

**FINANCIAL SUPERVISORY AUTHORITY  
ICELAND**

## Pension funds in Iceland

*Annual Accounts for 2008  
and other Information*

**Reykjavík 2009**

FINANCIAL SUPERVISORY AUTHORITY (FME)

Pension funds

*Annual Reports 2008*

*Financial Reports*

*Other Information*

Publishing right: Financial Supervisory Authority. Material may be reproduced from this publication but an acknowledgement of source is requested.

## TABLE OF CONTENTS

	<u>Page</u>
1. Preface .....	4
2. List of pension funds	
2.1 Pension funds listed by alphabetical order .....	7
2.2 Pension funds listed by net assets .....	8
2.3 Pension funds listed by schemes .....	9
3. Financial Statements, total figures .....	10
3.1 Statements of changes in net assets for pension payment .....	11
3.2 Balance sheets .....	17
3.3 Cash Flow .....	23
4. Annual Accounts of Mutual Insurance Divisions .....	29
4.1 Mutual Insurance Div., Changes, Balance Sheets and Cash Flow .....	31
4.2 Financial Ratios for Mutual Insurance Divisions .....	38
5. Annual Accounts of Personal Pension Divisions .....	45
5.1 Personal Pension Schemes, Changes, Balance Sheets and Cash Flow .....	46
5.2 Financial Ratios for Personal Pension Divisions .....	53
6. Specification of Investments in accordance with Act 129/1997 .....	60
6.1 Specifications .....	61
7. Pension Savings and Supplementary Insurance Cover .....	70
7.1 Development of Pension Savings by Pension Funds and other Depositories .....	71

## 1. PREFACE

This report contains various statistical information compiled from the annual accounts of pension funds for the year 2008 and a special report on pension fund investment as of 31 December 2008. The preparation of the annual financial statements of pension funds is governed by Rules 55/2000, as amended by Rules 765/2002 and 1067/2004, which are based on the provisions of Act 129/1997 on the Mandatory Guarantee of Pension Rights and the Operations of Pension Funds.

In 2008 unusual events occurred in the Icelandic economy. Due to the fall of the Icelandic commercial banks in October, the pension funds lost their shares in the banks, in addition they had to depreciate much of bank's bonds. The ISK fell by 80.24% and the averaged inflation was 16.36% in 2008, which had adversely affected many companies in the country including pension investments since their investments included shares in some of those companies. However, the foreign assets of pension funds increased due to depreciation of the currency and the ratio of foreign assets was unusually high at the end of 2008.

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. Chapter 3 contains total sums for all the divisions of each pension fund, Chapter 4 gives summary information for mutual funds and Chapter 5 gives summary information for 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 in Chapter 6. The data is collected from special reports, which the FME collects from the pension funds and are drafted in accordance with the investment authorizations stated in Article 36 of Act 129/1997. Because of above-mentioned financial crisis there is a discrepancy in the amounts in section 6.1 compared with other sections of this book, because the chapter is based on reports showing the breakdowns of investments pension fund, but not annual reports. The reports were submitted at the end of January 2009 and showed investment based on 31 December 2008. At the end of January there had not been depreciated as heavily as in the annual reports at the end of April, since more time had passed from the fall of commercial banks and asset prices fall and the status of the pensions' investments explained better.

The FME publishes 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 2008, a total of 37 pension funds were operating in Iceland, same as at the end of 2007. Of the 37 pension funds, 6 no longer receive premium payments, which leave a total of 31 fully active funds.

Of the 37 (37) pension funds, 23 (22) are defined contribution schemes without guarantee, whereas 12 (13) 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. 13) 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 1,597.9 billion at year-end 2008, compared with ISK 1,697.2 billion at the same time in 2007. This corresponds to an annual decrease of 5.9%, or a real decrease of 19.13% as measured by the consumer price index. Disposable funds as measured by cash flow in 2008 totaled ISK 674.9 billion, compared with ISK 686.1 billion the year before. In net terms, the real rate of return was -21.78% on the consumer-price index, compared with 0.48% in 2007. Premiums decreased between years from ISK 145.8 billion in 2007 to ISK 115.8 billion in 2008. The main reason for this reduction is that in 2007 two pension funds sold their holdings in Landsvirkjun, i.e. Lífeyrissjóður starfsmanna Reykjavíkurborgar which sold its share to 23.9 billion and Lífeyrissjóður starfsmanna Akureyrarbæjar which sold its share of 3 billion. The payment for the sale was received as deposit premiums from Akureyri and Reykjavík. Premiums increased substantially in 2007 due to increase in the minimum contributions to pension funds from 10% to 12%, according to Act 129/1997. Pensions paid in the year 2007 amounted to ISK 46.1 billion, compared to ISK 52.9 billion in 2008.

Private pension savings deposited with pension funds and other depositories amounted to ISK 255.6 billion at year-end 2008, compared with ISK 237.8 billion at the same time in 2007. Private pension savings in total amounted to around 16% of the total assets of the entire pension system. By far the largest share of these savings, or ISK 128.8 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 96.8 billion at year-end 2008 and other pension funds held ISK 29.9 billion. Private pension savings premiums totaled ISK 33.4 billion in 2008, compared with ISK 32.6 billion in 2007.

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 developed between the years as shown in the table here below:

	<b>2007</b>	<b>2008</b>
Positive	22	3
Deficit between 0,1% -5%	4	7
Deficit between 5,1%-10%	3	7
Deficit between 10,1% -15%	0	8
Deficit in excess of 15%	-	4
<b>Total:</b>	29	29

At year-end 2008 the position of 26 non-guaranteed mutual funds out of a total of 29 was negative, of which 12 with a deficit in excess of 10%, 7 had a deficit between 5%-10% and 7 showed a deficit ranging from 0%-5%. A total of 3 divisions showed positive results with a surplus ranging from 0%-10.2%. 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. In 29 December 2008, there was added a transitional provision which authorized pension funds to have up to 15% difference between the assets and present value of estimated pension payments based on actual valuation for the year 2008, without making changes to the Articles of Association of the fund. Four pension's funds showed a deficit in excess of 15% and therefore affecting their rights.

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 2008. The deficit of these divisions ranged from 28.2% to 100%. Only one division maintained equilibrium.

## 2.1. ALPHABETICAL ORDER

Following list shows operating pension funds at the year-end 2008 listed by alphabetical order.  
Total of 37 pension funds and 88 divisions.

<b>Nafn</b>	<b>Number of divisions</b>	<b>Number by size</b>
Almenni lífeyrissjóðurinn	8	6
Eftirlaunasjóður FÍA	1	21
Eftirlaunasjóður Reykjanesbæjar	1	27
Eftirlaunasjóður Sláturfélags Suðurlands	1	31
Eftirlaunasjóður starfsmanna Glitnis banka	1	24
Eftirlaunasjóður starfsmanna Hafnarfjarðarkaupstaðar	1	29
Eftirlaunasj. starfsm. Útvegsb. Íslands	1	37
Festa lífeyrissjóður	2	10
Frjálsi lífeyrissjóðurinn	5	8
Gildi lífeyrissjóður	4	3
Íslenski lífeyrissjóðurinn	5	15
Kjölur lífeyrissjóður	1	22
Lífeyrissjóður Akraneskaupstaðar	1	30
Lífeyrissjóður bankamanna	2	12
Lífeyrissjóður bænda	1	18
Lífeyrissjóður Eimskipafélags Íslands	1	35
Lífeyrissjóður hjúkrunarfræðinga	1	19
Lífeyrissjóður Neskaupstaðar	1	33
Lífeyrissjóður Rangæinga	1	25
Lífeyrissjóður starfsmanna Akureyrarbæjar	1	23
Lífeyrissjóður starfsmanna Búnaðarbanka Íslands hf.	1	20
Lífeyrissjóður starfsmanna Húsavíkurkaupstaðar	1	32
Lífeyrissjóður starfsmanna Kópavogsbæjar	1	26
Lífeyrissjóður starfsmanna Reykjavíkurborgar	1	11
Lífeyrissjóður starfsmanna ríkisins	5	1
Lífeyrissjóður starfsmanna sveitarfélaga	5	13
Lífeyrissjóður starfsmanna Vestmannaeyjabæjar	1	36
Lífeyrissjóður Tannlæknafélags Íslands	2	28
Lífeyrissjóður verkfræðinga	3	14
Lífeyrissjóður verslunarmanna	2	2
Lífeyrissjóður Vestfirðinga	2	17
Lífeyrissjóður Vestmannaeyja	3	16
Lífeyrissjóðurinn Skjöldur	1	34
Sameinaði lífeyrissjóðurinn	8	5
Stafir lífeyrissjóður	6	7
Stapi lífeyrissjóður	4	4
Söfnunarsjóður lífeyrisréttinda	2	9

## 2.2. PENSION FUNDS LISTED BY NET ASSETS 31.12.2008

			Net assets 31.12.2008 000 IKR	Net assets 31.12.2007 000 IKR	Increase in 2008 %
1	Lífeyrissjóður stm. ríkisins	1) 3)	286.856.302	316.841.498	-9,5%
2	Lífeyrissjóður verslunarmanna		248.760.967	269.069.350	-7,5%
3	Gildi lífeyrissjóður		208.942.135	238.231.846	-12,3%
4	Stapi lífeyrissjóður		95.743.586	91.989.503	4,1%
5	Sameinaði lífeyrissjóðurinn		90.474.233	96.572.517	-6,3%
6	Almenni lífeyrissjóðurinn		83.660.196	92.661.679	-9,7%
7	Stafir lífeyrissjóður		75.936.904	82.151.541	-7,6%
8	Frjálsi lífeyrissjóðurinn		68.051.848	66.028.104	3,1%
9	Söfnunarsjóður lífeyrisréttinda		58.223.216	56.001.481	4,0%
10	Festa lífeyrissjóður		54.563.437	55.295.393	-1,3%
11	Lífeyrissjóður stm. Reykjavíkurb.	1)	47.300.619	40.278.978	17,4%
12	Lífeyrissjóður bankamanna		39.139.723	38.058.605	2,8%
13	Lífeyrissjóður stm. sveitarfélaga	3)	33.596.965	28.408.507	18,3%
14	Lífeyrissjóður verkfræðinga		26.964.632	30.682.912	-12,1%
15	Íslenski lífeyrissjóðurinn		26.934.557	29.745.138	-9,4%
16	Lífeyrissjóður Vestmannaeyja		24.362.486	23.372.236	4,2%
17	Lífeyrissjóður Vestfirðinga		22.869.247	27.623.814	-17,2%
18	Lífeyrissjóður bænda		20.319.787	21.603.252	-5,9%
19	Lífeyrissjóður hjúkrunarfræðinga	1)	19.626.077	23.132.282	-15,2%
20	Lífeyrissjóður stm. Búnaðarb. Ísl.		13.968.831	12.954.380	7,8%
21	Eftirlaunasjóður FÍA		13.765.966	15.607.557	-11,8%
22	Kjölur lífeyrissjóður	2)	8.004.988	10.123.620	-20,9%
23	Lífeyrissjóður stm. Akureyrarbæjar	1)	6.721.325	5.921.817	13,5%
24	Eftirlaunasjóður stm. Glitnis banka	2)	6.393.439	7.222.999	-11,5%
25	Lífeyrissjóður Rangæinga		4.477.638	4.276.550	4,7%
26	Eftirlaunasjóður Reykjanesbæjar	1)	2.468.499	2.235.587	10,4%
27	Lífeyrissjóður stm. Kópavogsbæjar	1)	2.436.645	2.505.080	-2,7%
28	Lífeyrissjóður Tannlæknafélags Íslands		2.300.877	2.788.767	-17,5%
29	Eftirlaunasj. stm. Hafnarfjarðark.	1)	1.773.547	2.261.717	-21,6%
30	Lífeyrissjóður Akraneskaupstaðar	1)	889.070	1.146.206	-22,4%
31	Eftirlaunasjóður Sláturfélags Suðurlands	2)	750.080	761.710	-1,5%
32	Lífeyrissjóður stm. Húsavíkurk.	1)	526.499	481.478	9,4%
33	Lífeyrissjóður Neskaupstaðar	1)	504.378	449.568	12,2%
34	Lífeyrissjóðurinn Skjöldur	2)	389.420	472.544	-17,6%
35	Lífeyrissjóður Eimskipafélags Íslands hf.	1) 2)	115.563	172.493	-33,0%
36	Lífeyrissjóður stm. Vestm.eyjab.	1)	80.873	71.180	13,6%
37	Eftirlaunasj. stm. Útvegsb. Ísl.	1) 2)	1.888	5.688	-66,8%
	<b>Samtals:</b>		<u>1.597.896.443</u>	<u>1.697.207.577</u>	<u>-5,9%</u>

### Explanations:

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

4) 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

	Net assets 31.12.2008	Samtryggingardeildir Mutual Insurance Divisions				Séreign Personal
		Pension units schemes	Final salary schemes	Age based units schemes	Mixed schemes	Personal pension schemes
Amounts in 000 IKR.						
1 Lífeyrissjóður stm. ríkisins	286.856.302	107.425.122	172.872.717			6.558.463
2 Lífeyrissjóður verslunarmanna	248.760.967				242.671.542	6.089.425
3 Gildi lífeyrissjóður	208.942.135				206.454.247	2.487.888
4 Stapi lífeyrissjóður	95.743.586				92.258.867	3.484.719
5 Sameinaði lífeyrissjóðurinn	90.474.233			86.957.370		3.516.863
6 Almenni lífeyrissjóðurinn	83.660.196			36.029.523		47.630.673
7 Stafir lífeyrissjóður	75.936.904			72.587.287		3.349.617
8 Frjálsi lífeyrissjóðurinn	68.051.848			13.358.913		54.692.935
9 Söfnunarsjóður lífeyrisréttinda	58.223.216				57.792.539	430.677
10 Festa lífeyrissjóður	54.563.437				54.414.034	149.403
11 Lífeyrissjóður stm. Reykjavíkurb.	47.300.619		47.300.619			
12 Lífeyrissjóður bankamanna	39.139.723		28.909.041	10.230.682		
13 Lífeyrissjóður stm. sveitarfélaga	33.596.965	29.191.537		3.471.429		933.999
14 Lífeyrissjóður verkfræðinga	26.964.632			24.570.447		2.394.185
15 Íslenski lífeyrissjóðurinn	26.934.557			2.487.527		24.447.030
16 Lífeyrissjóður Vestmannaeyja	24.362.486				24.156.146	206.340
17 Lífeyrissjóður Vestfirðinga	22.869.247				22.464.729	404.518
18 Lífeyrissjóður bænda	20.319.787				20.319.787	
19 Lífeyrissjóður hjúkrunarfr.	19.626.077		19.626.077			
20 Lífeyrissjóður stm. Búnaðarb. Ísl.	13.968.831		13.968.831			
21 Eftirlaunasjóður FÍA	13.765.966	13.765.966				
22 Kjölur lífeyrissjóður	8.004.988	8.004.988				
23 Lífeyrissjóður stm. Akureyrarb.	6.721.325	0	6.721.325			
24 Eftirlaunasj. stm. Glitnis banka	6.393.439	0	6.393.439			
25 Lífeyrissjóður Rangæinga	4.477.638	4.477.638				
26 Eftirlaunasjóður Reykjanesbæjar	2.468.499		2.468.499			
27 Lífeyrissjóður stm. Kópavogsb.	2.436.645		2.436.645			
28 Lífeyrissj. Tanmlæknafél. Ísl.	2.300.877			290.527		2.010.350
29 Eftirlaunasj. stm. Hafnarfjarðark.	1.773.547		1.773.547			
30 Lífeyrissjóður Akranesk.	889.070		889.070			
31 Eftirlaunasj. Sláturfél. Suðurl.	750.080	750.080				
32 Lífeyrissjóður stm. Húsavíkurk.	526.499		526.499			
33 Lífeyrissjóður Neskaupstaðar	504.378		504.378			
34 Lífeyrissjóðurinn Skjöldur	389.420	389.420				
35 Lífeyrissj. Eimskipafél. Ísl. hf.	115.563	115.563				
36 Lífeyrissjóður stm. Vestm.eyjab.	80.873		80.873			
37 Eftirlaunasj. stm. Útvegsb. Ísl.	1.888		1.888			
<b>Samtals:</b>	<b>1.597.896.443</b>	<b>164.120.314</b>	<b>304.473.448</b>	<b>249.983.705</b>	<b>720.531.891</b>	<b>158.787.085</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.

