviving children (%)		0,1	1,6	2,7	2,0	3,0	1,9	13,1
Other pension	7	0,0	0,0	0,0	0,0	0,0	0,4	0,0
<b>Total:</b>		100	100	100	100	100	100	100
Pensions' burden	8	69,6%	2,6%	31,7%	65,0%	76,8%	69,8%	0,5%
Net assets in surplus of total obligations	9	-60,7%	-3,5%	-5,9%	-7,3%	-2,7%	-9,2%	-2,7%
Net assets in surplus of accrued obligations	10	-59,0%	32,0%	16,9%	14,7%	13,4%	-4,8%	7,9%

### Miscellaneous remarks:

#### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.
9. Financial position in accordance with an actuarial survey pr. 31.12.2004 ((Assets + present value of future contributions) – total obligations)/total obligations.
10. Financial position in accordance with an actuarial survey pr. 31.12.2004 (Assets - accrued obligations)/accrued obligations.

## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2004

Amounts in 000 IKR.

		Lífeyrissj. Norður- lands (6)	Frjálsi lífeyris- sjóðurinn (7)	Söfnunarsj. lífeyris- réttinda (8)	Almenn lífeyrissj. (9)	Lífeyrissj. Lífiðn (10)	Lífeyrissj. banka- manna (11)	Hlutfalls- Stigadeild deild
Net real rate of return	1	13,3%	<b>9,3%</b>	10,1%	<b>7,9%</b>	8,8%	8,0%	10,2%
Average net real rate of return 2000-2004	2	2,9%	*7,12%	4,6%	1,9%	1,9%	2,6%	3,3%
Quoted variable yield securities (%)		39,0	43,0	33,9	84,9	29,0	52,0	43,7
Quoted fixed rate securities (%)		50,0	47,6	61,0	7,9	39,7	31,5	35,9
Unquoted variable yield securities (%)		1,0	6,4	0,0	0,0	0,2	0,0	0,2
Unquoted fixed yield securities (%)		1,0	3,1	1,8	1,7	6,6	9,9	5,2
Mortgages (%)		3,0	0,0	3,3	5,5	23,8	6,6	15,0
Other investments (%)		6,0	0,0	0,0	0,0	0,3	0,0	0,0
<b>Total:</b>	3	100	100	100	100	100	100	100
Assets in ISK (%)		75,0	67,3	81,4	69,3	82,5	89,4	86,1
Assets in foreign currencies (%)		25,0	32,7	18,6	30,7	17,5	10,6	13,9
<b>Total:</b>	4	100	100	100	100	100	100	100
Number of fund members	5	12.067	5.466	7.206	3.644	5.053	653	1.445
Number of pensioners	6	3.814	106	3.132	76	608	551	26
Old-age pension (%)		54,9	14	54,4	32,5	53,8	81,6	59,0
Disability pension (%)		33,7	44,9	34,3	59,4	30,7	5,7	27,3
Pension to surviving spouse (%)		8,6	12,2	8,4	5,4	13,3	12,6	12,1
Pension to surviving children (%)		2,8	7,0	2,9	2,7	2,2	0,1	1,6
Other pension	7	0,0	21,9	0,0	0,0	0,0	0,0	0,0
<b>Total:</b>		100	100	100	100	100	100	100
Pensions' burden	8	65,2%	2,1%	22,4%	3,5%	19,9%	204,3%	4,1%
Net assets in surplus of total obligations	9	-5,0%	3,6%	-2,0%	12,2%	3,8%	-11,8%	-4,0%
Net assets in surplus of accrued obligations	10	1%	19,4%	17,3%	13,4%	8,1%	-3,7%	41,9%

### Miscellaneous remarks:

\*Average yield  
last 3 years

Exchange rate  
calculated daily

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.
9. Financial position in accordance with an actuarial survey pr. 31.12.2004 ((Assets + present value of future contributions) – total obligations)/total obligations.
10. Financial position in accordance with an actuarial survey pr. 31.12.2004 (Assets - accrued obligations)/accrued obligations.

## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2004

Amounts in 000 IKR.

		Samvinnu- lífeyris- sjóðurinn (12)		Lífeyrissj. lækna (13)	Lífeyrissj. Austur- lands (14)	Lífeyrissj. Vest- firðinga (15)	Lífeyrissj. verk- fræðinga (16)
		Stigadeild	Aldursháð- deild		Tryggingar- deild	Tryggingar- deild	
Net real rate of return	1	15,6%	14,7%	12,4%	8,5%	12,3%	6,3%
Average net real rate of return 2000-2004	2	6,1%		2,7%	-1,5%	1,54%	-1,9%
Quoted variable yield securities (%)		31,4	31,4	71,0	61,5	47,6	36,4
Quoted fixed rate securities (%)		50,4	50,4	15,2	20,6	44,0	37,7
Unquoted variable yield securities (%)		3,5	3,5	0,4	0,7	0,5	0,1
Unquoted fixed yield securities (%)		2,6	2,6	2,5	6,5	4,5	1,2
Mortgages (%)		11,0	11,0	10,9	5,6	3,4	23,0
Other investments (%)		1,1	1,1	0,0	5,1	0,0	1,7
<b>Total:</b>	3	100	100	100	100	100	100
Assets in ISK (%)		89,7	89,7	79,4	76,4	83,1	75,5
Assets in foreign currencies (%)		10,3	10,3	20,6	23,6	16,9	24,5
<b>Total:</b>	4	100	100	100	100	100	100
Number of fund members	5	1.071	1.727	1.086	6038	2301	2.082
Number of pensioners	6	2.647	70	244	1544	1218	160
Old-age pension (%)		69,9	4,5	79,7	46,4	47,4	77,6
Disability pension (%)		15,1	82,1	8,2	43,0	37,0	7,0
Pension to surviving spouse (%)		14,4	1,5	11,6	8,4	12,1	13,1
Pension to surviving children (%)		0,6	11,9	0,5	2,3	3,5	2,3
Other pension	7	0,0	0,0	0,0	0,0	0,0	0,0
<b>Total:</b>		100	100	100	100	100	100
Pensions' burden	8	248,9%	2,6%	48,3%	42,0%	89,0%	14,2%
Net assets in surplus of total obligations	9	-4,0%	6,9	0,6%	-9,1%	-2,2%	-6,0%
Net assets in surplus of accrued obligations	10	0,5%	19,5	-1,0%	-6,5%	12,4%	-16,8%

### Miscellaneous remarks:

#### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.
9. Financial position in accordance with an actuarial survey pr. 31.12.2004 ((Assets + present value of future contributions) – total obligations)/total obligations.
10. Financial position in accordance with an actuarial survey pr. 31.12.2004 (Assets - accrued obligations)/accrued obligations.

## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2004

Amounts in 000 IKR.

		Lífeyrissj. hjúkrunar- fræðinga (17)	Lífeyrissj. Suður- nesja (18)	Lífeyrissj. Vestmanna- eyja (19)	Lífeyrissj. bænda (20)	Lífeyrissj. starfsm. sveitarfél. (21)		Lífeyrissj. Vestur- lands (22)
						A-deild	V-deild	
Net real rate of return	1	9,4%	5,9%	11,2%	7,1%	<b>5,1%</b>	<b>4,8%</b>	11,0%
Average net real rate of return 2000-2004	2	3,6%	0,4%	3,6%	1,33%	-0,3%	-0,1%	3,3%
Quoted variable yield securities (%)		40,4	34,0	42,6	71,8	43,1	43,1	25,1
Quoted fixed rate securities (%)		44,2	48,9	48,3	12,6	30,6	30,6	65,9
Unquoted variable yield securities (%)		0,3	4,2	0,2	0,1	0,7	0,7	0,3
Unquoted fixed yield securities (%)		4,7	2,1	3,0	5,9	4,2	4,2	5,9
Mortgages (%)		10,5	7,7	0,0	5,4	14,4	14,4	0,1
Other investments (%)		0,0	3,1	5,9	4,2	7,1	7,1	2,7
<b>Total:</b>	3	100	100	100	100	100	100	100
Assets in ISK (%)		73,6	83,7	75,6	78,7	81,6	81,6	85,1
Assets in foreign currencies (%)		26,4	16,3	24,4	21,4	18,4	18,4	14,9
<b>Total:</b>	4	100	100	100	100	100	100	100
Number of fund members	5	815	3.343	1.565	3.364	7.469	1.413	2.680
Number of pensioners	6	487	1.942	783	3.668	284	34	1.266
Old-age pension (%)		87,2	50,4	43,5	73,7	49,1	39,7	59,5
Disability pension (%)		10,2	37,7	42,9	15,9	38,3	41,7	30,2
Pension to surviving spouse (%)		2,5	9,0	10,9	8,6	3,9	0,0	8,1
Pension to surviving children (%)		0,1	2,9	2,7	1,8	8,8	18,5	2,2
Other pension	7	0,0	0,0	0,0	0,0	0,0	0,0	0,0
<b>Total:</b>		100	100	100	100	100	100	100
Pensions' burden	8	49,3%	63,6%	77,1%	158,5%	3,6%	1,9%	60,7%
Net assets in surplus of total obligations	9	-59,5%	-16,2%	-10,8%	-9,7%	-7,9%	1,9%	-2,1%
Net assets in surplus of accrued obligations	10	-57,4%	-13,1%	6,9%	-5,7%	14,0%	7,7%	7,1%

### Miscellaneous remarks:

#### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.
9. Financial position in accordance with an actuarial survey pr. 31.12.2004 ((Assets + present value of future contributions) – total obligations)/total obligations.
10. Financial position in accordance with an actuarial survey pr. 31.12.2004 (Assets - accrued obligations)/accrued obligations.

## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2004

Amounts in 000 IKR.

		Lífeyrissj. starfsm. Reykjavb. (23)	Íslenski lífeyris- sjóðurinn (24)	Eftirlauna- sjóður FÍA (25)	Lífeyrissj. starfsm. Búnaðarb. (26)	Lífeyrissj. Suðurlands (27)	Eftirlaunasj. starfsm. Íslandsb. hf. (28)
Net real rate of return	1	3,5%	<b>6,0%</b>	6,0%	19,0%	6,6%	9,1%
Average net real rate of return 2000-2004	2	3,7%	2,2%	3,8%	6,4%	0,7%	2,17
Quoted variable yield securities (%)		14,5	97,0	62,7	20,4	62,6	85,4
Quoted fixed rate securities (%)		57,8	1,4	23,0	57,5	21,1	9,7
Unquoted variable yield securities (%)		0,4	0,8	0,8	0,1	1,1	0,0
Unquoted fixed yield securities (%)		0,2	0,8	1,9	17,7	3,9	4,9
Mortgages (%)		27,1	0,0	11,6	4,3	9,3	0,0
Other investments (%)		0,0	0,0		0,0	2,0	0,0
<b>Total:</b>	3	100	100	100,0	100	100	100
Assets in ISK (%)		97,7	78,0	84,3	99,2	66,3	100,0
Assets in foreign currencies (%)		2,3	22,0	15,8	0,8	33,7	0,0
<b>Total:</b>	4	100	100	100	100	100	100
Number of fund members	5	1.415	1.509	399	210	2.208	
Number of pensioners	6	2.019	8	99	173	1.039	137
Old-age pension (%)		68,4	0,0	80,1	77,0	48,8	85,4
Disability pension (%)		7,0	56,3	9,6	18,9	41,9	0,1
Pension to surviving spouse (%)		24,3	43,7	9,3	3,9	5,6	14,5
Pension to surviving children (%)		0,3	0,0	1,0	0,2	3,7	0,0
Other pension	7	0,0	0,0		0,0	0,0	0,0
<b>Total:</b>		100	100	100	100	100	100
Pensions' burden	8	89,8%	1,0%	56,7%	276,6%	48,5%	22,3%
Net assets in surplus of total obligations	9	-73,0%	3,1%	-5,0%	9,8%	-14,4%	-
Net assets in surplus of accrued obligations	10	-75,2%	27,3%	5,8%	13,5%	-3,3%	1,9%

### Miscellaneous remarks:

Exchange rate  
calculated daily

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.
9. Financial position in accordance with an actuarial survey pr. 31.12.2004 ((Assets + present value of future contributions) – total obligations)/total obligations.
10. Financial position in accordance with an actuarial survey pr. 31.12.2004 (Assets - accrued obligations)/accrued obligations.



## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2004

Amounts in 000 IKR.

		Lífeyrissj. Eimskipa- félags Ísl (29)		Lífeyrissj. Rangæinga (30)	Lífeyrissj. Bolungar- víkur (31)	Lífeyrissj. Flugvirkjaf. Íslands (32)	Lífeyrissj. Tanntl.fél. Íslands (33)	Lífeyrissj. stm. Kópa- vogsbæjar (34)
		Deild I	Deild II					
Net real rate of return	1	16,5%	8,1%	4,8%	5,6%	8,1%	7,5%	5,4%
Average net real rate of return 2000-2004	2	3,8%	2,7%	4,4%	-5,9%	4,6%	2,0%	2,0%
Quoted variable yield securities (%)		39,1	2,1	45,9	46,0	65,8	93,9	61,6
Quoted fixed rate securities (%)		53,9	58,2	13,2	29,2	30,1	0,0	1,8
Unquoted variable yield securities (%)		0,0	0,0	4,2	3,2	2,3	6,1	4,6
Unquoted fixed yield securities (%)		4,3	37,3	36,6	5,6	0,7	0,0	4,3
Mortgages (%)		2,7	2,4	0,1	2,4	1,2	0,0	27,7
Other investments (%)		0,0	0,0	0,0	13,7	0,0	0,0	0,0
<b>Total:</b>	3	100	100	100	100	100	100	100
Assets in ISK (%)		92,5	100,0	90,1	81,1	93,2	85,0	77,7
Assets in foreign currencies (%)		7,5	0,0	9,9	18,9	6,9	15,1	22,3
<b>Total:</b>	4	100	100	100	100	100	100	100
Number of fund members	5			700	564		249	212
Number of pensioners	6	210	15	301	182	122	3	185
Old-age pension (%)		71,4	75,7	58,7	50,7	81,0	0,0	75,5
Disability pension (%)		8,1	0,0	28,1	40,3	0,8	88,7	19,4
Pension to surviving spouse (%)		20,3	24,3	10,6	7,8	18,2	11,3	5,0
Pension to surviving children (%)		0,2	0,0	2,6	1,2	0,0	0,0	0,1
Other pension	7	0,0	0,0	0,0	0,0	0,0	0,0	0,0
<b>Total:</b>		100	100	100	100	100	100	100
Pensions' burden	8	-	-	59,5%	59,9%	-	2,6%	105,3%
Net assets in surplus of total obligations	9	-	-	-2,7%	-2,5%	-	6,6%	-47,2%
Net assets in surplus of accrued obligations	10	4,0%	0,0%	7,4%	4,6%	-6,8%	42,1%	-43,4%

### Miscellaneous remarks:

#### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.
9. Financial position in accordance with an actuarial survey pr. 31.12.2004 ((Assets + present value of future contributions) – total obligations)/total obligations.
10. Financial position in accordance with an actuarial survey pr. 31.12.2004 (Assets - accrued obligations)/accrued obligations.

## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2004

Amounts in 000 IKR.

		Eftirlaunasj. Hafnarfj- kaupst. (35)	Lífeyrissj. Mjólkur- samsöl. (36)	Lífeyrissj. stm. Akur- eyrarbæjar (37)	Lífeyrissj. Akranes- kaupst. (38)	Eftirlaunasj. stm. Olú- versl. Ísl. (39)	Eftirlaunasj. Sláturfélags Suðurlands (40)
Net real rate of return	1	5,6%	8,9%	10,6%	8,9%	7,8%	6,0%
Average net real rate of return 2000-2004	2	3,0%	5,7%	3,9%	5,5%	5,9%	1,0%
Quoted variable yield securities (%)		23,6	89,5	48,0	79,1	72,8	0,5
Quoted fixed rate securities (%)		55,7	6,4	43,0	3,6	17,9	13,5
Unquoted variable yield securities (%)		1,4	2,5	0,0	0,0	1,7	0,7
Unquoted fixed yield securities (%)		3,0	0,2	2,0	11,0	7,6	21,0
Mortgages (%)		16,3	1,4	7,0	6,3	0,0	4,4
Other investments (%)		0,0	0,0	0,0	0,0	0,0	59,8
<b>Total:</b>	3	100	100	100	100	100	100
Assets in ISK (%)		80,0	89,6	82,0	78,3	96,8	98,8
Assets in foreign currencies (%)		20,0	10,4	18,0	21,7	3,2	1,2
<b>Total:</b>	4	100	100	100	100	100	100
Number of fund members	5	230		252	108	0	0
Number of pensioners	6	201	224	281	180	77	209
Old-age pension (%)		80,0	73,0	71,4	71,9	79,9	87,6
Disability pension (%)		4,8	11,0	7,2	12,4	1,4	8,1
Pension to surviving spouse (%)		14,7	16,0	20,8	15,5	17,9	4,1
Pension to surviving children (%)		0,5	0,0	0,5	0,2	0,8	0,3
Other pension	7	0,0	0,0	0,0	0,0	0,0	0,0
<b>Total:</b>		100	100	100	100	100	100
Pensions' burden	8	95,3%	-	137,8%	385,5%	-	-
Net assets in surplus of total obligations	9	-68,0%	-	-77%	-69,0%	-	-
Net assets in surplus of accrued obligations	10	-68,0%	2,6%	-81%	-70,7%	2,6%	-5,0%

### Miscellaneous remarks:

#### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.
9. Financial position in accordance with an actuarial survey pr. 31.12.2004 ((Assets + present value of future contributions) – total obligations)/total obligations.
10. Financial position in accordance with an actuarial survey pr. 31.12.2004 (Assets - accrued obligations)/accrued obligations.

## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2004

Amounts in 000 IKR.

		Eftirlaunasj. Reykjanes- bæjar (41)	Lífeyrissj. starfsm. Áburðarv. (42)	Lífeyris- sjóðurinn Skjöldur (43)	Lífeyrissj. stm. Húsvákur- kaupstaðar (44)	Lífeyrissj. Neskaup- staðar (45)	Eftirlaunasj. starfsm. Útvegsb. Ísl. (46)
Net real rate of return	1	6,4%	7,1%	6,2%	6,7%	6,4%	1,0%
Average net real rate of return 2000-2004	2	1,6%	5,0%	6,8%	4,8%	3,5%	2,3%
Quoted variable yield securities (%)		53,3	92,4	0,0	51,3	48,3	0,0
Quoted fixed rate securities (%)		19,4	7,4	94,1	28,0	30,7	0,0
Unquoted variable yield securities (%)		5,9	0,0	0,0	0,0	0,8	0,0
Unquoted fixed yield securities (%)		6,3	0,2	0,0	10,3	3,1	37,6
Mortgages (%)		15,1	0,0	5,9	3,1	2,5	62,4
Other investments (%)			0,0	0,0	7,4	14,5	0,0
<b>Total:</b>	3	100	100	100	100	100	100
Assets in ISK (%)		76,6	93,0	100,0	98,4	100,0	100,0
Assets in foreign currencies (%)		23,4	7,0	0,0	1,6	0,0	0,0
<b>Total:</b>	4	100	100	100	100	100	100
Number of fund members	5	127	0	0	36	16	
Number of pensioners	6	118	106	119	71	40	128
Old-age pension (%)		75,2	77,0	76,0	74,9	58,0	71,1
Disability pension (%)		5,2	3,1	1,0	12,1	6,0	1,7
Pension to surviving spouse (%)		19,6	19,9	23,0	11,8	36,0	26,9
Pension to surviving children (%)		0,0	0,0	0,0	1,1	0,0	0,3
Other pension	7	0,0	0,0	0,0	0,0	0,0	0,0
<b>Total:</b>		100	100	100	100	100	100
Pensions' burden	8	100,8%	-	-	118,5%	118,3%	-
Net assets in surplus of total obligations	9	-78,9%	-	-	-68,2%	-81,7%	-
Net assets in surplus of accrued obligations	10	-83,4%	-2,5%	-1,0%	-68,8%	-83,2%	-97,2%

### Miscellaneous remarks:

#### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.
9. Financial position in accordance with an actuarial survey pr. 31.12.2004 ((Assets + present value of future contributions) – total obligations)/total obligations.
10. Financial position in accordance with an actuarial survey pr. 31.12.2004 (Assets - accrued obligations)/accrued obligations.

## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2004

Amounts in 000 IKR.		Lífeyrissj. stm. Rvík.- apóteks (47)	Lífeyrissj. stm. Vestm- eyjabæjar (48)	TOTAL  (54 divisions)	Funds guaranteed by others  (14 divisions)	Funds not guaranteed by others  (40 divisions)
Net real rate of return	1	1,3%	215,0%	10,6%	8,9%	11,0%
Average net real rate of return 2000-2004	2		2,1%			
Quoted variable yield securities (%)			0,0	41,6%	37,9%	42,4%
Quoted fixed rate securities (%)			0,0	38,5%	43,8%	37,3%
Unquoted variable yield securities (%)			60,4	3,4%	0,4%	4,1%
Unquoted fixed yield securities (%)			14,8	4,9%	3,8%	5,1%
Mortgages (%)			24,8	11,5%	14,0%	10,9%
Other investments (%)			0,0	0,2%	0,0%	0,2%
<b>Total:</b>	3		100	<b>100%</b>	<b>100%</b>	<b>100%</b>
Assets in ISK (%)			97,2	78,2%	79,2%	78,0%
Assets in foreign currencies (%)			2,8	21,8%	20,8%	22,0%
<b>Total:</b>	4	0	100	<b>100%</b>	<b>100%</b>	<b>100%</b>
Number of fund members	5		721	166.796	12.081	154.715
Number of pensioners	6		148	62.242	12.889	49.353
Old-age pension (%)			59,4	66,6%	74,0%	60,2%
Disability pension (%)			9,2	17,3%	5,3%	27,5%
Pension to surviving spouse (%)			30,3	14,9%	20,5%	10,2%
Pension to surviving children (%)			1,1	1,2%	0,1%	2,1%
Other pension	7		0,0	0,0%	0,0%	0,1%
<b>Total:</b>			100	<b>100%</b>	<b>100%</b>	<b>100%</b>
Pensions' burden	8	-	206,3%	48,4%	70,4%	38,2%
Net assets in surplus of total obligations	9		-96,2%			
Net assets in surplus of accrued obligations	10		-100,8%			

### Miscellaneous remarks:

#### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.
9. Financial position in accordance with an actuarial survey pr. 31.12.2004 ((Assets + present value of future contributions) – total obligations)/total obligations.
10. Financial position in accordance with an actuarial survey pr. 31.12.2004 (Assets - accrued obligations)/accrued obligations.

## **5. ANNUAL ACCOUNTS OF PERSONAL PENSION SCHEMES FOR THE YEAR 2004**

This chapter contains summary information concerning the personal pension schemes of pension funds. The chapter is divided into two subsections:

- 5.1. Personal pension schemes, changes, balance sheets and cash flow statements for the year 2004, pp. 54-59
- 5.2. Financial ratios, pp. 60-67

As stated in the introduction to Chapter 4, those pension funds which calculate exchange rates on a daily basis are permitted to use different methods for the calculation of net real return than apply to funds that do not make such daily calculations. The FME does not calculate net real return for pension funds/departments which calculate daily exchange rates. Instead, results are published as they appear in the annual financial statements or according to information supplied by the pension funds. This applies to the personal pension divisions of funds no. 1, 4, 5, 6, 7, 9, 10, 14, 22 and 24.

## 5.1. PERSONAL PENSION SCHEMES CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.	Lífeyrissj. st. ríkisins		Lífeyrissj. verslunar- manna		Lífeyrissj. Framsýn	
	Leið I	(1)	Leið III	(2)	Framtíðarsýn 1	Framtíðarsýn 2
		Leið II				
<i>Statement of changes in net assets for pension payment</i>						
Premiums	365.433	179.910	61.871	687.046	50.271	239.993
Pension	9.740	3.305	14.048	19.746	1.895	6.927
Investment income	285.858	61.200	23.345	375.893	45.894	91.141
Investment expenses	1.053	256	25	1.021	77	96
Operating expenses	2.785	672	352	1.016	2.400	5.350
Other income	0	0	0	0	0	0
Increase in net assets before items and changes in valuation	637.713	236.877	70.792	1.041.156	91.794	318.761
Increase in net assets	637.713	236.877	70.792	1.041.156	91.794	318.761
Net assets from previous year end	1.708.024	408.365	209.349	1.922.591	207.384	436.670
<i>Net Assets for Pension</i>	<b>2.345.737</b>	<b>645.241</b>	<b>280.141</b>	<b>2.963.747</b>	<b>299.177</b>	<b>755.431</b>
<i>Balance Sheet</i>						
<i>Assets</i>						
Investments	2.284.416	627.065	277.878	2.876.385	279.348	715.491
Claims	25.995	3.613	77	0	7.563	19.149
Other assets	35.424	14.562	3.639	87.362	12.266	20.791
<i>Total Assets</i>	2.345.835	645.241	281.594	2.963.747	299.177	755.431
<i>Liabilities</i>						
Accounts payable	98	0	1.452	0	0	0
Accrued expenses and unearned income	0	0	0	0	0	0
<i>Total Liabilities</i>	98	0	1.452	0	0	0
<i>Net Assets for pension</i>	<b>2.345.737</b>	<b>645.241</b>	<b>280.141</b>	<b>2.963.747</b>	<b>299.177</b>	<b>755.431</b>
<i>Cash Flow</i>						
Inflow	1.155.153	254.204	85.198	1.104.425	179.756	551.702
Outflow	14.519	4.234	13.140	21.783	4.409	11.938
Disposable resources to purchase securities and other investments	1.140.634	249.970	72.058	1.082.642	175.347	539.764
Purchase of securities and other investments	1.129.022	243.437	70.006	1.041.156	163.872	519.764
Increase in cash and current deposits	11.612	6.533	2.052	41.486	11.474	20.000
Cash and current deposits at beginning of year	23.813	8.029	1.588	45.876	792	791
<i>Cash and current deposits end of year</i>	<b>35.424</b>	<b>14.562</b>	<b>3.639</b>	<b>87.362</b>	<b>12.266</b>	<b>20.791</b>

## 5.1. PERSONAL PENSION SCHEMES CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.	Lífeyrissj. sjómanna			Sameinaði lífeyrissjóðurinn		Lífeyrissj. Norðurlands	
	(4)			(5)		(6)	
	deild/leið I	deild/leið II	deild/leið III	Leið 1	Leið 2	Safn I	Safn II
<i>Statement of changes in net assets for pension payment</i>							
<b>Premiums</b>	33.402	4.931	5.307	25.167	432.420	31.333	156.462
<b>Pension</b>	598	18	0	2.381	11.804	8.814	586
<b>Investment income</b>	15.910	1.096	1.878	20.084	129.161	75.923	221.814
<b>Investment expenses</b>	451	31	0	255	1.635	398	1.164
<b>Operating expenses</b>	0	0	0	248	1.586	838	2.449
<b>Other income</b>	0	0	0	0	0	0	0
<b>Increase in net assets before items and changes in valuation</b>	48.263	5.978	7.185	42.367	546.556	97.206	374.077
<b>Increase in net assets</b>	48.263	5.978	7.185	42.367	546.556	97.206	374.077
<b>Net assets from previous year end</b>	108.423	6.313	15.567	190.870	857.760	192.035	520.648
<i>Net Assets for Pension</i>	<b>156.686</b>	<b>12.291</b>	<b>22.752</b>	<b>233.237</b>	<b>1.404.316</b>	<b>289.241</b>	<b>894.725</b>
<i>Balance Sheet</i>							
<i>Assets</i>							
<b>Investments</b>	152.023	11.936	22.393	231.372	1.393.743	283.814	878.871
<b>Claims</b>	195	10	12	275	1.560	5.427	15.854
<b>Other assets</b>	4.656	351	347	1.590	9.013	0	0
<i>Total Assets</i>	156.874	12.297	22.752	233.237	1.404.316	289.241	894.725
<i>Liabilities</i>							
<b>Accounts payable</b>	0	0	0	0	0	0	0
<b>Accrued expenses and unearned income</b>	188	6	0	0	0	0	0
<i>Total Liabilities</i>	188	6	0	0	0	0	0
<i>Net Assets for pension</i>	<b>156.686</b>	<b>12.291</b>	<b>22.752</b>	<b>233.237</b>	<b>1.404.316</b>	<b>289.241</b>	<b>894.725</b>
<i>Cash Flow</i>							
<b>Inflow</b>	90.407	7.662	7.752	101.062	721.309	408.362	1.205.249
<b>Outflow</b>	1.282	60	168	2.884	15.026	10.005	4.128
<b>Disposable resources to purchase securities and other investments</b>	89.125	7.602	7.584	98.178	706.283	398.357	1.201.121
<b>Purchase of securities and other investments</b>	86.426	7.453	7.237	102.652	724.522	398.357	1.201.121
<b>Increase in cash and current deposits</b>	2.699	149	347	-4.474	-18.239	0	0
<b>Cash and current deposits at beginning of year</b>	1.957	202	0	6.064	27.252	0	0
<i>Cash and current deposits end of year</i>	<b>4.656</b>	<b>351</b>	<b>347</b>	<b>1.590</b>	<b>9.013</b>	<b>0</b>	<b>0</b>

## 5.1. PERSONAL PENSION SCHEMES CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.	Frjálsi lífeyris-sjóðurinn (7)			Söfnunarsj. lífeyris-réttinda (8)	Almennir lífeyrissj. (9)			
	deild/leið I	deild/leið II	deild/leið III		Ævisafn I	Ævisafn II	Ævisafn III	Ævisafn IV
<i>Statement of changes in net assets for pension payment</i>								
<b>Premiums</b>	1.684.126	328.189	249.106	50.071	829.485	1.299.696	386.172	270.249
<b>Pension</b>	146.766	25.208	161.749	636	5.092	97.093	49.774	46.495
<b>Investment income</b>	3.009.452	193.272	335.261	18.378	392.905	2.058.900	153.785	78.101
<b>Investment expenses</b>	95.459	5.716	0	0	5.398	18.617	1.471	738
<b>Operating expenses</b>	45.157	2.736	0	307	6.548	25.173	1.995	1.108
<b>Other income</b>	0	0	0	0	0	0	0	0
<b>Increase in net assets before items and changes in valuation</b>	4.406.196	487.800	422.618	67.506	1.205.352	3.217.713	486.717	300.010
<b>Increase in net assets</b>	4.406.196	487.800	422.618	67.506	1.205.352	3.217.713	486.717	300.010
<b>Net assets from previous year end</b>	20.533.397	1.377.744	3.328.388	130.634	3.898.257	15.566.919	1.153.277	637.905
<b>Net Assets for Pension</b>	<b>24.939.593</b>	<b>1.865.544</b>	<b>3.751.006</b>	<b>198.140</b>	<b>5.103.610</b>	<b>18.784.632</b>	<b>1.639.994</b>	<b>937.915</b>
<i>Balance Sheet</i>								
<i>Assets</i>								
<b>Investments</b>	24.775.583	1.860.760	3.753.678	198.103	5.057.830	18.679.191	1.631.581	935.579
<b>Claims</b>	139.603	10.570	21.112	37	19.581	58.630	3.279	0
<b>Other assets</b>	204.902	8.373	0	0	28.256	51.799	5.536	3.943
<b>Total Assets</b>	<b>25.120.088</b>	<b>1.879.703</b>	<b>3.774.790</b>	<b>198.140</b>	<b>5.105.667</b>	<b>18.789.619</b>	<b>1.640.396</b>	<b>939.521</b>
<i>Liabilities</i>								
<b>Accounts payable</b>	180.495	14.159	23.784	0	2.057	4.988	402	1.606
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	0	0	0
<b>Total Liabilities</b>	<b>180.495</b>	<b>14.159</b>	<b>23.784</b>	<b>0</b>	<b>2.057</b>	<b>4.988</b>	<b>402</b>	<b>1.606</b>
<b>Net Assets for pension</b>	<b>24.939.593</b>	<b>1.865.544</b>	<b>3.751.006</b>	<b>198.140</b>	<b>5.103.610</b>	<b>18.784.631</b>	<b>1.639.994</b>	<b>937.915</b>
<i>Cash Flow</i>								
<b>Inflow</b>	16.230.360	925.537	592.086	50.446	3.187.784	7.415.060	841.377	349.730
<b>Outflow</b>	259.761	65.447	162.791	636	22.434	169.621	54.053	48.360
<b>Disposable resources to purchase securities and other investments</b>	15.970.599	860.089	429.295	49.810	3.165.350	7.245.439	787.324	301.370
<b>Purchase of securities and other investments</b>	15.983.534	867.832	870.689	49.810	3.169.986	7.243.399	787.680	301.012
<b>Increase in cash and current deposits</b>	-12.935	-7.743	-441.394	0	-4.636	2.040	-356	358
<b>Cash and current deposits at beginning of year</b>	217.837	16.117	441.393	0	32.891	49.759	5.892	3.585
<b>Cash and current deposits end of year</b>	<b>204.902</b>	<b>8.373</b>	<b>0</b>	<b>0</b>	<b>28.255</b>	<b>51.799</b>	<b>5.536</b>	<b>3.943</b>