Mixed schemes: Pension rights are based on both age and units.

### **3. ANNUAL ACCOUNTS FOR THE YEAR 2008, 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 2008. The chapter is divided into the following three subsections:

- 3.1. Statement of changes in net assets for pension payments.
- 3.2. Balance sheets.
- 3.3. Cash flow.

### 3.1. STATEMENT OF CHANGES IN NET ASSETS FOR PENSION PAYMENT 2008

Amounts in 000 IKR.	Lífeyrissj. starfsm. rikisins (1)	Lífeyrissj. verslunar- manna (2)	Gildi lífeyris- sjóður (3)	Stapi lífeyris- sjóður (4)	Sameinaði lífeyris- sjóðurinn (5)	Almenn lífeyris- sjóðurinn (6)	Stafir lífeyris- sjóður (7)
<b>Premiums</b>							
Members	5.063.420	5.726.827	3.692.357	1.747.610	2.053.802	3.588.417	1.542.332
Employers	12.885.170	11.114.490	7.692.000	3.529.184	3.872.378	5.320.362	2.982.758
Transfer of rights and repayments	-31.201	0	-30.277	-280.069	-78	-828.095	-30.143
Disability contribution from the State	0	258.384	613.664	212.747	85.530	0	0
Special additional contributions	12.704.980	0	0	0	0	0	0
<i>Premiums</i>	30.622.369	17.099.701	11.967.744	5.209.472	6.011.632	8.080.684	4.494.947
<b>Pension</b>							
Pension	18.304.566	5.016.144	6.678.334	2.377.454	2.800.120	1.905.054	1.935.748
The Pension Committee	0	-1.427	-19.823	-9.855	-8.776	0	-2.896
Other direct exp. from disability pension	3.070	6.770	12.558	7.240	4.191	0	-55.294
Insurance expenses	0	0	0	0	0	0	0
<i>Pension</i>	18.307.636	5.021.487	6.671.069	2.374.839	2.795.535	1.905.054	1.877.558
<b>Investment income</b>							
From consolidated undertakings	0	0	0	0	0	0	0
From affiliated undertakings	0	0	0	0	0	0	0
From holdings	-36.841.791	-43.519.256	-30.248.796	-3.749.599	-9.376.641	-3.728.934	-12.124.948
From buildings and premises	0	-1.883	4.307	0	10.207	0	0
Interest income and exchange rate diff.	33.814.691	21.404.580	8.406.185	16.262.643	8.722.907	-1.672.192	10.964.218
Income of changes in valuation of inv.	0	0	0	0	0	0	0
Profit from sale of investments	0	0	0	0	0	0	0
Changes in asset reduction	-21.994.174	-9.877.647	-12.392.254	-11.455.997	-8.432.496	-9.584.292	-7.475.012
Other investment income	-16.776.074	0	0	0	0	0	0
<i>Investment income</i>	-41.797.348	-31.994.206	-34.230.558	1.057.047	-9.076.023	-14.985.418	-8.635.742
<b>Investment expenses</b>							
Office and management expenses	204.333	241.146	137.767	53.306	118.911	67.143	94.481
Interest expenses	0	0	0	0	0	32.919	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	14.825	0	0	0	0	0	0
<i>Investment expenses</i>	219.158	241.146	137.767	53.306	118.911	100.062	94.481
<b>Operating expenses</b>							
Office and management expenses	274.525	220.731	264.981	84.291	119.444	91.634	101.804
Other operating expenses	8.898	0	0	0	0	0	0
<i>Operating expenses</i>	283.423	220.731	264.981	84.291	119.444	91.634	101.804
<b>Other income</b>	0	69.485	46.920	0	0	0	0
<b>Other expenses</b>	0	0	0	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	-29.985.196	-20.308.384	-29.289.711	3.754.083	-6.098.281	-9.001.484	-6.214.638
<b>Extraordinary items</b>	0	0	0	0	0	0	0
Extraordinary income	0	0	0	0	0	0	0
Extraordinary expenses	0	0	0	0	0	0	0
<b>Changes in valuation</b>	0	0	0	0	0	0	0
<b>Increase in net assets</b>	-29.985.196	-20.308.384	-29.289.711	3.754.083	-6.098.281	-9.001.484	-6.214.638
<b>Net assets from previous year end</b>	316.841.498	269.069.351	238.231.847	91.989.505	96.572.514	92.661.682	82.151.542
<b>NET ASSETS FOR PENSION PAYMENTS END OF YEAR</b>	286.856.302	248.760.967	208.942.136	95.743.588	90.474.233	83.660.198	75.936.904

### 3.1. STATEMENT OF CHANGES IN NET ASSETS FOR PENSION PAYMENT 2008

Amounts in 000 IKR.	Frjálsi lífeyris- sjóðurinn (8)	Söfnunarsj. lífeyris-réttinda (9)	Festa lífeyris- sjóður (10)	Lífeyrissj. starfsm. Reykjavíkurb. (11)	Lífeyrissjóður bankamanna (12)	Lífeyrissj. starfsm. sveitarfél. (13)	Lífeyrissj. verkfræðinga (14)
<b>Premiums</b>							
Members	2.248.111	960.246	1.235.239	123.248	678.330	1.373.642	1.042.207
Employers	4.067.423	1.899.723	2.536.614	1.360.595	1.191.327	3.593.889	1.930.104
Transfer of rights and repayments	-795.366	-33.643	-21.695	-4.061	-3.903.857	-127.795	-36.045
Disability contribution from the State	0	0	164.686	0	0	0	0
Special additional contributions	0	0	0	0	0	0	0
<i>Premiums</i>	5.520.168	2.826.326	3.914.844	1.479.782	-2.034.200	4.839.736	2.936.266
<b>Pension</b>							
Pension	1.249.052	764.842	1.515.463	2.064.295	1.179.394	400.341	372.558
The Pension Committee	-198	62	-8.442	0	0	393	0
Other direct exp. from disability pension	0	0	6.482	0	0	0	60
Insurance expenses	0	0	0	0	0	0	0
<i>Pension</i>	1.248.854	764.904	1.513.503	2.064.295	1.179.394	400.734	372.618
<b>Investment income</b>							
From consolidated undertakings	0	0	0	0	0	0	0
From affiliated undertakings	0	0	0	0	0	0	0
From holdings	-817.592	-3.831.729	-4.309.406	-75.150	8.795	-906.339	-4.787.655
From buildings and premises	2.059	0	200	0	0	0	0
Interest income and exchange rate diff.	-1.104.678	7.540.134	7.055.275	7.749.276	6.010.898	1.730.755	-1.376.578
Income of changes in valuation of inv.	0	0	0	0	0	0	0
Profit from sale of investments	0	0	0	0	0	0	0
Changes in asset reduction	0	-3.412.356	-5.753.159	0	-1.673.637	0	0
Other investment income	0	0	0	0	0	19.709	0
<i>Investment income</i>	-1.920.211	296.049	-3.007.090	7.674.126	4.346.056	844.125	-6.164.233
<b>Investment expenses</b>							
Office and management expenses	105.589	50.606	54.921	22.402	13.624	16.681	39.653
Interest expenses	0	6.042	102	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	123.177	0	3.738	0	0	11.261	23.730
<i>Investment expenses</i>	228.766	56.648	58.761	22.402	13.624	27.942	63.383
<b>Operating expenses</b>							
Office and management expenses	98.595	99.767	77.419	45.570	37.720	66.726	54.312
Other operating expenses	0	0	0	0	0	0	0
<i>Operating expenses</i>	98.595	99.767	77.419	45.570	37.720	66.726	54.312
<b>Other income</b>	0	20.679	9.972	0	0	0	0
<b>Other expenses</b>	0	0	0	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	2.023.742	2.221.735	-731.957	7.021.641	1.081.118	5.188.459	-3.718.280
<b>Extraordinary items</b>	0	0	0	0	0	0	0
Extraordinary income	0	0	0	0	0	0	0
Extraordinary expenses	0	0	0	0	0	0	0
<b>Changes in valuation</b>	0	0	0	0	0	0	0
<b>Increase in net assets</b>	2.023.742	2.221.735	-731.957	7.021.641	1.081.118	5.188.459	-3.718.280
<b>Net assets from previous year end</b>	66.028.106	56.001.481	55.295.393	40.278.978	38.058.607	28.408.504	30.682.912
<b>NET ASSETS FOR PENSION PAYMENTS END OF YEAR</b>	68.051.848	58.223.216	54.563.436	47.300.619	39.139.725	33.596.963	26.964.632

### 3.1. STATEMENT OF CHANGES IN NET ASSETS FOR PENSION PAYMENT 2008

Amounts in 000 IKR.	Íslenski lífeyris- sjóðurinn (15)	Lífeyrissj. Vestmanna- eyja (16)	Lífeyrissjóður Vestfirðinga (17)	Lífeyris- sjóður bænda (18)	Lífeyrissj. hjúkrunar- fræðinga (19)	Lífeyrissj. starfsm. Búnaðarb. (20)	Eftirlauna- sjóður FÍA (21)
<b>Premiums</b>							
Members	2.693.814	287.007	303.970	164.448	81.140	20.918	188.262
Employers	2.926.123	564.209	590.784	359.674	204.434	75.984	750.495
Transfer of rights and repayments	-316.424	-6.328	-2.084	-805	0	0	0
Disability contribution from the State	0	45.605	42.703	0	0	0	0
Special additional contributions	0	0	0	0	976.627	0	0
<i>Premiums</i>	5.303.513	890.493	935.373	523.317	1.262.201	96.902	938.757
<b>Pension</b>							
Pension	503.050	600.182	705.166	882.933	1.365.662	488.906	582.726
The Pension Committee	0	-1.712	-1.205	-41.434	0	0	0
Other direct exp. from disability pension	0	1.366	0	453	120	0	87
Insurance expenses	2.719	0	0	0	0	0	0
<i>Pension</i>	505.769	599.836	703.961	841.952	1.365.782	488.906	582.813
<b>Investment income</b>							
From consolidated undertakings	0	0	0	0	0	0	0
From affiliated undertakings	0	-2.125	0	0	0	0	0
From holdings	2.231	-1.631.960	-5.243.201	-77.337	-2.622.718	-161.217	-94.760
From buildings and premises	0	0	3.305	0	0	0	0
Interest income and exchange rate diff.	-1.723.223	3.683.403	2.522.041	355.937	2.159.807	1.677.964	314.765
Income of changes in valuation of inv.	0	0	0	0	0	0	0
Profit from sale of investments	0	0	0	0	0	0	0
Changes in asset reduction	-5.850.609	-1.279.025	-2.196.613	-1.180.864	-1.443.996	-104.688	-2.398.343
Other investment income	0	0	0	0	-1.451.401	0	0
<i>Investment income</i>	-7.571.601	770.293	-4.914.468	-902.264	-3.358.308	1.412.059	-2.178.338
<b>Investment expenses</b>							
Office and management expenses	8.553	18.968	12.114	16.082	17.057	5.604	6.810
Interest expenses	4.362	0	1	4.522	0	0	55
Expenses of changes in valuation of inv	0	0	0	1.864	0	0	0
Loss on sale of investments	0	0	0	0	0	0	0
Other investment expenses	0	19.739	0	0	832	0	0
<i>Investment expenses</i>	12.915	38.707	12.115	22.468	17.889	5.604	6.865
<b>Operating expenses</b>							
Office and management expenses	23.809	31.994	59.396	34.333	25.438	0	12.331
Other operating expenses	0	0	0	5.765	989	0	0
<i>Operating expenses</i>	23.809	31.994	59.396	40.098	26.427	0	12.331
<b>Other income</b>	0	0	0	0	0	0	0
<b>Other expenses</b>	0	0	0	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	-2.810.581	990.249	-4.754.567	-1.283.465	-3.506.205	1.014.451	-1.841.590
<b>Extraordinary items</b>	0	0	0	0	0	0	0
Extraordinary income	0	0	0	0	0	0	0
Extraordinary expenses	0	0	0	0	0	0	0
<b>Changes in valuation</b>	0	0	0	0	0	0	0
<b>Increase in net assets</b>	-2.810.581	990.249	-4.754.567	-1.283.465	-3.506.205	1.014.451	-1.841.590
<b>Net assets from previous year end</b>	29.745.138	23.372.231	27.623.814	21.603.252	23.132.282	12.954.380	15.607.556
<b>NET ASSETS FOR PENSION PAYMENTS END OF YEAR</b>	26.934.557	24.362.480	22.869.247	20.319.787	19.626.077	13.968.831	13.765.966

### 3.1. STATEMENT OF CHANGES IN NET ASSETS FOR PENSION PAYMENT 2008

Amounts in 000 IKR.	Kjölur lífeyris- sjóður (22)	Lífeyrissj. starfsm. Akureyrarb. (23)	Eftirlaunasj. Starfsm. Glitnis banka (24)	Lífeyris- sjóður Rangæinga (25)	Lífeyrissj. starfsm. Kópavogsb. (26)	Eftirlaunasj. Reykjanes- bæjar (27)	Lífeyrissj. Tannlækna- félags Ísl. (28)
<b>Premiums</b>							
Members	0	20.423	300	77.887	21.410	9.316	41.646
Employers	0	168.779	319.635	165.037	39.239	18.360	74.704
Transfer of rights and repayments	-601	-1.572	-1.165.510	-1.582	-86	0	10.000
Disability contribution from the State	0	0	0	8.317	0	0	0
Special additional contributions	0	0	0	0	98.729	60.131	0
<i>Premiums</i>	-601	187.630	-845.575	249.659	159.292	87.807	126.350
<b>Pension</b>							
Pension	553.378	308.905	200.396	110.910	179.508	71.237	147.283
The Pension Committee	0	0	0	-243	0	0	0
Other direct exp. from disability pension	-676	0	0	0	0	0	928
Insurance expenses	0	0	0	0	0	0	0
<i>Pension</i>	552.702	308.905	200.396	110.667	179.508	71.237	148.211
<b>Investment income</b>							
From consolidated undertakings	0	0	0	0	0	0	0
From affiliated undertakings	0	0	0	0	0	0	0
From holdings	7.786	-5.782	0	-188.271	-124.908	18.034	937
From buildings and premises	0	0	0	526	0	0	0
Interest income and exchange rate diff.	584	1.124.046	236.604	294.902	143.632	319.559	-3.017
Income of changes in valuation of inv.	0	0	0	0	0	0	0
Profit from sale of investments	0	0	0	0	0	0	0
Changes in asset reduction	-1.562.814	-178.443	0	1.505	-66.943	-35.429	-457.534
Other investment income	0	0	0	0	0	-18.023	0
<i>Investment income</i>	-1.554.444	939.821	236.604	108.662	-48.219	284.141	-459.614
<b>Investment expenses</b>							
Office and management expenses	6.735	4.839	10.800	8.163	3.125	1.888	4.615
Interest expenses	200	0	29	0	0	0	61
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	633	0	0	2.459	0	115	1.740
<i>Investment expenses</i>	7.568	4.839	10.829	10.622	3.125	2.003	6.416
<b>Operating expenses</b>							
Office and management expenses	3.317	14.199	2.838	6.679	6.101	5.665	0
Other operating expenses	0	0	6.527	0	4.826	0	0
<i>Operating expenses</i>	3.317	14.199	9.365	6.679	10.927	5.665	0
<b>Other income</b>	0	0	0	224	14.052	0	0
<b>Other expenses</b>	0	0	0	29.489	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	-2.118.632	799.508	-829.561	201.088	-68.435	232.912	-487.891
<b>Extraordinary items</b>	0	0	0	0	0	0	0
Extraordinary income	0	0	0	0	0	0	0
Extraordinary expenses	0	0	0	0	0	0	0
<b>Changes in valuation</b>	0	0	0	0	0	0	0
<b>Increase in net assets</b>	-2.118.632	799.508	-829.561	201.088	-68.435	232.912	-487.891
<b>Net assets from previous year end</b>	10.123.621	5.921.817	7.223.000	4.276.550	2.505.080	2.235.587	2.788.768
<b>NET ASSETS FOR PENSION PAYMENTS END OF YEAR</b>	8.004.989	6.721.325	6.393.439	4.477.638	2.436.645	2.468.499	2.300.877