## 5.1. PERSONAL PENSION SCHEMES CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.	Lífeyrissj. Lífiðn		Samvinnu- lífeyris- sjóðurinn (12)	Lífeyrissj. Austur- lands (14)	Lífeyrissj. Vest- firðinga (15)	Lífeyrissj. verk- fræðinga (16)
	(10)					
	deild/leið I	deild/leið II				
<i>Statement of changes in net assets for pension payment</i>						
<b>Premiums</b>	-126	140.745	108.951	26.291	42.763	162.065
<b>Pension</b>	0	0	34.382	68	0	190
<b>Investment income</b>	12.817	35.333	218.742	4.242	35.525	74.603
<b>Investment expenses</b>	164	454	2.392	5	213	0
<b>Operating expenses</b>	170	469	6.538	0	338	1.660
<b>Other income</b>	0	0	0	0	0	0
<b>Increase in net assets before items and changes in valuation</b>	12.357	175.155	284.381	30.460	77.737	234.818
<b>Increase in net assets</b>	12.357	175.155	284.381	30.460	77.737	234.818
<b>Net assets from previous year end</b>	136.130	245.868	1.038.828	30.231	106.372	556.963
<i>Net Assets for Pension</i>	<b>148.487</b>	<b>421.023</b>	<b>1.323.209</b>	<b>60.691</b>	<b>184.109</b>	<b>791.781</b>
<i>Balance Sheet</i>						
<i>Assets</i>						
<b>Investments</b>	142.733	386.947	1.288.218	59.974	168.257	670.621
<b>Claims</b>	5.754	10.857	7.954	101	-5.213	121.160
<b>Other assets</b>	0	44.301	27.747	618	21.065	0
<i>Total Assets</i>	148.487	442.105	1.323.919	60.692	184.109	791.781
<i>Liabilities</i>						
<b>Accounts payable</b>	0	21.082	710	1	0	0
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	0
<i>Total Liabilities</i>	0	21.082	710	1	0	0
<i>Net Assets for pension</i>	<b>148.487</b>	<b>421.023</b>	<b>1.323.209</b>	<b>60.691</b>	<b>184.109</b>	<b>791.781</b>
<i>Cash Flow</i>						
<b>Inflow</b>	54.410	286.397	743.342	43.549	53.810	254.316
<b>Outflow</b>	4.138	923	41.711	143	552	35.937
<b>Disposable resources to purchase securities and other investments</b>	50.272	285.474	701.631	43.406	53.259	218.379
<b>Purchase of securities and other investments</b>	60.010	267.356	684.905	42.954	32.237	218.380
<b>Increase in cash and current deposits</b>	-9.738	18.118	16.726	452	21.022	0
<b>Cash and current deposits at beginning of year</b>	9.738	26.183	10.079	166	43	0
<i>Cash and current deposits end of year</i>	<b>0</b>	<b>44.301</b>	<b>26.805</b>	<b>618</b>	<b>21.065</b>	<b>0</b>

## 5.1. PERSONAL PENSION SCHEMES CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.	Lífeyrissj. Vestmanna- eyja (19)		Lífeyrissj. starfsm. sveitarfél. (21)			Lífeyrissj. Vestur- lands (22)
	Safn I	Safn II	leið I	leið II	leið III	
<i>Statement of changes in net assets for pension payment</i>						
<b>Premiums</b>	6.648	17.550	48.368	6.618	7.259	20.117
<b>Pension</b>	175	0	141	1.290	4.010	0
<b>Investment income</b>	2.773	8.409	36.398	5.650	2.749	5.487
<b>Investment expenses</b>	114	313	120	13	0	593
<b>Operating expenses</b>	38	104	0	0	0	250
<b>Other income</b>	0	0	0	0	0	0
<b>Increase in net assets before items and changes in valuation</b>	9.094	25.542	84.505	10.965	5.997	24.761
<b>Increase in net assets</b>	9.094	25.542	84.505	10.965	5.997	24.761
<b>Net assets from previous year end</b>	15.965	42.656	221.119	36.492	24.770	39.177
<i>Net Assets for Pension</i>	<b>25.059</b>	<b>68.198</b>	<b>305.625</b>	<b>47.456</b>	<b>30.767</b>	<b>63.938</b>
<i>Balance Sheet</i>						
<i>Assets</i>						
<b>Investments</b>	24.367	66.813	301.587	47.106	31.236	59.502
<b>Claims</b>	692	1.385	358	49	33	2.912
<b>Other assets</b>	0	0	4.175	336	0	1.524
<i>Total Assets</i>	25.059	68.198	306.121	47.491	31.269	63.938
<i>Liabilities</i>						
<b>Accounts payable</b>	0	0	496	34	502	0
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	0
<i>Total Liabilities</i>	0	0	496	34	502	0
<i>Net Assets for pension</i>	<b>25.059</b>	<b>68.198</b>	<b>305.625</b>	<b>47.457</b>	<b>30.767</b>	<b>63.938</b>
<i>Cash Flow</i>						
<b>Inflow</b>	23.445	59.429	252.376	22.423	10.007	23.519
<b>Outflow</b>	327	417	-202	1.312	3.542	3.128
<b>Disposable resources to purchase securities and other investments</b>	23.118	59.012	252.578	21.111	6.465	20.391
<b>Purchase of securities and other investments</b>	23.118	59.012	253.042	20.656	31.236	20.116
<b>Increase in cash and current deposits</b>	0	0	-464	455	-24.770	275
<b>Cash and current deposits at beginning of year</b>	0	0	4.640	-119	24.770	1.249
<i>Cash and current deposits end of year</i>	<b>0</b>	<b>0</b>	<b>4.175</b>	<b>336</b>	<b>0</b>	<b>1.524</b>

## 5.1. PERSONAL PENSION SCHEMES CHANGES, BALANCE SHEETS AND CASH FLOW 2004

Amounts in 000 IKR.

	Líf I	Líf II	Líf III	Líf IV	Lífeyrissj. Rangæinga (30)	Lífeyrissj. Tannl.fél. Íslands (33)	Allar deildir Samtals  (39 divisions)
<i>Statement of changes in net assets for pension payment</i>							
<b>Premiums</b>	612.415	636.522	98.883	157.364	4.831	54.738	9.522.642
<b>Pension</b>	5.351	19.033	69.192	3.351	0	37.152	787.009
<b>Investment income</b>	339.592	456.548	116.285	5.675	789	188.256	9.139.124
<b>Investment expenses</b>	6.987	9.487	2.204	0	0	1.260	158.180
<b>Operating expenses</b>	13.960	19.023	4.480	0	162	2.661	150.572
<b>Other income</b>	0	0	0	0	0	0	0
<b>Increase in net assets before items and changes in valuation</b>	925.710	1.045.527	139.292	159.689	5.458	201.921	17.566.006
<b>Increase in net assets</b>	925.710	1.045.527	139.292	159.689	5.458	201.921	17.566.006
<b>Net assets from previous year end</b>	2.503.919	3.563.895	959.044	0	8.103	1.454.909	64.394.960
<b><i>Net Assets for Pension</i></b>	<b>3.429.629</b>	<b>4.609.422</b>	<b>1.098.336</b>	<b>159.689</b>	<b>13.561</b>	<b>1.656.830</b>	<b>81.960.966</b>
<i>Balance Sheet</i>							
<i>Assets</i>							
<b>Investments</b>	3.307.351	4.607.452	1.175.534	159.689	13.303	1.560.359	80.998.088
<b>Claims</b>	104.873	17.045	-71.874	0	0	100.494	629.122
<b>Other assets</b>	40.932	766	370	0	258	6.569	641.470
<b><i>Total Assets</i></b>	<b>3.453.156</b>	<b>4.625.263</b>	<b>1.104.029</b>	<b>159.689</b>	<b>13.561</b>	<b>1.667.422</b>	<b>82.268.679</b>
<i>Liabilities</i>							
<b>Accounts payable</b>	15.938	15.842	5.693	0	0	10.592	299.931
<b>Accrued expenses and unearned income</b>	7.590	0	0	0	0	0	7.784
<b><i>Total Liabilities</i></b>	<b>23.527</b>	<b>15.842</b>	<b>5.693</b>	<b>0</b>	<b>0</b>	<b>10.592</b>	<b>307.715</b>
<b><i>Net Assets for pension</i></b>	<b>3.429.629</b>	<b>4.609.422</b>	<b>1.098.336</b>	<b>159.689</b>	<b>13.561</b>	<b>1.656.830</b>	<b>81.960.965</b>
<i>Cash Flow</i>							
<b>Inflow</b>	2.566.642	2.468.939	632.857	163.040	5.621	1.568.601	44.697.343
<b>Outflow</b>	26.298	47.543	75.875	3.351	162	159.208	1.291.044
<b>Disposable resources to purchase securities and other investments</b>	2.540.344	2.421.396	556.982	159.689	5.459	1.409.393	43.406.299
<b>Purchase of securities and other investments</b>	2.523.361	2.432.224	560.787	159.689	5.406	1.410.886	43.774.340
<b>Increase in cash and current deposits</b>	16.984	-10.827	-3.805	0	53	-1.493	-368.041
<b>Cash and current deposits at beginning of year</b>	23.948	11.593	4.176	0	205	6.816	1.007.323
<b><i>Cash and current deposits end of year</i></b>	<b>40.932</b>	<b>766</b>	<b>370</b>	<b>0</b>	<b>258</b>	<b>5.323</b>	<b>639.281</b>

## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEME 2004

Amounts in 000 IKR.		Lífeyrissj. st. ríkisins			Lífeyrissj. verslunar- manna	Lífeyrissj. Framsýn	
		Leið I	(1) Leið II	Leið III	(2)	(3) Framtíðar- sýn 1	Framtíðar- sýn 2
<b>Assets</b>							
Net real rate of return	1	<b>10,6%</b>	<b>7,9%</b>	<b>5,7%</b>	12,2%	14,3%	11,1%
Average net real rate of return 1999-200	2	2,0%	*8,4%	*6,5%	4,1%	9,30%	
Quoted variable yield securities (%)		94,2	91,0	0,0	40,9	28,4	18,3
Quoted fixed rate securities (%)		5,8	9,0	0,0	36,1	71,6	81,7
Unquoted variable yield securities (%)		0,0	0,0	0,0	0,0	0,0	0,0
Unquoted fixed yield securities (%)		0,0	0,0	0,0	6,7	0,0	0,0
Mortgages (%)		0,0	0,0	0,0	16,3	0,0	0,0
Other investments (%)		0,0	0,0	100,0	0,0	0,0	0,0
<b>Total:</b>	3	100	100	100	100	100	100
Assets in ISK (%)		70,5	83,3	100,0	74,5	89	90
Assets in foreign currencies (%)		29,5	16,7	0,0	25,5	11	10
<b>Total:</b>	4	100	100	100	100	100	100
Number of fund members	5	2.293	689	306	14.438	926	32.655
Number of pensioners	6	10	1	7	9	5	108
Old-age pension (%)		82,3	100,0	95,2	100,0	100,0	100,0
Disability pension (%)		6,2	0,0	1,1	0,0		
Pension to surviving spouse (%)		4,1	0,0	3,7	0,0		
Pension to surviving children (%)		7,5	0,0	0,0	0,0		
Other pension	7	0,0	0,0	0,0	0,0		
<b>Total:</b>		100	100	100	100	100	100
Pensions' burden	8	2,7%	1,8%	22,7%	2,9%	3,8%	2,9%

### Miscellaneous remarks:

\*Established 1/7/2002

Exchange rate calculated daily

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.

## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEME 2004

Amounts in 000 IKR.		Lífeyrissj. sjómanna			Sameinaði lífeyrissjóðurinn	
		deild/leið I	(4) deild/leið II	deild/leið III	(5) Leið 1	Leið 2
<b>Assets</b>						
Net real rate of return	1	8,2%	7,9%	6,2%	5,8%	6,7%
Average net real rate of return 1999-200	2	1,4%	*6,2%	*4,8%	1,3%	6,5%
Quoted variable yield securities (%)		95,8	100,0	0,0	41,4	0,0
Quoted fixed rate securities (%)		4,2	0,0	0,0	35,6	54,9
Unquoted variable yield securities (%)		0,0	0,0	0,0	0,0	0,0
Unquoted fixed yield securities (%)		0,0	0,0	0,0	0,0	0,0
Mortgages (%)		0,0	0,0	0,0	23,0	45,1
Other investments (%)		0,0	0,0	100,0	0,0	0,0
<b>Total:</b>	3	100	100	100	100	100
Assets in ISK (%)		67,0	89,0	100,0	25,0	100,0
Assets in foreign currencies (%)		33,0	11,0	0,0	75,0	0,0
<b>Total:</b>	4	100	100	100	100	100
Number of fund members	5	2.462	200	39	1.519	8.557
Number of pensioners	6	3	1	0	4	6
Old-age pension (%)		4,0	89,3	0,0	100,0	100,0
Disability pension (%)		87,5	10,7	0,0	0,0	0,0
Pension to surviving spouse (%)		8,5	0,0	0,0	0,0	0,0
Pension to surviving children (%)		0,0	0,0	0,0	0,0	0,0
Other pension	7	0,0	0,0	0,0	0,0	0,0
<b>Total:</b>		100	100	0	100	100
Pensions' burden	8	1,8%	0,4%	0,0%	9,5%	2,7%

### Miscellaneous remarks:

\*Established 1/7/2002 Exchange rate calculated daily  
Exchange rate calculated daily

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.

## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEME 2004

Amounts in 000 IKR.		Lífeyrissj. Norðurlands		Frjálsi lífeyris- sjóðurinn		
		(6)		(7)		
		Safn I	Safn II	deild/leið I	deild/leið II	deild/leið III
<b>Assets</b>						
Net real rate of return	1	<b>10,6%</b>	<b>12,6%</b>	<b>9,5%</b>	<b>10,3%</b>	<b>6,1%</b>
Average net real rate of return 1999-200	2	7,0%	6,4%	2,4%	*8,2%	*6,4%
Quoted variable yield securities (%)		22,5	46,0	40,9	41,0	0,0
Quoted fixed rate securities (%)		77,5	54,0	49,5	51,9	0,0
Unquoted variable yield securities (%)		0,0	0,0	7,4	6,1	0,0
Unquoted fixed yield securities (%)		0,0	0,0	2,0	0,9	0,0
Mortgages (%)		0,0	0,0	0,3	0,0	0,0
Other investments (%)		0,0	0,0	0,0	0,0	100,0
<b>Total:</b>	3	100	100	100	100	100
Assets in ISK (%)		86	81	64,9	89,0	100,0
Assets in foreign currencies (%)		14	19	35,1	11,0	0,0
<b>Total:</b>	4	100	100	100	100	100
Number of fund members	5	1.593	9.770	4.619	332	760
Number of pensioners	6	90	8	404	66	168
Old-age pension (%)		98,9	75,0	65	84	89
Disability pension (%)		1,1	25,0	4,8	2,7	1,5
Pension to surviving spouse (%)		0,0	0,0	16,9	3,6	7,7
Pension to surviving children (%)		0,0	0,0	9,7	9,6	2,2
Other pension	7	0,0	0,0	3,3	0,0	0,0
<b>Total:</b>		100	100	100	100	100
Pensions' burden	8	28,1%	0,4%	8,7%	7,7%	64,9%

### Miscellaneous remarks:

Exchange rate calculated daily

\*Average yield last 4 years

Exchange rate calculated daily

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.

## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEME 2004

Amounts in 000 IKR.		Söfnunarsj. lífeyris- réttinda (8)	Almenni lífeyrissj. (9)			
			Ævisafn I	Ævisafn II	Ævisafn III	Ævisafn IV
<b>Assets</b>						
Net real rate of return	1	7,4%	<b>5,2%</b>	<b>8,4%</b>	<b>7,7%</b>	<b>5,9%</b>
Average net real rate of return 1999-200	2	2,4%	-0,2%	2,1%	4,4%	*5,5%
Quoted variable yield securities (%)		28,0	71,1	83,7	85,5	0,0
Quoted fixed rate securities (%)		71,9	23,3	8,3	7,2	0,0
Unquoted variable yield securities (%)		0,0	0,0	0,0	1,7	0,0
Unquoted fixed yield securities (%)		0,0	1,4	2,0	0,0	0,0
Mortgages (%)		0,0	4,2	6,0	5,6	0,0
Other investments (%)		0,0	0,0	0,0	0,0	100,0
<b>Total:</b>	3	100	100	100	100	100
Assets in ISK (%)		79,6	58,0	67,1	84,3	100,0
Assets in foreign currencies (%)		20,4	42,0	32,9	15,7	0,0
<b>Total:</b>	4	100	100	100	100	100
Number of fund members	5	3.859	3.315	4.034	478	137
Number of pensioners	6	8	3	63	41	37
Old-age pension (%)		100,0	0	0	0	0
Disability pension (%)		0,0	0	0	0	0
Pension to surviving spouse (%)		0,0	0	0	0	0
Pension to surviving children (%)		0,0	0	0	0	0
Other pension	7	0,0	100,0	100,0	100,0	100,0
<b>Total:</b>		100	100	100	100	100
Pensions' burden	8	1,3%	0,6%	7,5%	12,9%	17,2%

\*Average yield  
last 3 years

### Miscellaneous remarks:

Exchange rate calculated daily

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.

## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEME 2004

Amounts in 000 IKR.		Lífeyrissj. Lífiðn		Samvinnu- lífeyris- sjóðurinn (12)	Lífeyrissj. Austur- lands (14)	Lífeyrissj. Vest- firðinga (15)	Lífeyrissj. verk- fræðinga (16)
		(10)					
		deild/leið I	deild/leið II				
<b>Assets</b>							
Net real rate of return	1	<b>4,6%</b>	<b>5,4%</b>	15,0%	<b>6,9%</b>	22,6%	7,2%
Average net real rate of return 1999-200	2	0,9%	6,4%	6,1%	*	7,47%	4,10%
Quoted variable yield securities (%)		35,8	0,0	31,4	100,0	70,5	66,2
Quoted fixed rate securities (%)		21,0	27,3	50,4	0,0	29,5	33,5
Unquoted variable yield securities (%)		0,0	0,0	3,5	0,0	0,0	0,0
Unquoted fixed yield securities (%)		0,0	6,0	2,6	0,0	0,0	0,0
Mortgages (%)		42,8	66,7	11,0	0,0	0,0	0,0
Other investments (%)		0,0	0,0	1,1	0,0	0,0	0,4
<b>Total:</b>	3	100	100	100	100	100	100
Assets in ISK (%)		65,6	100,0	89,7	67,9	93,2	100,0
Assets in foreign currencies (%)		34,4	0,0	10,3	32,1	6,8	0,0
<b>Total:</b>	4	100	100	100	100	100	100
Number of fund members	5	42	2.727	2.026	4131	1067	750
Number of pensioners	6	0	0	60	1086	0	1
Old-age pension (%)		0	0	100,0	100,0	0,0	100,0
Disability pension (%)		0	0	0,0		0,0	0,0
Pension to surviving spouse (%)		0	0	0,0		0,0	0,0
Pension to surviving children (%)		0	0	0,0		0,0	0,0
Other pension	7	0		0,0		0,0	0,0
<b>Total:</b>		0	0	100	100	0	100
Pensions' burden	8	0,0%	0,0%	31,6%	0,3%	0,0%	0,1%

### Miscellaneous remarks:

\*Established 2002

Exchange rate calculated daily

Exchange rate calculated daily

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.



## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEME 2004

Amounts in 000 IKR.		Lífeyrissj. Vestmanna- eyja (19)		Lífeyrissj. starfsm. sveitarfél. (21)		
		Safn I	Safn II	leið I	leið II	leið III
<b>Assets</b>						
Net real rate of return	1	9,4%	11,2%	10,5%	10,1%	6,3%
Average net real rate of return 1999-200	2	8,4%	7,1%	2,0%	*9,5%	*6,3%
Quoted variable yield securities (%)		28,2	52,0	80,0	99,1	0,0
Quoted fixed rate securities (%)		71,8	48,0	18,9	0,0	0,0
Unquoted variable yield securities (%)		0,0	0,0	1,1	0,9	0,0
Unquoted fixed yield securities (%)		0,0	0,0	0,0	0,0	0,0
Mortgages (%)		0,0	0,0	0,0	0,0	0,0
Other investments (%)		0,0	0,0	0,0	0,0	100,0
<b>Total:</b>	3	100	100	100	100	100
Assets in ISK (%)		85,2	66,1	66,3	88,2	100,0
Assets in foreign currencies (%)		14,8	33,9	33,7	11,8	0,0
<b>Total:</b>	4	100	100	100	100	100
Number of fund members	5	108	598	764	36	37
Number of pensioners	6	0	0	319	0	0
Old-age pension (%)		100,0	0,0	100,0	100	84
Disability pension (%)		0,0	0,0	0,0	0	16
Pension to surviving spouse (%)		0,0	0,0	0,0	0	0
Pension to surviving children (%)		0,0	0,0	0,0	0	0
Other pension	7	0,0	0,0	0,0	0	0
<b>Total:</b>		100	0	100	100	100
Pensions' burden	8	2,6%	0,0%	0,3%	19,5%	55,2%

### Miscellaneous remarks:

\*Established 1/7/2002

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.

## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEME 2004

Amounts in 000 IKR.		Lífeyrissj. Vestur- lands (22)	Íslenski lífeyris- sjóðurinn (24)				Lífeyrissj. Rangæinga (30)
			Líf I	Líf II	Líf III	Líf IV	
<b>Assets</b>							
Net real rate of return	1	5,2%	7,9%	7,2%	7,3%	6,1%	2,0%
Average net real rate of return 1999-200	2	1,1%	0,9%	1,6%	3,4%	*	*
Quoted variable yield securities (%)		32,2	94,3	96,3	96,1	0,0	26,1
Quoted fixed rate securities (%)		67,8	4,8	2,4	1,8	0,0	73,9
Unquoted variable yield securities (%)		0,0	0,9	0,9	0,0	0,0	0,0
Unquoted fixed yield securities (%)		0,0	0,0	0,4	2,1	0,0	0,0
Mortgages (%)		0,0	0,0	0,0	0,0	0,0	0,0
Other investments (%)		0,0	0,0	0,0	0,0	100,0	0,0
<b>Total:</b>	3	100	100	100	100	100	100
Assets in ISK (%)		75,2	69,5	79,2	91,4	100,0	82,0
Assets in foreign currencies (%)		24,8	30,6	20,8	8,6	0,0	18,0
<b>Total:</b>	4	100	100	100	100	100	100
Number of fund members	5	1.050	4.003	2.096	401	808	78
Number of pensioners	6	0	14	47	96	0	0
Old-age pension (%)		0,0	37,4	77,3	96,7	0,0	0,0
Disability pension (%)		0,0	44,2	7,9	0,0	0,0	0,0
Pension to surviving spouse (%)		0,0	0,0	8,7	3,3	0,0	0,0
Pension to surviving children (%)		0,0	18,5	6,1	0,0	0,0	0,0
Other pension	7	0,0	0,0	0,0	0,0	0,0	0,0
<b>Total:</b>		0	100	100	100	0	0
Pensions' burden	8	0,0%	0,9%	3,0%	70,0%	2,1%	0,0%

### Miscellaneous remarks:

Exchange rate  
calculated daily

Exchange rate calculated daily

\*Established 2004

\*Established 2002

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.

## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEME 2004

Amounts in 000 IKR.		Lífeyrissj. Tannl.fél. Íslands (33)	Allar deildir Samtals  (42 divisions)
<b>Assets</b>			
Net real rate of return	1	8,4%	8,60%
Average net real rate of return 1999-200	2	2,7%	
Quoted variable yield securities (%)		89,3	59,1%
Quoted fixed rate securities (%)		3,9	26,3%
Unquoted variable yield securities (%)		2,5	2,6%
Unquoted fixed yield securities (%)		0,1	1,5%
Mortgages (%)		4,2	3,9%
Other investments (%)		0,0	6,4%
<b>Total:</b>	3	100	<b>100%</b>
Assets in ISK (%)		85,3	72,6%
Assets in foreign currencies (%)		14,7	27,4%
<b>Total:</b>	4	100	<b>100%</b>
Number of fund members	5	310	114.013
Number of pensioners	6	27	2.692
Old-age pension (%)		91,9	63,2%
Disability pension (%)		1,4	2,1%
Pension to surviving spouse (%)		4,8	5,7%
Pension to surviving children (%)		2,0	3,0%
Other pension	7	0,0	25,9%
<b>Total:</b>		100	<b>100%</b>
Pensions' burden	8	67,9%	8,3%

### Miscellaneous remarks:

#### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (3,9% increase in 2004) where operating cost has been deducted from investment income.
2. Average net real rate of return for the last five years according to the annual accounts.
3. Proportion of other investments.
4. Proportion of other by currencies.
5. Average number of fund members contributing premiums in 2004.
6. Average number of pensioners receiving payment in 2004.
7. Other pension is inheritance paid from private pension plans.
8. Pension in percentages of premiums.

## **6. SPECIFICATION OF INVESTMENT AS OF 31 DECEMBER 2004 IN ACCORDANCE WITH ACT 129/1997**

This chapter contains a more detailed specification of pension fund investment. The data is compiled from special reports which are collected by the FME from the pension funds and drafted in accordance with the investment authorisations stated in Article 36 of Act 129/1997.

Pension funds operating in financially separated divisions, i.e. departments with their own investment policy and a separate portfolio of assets, must ensure that each division complies with the investment authorisations of the Pension Fund Act.

In the following specifications, assets are listed in 4 major categories, i.e. marketable bonds, other securities, shares and deposits with banks and savings. A pension fund's ownership in unit share certificates or shares in collective investment undertakings (UCITS) or investment funds, as provided for in Act No. 30/2003 is shown at the bottom of the survey, pursuant to Article 36, which stipulates that the portfolio represented by these units or shares shall be divided between the appropriate investment items – marketable bonds, other securities, shares or deposits with banks and savings. Unit share certificates or shares of other funds for collective investment are listed under marketable bonds or other securities.

Unquoted securities as defined by Article 36 are securities that do not have a registered buying and selling rate on a regulated market. The Act does, however, contain exemptions permitting the listing of unquoted securities as quoted ones despite their failure to meet the above-mentioned requirement. Pension funds which purchased securities to help finance housing loans on behalf of the State Housing Fund and the Workers' Building Fund between 1972 and 1994 may thus classify those securities as quoted securities. In the specifications below, they are categorised as marketable bonds. The same applies to securities received by the pension funds of State employees and Reykjavík City employees respectively on account of the settlement of obligations prior to the entry into effect of the Pension Fund Act in July 1998. Legal restrictions on assets in unquoted shares do not apply to mortgage securities. In the following specifications they are grouped with other bonds but not included in the sum total for unquoted securities.

Pursuant to interim provisions in the Pension Fund Act, no pension fund operating at the time the law entered into effect was obliged to sell off assets in order to meet the limits stipulated in Article 36 of the Act. The funds may, however, not purchase securities while remaining above the statutory maximum and those that were below the statutory maximum must respect that limit.

## 6.1. SPECIFICATION OF INVESTMENT AS OF 31. DEC. 2004 IN ACCORDANCE WITH ACT. 129/1997

Amounts in 000 IKR.	Lífeyrissj. st. ríkisins			Lífeyrissj. verslunar- manna			Lífeyrissj. Framsýn			Lífeyrissj. sjómanna		
	B-deild	A-deild	(1) Leið I	Leið II	Leið III	(2)	(3) Tryggingar- deild	Séreigna- deild	Tryggingar- deild	(4) deild/leið I	deild/leið II	deild/leið III
<b>Marketable bonds</b>												
Treasure notes and bonds	37.466	8.057	1.104	407	0	36.029	22.536	561	22.061	78	9	0
Municipalities bonds	3.849	1.886	16	3	0	574	1.694	34	508	0	0	0
Credit institutions notes and bonds	4.478	2.396	204	66	0	9.068	3.694	55	3.844	6	0	0
Investment funds, other	0	0	0	0	0	27.985	1.560	0	988	2	0	0
Other securities	3.629	2.726	123	31	0	5.976	5.591	135	4.183	5	1	0
<b>Total</b>	<b>49.422</b>	<b>15.065</b>	<b>1.447</b>	<b>507</b>	<b>0</b>	<b>79.632</b>	<b>35.075</b>	<b>785</b>	<b>31.584</b>	<b>91</b>	<b>10</b>	<b>0</b>
<b>Other securities</b>												
Treasure notes and bonds	193	0	0	0	0	1.761	1.070	0	1.703	0	0	0
Municipalities bonds	3.112	1.214	0	0	0	538	854	0	380	0	0	0
Credit institutions notes and bonds	1.536	605	0	0	0	4.744	773	0	2.103	0	1	0
Investment funds, other	0	0	0	0	0	0	1.023	0	0	0	0	0
Other securities	2.068	1.531	0	0	0	354	1.358	0	437	0	0	0
Mortgage loans	17.896	7.732	0	0	0	23.516	6.866	0	2.241	0	0	0
<b>Total</b>	<b>24.805</b>	<b>11.082</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30.913</b>	<b>11.944</b>	<b>0</b>	<b>6.864</b>	<b>0</b>	<b>1</b>	<b>0</b>
<b>Shares</b>												
Listed shares	46.902	22.522	835	119	0	61.783	26.927	210	25.655	30	2	0
Unlisted shares	1	0	0	0	0	10	44	0	47	0	0	0
<b>Total</b>	<b>46.902</b>	<b>22.522</b>	<b>835</b>	<b>119</b>	<b>0</b>	<b>61.793</b>	<b>26.971</b>	<b>210</b>	<b>25.702</b>	<b>30</b>	<b>2</b>	<b>0</b>
<b>Other investments</b>												
Deposits with banks and savings	1.518	0	35	15	282	4.384	975	33	551	5	0	23
<b>INVESTMENTS TOTAL</b>	<b>122.647</b>	<b>48.669</b>	<b>2.317</b>	<b>641</b>	<b>282</b>	<b>176.722</b>	<b>74.965</b>	<b>1.028</b>	<b>64.701</b>	<b>126</b>	<b>13</b>	<b>23</b>
<i>Thereof foreign securities</i>	27.429	27.429	15.613	696	114	36.972	14.760	94	9.592	49	1	0
<i>Thereof unlisted securities</i>	6.910	3.350	0	0	0	7.407	5.122	0	4.670	0	1	0
<i>Thereof unit shares</i>	20.059	20.059	12.003	666	104	0	8.194	105	9.323	142	12	0

## 6.1. SPECIFICATION OF INVESTMENT AS OF 31. DEC. 2004 IN ACCORDANCE WITH ACT. 129/1997

Amounts in 000 IKR.	Sameinaði lífeyris-sjóðurinn (5)		Lífeyrissj. Norðurlands (6)	Frjálsi lífeyris-sjóðurinn (7)			Söfnunarsj. lífeyris-réttinda (8)		
	Tryggingar-deild	Séreigna-deild	Tryggingar-deild	Deild/leið I	Deild/leið II	Deild/leið III	Tryggingar-deild	Séreigna-deild	
<b>Marketable bonds</b>									
Treasure notes and bonds	17.873	199	14.964	2.417	10.805	1.305	0	15.962	91
Municipalities bonds	1.085	85	494	0	1	0	0	1.048	0
Credit institutions notes and bonds	3.927	555	2.222	159	554	122	0	2.396	15
Investment funds, other	387	0	1.116	184	948	65	0	0	0
Other securities	1.664	330	2.966	137	2.042	66	0	1.341	21
<b>Total</b>	<b>24.936</b>	<b>1.169</b>	<b>21.762</b>	<b>2.897</b>	<b>14.350</b>	<b>1.558</b>	<b>0</b>	<b>20.747</b>	<b>127</b>
<b>Other securities</b>									
Treasure notes and bonds	351	0	0	0	21	0	0	34	0
Municipalities bonds	663	0	1	21	75	0	0	252	0
Credit institutions notes and bonds	655	1	167	24	17	3	0	239	0
Investment funds, other	62	0	87	5	143	0	0	0	0
Other securities	248	21	47	110	400	19	0	52	0
Mortgage loans	7.940	339	1.273	0	81	0	0	1.061	0
<b>Total</b>	<b>9.919</b>	<b>361</b>	<b>1.575</b>	<b>160</b>	<b>737</b>	<b>22</b>	<b>0</b>	<b>1.638</b>	<b>0</b>
<b>Shares</b>									
Listed shares	21.787	96	13.377	1.954	9.657	272	0	10.319	54
Unlisted shares	112	0	399	2	8	0	0	1	0
<b>Total</b>	<b>21.899</b>	<b>96</b>	<b>13.776</b>	<b>1.956</b>	<b>9.665</b>	<b>272</b>	<b>0</b>	<b>10.320</b>	<b>54</b>
<b>Other investments</b>									
Deposits with banks and savings	339	11	1.769	28	205	8	3.754	486	0
<b>INVESTMENTS TOTAL</b>	<b>57.093</b>	<b>1.637</b>	<b>38.882</b>	<b>5.041</b>	<b>24.957</b>	<b>1.860</b>	<b>3.754</b>	<b>33.191</b>	<b>181</b>
<i>Thereof foreign securities</i>	16.528	96	9.999	1.639	8.689	204	0	6.066	39
<i>Thereof unlisted securities</i>	2.091	22	701	162	664	22	0	578	0
<i>Thereof unit shares</i>	14.922	58	6.934	2.199	10.235	796	0	6.435	191