### 3.1. STATEMENT OF CHANGES IN NET ASSETS FOR PENSION PAYMENT 2008

Amounts in 000 IKR.	Eftirlaunasj. starfsm. Hafnarfjarök. (29)	Lífeyrissj. Akranes- kaupstaðar (30)	Eftirlaunasj. Sláturfélags Suðurlands (31)	Lífeyrissj. starfsm. Húsavíkurk. (32)	Lífeyrissj. Nes- kaupstaðar (33)	Lífeyris- sjóðurinn Skjöldur (34)	Lífeyrissj. Eimskipa- félags Ísl. (35)
<b>Premiums</b>							
Members	23.399	6.635	0	2.829	2.096	0	0
Employers	61.993	13.271	0	6.138	4.192	0	0
Transfer of rights and repayments	0	-6.611	-140	0	0	0	0
Disability contribution from the State	0	0	0	0	0	0	0
Special additional contributions	0	73.183	0	39.716	33.844	0	0
<i>Premiums</i>	85.392	86.478	-140	48.683	40.132	0	0
<b>Pension</b>							
Pension	126.060	159.010	44.601	56.738	66.333	46.180	36.175
The Pension Committee	0	0	-197	0	0	0	0
Other direct exp. from disability pension	160	0	-597	0	0	0	0
Insurance expenses	0	0	0	0	0	0	0
<i>Pension</i>	126.220	159.010	43.807	56.738	66.333	46.180	36.175
<b>Investment income</b>							
From consolidated undertakings	0	0	0	0	0	0	0
From affiliated undertakings	0	0	0	0	0	0	0
From holdings	-436.941	438	3.144	-500	-723	0	0
From buildings and premises	0	0	0	0	0	0	0
Interest income and exchange rate diff.	289.779	-35.490	174.827	57.670	90.564	-35.331	13.000
Income of changes in valuation of inv.	0	0	0	0	0	0	0
Profit from sale of investments	0	0	0	0	0	0	0
Changes in asset reduction	-284.639	-141.353	-142.507	0	0	0	-32.639
Other investment income	0	0	0	0	-4.964	0	0
<i>Investment income</i>	-431.801	-176.405	35.464	57.170	84.877	-35.331	-19.639
<b>Investment expenses</b>							
Office and management expenses	6.092	2.500	78	0	1.933	1.081	175
Interest expenses	0	6	0	0	0	0	3
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	0	558	0	0	0	0	0
<i>Investment expenses</i>	6.092	3.064	78	0	1.933	1.081	178
<b>Operating expenses</b>							
Office and management expenses	9.449	5.135	685	4.094	1.933	532	938
Other operating expenses	0	0	2.385	0	0	0	0
<i>Operating expenses</i>	9.449	5.135	3.070	4.094	1.933	532	938
<b>Other income</b>	0	0	0	0	0	0	0
<b>Other expenses</b>	0	0	0	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	-488.170	-257.136	-11.631	45.021	54.810	-83.124	-56.930
<b>Extraordinary items</b>	0	0	0	0	0	0	0
Extraordinary income	0	0	0	0	0	0	0
Extraordinary expenses	0	0	0	0	0	0	0
<b>Changes in valuation</b>	0	0	0	0	0	0	0
<b>Increase in net assets</b>	-488.170	-257.136	-11.631	45.021	54.810	-83.124	-56.930
<b>Net assets from previous year end</b>	2.261.718	1.146.206	761.711	481.478	449.568	472.544	172.494
<b>NET ASSETS FOR PENSION PAYMENTS END OF YEAR</b>	1.773.548	889.070	750.080	526.499	504.378	389.420	115.564

### 3.1. STATEMENT OF CHANGES IN NET ASSETS FOR PENSION PAYMENT 2008

Amounts in 000 IKR.	Lífeyrissj. stm. Vestm.eyjab. (36)	Eftirlaunasj. starfsm. Útvegsb. Ísl. (37)	TOTAL
<b>Premiums</b>			
Members	8.925	0	35.030.213
Employers	5.946	0	70.325.014
Transfer of rights and repayments	44.999	0	-7.569.069
Disability contribution from the State	0	202.000	
Special additional contributions	45.111	0	14.032.321
<i>Premiums</i>	104.981	202.000	113.452.115
<b>Pension</b>			
Pension	95.717	207.568	54.101.989
The Pension Committee	0	0	-95.753
Other direct exp. from disability pension	0	0	-13.082
Insurance expenses	0	0	2.719
<i>Pension</i>	95.717	207.568	53.995.873
<b>Investment income</b>			
From consolidated undertakings	0	0	0
From affiliated undertakings	0	0	-2.125
From holdings	0	0	-164.864.789
From buildings and premises	0	0	18.721
Interest income and exchange rate diff.	9.439	5.436	137.185.012
Income of changes in valuation of inv.	0	0	0
Profit from sale of investments	0	0	0
Changes in asset reduction	0	53	-109.405.905
Other investment income	0	0	-18.230.753
<i>Investment income</i>	9.439	5.489	-155.299.839
<b>Investment expenses</b>			
Office and management expenses	0	0	1.357.775
Interest expenses	4.508	1	52.811
Expenses of changes in valuation of inv	0	0	1.864
Loss on sale of investments	0	0	0
Other investment expenses	0	0	202.807
<i>Investment expenses</i>	4.508	1	1.615.257
<b>Operating expenses</b>			
Office and management expenses	3.150	715	1.890.250
Other operating expenses	1.352	3.005	33.747
<i>Operating expenses</i>	4.502	3.720	1.923.997
<b>Other income</b>	0	0	161.332
			0
<b>Other expenses</b>	0	0	29.489
<b>Increase in net assets before extraordinary items and changes in valuation</b>	9.693	-3.800	-99.311.139
<b>Extraordinary items</b>			
Extraordinary income	0	0	0
Extraordinary expenses	0	0	0
<b>Changes in valuation</b>	0	0	0
<b>Increase in net assets</b>	9.693	-3.800	-99.311.139
<b>Net assets from previous year end</b>	71.180	5.688	1.697.207.583
<b>NET ASSETS FOR PENSION PAYMENTS END OF YEAR</b>	80.873	1.888 0	1.597.896.444



### 3.2. BALANCE SHEETS 31.12.2008

Amounts in 000 IKR.	Lífeyrissj. starfsm. ríkisins (1)	Lífeyrissj. verslunar- manna (2)	Gildi lífeyris- sjóður (3)	Stapi lífeyris- sjóður (4)	Sameinaði lífeyris- sjóðurinn (5)	Almennir lífeyris- sjóðurinn (6)
<b>ASSETS</b>						
<b>Intangible assets</b>	0	0	0	0	0	0
<b>Investments</b>	289.756.567	227.107.874	193.126.431	78.834.258	85.362.750	83.809.440
Buildings and premises	126.046	267.644	195.398	70.400	140.946	0
<i>Consolidated and affiliated undert.</i>	0	0	0	0	40.000	0
Shares in consolidated undertakings	0	0	0	0	40.000	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	109.693.685	90.934.985	70.713.067	30.528.212	30.532.931	43.009.472
Fixed rate securities	124.845.025	93.303.813	106.194.158	40.877.276	40.034.522	23.358.249
Mortgage loans	53.867.546	42.144.667	13.444.469	1.220.822	14.614.351	13.190.111
Other loans	0	0	0	0	0	0
Bank deposits	1.224.265	456.765	2.574.082	6.137.548	0	4.248.848
Other investments	0	0	5.257	0	0	2.760
<i>Other investments</i>	289.630.521	226.840.230	192.931.033	78.763.858	85.181.804	83.809.440
<i>Investments</i>	289.756.567	227.107.874	193.126.431	78.834.258	85.402.750	83.809.440
<b>Claims</b>	2.059.180	2.010.229	1.705.904	1.960.869	530.287	2.357.364
On consolidated and affiliated undert.	0	0	0	0	0	0
On employers	1.832.886	1.884.500	1.626.082	668.750	527.446	297.576
Other claims	226.294	125.729	79.822	1.306.946	2.841	2.059.788
<i>Claims</i>	2.059.180	2.010.229	1.705.904	1.975.696	530.287	2.357.364
<b>Other assets</b>	12.518.545	35.666.718	19.259.398	20.650.345	7.437.732	3.972.350
Operating and other tangible assets	9.960	73.315	24.927	2.636	10.608	0
Cash and current deposits	12.508.585	35.593.403	19.234.471	20.632.882	7.427.124	3.972.350
Other assets	0	0	0	0	0	0
<i>Other assets</i>	12.518.545	35.666.718	19.259.398	20.635.518	7.437.732	3.972.350
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	304.334.292	264.784.821	214.091.733	101.445.472	93.330.769	90.139.154
<b>LIABILITIES</b>	17.477.990	16.023.854	5.149.597	5.701.884	2.856.536	6.478.956
<b>Obligations</b>	82.171	0	0	0	0	0
<b>Accounts payable</b>	17.395.819	16.023.854	5.149.597	5.701.884	2.835.938	6.478.956
Liabilities with consolid. and affil. undert.	0	0	0	0	0	0
Liabilities with credit institutions	0	15.674.409	5.149.597	5.654.042	0	0
Bonds payable	0	0	0	0	0	0
Other liabilities	17.395.819	349.445	0	47.842	2.835.938	6.478.956
<i>Accounts payable</i>	17.395.819	16.023.854	5.149.597	5.701.884	2.835.938	6.478.956
<b>Accrued expenses and unearned income</b>	0	0	0	0	20.598	0
<b>TOTAL LIABILITIES</b>	17.477.990	16.023.854	5.149.597	5.701.884	2.856.536	6.478.956
<b>NET ASSETS FOR PENSION PAYMENTS</b>	286.856.302	248.760.967	208.942.136	95.743.588	90.474.233	83.660.198

### 3.2. BALANCE SHEETS 31.12.2008

Amounts in 000 IKR.	Stafir lífeyrissjóður (7)	Frjálsi lífeyrissjóðurinn (8)	Söfnunarsj. lífeyrissréttinda (9)	Festa lífeyrissjóður (10)	Lífeyrissj. starfsm. Reykjavíkurb. (11)	Lífeyrissjóður bankamanna (12)	Lífeyrissj. starfsm. sveitarfél. (13)
<b>ASSETS</b>							
<b>Intangible assets</b>	0	0	0	0	0	0	0
<b>Investments</b>	67.896.412	65.407.166	56.678.393	56.104.733	46.745.136	38.052.187	32.563.748
Buildings and premises	76.434	0	0	26.991	0	0	0
<i>Consolidated and affiliated undert.</i>	0	0	0	42.669	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	42.669	0	0	0
Loans to affiliated undertakings	0	0	0	0	0	0	0
<i>Other investments</i>							
Variable-yield securities	22.984.327	31.864.180	16.151.569	21.834.763	1.521.900	5.167.688	10.964.232
Fixed rate securities	29.496.819	31.335.943	38.183.476	31.815.752	43.826.419	24.104.237	13.099.241
Mortgage loans	14.514.737	834.517	2.343.348	2.038.785	1.396.817	2.850.613	6.012.672
Other loans	285.939	0	0	0	0	0	0
Bank deposits	461.156	1.357.738	0	345.773	0	5.929.649	2.487.603
Other investments	77.000	14.788	0	0	0	0	0
<i>Other investments</i>	67.819.978	65.407.166	56.678.393	56.035.073	46.745.136	38.052.187	32.563.748
<i>Investments</i>	67.896.412	65.407.166	56.678.393	56.147.402	46.745.136	38.052.187	32.563.748
<b>Claims</b>	1.792.444	280.820	1.235.414	876.362	53.449	32.100	398.922
On consolidated and affiliated undert.	0	0	0	0	0	0	0
On employers	669.481	273.034	1.235.103	731.226	53.449	0	375.263
Other claims	1.122.963	7.786	311	145.136	0	32.100	23.659
<i>Claims</i>	1.792.444	280.820	1.235.414	876.362	53.449	32.100	398.922
<b>Other assets</b>	7.849.867	3.548.844	455.609	110.254	567.861	1.329.823	652.668
Operating and other tangible assets	24.849	0	19.267	1.619	0	706	494
Cash and current deposits	7.825.018	3.548.844	436.342	108.635	567.861	1.329.117	652.174
Other assets	0	0	0	0	0	0	0
<i>Other assets</i>	7.849.867	3.548.844	455.609	110.254	567.861	1.329.823	652.668
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	77.538.723	69.236.830	58.369.416	57.091.349	47.366.446	39.414.110	33.615.338
<b>LIABILITIES</b>	1.601.819	1.184.982	146.200	2.527.913	65.827	274.385	18.375
<b>Obligations</b>	0	0	0	0	0	0	0
<b>Accounts payable</b>	1.601.819	1.184.982	146.200	2.527.913	65.827	274.385	18.375
Liabilities with consolid. and affil. under	0	0	0	0	0	0	0
Liabilities with credit institutions	0	788.322	115.824	0	0	0	0
Bonds payable	0	0	0	0	0	0	0
Other liabilities	1.601.819	396.660	30.376	2.527.913	65.827	274.385	18.375
<i>Accounts payable</i>	1.601.819	1.184.982	146.200	2.527.913	65.827	274.385	18.375
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	0	0
<b>TOTAL LIABILITIES</b>	1.601.819	1.184.982	146.200	2.527.913	65.827	274.385	18.375
<b>NET ASSETS FOR PENSION PAYMENTS</b>	75.936.904	68.051.848	58.223.216	54.563.436	47.300.619	39.139.725	33.596.963

### 3.2. BALANCE SHEETS 31.12.2008

Amounts in 000 IKR.	Lífeyrissj. verkfræðinga (14)	Íslenski lífeyris- sjóðurinn (15)	Lífeyrissj. Vestmannaeyja (16)	Lífeyrissjóður Vestfirðinga (17)	Lífeyris- sjóður bænda (18)	Lífeyrissj. hjúkrunar- fræðinga (19)	Lífeyrissj. starfsm. Búnaðarb. (20)
<b>ASSETS</b>							
<b>Intangible assets</b>	0	0	0	0	0	0	0
<b>Investments</b>	26.524.015	21.608.660	24.294.428	22.311.408	20.068.251	20.710.805	13.880.648
Buildings and premises	0	0	21.603	33.833	0	14.005	0
<i>Consolidated and affiliated undert.</i>	0	0	42.669	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	42.669	0	0	0	0
Loans to affiliated undertakings	0	0	0	0	0	0	0
<i>Other investments</i>							
Variable-yield securities	7.891.056	13.955.286	9.153.082	9.297.008	14.914.782	8.554.722	998.066
Fixed rate securities	9.332.792	669.854	14.058.006	12.464.422	3.773.471	9.459.057	12.540.598
Mortgage loans	6.303.687	0	0	516.145	975.329	2.683.021	341.984
Other loans	0	0	0	0	404.669	0	0
Bank deposits	2.996.480	6.983.520	1.019.068	0	0	0	0
Other investments	0	0	0	0	0	0	0
<i>Other investments</i>	26.524.015	21.608.660	24.230.156	22.277.575	20.068.251	20.696.800	13.880.648
<i>Investments</i>	26.524.015	21.608.660	24.337.097	22.311.408	20.068.251	20.710.805	13.880.648
<b>Claims</b>	53.711	595.347	111.030	432.460	77.253	156.571	589
On consolidated and affiliated undert.	0	0	0	0	0	0	0
On employers	48.946	69.893	73.439	429.788	34.307	146.492	0
Other claims	4.765	525.454	37.591	2.672	42.946	10.079	589
<i>Claims</i>	53.711	595.347	111.030	432.460	77.253	156.571	589
<b>Other assets</b>	390.770	4.941.202	211.098	1.043.914	747.148	266.114	97.417
Operating and other tangible assets	6.380	0	1.664	456	981	1.107	0
Cash and current deposits	384.390	4.941.202	209.434	1.043.458	746.167	265.007	97.417
Other assets	0	0	0	0	0	0	0
<i>Other assets</i>	390.770	4.941.202	211.098	1.043.914	747.148	266.114	97.417
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	26.968.496	27.145.209	24.616.556	23.787.782	20.892.652	21.133.490	13.978.654
<b>LIABILITIES</b>	3.864	210.652	254.076	918.535	572.865	1.507.413	9.823
<b>Obligations</b>	0	0	0	0	0	7.359	0
<b>Accounts payable</b>	3.864	107.380	254.076	918.535	572.865	1.500.054	9.823
Liabilities with consolid. and affil. under	3.864	0	0	0	0	0	0
Liabilities with credit institutions	0	0	0	884.615	0	0	0
Bonds payable	0	0	0	0	0	0	0
Other liabilities	0	107.380	254.076	33.920	572.865	1.500.054	9.823
<i>Accounts payable</i>	3.864	107.380	254.076	918.535	572.865	1.500.054	9.823
<b>Accrued expenses and unearned income</b>	0	103.272	0	0	0	0	0
<b>TOTAL LIABILITIES</b>	3.864	210.652	254.076	918.535	572.865	1.507.413	9.823
<b>NET ASSETS FOR PENSION PAYMENTS</b>	26.964.632	26.934.557	24.362.480	22.869.247	20.319.787	19.626.077	13.968.831

### 3.2. BALANCE SHEETS 31.12.2008

Amounts in 000 IKR.	Eftirlauna- sjóður FÍA (21)	Kjölur lífeyris- sjóður (22)	Lífeyrissj. starfsm. Akureyrarb. (23)	Eftirlaunasj. Starfsm. Glítnis banka (24)	Lífeyrissjóður Rangæinga (25)	Lífeyrissj. starfsm. Kópavogsb. (26)	Eftirlaunasj. Reykjanes- bæjar (27)
<b>ASSETS</b>							
<b>Intangible assets</b>	0	0	0	0	0	0	0
<b>Investments</b>	13.267.066	7.919.921	5.571.045	6.413.662	3.596.398	1.841.524	2.279.402
Buildings and premises	16.867	0	0	0	19.739	0	0
<i>Consolidated and affiliated undert.</i>	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	5.084.566	4.361.031	79.964	4.308.248	1.712.968	1.067.320	1.938.622
Fixed rate securities	1.831.922	1.348.819	5.435.469	2.105.414	1.863.691	634.042	315.615
Mortgage loans	2.463.630	58.544	55.612	0	0	123.362	25.165
Other loans	0	0	0	0	0	0	0
Bank deposits	0	2.151.527	0	0	0	0	0
Other investments	3.870.081	0	0	0	0	16.800	0
<i>Other investments</i>	13.250.199	7.919.921	5.571.045	6.413.662	3.576.659	1.841.524	2.279.402
<i>Investments</i>	13.267.066	7.919.921	5.571.045	6.413.662	3.596.398	1.841.524	2.279.402
<b>Claims</b>	558.433	97.973	24.863	10.553	33.629	854	442
On consolidated and affiliated undert.	0	0	0	0	0	0	0
On employers	88.913	0	24.863	0	33.629	0	442
Other claims	469.520	97.973	0	10.553	0	854	0
<i>Claims</i>	558.433	97.973	24.863	10.553	33.629	854	442
<b>Other assets</b>	221.111	59.171	1.308.871	43.596	849.439	621.395	192.290
Operating and other tangible assets	0	0	0	0	524	0	0
Cash and current deposits	221.111	59.171	1.308.871	43.596	848.915	621.395	192.290
Other assets	0	0	0	0	0	0	0
<i>Other assets</i>	221.111	59.171	1.308.871	43.596	849.439	621.395	192.290
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	14.046.610	8.077.065	6.904.779	6.467.811	4.479.466	2.463.773	2.472.134
<b>LIABILITIES</b>	280.644	72.076	183.454	74.372	1.828	27.128	3.635
<b>Obligations</b>	0	0	0	0	0	0	0
<b>Accounts payable</b>	280.156	66.522	183.454	74.372	1.828	27.128	3.635
Liabilities with consolid. and affil. under	0	0	0	0	0	0	0
Liabilities with credit institutions	0	0	182.769	72.087	0	0	0
Bonds payable	0	0	0	0	0	0	0
Other liabilities	280.156	66.522	685	2.285	1.828	27.128	3.635
<i>Accounts payable</i>	280.156	66.522	183.454	74.372	1.828	27.128	3.635
<b>Accrued expenses and unearned income</b>	488	5.554	0	0	0	0	0
<b>TOTAL LIABILITIES</b>	280.644	72.076	183.454	74.372	1.828	27.128	3.635
<b>NET ASSETS FOR PENSION PAYMENTS</b>	13.765.966	8.004.989	6.721.325	6.393.439	4.477.638	2.436.645	2.468.499

### 3.2. BALANCE SHEETS 31.12.2008

Amounts in 000 IKR.	Lífeyrissj. Tannlækna- félags Ísl. (28)	Eftirlaunasj. starfsm. Hafnarfjarðk. (29)	Lífeyrissj. Akranes- kaupstaðar (30)	Eftirlaunasj. Sláturfélags Suðurlands (31)	Lífeyrissj. Húsavíkurk. starfsm. (32)	Lífeyrissj. Nes- kaupstaðar (33)	Lífeyris- sjóðurinn Skjöldur (34)
<b>ASSETS</b>							
<b>Intangible assets</b>	0	0	0	0	0	0	0
<b>Investments</b>	1.594.513	1.713.809	882.104	743.640	500.950	490.941	338.078
Buldings and premises	0	0	0	0	0	0	0
<i>Consolidated and affiliated undert.</i>	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	1.493.688	481.987	433.807	0	143.325	214.151	13.224
Fixed rate securities	40.799	905.969	149.982	179.662	305.991	202.768	320.679
Mortgage loans	60.026	325.853	25.401	11.898	3.870	29.705	4.175
Other loans	0	0	0	0	0	0	0
Bank deposits	0	0	272.914	552.080	47.764	44.317	0
Other investments	0	0	0	0	0	0	0
<i>Other investments</i>	1.594.513	1.713.809	882.104	743.640	500.950	490.941	338.078
<i>Investments</i>	1.594.513	1.713.809	882.104	743.640	500.950	490.941	338.078
<b>Claims</b>	51.368	2.188	7.616	800	56	4.409	0
On consolidated and affiliated undert.	0	0	0	0	0	0	0
On employers	6.938	0	0	0	0	4.409	0
Other claims	44.430	2.188	7.616	800	56	0	0
<i>Claims</i>	51.368	2.188	7.616	800	56	4.409	0
<b>Other assets</b>	726.484	57.551	4.943	7.033	30.625	13.648	51.989
Operating and other tangible assets	0	0	0	0	0	0	0
Cash and current deposits	676.636	57.551	4.943	7.033	30.625	13.648	51.989
Other assets	49.848	0	0	0	0	0	0
<i>Other assets</i>	726.484	57.551	4.943	7.033	30.625	13.648	51.989
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	2.372.365	1.773.548	894.663	751.473	531.631	508.998	390.067
<b>LIABILITIES</b>	71.488	0	5.593	1.393	5.132	4.620	647
<b>Obligations</b>	0	0	0	0	0	0	0
<b>Accounts payable</b>	71.488	0	5.593	1.393	5.132	4.620	647
Liabilities with consolid. and affil. under	0	0	0	0	0	0	0
Liabilities with credit institutions	46.590	0	0	0	0	0	0
Bonds payable	0	0	0	0	0	0	0
Other liabilities	24.898	0	5.593	1.393	5.132	4.620	647
<i>Accounts payable</i>	71.488	0	5.593	1.393	5.132	4.620	647
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	0	0
<b>TOTAL LIABILITIES</b>	71.488	0	5.593	1.393	5.132	4.620	647
<b>NET ASSETS FOR PENSION PAYMENTS</b>	2.300.877	1.773.548	889.070	750.080	526.499	504.378	389.420

### 3.2. BALANCE SHEETS 31.12.2008

Amounts in 000 IKR.	Lífeyrissj. Eimskipa- félags Ísl. (35)	Lífeyrissj. stm. Vestm.eyjab. (36)	Eftirlaunasj. starfsm. Útvegsb. Ísl. (37)	TOTAL
<b>ASSETS</b>				
<b>Intangible assets</b>	0	0	0	0
<b>Investments</b>	108.374	736	17.553	1.518.123.026
Buildings and premises	0	0	0	1.009.906
<i>Consolidated and affiliated undert.</i>	0	0	0	125.338
Shares in consolidated undertakings	0	0	0	40.000
Loans to consolidated undertakings	0	0	0	0
Shares in affiliated undertakings	0	0	0	85.338
Loans to affiliated undertakings	0	0	0	0
<i>Other investments</i>				
Variable-yield securities	103.043	331	0	572.101.288
Fixed rate securities	1.510	0	10.841	718.426.303
Mortgage loans	3.821	405	6.712	182.491.800
Other loans	0	0	0	690.608
Bank deposits	0	0	0	39.291.097
Other investments	0	0	0	3.986.686
<i>Other investments</i>	108.374	736	17.553	1.516.987.782
<i>Investments</i>	108.374	736	17.553	1.518.248.364
<b>Claims</b>	0	0	0	17.513.489
On consolidated and affiliated undert.	0	0	0	0
On employers	0	0	0	11.136.855
Other claims	0	0	0	6.391.461
<i>Claims</i>	0	0	0	17.528.316
<b>Other assets</b>	6.546	80.137	4.530	125.997.036
Operating and other tangible assets	0	0	0	179.493
Cash and current deposits	6.546	80.137	4.530	125.752.868
Other assets	0	0	0	49.848
<i>Other assets</i>	6.546	80.137	4.530	125.982.209
<b>Prepaid expenses and accrued income</b>	2.187	0	0	2.187
<b>TOTAL ASSETS</b>	117.107	80.873	22.083	1.661.635.738
<b>LIABILITIES</b>				
<b>Obligations</b>	1.543	0	20.195	63.739.294
<b>Obligations</b>	0	0	0	89.530
<b>Accounts payable</b>	1.543	0	20.195	63.519.852
Liabilities with consolid. and affil. under	0	0	0	3.864
Liabilities with credit institutions	0	0	0	28.568.255
Bonds payable	0	0	0	0
Other liabilities	1.543	0	20.195	34.947.733
<i>Accounts payable</i>	1.543	0	20.195	63.519.852
<b>Accrued expenses and unearned income</b>	0	0	0	129.912
<b>TOTAL LIABILITIES</b>	1.543	0	20.195	63.739.294
<b>NET ASSETS FOR PENSION PAYMENTS</b>	115.564	80.873	1.888	1.597.896.444

### 3.3. CASH FLOW 2008

Amounts in 000 IKR.	Lífeyrissj. starfsm. ríkisins (1)	Lífeyrissj. verslunar- manna (2)	Gildi lífeyris- sjóður (3)	Stapi lífeyris- sjóður (4)	Sameinaði lífeyris- sjóðurinn (5)	Almenni lífeyris- sjóðurinn (6)	Stafir lífeyris- sjóður (7)
<b>Inflow</b>							
Premiums	30.250.130	16.959.839	10.868.867	5.307.240	5.779.423	8.080.683	4.246.835
Investment income	6.394.114	7.125.942	3.278.124	4.315.698	367.620	2.016.863	1.071.217
Other income	0	0	0	0	0	0	0
Securities amortizations	16.809.040	6.217.628	6.936.797	1.916.429	4.677.743	1.913.352	11.626.491
Sold variable yield securities	17.016.413	41.088.751	41.693.124	33.359.171	26.224.551	31.065.145	26.329.559
Sold fixed rate securities	13.999.637	2.144.761	9.780.340	35.837.169	15.636.224	11.301.371	0
Reduction of bank deposits	0	0	0	0	0	0	641
Sold other investments	0	0	0	20.000	0	0	0
Other inflow	0	216.339	346	0	18.020	181.428	14.442
<i>Inflow</i>	84.469.334	73.753.260	72.557.598	80.755.707	52.703.581	54.558.842	43.289.185
<b>Outflow</b>							
Pension payment	18.133.134	5.021.487	6.057.405	2.374.839	2.710.006	1.905.054	1.877.467
Investment expenses	213.838	229.340	137.767	51.090	118.911	97.824	80.084
Operating exp. excluding depreciation	277.638	209.925	120.295	79.714	115.624	78.900	88.492
Other expenses	0	0	9.796	0	0	0	0
Other outflow	9.652.714	84.049	3.593.104	1.304.343	5.302	140.179	54.317
<i>Outflow</i>	28.277.324	5.544.801	9.918.367	3.809.986	2.949.843	2.221.957	2.100.360
<b>Disposable resources to purchase securities and other investments</b>	56.192.010	68.208.459	62.639.231	76.945.721	49.753.738	52.336.885	41.188.825
<b>Purchase of securities and other inv.</b>							
Variable-yield securities	21.484.996	21.518.492	24.624.843	11.596.010	18.118.903	22.513.959	22.635.052
Fixed rate securities	25.170.476	10.608.740	23.005.307	39.902.437	21.964.969	22.196.867	9.602.981
New mortgage loans and other loans	8.913.747	5.942.244	0	0	3.536.333	0	2.723.966
Increase of bank deposits	0	456.765	2.563.005	5.157.817	0	4.247.951	579.801
Other investments, cf. item 4.6	0	46.469	2.215.960	0	0	152.791	65.000
Buildings and premises	3.446	0	0	0	0	0	18.619
Consolidated and affiliated undertakings	0	0	0	0	0	0	0
<i>Purchase of securities and other inv.</i>	55.572.665	38.572.710	52.409.115	56.656.264	43.620.205	49.111.568	35.625.419
<b>Cash and current deposits at beg. of year</b>	11.889.240	5.957.654	9.004.354	343.424	1.293.591	747.030	2.261.612
<b>Cash and current deposits end of year</b>	12.508.585	35.593.403	19.234.471	20.632.882	7.427.124	3.972.350	7.825.018