## 6.1. SPECIFICATION OF INVESTMENT AS OF 31. DEC. 2004 IN ACCORDANCE WITH ACT. 129/1997

Amounts in 000 IKR.	Almenni lífeyrissj.					Lífeyrissj. Lífiðn		Lífeyrissj. banka- manna		Samvinnu- lífeyris- sjóðurinn	
	Tryggingar- deild	Ævisafn I	(9) Ævisafn II	Ævisafn III	Ævisafn IV	(10) Tryggingar- deild	Séreigna- deild	(11) Stigadeild	Hlutfalls- deild	(12)	
<b>Marketable bonds</b>											
Treasure notes and bonds	1.454	737	4.081	561	0	7.959	26	1.941	8.681	4.884	
Municipalities bonds	150	74	419	32	0	311	0	3	22	432	
Credit institutions notes and bonds	907	1.118	2.512	307	0	1.555	0	569	2.438	2.132	
Investment funds, other	0	0	0	0	0	91	0	0	0	270	
Other securities	793	337	2.208	263	0	1.278	109	518	1.679	4.460	
<b>Total</b>	<b>3.304</b>	<b>2.266</b>	<b>9.220</b>	<b>1.163</b>	<b>0</b>	<b>11.194</b>	<b>135</b>	<b>3.031</b>	<b>12.820</b>	<b>12.178</b>	
<b>Other securities</b>											
Treasure notes and bonds	3	8	45	1	0	256	0	306	1.997	11	
Municipalities bonds	49	25	152	12	0	169	0	2	22	48	
Credit institutions notes and bonds	59	31	180	18	0	211	0	25	323	34	
Investment funds, other	0	0	0	0	0	21	0	0	0	0	
Other securities	37	18	110	12	0	293	24	18	105	533	
Mortgage loans	357	211	1.129	91	0	6.228	315	840	1.274	2.596	
<b>Total</b>	<b>505</b>	<b>293</b>	<b>1.616</b>	<b>134</b>	<b>0</b>	<b>7.178</b>	<b>339</b>	<b>1.191</b>	<b>3.721</b>	<b>3.222</b>	
<b>Shares</b>											
Listed shares	2.621	2.487	7.752	306	0	7.675	51	1.351	2.715	6.998	
Unlisted shares	0	0	0	0	0	44	0	3	1	809	
<b>Total</b>	<b>2.621</b>	<b>2.487</b>	<b>7.752</b>	<b>306</b>	<b>0</b>	<b>7.719</b>	<b>51</b>	<b>1.354</b>	<b>2.716</b>	<b>7.807</b>	
<b>Other investments</b>											
Deposits with banks and savings	40	28	52	6	940	334	44	265	260	688	
<b>INVESTMENTS TOTAL</b>	<b>6.470</b>	<b>5.074</b>	<b>18.640</b>	<b>1.609</b>	<b>940</b>	<b>26.425</b>	<b>569</b>	<b>5.841</b>	<b>19.517</b>	<b>23.895</b>	
<i>Thereof foreign securities</i>	2.027	2.045	6.143	237	0	4.815	0	961	2.520	2.499	
<i>Thereof unlisted securities</i>	148	82	487	43	0	994	24	354	2.448	1.435	
<i>Thereof unit shares</i>	5.316	3.572	15.066	1.387	0	2.296	51	2.443	10.032	1.303	

## 6.1. SPECIFICATION OF INVESTMENT AS OF 31. DEC. 2004 IN ACCORDANCE WITH ACT. 129/1997

Amounts in 000 IKR.	Lífeyrissj. lækna (13)	Lífeyrissj. Austur- lands (14)	Lífeyrissj. Vest- firðinga (15)	Lífeyrissj. verk- fræðinga (16)	Lífeyrissj. hjúkrunar- fræðinga (17)	Lífeyrissj. Suður- nesja (18)	Lífeyrissj. Vestmanna- eyja (19)	Lífeyrissj. bænda (20)	
		Tryggingar- deild	Séreigna- deild						
<b>Marketable bonds</b>									
Treasure notes and bonds	6.439	5.620	31	4.381	2.481	4.283	7.588	4.717	4.524
Municipalities bonds	565	66	0	705	70	541	120	302	150
Credit institutions notes and bonds	1.342	717	2	1.533	2.978	547	1.744	1.415	1.474
Investment funds, other	0	1.110	0	55	232	0	101	114	6
Other securities	928	1.870	2	1.332	1.659	555	521	707	956
<b>Total</b>	<b>9.274</b>	<b>9.383</b>	<b>35</b>	<b>8.006</b>	<b>7.420</b>	<b>5.926</b>	<b>10.074</b>	<b>7.255</b>	<b>7.110</b>
<b>Other securities</b>									
Treasure notes and bonds	49	1	0	6	0	15	0	36	551
Municipalities bonds	175	33	0	354	48	314	119	137	299
Credit institutions notes and bonds	245	97	0	324	119	383	145	155	501
Investment funds, other	0	30	0	7	0	0	102	16	16
Other securities	10	622	0	74	335	253	197	106	64
Mortgage loans	1.997	1.042	0	591	4.087	1.599	1.061	0	743
<b>Total</b>	<b>2.476</b>	<b>1.825</b>	<b>0</b>	<b>1.356</b>	<b>4.589</b>	<b>2.564</b>	<b>1.624</b>	<b>450</b>	<b>2.174</b>
<b>Shares</b>									
Listed shares	6.695	6.220	24	4.908	5.053	6.413	2.419	6.297	4.282
Unlisted shares	76	147	0	103	0	0	529	53	15
<b>Total</b>	<b>6.771</b>	<b>6.367</b>	<b>24</b>	<b>5.011</b>	<b>5.053</b>	<b>6.413</b>	<b>2.948</b>	<b>6.350</b>	<b>4.297</b>
<b>Other investments</b>									
Deposits with banks and savings	17	467	1	205	304	219	581	851	168
<b>INVESTMENTS TOTAL</b>	<b>18.538</b>	<b>18.042</b>	<b>60</b>	<b>14.578</b>	<b>17.366</b>	<b>15.122</b>	<b>15.227</b>	<b>14.906</b>	<b>13.749</b>
<i>Thereof foreign securities</i>	3.779	4.702	19	4.006	3.909	3.968	2.453	3.618	2.951
<i>Thereof unlisted securities</i>	555	930	0	868	502	965	1.092	503	1.446
<i>Thereof unit shares</i>	10.948	8.417	59	2.911	1.934	2.971	4.860	2.958	9.803



## 6.1. SPECIFICATION OF INVESTMENT AS OF 31. DEC. 2004 IN ACCORDANCE WITH ACT. 129/1997

Amounts in 000 IKR.	Tryggingar- deild	Lífeyrissj. starfsm. sveitarfél. (21)			leið III	Lífeyrissj. Vestur- lands (22)		Lífeyrissj. starfsm. Reykjavb. (23)		Íslenski lífeyris- sjóðurinn (24)			
		leið I	leið II					Tryggingar- deild	Líf 1	Líf 2	Líf3	Líf 4	
<b>Marketable bonds</b>													
Treasure notes and bonds	3.814	144	34	0	4.611	4.680	298	792	1.271	396	0		
Municipalities bonds	111	0	0	0	617	61	14	6	19	3	0		
Credit institutions notes and bonds	1.256	18	2	0	984	153	129	361	546	215	0		
Investment funds, other	216	4	0	0	16	2	0	0	0	0	0		
Other securities	831	11	2	0	1.151	601	171	470	700	265	0		
<b>Total</b>	<b>6.228</b>	<b>177</b>	<b>38</b>	<b>0</b>	<b>7.379</b>	<b>5.497</b>	<b>612</b>	<b>1.629</b>	<b>2.536</b>	<b>879</b>	<b>0</b>		
<b>Other securities</b>													
Treasure notes and bonds	0	0	0	0	22	0	0	0	7	1			
Municipalities bonds	212	0	0	0	125	0	0	9	22	27			
Credit institutions notes and bonds	188	0	0	0	452	18	11	30	39	21			
Investment funds, other	69	3	0	0	30	31	9	29	43	0			
Other securities	83	1	0	0	55	0	13	33	56	17			
Mortgage loans	1.681	0	0	0	4	1.742	0	0	0	1			
<b>Total</b>	<b>2.233</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>688</b>	<b>1.791</b>	<b>33</b>	<b>101</b>	<b>167</b>	<b>67</b>	<b>0</b>		
<b>Shares</b>													
Listed shares	2.307	118	7	0	2.720	147	423	1.875	1.902	229	0		
Unlisted shares	3	0	0	0	4	0	1	2	3	0	0		
<b>Total</b>	<b>2.310</b>	<b>118</b>	<b>7</b>	<b>0</b>	<b>2.724</b>	<b>147</b>	<b>424</b>	<b>1.877</b>	<b>1.905</b>	<b>229</b>	<b>0</b>		
<b>Other investments</b>													
Deposits with banks and savings	978	4	0	0	329	157	0	41	1	0	160		
<b>INVESTMENTS TOTAL</b>	<b>11.749</b>	<b>303</b>	<b>45</b>	<b>0</b>	<b>11.120</b>	<b>7.592</b>	<b>1.069</b>	<b>3.648</b>	<b>4.609</b>	<b>1.175</b>	<b>160</b>		
<i>Thereof foreign securities</i>	2.159	101	6	0	1.655	146	314	1.242	1.401	177			
<i>Thereof unlisted securities</i>	555	4	0	0	688	49	34	103	170	66	0		
<i>Thereof unit shares</i>	4.594	233	46	0	1.241	1.068	1.031	3.191	4.408	1.130			

## 6.1. SPECIFICATION OF INVESTMENT AS OF 31. DEC. 2004 IN ACCORDANCE WITH ACT. 129/1997

Amounts in 000 IKR.	Eftirlauna- sjóður FÍA (25)	Lífeyrissj. starfsm. Búnaðarb. (26)	Lífeyrissj. Suðurlands (27)	Eftirlaunasj. starfsm. Íslandsb. hf. (28)	Lífeyrissj. Eimskipa- félags Ísl (29)		Lífeyrissj. Rangæinga (30)		Lífeyrissj. Bolungar- víkur (31)
					Deild I	Deild II	Tryggingar- deild	Séreigna- deild	
<b>Marketable bonds</b>									
Treasure notes and bonds	2.769	3.782	1.630	2.509	1.235	94	670	7	1.008
Municipalities bonds	59	129	57	265	54	0	4	0	1
Credit institutions notes and bonds	1.217	1.162	715	418	401	14	163	1	209
Investment funds, other	0	0	180	0	0	0	0	0	28
Other securities	1.707	255	724	539	331	3	357	1	75
<b>Total</b>	<b>5.752</b>	<b>5.328</b>	<b>3.306</b>	<b>3.731</b>	<b>2.021</b>	<b>111</b>	<b>1.194</b>	<b>9</b>	<b>1.321</b>
<b>Other securities</b>									
Treasure notes and bonds	13	1.539	1	1	0	0	844	0	0
Municipalities bonds	43	234	119	61	14	36	1	0	57
Credit institutions notes and bonds	283	0	138	126	111	33	13	0	124
Investment funds, other	0	0	40	0	0	0	8	0	9
Other securities	95	0	50	28	30	0	56	0	11
Mortgage loans	1.185	371	663	0	77	4	15	0	59
<b>Total</b>	<b>1.619</b>	<b>2.144</b>	<b>1.011</b>	<b>216</b>	<b>232</b>	<b>73</b>	<b>937</b>	<b>0</b>	<b>260</b>
<b>Shares</b>									
Listed shares	2.742	1.778	2.559	0	662	0	297	3	514
Unlisted shares	3	0	39	0	0	0	8	0	7
<b>Total</b>	<b>2.745</b>	<b>1.778</b>	<b>2.598</b>	<b>0</b>	<b>662</b>	<b>0</b>	<b>305</b>	<b>3</b>	<b>521</b>
<b>Other investments</b>									
Deposits with banks and savings	39	401	242	1	21	0	484	0	417
<b>INVESTMENTS TOTAL</b>	<b>10.155</b>	<b>9.651</b>	<b>7.157</b>	<b>3.948</b>	<b>2.936</b>	<b>184</b>	<b>2.920</b>	<b>12</b>	<b>2.519</b>
<i>Thereof foreign securities</i>	3.521	68	2.312	0	263	0	2.928	2	444
<i>Thereof unlisted securities</i>	437	1.773	387	216	155	69	930	0	208
<i>Thereof unit shares</i>	6.300	207	3.660	3.410	629	4	1.203	13	1.146

## 6.1. SPECIFICATION OF INVESTMENT AS OF 31. DEC. 2004 IN ACCORDANCE WITH ACT. 129/1997

Amounts in 000 IKR.