### 3.3. CASH FLOW 2008

Amounts in 000 IKR.	Frjálsi lífeyris- sjóðurinn (8)	Söfnunarsj. lífeyris- réttinda (9)	Festa lífeyris- sjóður (10)	Lífeyrissj. stm. Reykjavíkurb. (11)	Lífeyrissjóður bankamanna (12)	Lífeyrissj. starfsm. sveitarfél. (13)	Lífeyrissj. verkfræðinga (14)
<b>Inflow</b>							
Premiums	5.520.165	2.393.019	3.577.672	1.455.271	1.866.591	5.104.148	2.913.271
Investment income	-2.708.532	1.126.252	1.213.230	2.859.383	4.498.482	-62.591	1.364.200
Other income	0	0	10.137	0	0	0	0
Securities amortizations	2.113.908	2.351.608	3.974.852	829.781	1.240.229	2.142.223	1.634.649
Sold variable yield securities	32.066.015	1.288.155	16.992.543	3.726.102	5.488.160	19.395.970	13.909.213
Sold fixed rate securities	9.129.476	2.375.148	1.953.011	989.478	1.977.041	5.920.659	2.249.145
Reduction of bank deposits	0	0	114.235	0	0	0	0
Sold other investments	0	0	0	0	0	0	0
Other inflow	0	11.011	0	0	60.747	807	0
<i>Inflow</i>	46.121.032	9.545.193	27.835.680	9.860.015	15.131.250	32.501.216	22.070.478
<b>Outflow</b>							
Pension payment	1.249.052	764.904	1.348.633	2.064.295	1.179.394	400.865	372.618
Investment expenses	228.764	65.816	58.761	22.402	16.535	26.369	63.383
Operating exp. excluding depreciation	98.595	97.003	77.911	45.570	65.826	61.450	52.770
Other expenses	56.103	0	0	0	0	0	0
Other outflow	0	0	0	0	3.812.229	0	14.735
<i>Outflow</i>	1.632.514	927.723	1.485.305	2.132.267	5.073.984	488.684	503.506
<b>Disposable resources to purchase securities and other investments</b>	44.488.518	8.617.470	26.350.375	7.727.748	10.057.266	32.012.532	21.566.972
<b>Purchase of securities and other inv.</b>							
Variable-yield securities	23.768.201	911.793	12.055.505	2.733.505	6.673.999	17.982.683	11.097.842
Fixed rate securities	16.272.123	7.174.297	13.197.028	4.622.172	1.250.060	10.219.562	6.337.863
New mortgage loans and other loans	373.765	491.645	1.073.399	0	723.028	1.529.846	2.396.180
Increase of bank deposits	1.357.738	0	0	0	1.312.695	1.591.611	1.475.464
Other investments, cf. item 4.6	0	364	0	0	0	385.614	721
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>	41.771.827	8.578.099	26.325.932	7.355.677	9.959.782	31.709.316	21.308.070
<b>Cash and current deposits at beg. of year</b>	832.153	396.971	84.192	195.790	1.231.631	348.958	125.489
<b>Cash and current deposits end of year</b>	3.548.844	436.342	108.635	567.861	1.329.117	652.174	384.390



### 3.3. CASH FLOW 2008

Amounts in 000 IKR.	Íslenski lífeyris-sjóðurinn (15)	Lífeyrissj. Vestmanna-eyja (16)	Lífeyris-sjóður Vestfirðinga (17)	Lífeyris-sjóður bænda (18)	Lífeyrissj. hjúkrunar-fræðinga (19)	Lífeyrissj. starfsm. Búnaðarb. (20)	Eftirlauna-sjóður FÍA (21)
<b>Inflow</b>							
Premiums	5.353.130	865.300	853.972	521.258	1.140.884	96.902	938.757
Investment income	1.149.031	919.285	793.550	375.269	335.707	62.546	503.381
Other income	0	0	0	37.910	0	0	0
Securities amortizations	52.902	583.950	1.373.864	432.591	1.264.997	923.974	952.606
Sold variable yield securities	35.831.878	2.635.560	7.958.973	4.953.033	875.963	3.986.351	12.085.577
Sold fixed rate securities	6.497.809	290.205	971.620	593.089	892.295	529.517	1.566.149
Reduction of bank deposits	0	0	0	0	0	0	0
Sold other investments	0	0	0	0	0	0	0
Other inflow	-512.558	45.605	14.077	4	0	0	-14.890
<i>Inflow</i>	48.372.192	5.339.905	11.966.056	6.913.154	4.509.846	5.599.290	16.031.580
<b>Outflow</b>							
Pension payment	505.366	599.837	661.258	883.325	1.346.730	488.906	583.714
Investment expenses	1.663.988	38.708	12.115	37.338	17.137	0	55
Operating exp. excluding depreciation	102.088	30.695	58.575	38.228	25.298	5.604	31.893
Other expenses	0	0	0	0	0	0	0
Other outflow	-28.245	17.677	19.387	0	799.671	-10.988	0
<i>Outflow</i>	2.243.197	686.917	751.335	958.891	2.188.836	483.522	615.662
<b>Disposable resources to purchase securities and other investments</b>	46.128.995	4.652.988	11.214.721	5.954.263	2.321.010	5.115.768	15.415.918
<b>Purchase of securities and other inv.</b>							
Variable-yield securities	28.384.328	1.534.253	7.210.083	3.304.114	988.752	2.971.935	9.686.593
Fixed rate securities	5.991.297	2.964.491	2.956.585	1.364.118	817.200	2.195.072	1.334.472
New mortgage loans and other loans	0	75.000	118.552	577.350	290.017	64.900	337.279
Increase of bank deposits	6.888.122	0	0	116	0	0	0
Other investments, cf. item 4.6	0	330	0	0	0	0	3.870.081
Buildings and premises	0	0	0	0	383	0	0
Consolidated and affiliated undertakings	0	0	0	0	0	0	0
<i>Purchase of securities and other inv.</i>	41.263.747	4.574.074	10.285.220	5.245.698	2.096.352	5.231.907	15.228.425
<b>Cash and current deposits at beg. of year</b>	75.953	130.519	113.957	37.602	40.349	213.556	33.618
<b>Cash and current deposits end of year</b>	4.941.202	209.434	1.043.458	746.167	265.007	97.417	221.111

### 3.3. CASH FLOW 2008

Amounts in 000 IKR.	Kjölur lífeyris- sjóður (22)	Lífeyrissj. starfsm. Akureyrarb. (23)	Eftirlaunasj. Starfsm. Glitnis banka (24)	Lífeyris- sjóður Rangæinga (25)	Lífeyrissj. starfsm. Kópavogsb. (26)	Eftirlaunasj. Reykjanes- bæjar (27)	Lífeyrissj. Tannlækna- félags Ísl. (28)
<b>Inflow</b>							
Premiums	0	187.630	659.453	230.695	132.165	28.599	126.350
Investment income	185.297	477.224	169.613	303.499	85.475	96.905	65.546
Other income	0	0	0	225	14.052	0	0
Securities amortizations	309.867	135.199	31.715	1.268.364	279.203	19.528	10.188
Sold variable yield securities	8.443.779	2.688.372	3.144.709	0	834.143	366.233	2.974.015
Sold fixed rate securities	368.263	18.999	185.226	459.328	1.011.862	18.007	246.561
Reduction of bank deposits	0	0	0	0	0	0	0
Sold other investments	0	0	0	0	0	0	0
Other inflow	0	167.188	0	0	0	1.401.938	-37.315
<i>Inflow</i>	9.307.206	3.674.612	4.190.716	2.262.111	2.356.900	1.931.210	3.385.345
<b>Outflow</b>							
Pension payment	555.424	308.905	199.242	102.350	179.508	71.237	131.974
Investment expenses	200	4.839	11.497	9.836	3.125	114	12.820
Operating exp. excluding depreciation	10.397	14.199	8.732	6.546	10.927	6.367	6.822
Other expenses	0	0	0	29.490	0	18.023	0
Other outflow	0	0	1.165.510	0	0	0	0
<i>Outflow</i>	566.021	327.943	1.384.981	148.222	193.560	95.741	151.616
<b>Disposable resources to purchase securities and other investments</b>	8.741.185	3.346.669	2.805.735	2.113.889	2.163.340	1.835.469	3.233.729
<b>Purchase of securities and other inv.</b>							
Variable-yield securities	6.113.727	1.421.597	2.213.144	1.069.583	337.922	1.482.901	2.492.744
Fixed rate securities	488.692	686.529	581.967	543.296	1.231.296	190.460	67.661
New mortgage loans and other loans	0	4.000	0	0	0	0	0
Increase of bank deposits	0	0	0	0	0	0	0
Other investments, cf. item 4.6	2.151.527	0	0	7.482	0	0	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>	8.753.946	2.112.126	2.795.111	1.620.361	1.569.218	1.673.361	2.560.405
<b>Cash and current deposits at beg. of year</b>	71.932	74.328	32.970	355.387	27.275	30.182	3.312
<b>Cash and current deposits end of year</b>	59.171	1.308.871	43.596	848.915	621.395	192.290	676.636

### 3.3. CASH FLOW 2008

Amounts in 000 IKR.	Eftirlaunasj. starfsm. Hafnarfj.k. (29)	Lífeyrissj. Akranes- kaupstaðar (30)	Eftirlaunasj. Sláturfélags Suðurlands (31)	Lífeyrissj. starfsm. Húsavíkurk. (32)	Lífeyrissj. Nes- kaupstaðar (33)	Lífeyris- sjóðurinn Skjöldur (34)	Lífeyrissj. Eimskipa- félags Ísl. (35)
<b>Inflow</b>							
Premiums	84.891	86.640	0	48.683	39.055	0	0
Investment income	183.770	20.682	106.386	35.358	7.796	36.246	1.495
Other income	0	0	0	0	0	0	0
Securities amortizations	97.846	14.139	27.202	44.107	18.252	6.202	3.907
Sold variable yield securities	135.976	746.342	0	107.959	128.629	0	101.074
Sold fixed rate securities	0	11.676	30.429	26.444	120.507	27.735	50.123
Reduction of bank deposits	0	0	0	0	0	0	0
Sold other investments	0	0	0	0	0	0	0
Other inflow	5.720	0	93	0	0	0	0
<i>Inflow</i>	508.203	879.479	164.110	262.551	314.239	70.183	156.599
<b>Outflow</b>							
Pension payment	126.220	159.529	43.808	56.738	66.333	45.594	35.828
Investment expenses	6.092	8.210	78	0	1.933	0	17
Operating exp. excluding depreciation	9.449	14.216	3.070	3.621	1.933	1.662	1.226
Other expenses	0	0	0	0	0	0	0
Other outflow	0	0	719	0	0	0	323
<i>Outflow</i>	141.761	181.955	47.675	60.359	70.199	47.256	37.394
<b>Disposable resources to purchase securities and other investments</b>	366.442	697.524	116.435	202.192	244.040	22.927	119.205
<b>Purchase of securities and other inv.</b>							
Variable-yield securities	1.595	353.274	0	66.909	109.964	0	112.748
Fixed rate securities	250.423	98.562	0	92.355	89.112	14.800	0
New mortgage loans and other loans	69.900	0	0	0	26.398	0	0
Increase of bank deposits	0	272.915	109.415	31.696	9.878	0	0
Other investments, cf. item 4.6	0	0	0	0	0	0	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>	321.918	724.751	109.415	190.960	235.352	14.800	112.748
<b>Cash and current deposits at beg. of year</b>	13.027	32.169	13	19.393	4.960	43.862	88
<b>Cash and current deposits end of year</b>	57.551	4.943	7.033	30.625	13.648	51.989	6.546

### 3.3. CASH FLOW 2008

Amounts in 000 IKR.	Lífeyrissj. stm. Vestm.eyjab. (36)	Eftirlaunastj. starfsm. Útvegsb. Ísl. (37)	TOTAL
<b>Inflow</b>			
Premiums	59.982	0	115.777.500
Investment income	9.439	2.365	38.785.867
Other income	0	0	62.324
Securities amortizations	641	7.898	72.243.872
Sold variable yield securities	0	0	397.641.438
Sold fixed rate securities	0	0	127.209.304
Reduction of bank deposits	0	0	114.876
Sold other investments	0	0	20.000
Other inflow	44.999	202.000	1.820.001
<i>Inflow</i>	115.061	212.263	753.675.182
<b>Outflow</b>			
Pension payment	95.717	220.699	52.927.395
Investment expenses	0	1	3.238.987
Operating exp. excluding depreciation	8.729	3.719	1.873.709
Other expenses	281	0	113.693
Other outflow	0	0	20.625.026
<i>Outflow</i>	104.727	224.419	78.778.810
<b>Disposable resources to purchase securities and other investments</b>	10.334	-12.156	674.896.372
<b>Purchase of securities and other inv.</b>			
Variable-yield securities	0	0	287.571.949
Fixed rate securities	0	0	233.483.270
New mortgage loans and other loans	0	0	29.267.549
Increase of bank deposits	0	0	26.054.989
Other investments, cf. item 4.6	0	0	8.896.339
Buildings and premises	0	0	22.448
Consolidated and affiliated undertakings	0	0	0
<i>Purchase of securities and other inv.</i>	0	0	585.296.544
<b>Cash and current deposits at beg. of year</b>	69.803	16.686	36.153.030
<b>Cash and current deposits end of year</b>	80.137	4.530	125.752.868

## 4. ANNUAL ACCOUNTS OF MUTUAL INSURANCE DIVISIONS FOR THE YEAR 2008

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,
- 4.2. Financial ratios for Mutual Insurance Divisions,

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. 13) 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:

$$r = \frac{(1+i)}{(1+j)} - 1 \quad \text{where } i \text{ represent exchange rate changes over the year and } j \text{ represents increases in the consumer price index.}$$

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:

$$r = \frac{(1+i)}{(1+j)} - 1 \quad \text{where } j \text{ represents increases in the consumer price index during the year.}$$

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:

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

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. 6, 15 and 22.

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.

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.

#### 4.1. MUTUAL INSURANCE DIVISIONS, CHANGES, BALANCE SHEETS AND CASH FLOW 2008

Amounts in 000 IKR.	Lífeyrissjóður stn. ríkisins		Lífeyrissjóður verslunarmanna	Gildi lífeyrissjóður	Stapi lífeyrissjóður	Sameinaði lífeyris- sjóðurinn
	B-deild	(1) A-deild	(2)	(3)	(4)	(5)
<i>Statement of changes in net assets for pension payment</i>						
<b>Premiums</b>	15.665.511	14.109.023	16.474.353	11.707.513	5.018.376	5.605.395
<b>Pension</b>	17.384.889	719.659	4.841.166	6.603.413	2.333.175	2.689.744
<b>Investment income</b>	-28.074.393	-13.063.379	-31.182.688	-34.295.956	311.821	-9.076.556
<b>Investment expenses</b>	135.346	81.670	239.041	137.408	48.159	115.963
<b>Operating expenses</b>	211.518	67.040	218.804	255.185	73.911	116.502
<b>Other income</b>	0	0	69.485	46.920	0	0
<b>Other expenses</b>	0	0	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	-30.140.635	177.275	-19.937.861	-29.537.529	2.874.952	-6.393.370
<b>Increase in net assets</b>	-30.140.635	177.275	-19.937.861	-29.537.529	2.874.952	-6.393.370
<b>Net assets from previous year end</b>	203.013.352	107.247.847	262.609.403	235.991.776	89.383.915	93.350.740
<i>Net Assets for Pension</i>	<b>172.872.717</b>	<b>107.425.122</b>	<b>242.671.542</b>	<b>206.454.247</b>	<b>92.258.867</b>	<b>86.957.370</b>
<i>Balance Sheet</i>						
<i>Assets</i>						
<b>Investments</b>	179.988.183	104.489.934	221.506.058	190.744.834	76.317.635	82.353.013
<b>Claims</b>	752.746	1.300.332	2.007.128	1.690.527	1.938.798	524.379
<b>Other assets</b>	3.730.444	7.358.502	34.786.968	19.168.486	19.704.319	6.936.514
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0
<i>Total Assets</i>	184.471.373	113.148.768	258.300.154	211.603.847	97.960.752	89.813.906
<i>Liabilities</i>						
<b>Obligations</b>	62.312	19.859	0	0	0	0
<b>Accounts payable</b>	11.536.344	5.703.787	15.628.612	5.149.597	5.701.884	2.835.938
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	20.598
<i>Total Liabilities</i>	11.598.656	5.723.646	15.628.612	5.149.597	5.701.884	2.856.536
<i>Net Assets for pension</i>	<b>172.872.717</b>	<b>107.425.122</b>	<b>242.671.542</b>	<b>206.454.250</b>	<b>92.258.868</b>	<b>86.957.370</b>
<i>Cash Flow</i>						
<b>Inflow</b>	43.795.166	37.677.548	71.891.109	71.473.590	73.852.984	51.017.542
<b>Outflow</b>	23.592.974	4.301.636	5.360.448	9.840.197	3.754.526	2.838.162
<b>Disposable resources to purchase securities and other investments</b>	20.202.192	33.375.912	66.530.661	61.633.393	70.098.458	48.179.380
<b>Purchase of securities and other investments</b>	25.675.606	28.586.424	37.628.489	50.952.934	50.740.199	42.538.686
<b>Increase in cash and current deposits</b>	-5.473.414	4.789.488	28.902.172	10.680.459	19.358.259	5.640.694
<b>Cash and current deposits at beg. of year</b>	9.198.878	2.564.034	5.813.288	8.463.098	343.424	1.285.212
<i>Cash and current deposits end of year</i>	<b>3.725.464</b>	<b>7.353.522</b>	<b>34.715.460</b>	<b>19.143.557</b>	<b>19.701.683</b>	<b>6.925.906</b>

#### 4.1. MUTUAL INSURANCE DIVISIONS, CHANGES, BALANCE SHEETS AND CASH FLOW 2008

Amounts in 000 IKR.	Almennir lífeyrissjóðurinn			Stafir lífeyris- sjóður	Frjálsi lífeyris- sjóðurinn	Söfnunarsj. lífeyris- réttinda	Festa lífeyrissjóður
	Tryggingadeild	(6) Lífeyrisdeild	Eftirlaunadeild	(7)	(8)	(9)	(10)
<b>Statement of changes in net assets for pension payment</b>							
<b>Premiums</b>	120.026	551.104	2.426.265	4.250.396	1.896.955	2.785.709	3.894.850
<b>Pension</b>	200.589	569.830	0	1.739.047	147.157	753.462	1.512.996
<b>Investment income</b>	-1.249.213	-222.527	-4.634.317	-8.420.456	-963.780	278.178	-3.006.850
<b>Investment expenses</b>	8.607	2.449	29.984	84.777	44.396	56.648	58.403
<b>Operating expenses</b>	9.157	3.475	26.703	83.055	23.420	99.017	77.299
<b>Other income</b>	0	0	0	0	0	20.679	9.972
<b>Other expenses</b>	0	0	0	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	-1.347.540	-247.177	-2.264.739	-6.076.939	718.202	2.175.439	-750.726
<b>Increase in net assets</b>	-1.347.540	-247.177	-2.264.739	-6.076.939	718.202	2.175.439	-750.726
<b>Net assets from previous year end</b>	9.471.135	4.204.889	26.212.955	78.664.226	12.640.711	55.617.100	55.164.760
<b>Net Assets for Pension</b>	<b>8.123.595</b>	<b>3.957.712</b>	<b>23.948.216</b>	<b>72.587.287</b>	<b>13.358.913</b>	<b>57.792.539</b>	<b>54.414.034</b>
<b>Balance Sheet</b>							
<b>Assets</b>							
<b>Investments</b>	7.875.088	3.857.276	24.098.800	65.015.883	13.043.626	56.235.855	55.955.743
<b>Claims</b>	496.083	67.403	645.193	1.625.000	162.614	1.235.103	876.091
<b>Other assets</b>	310.239	115.525	1.145.091	7.523.229	549.264	455.609	110.113
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0	0
<b>Total Assets</b>	<b>8.681.410</b>	<b>4.040.204</b>	<b>25.889.084</b>	<b>74.164.112</b>	<b>13.755.504</b>	<b>57.926.567</b>	<b>56.941.947</b>
<b>Liabilities</b>							
<b>Obligations</b>	0	0	0	0	0	0	0
<b>Accounts payable</b>	557.815	82.492	1.940.868	1.576.825	396.591	134.028	2.527.913
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	0	0
<b>Total Liabilities</b>	<b>557.815</b>	<b>82.492</b>	<b>1.940.868</b>	<b>1.576.825</b>	<b>396.591</b>	<b>134.028</b>	<b>2.527.913</b>
<b>Net Assets for pension</b>	<b>8.123.595</b>	<b>3.957.712</b>	<b>23.948.216</b>	<b>72.587.287</b>	<b>13.358.913</b>	<b>57.792.539</b>	<b>54.414.034</b>
<b>Cash Flow</b>							
<b>Inflow</b>	4.176.563	2.576.462	15.951.270	41.494.143	9.092.687	9.475.692	27.813.510
<b>Outflow</b>	317.321	598.330	57.783	1.931.184	215.544	915.531	1.484.712
<b>Disposable resources to purchase securities and other investments</b>	3.859.242	1.978.132	15.893.487	39.562.959	8.877.143	8.560.161	26.328.798
<b>Purchase of securities and other investments</b>	3.629.342	1.895.437	14.958.264	34.120.268	8.771.674	8.520.790	26.302.066
<b>Increase in cash and current deposits</b>	229.900	82.695	935.223	5.442.691	105.469	39.371	26.732
<b>Cash and current deposits at beg. of year</b>	80.340	32.832	209.866	2.056.230	443.795	396.971	81.762
<b>Cash and current deposits end of year</b>	<b>310.240</b>	<b>115.527</b>	<b>1.145.089</b>	<b>7.498.921</b>	<b>549.264</b>	<b>436.342</b>	<b>108.494</b>



#### 4.1. MUTUAL INSURANCE DIVISIONS, CHANGES, BALANCE SHEETS AND CASH FLOW 2008

Amounts in 000 IKR.	Lífeyrissj. stm. Reykjavíkurb.	Lífeyrissjóður bankamanna		Lífeyrissj. stm. sveitarfél.		Lífeyrissj. Verkfræðinga	Íslenski lífeyris- sjóðurinn
	(11)	(12)		(13)		(14)	(15)
		Hlutfallsdeild	Aldursdeild	A-deild	V-deild		
<b>Statement of changes in net assets for pension payment</b>							
<b>Premiums</b>	1.479.782	346.872	-2.381.072	3.985.464	745.903	2.268.601	624.857
<b>Pension</b>	2.064.295	1.130.156	49.238	359.762	14.339	358.858	14.877
<b>Investment income</b>	7.674.126	3.752.385	593.671	740.911	83.505	-5.859.348	-544.456
<b>Investment expenses</b>	22.402	9.693	3.931	23.820	2.548	61.415	-734
<b>Operating expenses</b>	45.570	18.668	19.052	60.005	6.421	52.344	596
<b>Other income</b>	0	0	0	0	0	0	0
<b>Other expenses</b>	0	0	0	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	7.021.641	2.940.740	-1.859.622	4.282.788	806.100	-4.063.364	65.662
<b>Increase in net assets</b>	7.021.641	2.940.740	-1.859.622	4.282.788	806.100	-4.063.364	65.662
<b>Net assets from previous year end</b>	40.278.978	25.968.301	12.090.304	24.908.749	2.665.329	28.633.811	2.421.865
<b>Net Assets for Pension</b>	<b>47.300.619</b>	<b>28.909.041</b>	<b>10.230.682</b>	<b>29.191.537</b>	<b>3.471.429</b>	<b>24.570.447</b>	<b>2.487.527</b>
<b>Balance Sheet</b>							
<i>Assets</i>							
<b>Investments</b>	46.745.136	28.439.266	9.612.921	28.306.850	3.366.224	24.163.562	1.832.889
<b>Claims</b>	53.449	0	32.100	356.117	42.349	45.045	83.775
<b>Other assets</b>	567.861	469.776	860.047	541.225	64.361	390.765	570.517
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0	0
<b>Total Assets</b>	47.366.446	28.909.042	10.505.068	29.204.192	3.472.934	24.599.372	2.487.181
<i>Liabilities</i>							
<b>Obligations</b>	0	0	0	0	0	0	0
<b>Accounts payable</b>	65.827	0	274.385	12.657	1.505	28.926	-346
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	0	0
<b>Total Liabilities</b>	65.827	0	274.385	12.657	1.505	28.926	-346
<b>Net Assets for pension</b>	<b>47.300.619</b>	<b>28.909.042</b>	<b>10.230.683</b>	<b>29.191.535</b>	<b>3.471.429</b>	<b>24.570.446</b>	<b>2.487.527</b>
<b>Cash Flow</b>							
<b>Inflow</b>	9.860.015	5.588.558	9.542.692	28.947.101	3.097.449	21.387.588	3.883.597
<b>Outflow</b>	2.132.267	1.224.180	3.849.804	417.270	44.650	478.294	183.714
<b>Disposable resources to purchase securities and other investments</b>	7.727.748	4.364.378	5.692.888	28.529.831	3.052.799	20.909.294	3.699.883
<b>Purchase of securities and other investments</b>	7.355.677	4.207.207	5.752.575	28.301.752	3.021.950	20.650.357	3.135.299
<b>Increase in cash and current deposits</b>	372.071	157.171	-59.687	228.079	30.849	258.937	564.584
<b>Cash and current deposits at beg. of year</b>	195.790	311.957	919.674	312.704	33.460	125.451	5.933
<b>Cash and current deposits end of year</b>	<b>567.861</b>	<b>469.128</b>	<b>859.987</b>	<b>540.783</b>	<b>64.309</b>	<b>384.388</b>	<b>570.517</b>

#### 4.1. MUTUAL INSURANCE DIVISIONS, CHANGES, BALANCE SHEETS AND CASH FLOW 2008

Amounts in 000 IKR.	Lífeyrissj. Vestmanna- eyja (16)	Lífeyrissj. Vestfirðinga (17)	Lífeyrissj. bænda (18)	Lífeyrissj. hjúkrunar- fræðinga (19)	Lífeyrissj. stm. Búnaðarb. Ísl. (20)	Eftirlaunasj. FÍA (21)	Kjölur lífeyrissj. (22)
<b>Statement of changes in net assets for pension payment</b>							
<b>Premiums</b>	869.886	913.122	523.317	1.262.201	96.902	938.757	-601
<b>Pension</b>	595.308	697.189	841.952	1.365.782	488.906	582.813	552.702
<b>Investment income</b>	758.759	-4.939.659	-902.264	-3.358.308	1.412.059	-2.178.338	-1.554.444
<b>Investment expenses</b>	38.121	12.115	22.468	17.889	5.604	6.865	7.568
<b>Operating expenses</b>	31.799	58.320	40.098	26.427	0	12.331	3.317
<b>Other income</b>	0	0	0	0	0	0	0
<b>Other expenses</b>	0	0	0	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	963.417	-4.794.161	-1.283.465	-3.506.205	1.014.451	-1.841.590	-2.118.632
<b>Increase in net assets</b>	963.417	-4.794.161	-1.283.465	-3.506.205	1.014.451	-1.841.590	-2.118.632
<b>Net assets from previous year end</b>	23.192.729	27.258.890	21.603.252	23.132.282	12.954.380	15.607.556	10.123.620
<b>Net Assets for Pension</b>	<b>24.156.146</b>	<b>22.464.729</b>	<b>20.319.787</b>	<b>19.626.077</b>	<b>13.968.831</b>	<b>13.765.966</b>	<b>8.004.988</b>
<b>Balance Sheet</b>							
<i>Assets</i>							
<b>Investments</b>	24.088.889	21.922.951	20.068.251	20.710.805	13.880.648	13.267.066	7.919.921
<b>Claims</b>	110.232	422.431	77.253	156.571	589	558.433	97.973
<b>Other assets</b>	211.098	1.037.882	747.148	266.114	97.417	221.111	59.171
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0	0
<b>Total Assets</b>	<b>24.410.219</b>	<b>23.383.264</b>	<b>20.892.652</b>	<b>21.133.490</b>	<b>13.978.654</b>	<b>14.046.610</b>	<b>8.077.065</b>
<i>Liabilities</i>							
<b>Obligations</b>	0	0	0	7.359	0	0	0
<b>Accounts payable</b>	254.076	918.535	572.865	1.500.054	9.823	280.156	66.522
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	488	5.554
<b>Total Liabilities</b>	<b>254.076</b>	<b>918.535</b>	<b>572.865</b>	<b>1.507.413</b>	<b>9.823</b>	<b>280.644</b>	<b>72.076</b>
<b>Net Assets for pension</b>	<b>24.156.143</b>	<b>22.464.729</b>	<b>20.319.787</b>	<b>19.626.077</b>	<b>13.968.831</b>	<b>13.765.966</b>	<b>8.004.989</b>
<b>Cash Flow</b>							
<b>Inflow</b>	5.075.777	11.885.550	6.913.154	4.509.846	5.599.290	16.031.580	9.307.206
<b>Outflow</b>	681.608	736.039	958.891	2.188.836	483.522	615.662	566.021
<b>Disposable resources to purchase securities and other investments</b>	4.394.169	11.149.511	5.954.263	2.321.010	5.115.768	15.415.918	8.741.185
<b>Purchase of securities and other investments</b>	4.315.254	10.226.042	5.245.698	2.096.352	5.231.907	15.228.425	8.753.946
<b>Increase in cash and current deposits</b>	78.915	923.469	708.565	224.658	-116.139	187.493	-12.761
<b>Cash and current deposits at beg. of year</b>	130.519	113.957	37.602	40.349	213.556	33.618	71.932
<b>Cash and current deposits end of year</b>	<b>209.434</b>	<b>1.037.426</b>	<b>746.167</b>	<b>265.007</b>	<b>97.417</b>	<b>221.111</b>	<b>59.171</b>