	Lífeyrissj. Flugvirkjaf. Íslands (32)	Lífeyrissj. Tannlfél. Íslands (33)	Lífeyrissj. stm. Kópa- vogsbæjar (34)	Eftirlaunasj. Hafnarfj- kaupst. (35)	Lífeyrissj. Mjólkur- samsöl. (36)	Lífeyrissj. stm. Akur- eyrarbæjar (37)	Lífeyrissj. Akranes- kaupst. (38)	Eftirlaunasj. stm. Olíu- versl. Ísl. (39)	Eftirlaunasj. Sláturfélags Suðurlands (40)	Eftirlaunasj. Reykjanes- bæjar (41)
<b>Marketable bonds</b>										
Treasure notes and bonds	933	426	224	387	528	0	212	294	12	248
Municipalities bonds	19	15	0	20	4	0	1	2	0	8
Credit institutions notes and bonds	265	272	294	213	225	0	96	104	41	30
Investment funds, other	0	0	0	0	0	0	0	0	1	7
Other securities	588	397	3	184	304	93	118	161	32	0
<b>Total</b>	<b>1.805</b>	<b>1.110</b>	<b>521</b>	<b>804</b>	<b>1.061</b>	<b>93</b>	<b>427</b>	<b>561</b>	<b>86</b>	<b>289</b>
<b>Other securities</b>										
Treasure notes and bonds	1	0	0	0	0	0	0	6	0	0
Municipalities bonds	19	5	23	13	4	0	11	3	68	0
Credit institutions notes and bonds	51	20	0	0	23	0	28	55	52	0
Investment funds, other	19	14	0	0	14	0	9	7	4	0
Other securities	31	25	83	46	21	13	7	10	30	11
Mortgage loans	35	67	473	341	19	0	62	0	5	82
<b>Total</b>	<b>156</b>	<b>131</b>	<b>579</b>	<b>400</b>	<b>81</b>	<b>13</b>	<b>117</b>	<b>81</b>	<b>159</b>	<b>93</b>
<b>Shares</b>										
Listed shares	457	482	238	410	334	0	402	61	2	144
Unlisted shares	2	1	6	2	1	0	1	0	0	0
<b>Total</b>	<b>459</b>	<b>483</b>	<b>244</b>	<b>412</b>	<b>335</b>	<b>0</b>	<b>403</b>	<b>61</b>	<b>2</b>	<b>144</b>
<b>Other investments</b>										
Deposits with banks and savings	2	6	21	8	2	0	2	0	371	66
<b>INVESTMENTS TOTAL</b>	<b>2.422</b>	<b>1.730</b>	<b>1.365</b>	<b>1.624</b>	<b>1.479</b>	<b>106</b>	<b>949</b>	<b>703</b>	<b>618</b>	<b>592</b>
<i>Thereof foreign securities</i>	255	350	417	324	217	202	255	704	7	127
<i>Thereof unlisted securities</i>	123	65	112	61	63	13	56	81	154	11
<i>Thereof unit shares</i>	1.626	1.560	915	360	1.345	619	721	517	0	297

## 6.1. SPECIFICATION OF INVESTMENT AS OF 31. DEC. 2004 IN ACCORDANCE WITH ACT. 129/1997

Amounts in 000 IKR.	Lífeyrissj. starfsm. Áburðarv. (42)	Lífeyris- sjóðurinn Skjöldur (43)	Lífeyrissj. stm. Húsavíkur- kaupstaðar (44)	Lífeyrissj. Neskaup- staðar (45)	Eftirlaunasj. starfsm. Útvegsb. Ísl. (46)	Lífeyrissj. stm. Rvík.- apóteks (47)	Lífeyrissj. stm. Vestm- eyjabæjar (48)	TOTAL
<b>Marketable bonds</b>								
Treasure notes and bonds	238	127	160	119	16	9	1	295.990
Municipalities bonds	0	37	36	0	0	0	0	16.777
Credit institutions notes and bonds	105	201	71	11	0	0	0	66.943
Investment funds, other	0	0	0	0	0	0	0	35.668
Other securities	93	18	68	14	0	0	0	61.409
<b>Total</b>	<b>436</b>	<b>383</b>	<b>335</b>	<b>144</b>	<b>16</b>	<b>9</b>	<b>1</b>	476.787
<b>Other securities</b>								
Treasure notes and bonds	0	2	0	0	0	0	0	10.855
Municipalities bonds	1	0	0	0	0	0	0	10.175
Credit institutions notes and bonds	5	0	0	3	0	0	0	15.542
Investment funds, other	0	0	0	0	0	0	0	1.850
Other securities	7	0	0	3	0	0	0	10.271
Mortgage loans	1	24	12	5	27	0	3	100.064
<b>Total</b>	<b>14</b>	<b>26</b>	<b>12</b>	<b>11</b>	<b>27</b>	<b>0</b>	<b>3</b>	148.757
<b>Shares</b>								
Listed shares	67	0	6	0	0	0	0	337.654
Unlisted shares	0	0	0	1	0	0	10	2.498
<b>Total</b>	<b>67</b>	<b>0</b>	<b>6</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>10</b>	340.151
<b>Other investments</b>								
Deposits with banks and savings	2	48	34	54	47	0	44	23.872
<b>INVESTMENTS TOTAL</b>	<b>519</b>	<b>457</b>	<b>387</b>	<b>210</b>	<b>90</b>	<b>9</b>	<b>58</b>	989.567
<i>Thereof foreign securities</i>	37	0	6	0	0	0	0	246.301
<i>Thereof unlisted securities</i>	13	2	0	7	0	0	10	51.191
<i>Thereof unit shares</i>	474	0	202	90	0	0	0	241.004

## **7. PENSION SAVINGS AND SUPPLEMENTARY INSURANCE COVER**

This chapter gives a summary overview of information on private pension savings which the FME has specifically requested from pension savings depositories.

Act 129/1997 on the Mandatory Guarantee of Pension Rights and the Operations of Pension Funds, which took effect on 1 July 1998, authorises pension funds, banks, savings banks, securities firms and life insurance companies to receive pension savings on the basis of pension savings and supplementary insurance benefit contracts, thus enabling individuals to build up their own private pension savings in addition to the statutory minimum coverage of the mutual pension schemes. Pension funds were also authorised to define premiums for the statutory minimum coverage in such a way that a part of the premium could be paid into a private pension account, known as restricted private pension scheme. When the time comes to draw pension, the fund member receives payments from the restricted private account and the mutual fund, which together ensure minimum insurance coverage. In cases where it is unnecessary to divide the entire premium for minimum insurance coverage between the restricted private account and the mutual divisions, the remainder may be contributed towards supplementary pension coverage. The summaries below detail both private pension savings deriving from premiums towards pension savings and supplementary pension coverage and private pension savings from premiums towards minimum insurance coverage.

Private pension savings deposited with pension funds and other depositories amounted to ISK 110.5 billion at year-end 2004, compared with ISK 30.6 billion at the year-end 1999. Cumulative private pension savings growth comes to an average of 21% per year from 1999. By far the largest share of these savings, or ISK 68.0 billion, were held by pension funds which had operated as private pension schemes prior to the entry into effect of Act 129/1997. Pursuant to the Act, the funds subsequently established mutual insurance divisions in 1999 for premiums for minimum insurance coverage. Depositories other than pension funds held ISK 28.6 billion at year-end 2004 and other pension funds held ISK 14.0 billion. Private pension savings premiums totalled ISK 17.3 billion in 2004, compared with ISK 15.9 billion in 2003 and pension paid amounted ISK 1.1 billion.

At the end of 2004, some 50 parties offered pension savings and supplementary insurance coverage contracts, viz. 20 pension funds, 3 banks, 23 savings banks, 1 securities firm and 3 life insurance companies.

## 7.1. DEVELOPMENT OF PENSION SAVINGS BY PENSION FUNDS AND OTHER DEPOSITORIES

Amounts in 000 IKR.	Assets		Premiums		Pension	
	30.12.2004	31.12.2003	2004	2003	2004	2003
Pension funds operating purely as personal pension savings funds prior to the entry into effect of Act 129/1997 <sup>(1)</sup>	67.976.199	57.471.442	6.606.945	6.053.332	666.256	626.155
Other pension funds	13.984.766	9.417.403	2.915.826	2.837.020	120.754	87.297
Depositories other than pension funds <sup>(2)</sup>	28.569.505	16.211.506	7.795.395	7.015.135	314.354	140.093
<b>Total:</b>	<b>110.530.470</b>	<b>83.100.351</b>	<b>17.318.166</b>	<b>15.905.487</b>	<b>1.101.364</b>	<b>853.545</b>
<sup>(1)</sup> Private account for supplementary cover (bundin séreign)	8.807.230	6.485.759	1.227.080	1.356.385	22.013	7.528
Supplementary pension cover*	59.168.969	50.985.683	5.379.865	4.696.947	644.242	618.627
<b>Total:</b>	<b>67.976.199</b>	<b>57.471.442</b>	<b>6.606.945</b>	<b>6.053.332</b>	<b>666.255</b>	<b>626.155</b>
*Thereof from mandatory 10% premium	7.891.945	6.528.551	685.557	613.242		
			Assets			
	31.12.2004	31.12.2003	31.12.2002	31.12.2001	31.12.2000	31.12.1999
<sup>(2)</sup>						
Banks and securities firms	21.472.925	12.404.684	7.013.146	4.606.376	1.883.175	569.730
Savings banks	5.095.430	3.359.891	1.794.358	746.247	81.456	27.303
Life insurance companies	2.001.150	446.931	254.123	173.377	51.639	16.001
<b>Total:</b>	<b>28.569.505</b>	<b>16.211.506</b>	<b>9.061.627</b>	<b>5.526.000</b>	<b>2.016.270</b>	<b>613.034</b>
Total members at year end 2004	91.297	72.882	52.268	36.006		
Average number of fund members contributing premiums in 2004	55.044	61.590	35.340	26.287	11.907	
Average number of pensioners receiving payment in 2004	643	201	207	65	0	