#### 4.1. MUTUAL INSURANCE DIVISIONS, CHANGES, BALANCE SHEETS AND CASH FLOW 2008

Amounts in 000 IKR.	Lífeyrissj. stm. Akureyrarb.	Eftirlaunasj. stm. Glitnis banka hf.	Lífeyrissj. Rangæinga	Lífeyrissj. stm. Kópavogsb.	Eftirlaunasj. Reykjanes- bæjar	Lífeyrissj. Tannlæknafél. Íslands	Eftirlaunasj. stm. Hafnarfjarðark.
	(23)	(24)	(25)	(26)	(27)	(28)	(29)
<b>Statement of changes in net assets for pension payment</b>							
<b>Premiums</b>	187.630	-845.575	249.659	159.292	87.807	38.153	85.392
<b>Pension</b>	308.905	200.396	110.667	179.508	131.368	3.399	126.220
<b>Investment income</b>	939.821	236.604	108.662	-48.219	284.141	-48.762	-431.801
<b>Investment expenses</b>	4.839	10.829	10.622	3.125	2.003	1.404	6.092
<b>Operating expenses</b>	14.199	9.365	6.679	10.927	5.665	0	9.449
<b>Other income</b>	0	0	224	14.052	0	0	0
<b>Other expenses</b>	0	0	29.489	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	799.508	-829.561	201.088	-68.435	232.912	-15.412	-488.170
<b>Increase in net assets</b>	799.508	-829.561	201.088	-68.435	232.912	-15.412	-488.170
<b>Net assets from previous year end</b>	5.921.817	7.223.000	4.276.550	2.505.080	2.235.587	305.939	2.261.717
<b>Net Assets for Pension</b>	<b>6.721.325</b>	<b>6.393.439</b>	<b>4.477.638</b>	<b>2.436.645</b>	<b>2.468.499</b>	<b>290.527</b>	<b>1.773.547</b>
<b>Balance Sheet</b>							
<b>Assets</b>							
<b>Investments</b>	5.571.045	6.413.662	3.596.398	1.841.524	2.279.402	215.652	1.713.809
<b>Claims</b>	24.863	10.553	33.629	854	442	6.732	2.188
<b>Other assets</b>	1.308.871	43.596	849.439	621.395	192.290	73.295	57.551
<b>Prepaid expenses and accrued income</b>	0	0	0	0	0	0	0
<b>Total Assets</b>	6.904.779	6.467.811	4.479.466	2.463.773	2.472.134	295.679	1.773.548
<b>Liabilities</b>							
<b>Obligations</b>	0	0	0	0	0	0	0
<b>Accounts payable</b>	183.454	74.372	1.828	27.128	3.635	5.152	0
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	0	0
<b>Total Liabilities</b>	183.454	74.372	1.828	27.128	3.635	5.152	0
<b>Net Assets for pension</b>	<b>6.721.325</b>	<b>6.393.439</b>	<b>4.477.638</b>	<b>2.436.645</b>	<b>2.468.499</b>	<b>290.527</b>	<b>1.773.548</b>
<b>Cash Flow</b>							
<b>Inflow</b>	3.674.612	4.190.716	2.262.111	2.356.900	1.931.210	435.170	508.203
<b>Outflow</b>	327.943	1.384.981	148.222	193.560	95.741	17.564	141.761
<b>Disposable resources to purchase securities and other investments</b>	3.346.669	2.805.735	2.113.889	2.163.340	1.835.469	417.606	366.442
<b>Purchase of securities and other investments</b>	2.112.126	2.795.111	1.620.361	1.569.218	1.673.361	344.422	321.918
<b>Increase in cash and current deposits</b>	1.234.543	10.624	493.528	594.122	162.108	73.184	44.524
<b>Cash and current deposits at beg. of year</b>	74.328	32.970	355.387	27.275	30.182	111	13.027
<b>Cash and current deposits end of year</b>	<b>1.308.871</b>	<b>43.594</b>	<b>848.915</b>	<b>621.397</b>	<b>192.290</b>	<b>73.295</b>	<b>57.551</b>

#### 4.1. MUTUAL INSURANCE DIVISIONS, CHANGES, BALANCE SHEETS AND CASH FLOW 2008

Amounts in 000 IKR.	Lífeyrissj. Akranes- kaupstaðar (30)	Eftirlaunasj. Sláturfélags Suðurlands (31)	Lífeyrissj. stm. Húsavíkurk. (32)	Lífeyrissj. Nes- kaupstaðar (33)	Lífeyris- sjóðurinn Skjöldur (34)	Lífeyrissj. Eimskipaf. Ísl. (35)	Lífeyrissj. stm. Vestm.eyjab. (36)
<i>Statement of changes in net assets for pension payment</i>							
Premiums	86.478	-140	48.683	40.132	0	0	104.981
Pension	159.010	43.807	56.738	66.333	46.180	36.175	95.717
Investment income	-176.405	35.464	57.170	84.877	-35.331	-19.639	9.439
Investment expenses	3.064	78	0	1.933	1.081	178	4.508
Operating expenses	5.135	3.070	4.094	1.933	532	938	4.502
Other income	0	0	0	0	0	0	0
Other expenses	0	0	0	0	0	0	0
Increase in net assets before extraordinary items and changes in valuation	-257.136	-11.631	45.021	54.810	-83.124	-56.930	9.693
Increase in net assets	-257.136	-11.631	45.021	54.810	-83.124	-56.930	9.693
Net assets from previous year end	1.146.206	761.711	481.478	449.568	472.544	172.493	71.180
<i>Net Assets for Pension</i>	<b>889.070</b>	<b>750.080</b>	<b>526.499</b>	<b>504.378</b>	<b>389.420</b>	<b>115.563</b>	<b>80.873</b>
<i>Balance Sheet</i>							
<i>Assets</i>							
Investments	882.104	743.640	500.950	490.941	338.078	108.374	736
Claims	7.616	800	56	4.409	0	0	0
Other assets	4.943	7.033	30.625	13.648	51.989	6.546	80.137
Prepaid expenses and accrued income	0	0	0	0	0	2.187	0
<i>Total Assets</i>	894.663	751.473	531.631	508.998	390.067	117.107	80.873
<i>Liabilities</i>							
Obligations	0	0	0	0	0	0	0
Accounts payable	5.593	1.393	5.132	4.620	647	1.543	0
Accrued expenses and unearned income	0	0	0	0	0	0	0
<i>Total Liabilities</i>	5.593	1.393	5.132	4.620	647	1.543	0
<i>Net Assets for pension</i>	<b>889.070</b>	<b>750.080</b>	<b>526.499</b>	<b>504.378</b>	<b>389.420</b>	<b>115.564</b>	<b>80.873</b>
<i>Cash Flow</i>							
Inflow	879.479	164.110	262.551	314.239	70.183	156.599	115.061
Outflow	181.955	47.675	60.359	70.199	47.256	37.394	104.727
Disposable resources to purchase securities and other investments	697.524	116.435	202.192	244.040	22.927	119.205	10.334
Purchase of securities and other investments	724.751	109.415	190.960	235.352	14.800	112.748	0
Increase in cash and current deposits	-27.227	7.020	11.232	8.688	8.127	6.457	10.334
Cash and current deposits at beg. of year	32.169	13	19.393	4.960	43.862	88	69.803
<i>Cash and current deposits end of year</i>	<b>4.942</b>	<b>7.033</b>	<b>30.625</b>	<b>13.648</b>	<b>51.989</b>	<b>6.545</b>	<b>80.137</b>

#### 4.1. MUTUAL INSURANCE DIVISIONS, CHANGES, BALANCE SHEETS AND CASH FLOW 2008

Amounts in 000 IKR.	Eftirlaunasj. stm. Útvegsb. Íslands (37)	TOTAL	Funds guaranteed by others	Funds not guaranteed by others
		42 divisions	13 divisions	29 divisions
<b><i>Statement of changes in net assets for pension payment</i></b>				
<b>Premiums</b>	202.000	96.623.959	19.409.889	77.214.070
<b>Pension</b>	207.568	50.383.295	22.182.508	28.200.787
<b>Investment income</b>	5.489	-136.920.007	-23.053.702	-113.866.305
<b>Investment expenses</b>	1	1.326.313	201.380	1.124.933
<b>Operating expenses</b>	3.720	1.720.242	344.077	1.376.165
<b>Other income</b>	0	161.332	14.052	147.280
<b>Other expenses</b>	0	29.489	0	29.489
<b>Increase in net assets before extraordinary items and changes in valuation</b>	-3.800	-93.594.055	-26.357.726	-67.236.329
<b>Increase in net assets</b>	-3.800	-93.594.055	-26.357.726	-67.236.329
<b>Net assets from previous year end</b>	5.688	1.532.703.413	281.675.426	1.251.027.987
<b><i>Net Assets for Pension</i></b>	<b>1.888</b>	<b>1.439.109.358</b>	<b>255.317.700</b>	<b>1.183.791.658</b>
<b><i>Balance Sheet</i></b>				
<b><i>Assets</i></b>				
<b>Investments</b>	17.553	1.370.521.175	260.850.562	1.109.670.613
<b>Claims</b>	0	15.449.856	1.003.194	14.446.662
<b>Other assets</b>	4.530	111.344.684	6.884.955	104.459.729
<b>Prepaid expenses and accrued income</b>	0	2.187	2.187	0
<b><i>Total Assets</i></b>	<b>22.083</b>	<b>1.497.317.902</b>	<b>268.740.898</b>	<b>1.228.577.004</b>
<b><i>Liabilities</i></b>				
<b>Obligations</b>	0	89.530	69.671	19.859
<b>Accounts payable</b>	20.195	58.092.371	13.353.525	44.738.846
<b>Accrued expenses and unearned income</b>	0	26.640	0	26.640
<b><i>Total Liabilities</i></b>	<b>20.195</b>	<b>58.208.541</b>	<b>13.423.196</b>	<b>44.785.345</b>
<b><i>Net Assets for pension</i></b>	<b>1.888</b>	<b>1.439.109.361</b>	<b>255.317.702</b>	<b>1.183.791.659</b>
<b><i>Cash Flow</i></b>				
<b>Inflow</b>	212.263	619.451.076	68.576.144	550.874.932
<b>Outflow</b>	224.419	72.852.862	29.352.135	43.500.727
<b>Disposable resources to purchase securities and other investments</b>	-12.156	546.598.214	39.224.009	507.374.205
<b>Purchase of securities and other investments</b>	0	469.667.163	42.068.069	427.599.094
<b>Increase in cash and current deposits</b>	-12.156	76.931.051	-2.844.060	79.775.111
<b>Cash and current deposits at beg. of year</b>	16.686	34.236.486	9.722.928	24.513.558
<b><i>Cash and current deposits end of year</i></b>	<b>4.530</b>	<b>111.167.537</b>	<b>6.878.868</b>	<b>104.288.669</b>

## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2008

		Lífeyrissjóður stm. ríkisins		Lífeyrissjóður verslunarmanna	Gildi lífeyris- sjóður	Stapi lífeyris- sjóður	Sameinaði lífeyris- sjóðurinn
		(1)		(2)	(3)	(4)	(5)
		B-deild	A-deild				
Net real rate of return (%)	1	-26,1	-24,0	-24,2	<b>-26,7</b>	-13,9	-22,5
Average net real rate of return 2004-2008 (%)	2	0,4	0,7	2,3	2,1	3,7	0,7
Quoted variable yield securities (%)		34,7	32,7	35,1	20,5	32,2	24,6
Quoted fixed rate securities (%)		37,8	40,4	39,3	52,2	49,7	49,5
Unquoted variable yield securities (%)		3	3,8	5	16,9	7,1	8,7
Unquoted fixed yield securities (%)		6,2	3	1,8	3,3	1,3	2
Mortgages (%)		18,3	20,1	18,6	7,1	1,6	15,2
Other investments (%)		0	0	0,2	0	8,1	0
<b>Total:</b>	3	100	100	100	100	100	100
Assets in ISK (%)		62,1	63,3	61,5	64,7	68	65,5
Assets in foreign currencies (%)		37,9	36,7	38,5	35,3	32	34,5
<b>Total:</b>	4	100	100	100	100	100	100
Number of fund members	5	6.088	22.011	33.120	26.441	12.837	12.213
Number of pensioners	6	10.393	1.157	8.386	12.850	6.083	4.610
Old-age pension (%)		76,2	22,6	62,4	58,8	65,5	67
Disability pension (%)		4,1	65,5	26,7	32	24,1	18,4
Pension to surviving spouse (%)		19,6	3,8	8,9	7,8	8,6	12,6
Pension to surviving children (%)		0,1	8,1	2	1,4	1,8	1,1
Other pension		0	0	0	0	0	0,9
<b>Total:</b>	7	100,0	100	100	100	100	100
Average number of employees	8	0	0	28,1	22	10,3	17
Pensions' burden	9	0	0	29	56	44	48
Net assets in surplus of total obligations	10	-63	-13,1	-7,2	-13	-6,9	-13
Net assets in surplus of accrued obligations	11	-63,6	-4,4	-9,8	-20,3	-7	-20,3

### Miscellaneous remarks:

Stiga- and Aldurst-  
were combined  
in the beginning  
of 2008

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (16,36% increase in 2008) see preface of chapter 4.
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 investments by currencies.
5. Average number of fund members contributing premiums in 2008.
6. Average number of pensioners receiving payment in 2008.
7. Other pension is inheritance paid from private pension plans.
8. Average number of employees in 2008.
9. Pension in percentages of premiums.
10. Financial position in accordance with an actuarial survey pr. 31.12.2008 ((Assets + present value of future contributions) – total obligations)/total obligations.
11. Financial position in accordance with an actuarial survey pr. 31.12.2008 (Assets - accrued obligations)/accrued obligations.

## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2008

		Almenni lífeyrissjóðurinn <sup>(#)</sup>			Stafir lífeyris-	Frjálsi lífeyris-	Söfnunarsj.	Festa lífeyris-
					sjóður		lífeyris-	sjóður
		(6)			(7)		réttinda	(9)
	Tryggingadeild	Lífeyrisdeild	Eftirlaunadeild					
Net real rate of return (%)	1	-26,7	*-19,2	**	-23,3	-20,6	-13,8	-18,8
Average net real rate of return 2004-2008 (%)	2	0,3	*** -4,8	***	1,3	1	3,6	1,4
Quoted variable yield securities (%)		49,8	43,7	54,6	21,3	45,5	27,7	33
Quoted fixed rate securities (%)		25,5	36	26,6	42,6	53,1	67,4	53,5
Unquoted variable yield securities (%)		1	0	0,4	13,2	0,3	0	6
Unquoted fixed yield securities (%)		3,4	1,6	3,2	1,4	0,9	0,8	3,3
Mortgages (%)		20,3	18,7	15,2	21	0,2	4,1	3,6
Other investments (%)		0	0	0	0,5	0	0	0,6
<b>Total:</b>	3	100	100	100	100	100	100	100
Assets in ISK (%)		71,9	99,3	70,1	67,2	69,8	75,6	74,6
Assets in foreign currencies (%)		28,1	0,7	29,9	32,8	30,2	24,4	25,4
<b>Total:</b>	4	100	100	100	100	100	100	100
Number of fund members	5	5.964	0	5.964	7.416	7.605	7.028	10.017
Number of pensioners	6	108	343	0	3.659	407	5.113	4.245
Old-age pension (%)		0	100	0	70,2	31,4	67,1	57,9
Disability pension (%)		45,4	0	0	14,9	54,6	24	33,7
Pension to surviving spouse (%)		49,4	0	0	14	10	7,6	6,5
Pension to surviving children (%)		5,2	0	0	0,9	4	1,3	1,9
Other pension		0	0	0	0	0	0	0
<b>Total:</b>	7	100	100	0	100	100	100	100
Average number of employees	8	0	0	0	8,6	0	9,7	9,7
Pensions' burden	9	167	103	0	41	8	27	39
Net assets in surplus of total obligations	10	-10,5	-21,3	0	-13,1	-4,8	-1,7	-8
Net assets in surplus of accrued obligations	11	-22,1	-21,3	0	-22,2	-22,5	1,1	-10,8

### Miscellaneous remarks:

<sup>(#)</sup>Exchange rate calculated daily

\* Premiums paid into Eftirlaunad. \*\* The assets are

\*\*\* Established 2006 invested in pers. pension divisions

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (16,36% increase in 2008) see preface of chapter 4.
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 investments by currencies.
5. Average number of fund members contributing premiums in 2008.
6. Average number of pensioners receiving payment in 2008.
7. Other pension is inheritance paid from private pension plans.
8. Average number of employees in 2008.
9. Pension in percentages of premiums.
10. Financial position in accordance with an actuarial survey pr. 31.12.2008 ((Assets + present value of future contributions) – total obligations)/total obligations.
11. Financial position in accordance with an actuarial survey pr. 31.12.2008 (Assets - accrued obligations)/accrued obligations.

## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2008

		Lífeyrissj. stm.	Lífeyrissjóður bankamanna		Lífeyrissj. stm. sveitarfél.		Lífeyrissj.	Íslenski lífeyris-
		Reykjavíkurb.	Hlutfallsdeild	Aldursdeild	A-deild	V-deild	Verk- fræðinga	sjóðurinn <sup>(#)</sup>
		(11)	(12)	(12)	(13)	(13)	(14)	(15)
Net real rate of return (%)	1	2,3	-1,6	-9,6	-11,9	-11,9	-31,4	-31,2
Average net real rate of return 2004-2008 (%)	2	4,2	3,8	4,1	1,7	1,9	-2,6	-1,9
Quoted variable yield securities (%)		2,4	6,8	26,3	26,6	26,6	17,1	59,2
Quoted fixed rate securities (%)		22,3	61,6	41,2	39	39	38,2	21,5
Unquoted variable yield securities (%)		0,8	0	7,3	6,1	6,1	5,8	10,2
Unquoted fixed yield securities (%)		71,5	9,2	0	1,8	1,8	0,4	0,4
Mortgages (%)		3	4,3	16,9	19	19	26,1	0
Other investments (%)		0	18,1	8,3	7,5	7,5	12,4	8,7
<b>Total:</b>	3	100	100	100	100	100	100	100
Assets in ISK (%)		99,6	100	83,2	71,9	71,9	70,4	85
Assets in foreign currencies (%)		0,4	0	16,8	28,1	28,1	29,6	15
<b>Total:</b>	4	100	100	100	100	100	100	100
Number of fund members	5	919	493	2.055	9.150	2.781	2.612	5.582
Number of pensioners	6	2.553	659	58	966	144	212	57
Old-age pension (%)		72,1	81,9	51,5	54	41,3	78,2	3,4
Disability pension (%)		21,4	6,3	32,3	35,4	49	7	86,8
Pension to surviving spouse (%)		6,4	11,7	15	4,8	2,1	13,3	9,8
Pension to surviving children (%)		0,1	0,1	1,2	5,8	7,6	1,5	0
Other pension		0	0	0	0	0	0	0
<b>Total:</b>	7	100	100,0	100	100	100	100	100
Average number of employees	8	0	3	3	0	0	6	0
Pensions' burden	9	1	326	3	9	2	16	0
Net assets in surplus of total obligations	10	-28,2	-3	-1,9	-9,8	-3,6	-16,8	-22,5
Net assets in surplus of accrued obligations	11	-22,8	0,7	-12,9	-2,2	-2,1	-34,7	-4,9

### Miscellaneous remarks:

<sup>(#)</sup>Exchange rate  
calculated daily

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (16,36% increase in 2008) see preface of chapter 4.
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 investments by currencies.
5. Average number of fund members contributing premiums in 2008.
6. Average number of pensioners receiving payment in 2008.
7. Other pension is inheritance paid from private pension plans.
8. Average number of employees in 2008.
9. Pension in percentages of premiums.
10. Financial position in accordance with an actuarial survey pr. 31.12.2008 ((Assets + present value of future contributions) – total obligations)/total obligations.
11. Financial position in accordance with an actuarial survey pr. 31.12.2008 (Assets - accrued obligations)/accrued obligations.



## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2008

		Lífeyrissj. Vestmanna- eyja	Lífeyrissj. Vestfirðinga	Lífeyrissj. bænda	Lífeyrissj. hjúkrunar- fræðinga	Lífeyrissj. stm. Búnaðarb. Ísl.	Eftirlaunasj. FÍA	Kjölur lífeyrissj. <sup>(#)</sup>
		(16)	(17)	(18)	(19)	(20)	(21)	(22)
Net real rate of return (%)	1	-11,5	<b>-29,7</b>	-17,9	-26,7	-4,6	-26,0	-27,7
Average net real rate of return 2004-2008 (%)	2	4,7	0,1	0,7	-0,1	8,2	-1,4	-0,5
Quoted variable yield securities (%)		29,9	40	73,1	37,8	7,2	31,6	54,8
Quoted fixed rate securities (%)		54,1	52,2	15,8	42	86	12,1	16,9
Unquoted variable yield securities (%)		8,3	1,7	1,2	3,5	0	6,8	0,2
Unquoted fixed yield securities (%)		3,4	3,8	3	3,7	4,3	1,7	0,2
Mortgages (%)		0	2,3	4,9	13	2,5	18,6	0,7
Other investments (%)		4,3	0	2	0	0	29,2	27,2
<b>Total:</b>	3	100	100	100	100	100	100	100
Assets in ISK (%)		66	67,8	79,5	57,9	98,5	88,8	86,8
Assets in foreign currencies (%)		34	32,2	20,5	42,1	1,5	11,2	13,2
<b>Total:</b>	4	100	100	100	100	100	100	100
Number of fund members	5	1.494	2.976	2.996	628	166	579	0
Number of pensioners	6	985	1.469	3.547	644	204	126	796
Old-age pension (%)		51,7	54,3	80,3	86,7	83,7	83,3	71
Disability pension (%)		37	32,7	10,7	10,2	3,4	6,9	21,8
Pension to surviving spouse (%)		10,1	10,4	8,4	2,9	12,6	8,4	7,1
Pension to surviving children (%)		1,2	2,6	0,6	0,2	0,1	1,4	0,1
Other pension		0	0	0	0	0,2	0	0
<b>Total:</b>	7	100	100	100	100	100	100	100
Average number of employees	8	3	5	4,2	0	0	0	0
Pensions' burden	9	69	74	161	0	0	0	-91964
Net assets in surplus of total obligations	10	-3,2	-15,3	-9,3	-65	5,9	-14,9	-30,5
Net assets in surplus of accrued obligations	11	0,3	-20,3	-5,4	-64,6	9	-27,3	0

### Miscellaneous remarks:

<sup>(#)</sup>Exchange rate  
calculated daily

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (16,36% increase in 2008) see preface of chapter 4.
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 investments by currencies.
5. Average number of fund members contributing premiums in 2008.
6. Average number of pensioners receiving payment in 2008.
7. Other pension is inheritance paid from private pension plans.
8. Average number of employees in 2008.
9. Pension in percentages of premiums.
10. Financial position in accordance with an actuarial survey pr. 31.12.2008 ((Assets + present value of future contributions) – total obligations)/total obligations.
11. Financial position in accordance with an actuarial survey pr. 31.12.2008 (Assets - accrued obligations)/accrued obligations.

## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2008

		Lífeyrissj. stm. Akureyrarb.	Eftirlaunasj. stm. Glitnis banka hf.	Lífeyrissj. Rangæinga	Lífeyrissj. stm. Kópavogsb.	Eftirlaunasj. Reykjanes- bæjar	Lífeyrissj. Tannlæknafél Íslands	Eftirlaunasj. stm. Hafnar- fjarðark.
		(23)	(24)	(25)	(26)	(27)	(28)	(29)
Net real rate of return (%)	1	-0,6	-11,3	-12,8	-15,7	-3,3	<b>-26,7</b>	<b>-30,6</b>
Average net real rate of return 2004-2008 (%)	2	6,2	-0,2	1,4	2	4,5	-2,4	-2
Quoted variable yield securities (%)		1,4	67,2	46,5	58,5	81,2	80,1	26,4
Quoted fixed rate securities (%)		82	31,5	26,6	31,9	13	12,5	40,9
Unquoted variable yield securities (%)		0	0	1,4	0	3,8	7,4	1,1
Unquoted fixed yield securities (%)		15,6	1,3	25,5	2,8	0,9	0	13
Mortgages (%)		1	0	0	6,8	1,1	0	18,6
Other investments (%)		0	0	0	0	0	0	0
<b>Total:</b>	3	100	100	100	100	100	100	100
Assets in ISK (%)		99	97,9	90	35,2	87,5	83,9	74,3
Assets in foreign currencies (%)		1	2,1	10	64,8	12,5	16,1	25,7
<b>Total:</b>	4	100	100	100	100	100	100	100
Number of fund members	5	171	14	790	155	61	265	167
Number of pensioners	6	345	203	370	224	138	8	245
Old-age pension (%)		77,4	82,3	76,2	71	78,2	0	78,5
Disability pension (%)		4,9	0,1	16,6	10,7	4,9	60,1	3,2
Pension to surviving spouse (%)		17,6	17,6	5,8	18,3	16,8	39,9	18,2
Pension to surviving children (%)		0,1	0	1,4	0	0,1	0	0,1
Other pension		0	0	0	0	0	0	0
<b>Total:</b>	7	100	100	100	100	100	100	100
Average number of employees	8	0	0	1	1	1	0	1
Pensions' burden	9	165	-24	46	0	150	0	148
Net assets in surplus of total obligations	10	-38	10,2	-8,1	-39,4	-52,6	-0,1	-80,1
Net assets in surplus of accrued obligations	11	-34	10,2	-9,2	-39,5	-50,7	-8,4	-82,5

### Miscellaneous remarks:

#### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (16,36% increase in 2008) see preface of chapter 4.
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 investments by currencies.
5. Average number of fund members contributing premiums in 2008.
6. Average number of pensioners receiving payment in 2008.
7. Other pension is inheritance paid from private pension plans.
8. Average number of employees in 2008.
9. Pension in percentages of premiums.
10. Financial position in accordance with an actuarial survey pr. 31.12.2008 ((Assets + present value of future contributions) – total obligations)/total obligations.
11. Financial position in accordance with an actuarial survey pr. 31.12.2008 (Assets - accrued obligations)/accrued obligations.

## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2008

		Lífeyrissj. Akranes- kaupstaðar	Eftirlaunasj. Sláturfélags Suðurlands	Lífeyrissj. stm. Húsavíkurk.	Lífeyrissj. Nes- kaupstaðar	Lífeyris- sjóðurinn Skjöldur	Lífeyrissj. Eimskipaf. Ísl.	Lífeyrissj. stm. Vestm.eyjab.
		(30)	(31)	(32)	(33)	(34)	(35)	(36)
Net real rate of return (%)	1	-28,4	-10,3	<b>-4,9</b>	1,9	<b>-21,2</b>	<b>-25,5</b>	<b>-3,9</b>
Average net real rate of return 2004-2008 (%)	2	-1,3	3,6	2,1	2,7	-1,4	-2,2	-158,2
Quoted variable yield securities (%)		45,2	0	28,6	43,6	5,3	95,1	0
Quoted fixed rate securities (%)		14,8	16,5	60,6	41,3	93,6	1,4	0
Unquoted variable yield securities (%)		4	0	0	0	0	0	45
Unquoted fixed yield securities (%)		2,2	7,7	0,5	0	0	0	0
Mortgages (%)		2,9	1,6	0,8	6,1	1,1	3,5	55
Other investments (%)		30,9	74,2	9,5	9	0	0	0
<b>Total:</b>	3	100	100	100	100	100	100	100
Assets in ISK (%)		85,7	100	100	99,7	100	100	100
Assets in foreign currencies (%)		14,3	0	0	0,3	0	0	0
<b>Total:</b>	4	100	100	100	100	100	100	100
Number of fund members	5	71	3.971	24	12	0	0	45
Number of pensioners	6	202	198	75	51	118	9	169
Old-age pension (%)		73,3	84,8	74,4	73,2	76	90,3	56,5
Disability pension (%)		10,6	12,3	9,2	4	1	0	9,6
Pension to surviving spouse (%)		16	2,9	15,8	22,8	23	9,7	33,3
Pension to surviving children (%)		0,1	0	0,6	0	0	0	0,6
Other pension		0	0	0	0	0	0	0
<b>Total:</b>	7	100	100	100	100	100	100	100
Average number of employees	8	0	1	0	0	0	0	0
Pensions' burden	9	184	0	117	165	0	0	91
Net assets in surplus of total obligations	10	-80,7	-4,7	-70,6	-69	-36,7	-42,4	-94,7
Net assets in surplus of accrued obligations	11	-82,3	-4,7	-71	-69,5	0	0	-97,5

### Miscellaneous remarks:

#### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (16,36% increase in 2008) see preface of chapter 4.
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 investments by currencies.
5. Average number of fund members contributing premiums in 2008.
6. Average number of pensioners receiving payment in 2008.
7. Other pension is inheritance paid from private pension plans.
8. Average number of employees in 2008.
9. Pension in percentages of premiums.
10. Financial position in accordance with an actuarial survey pr. 31.12.2008 ((Assets + present value of future contributions) – total obligations)/total obligations.
11. Financial position in accordance with an actuarial survey pr. 31.12.2008 (Assets - accrued obligations)/accrued obligations.

## 4.2. FINANCIAL RATIOS FOR MUTUAL INSURANCE DIVISIONS 2008

	Eftirlaunasj.stm. Útvegsb. Ísl.	TOTAL	Funds guaranteed by others	Funds not guaranteed by others
	(37)	42 divisions	13 divisions	29 divisions
Net real rate of return (%)	1	-8,9	-21,8	-21,9
Average net real rate of return 2004-2008 (%)	2	0,9		
Quoted variable yield securities (%)		0	29,8	30,0
Quoted fixed rate securities (%)		0	44,0	45,9
Unquoted variable yield securities (%)		0	6,3	7,2
Unquoted fixed yield securities (%)		61,8	5,4	2,5
Mortgages (%)		38,2	12,5	12,0
Other investments (%)		0	2,0	2,4
<b>Total:</b>	3	100	100	100
Assets in ISK (%)		100	68,9	68,7
Assets in foreign currencies (%)		0	31,1	31,3
<b>Total:</b>	4	100		
Number of fund members	5	0	194.881	186.540
Number of pensioners	6	162	72.291	57.081
Old-age pension (%)		71,5	69,4	63,9
Disability pension (%)		2,1	16,7	25,0
Pension to surviving spouse (%)		26,3	12,9	9,4
Pension to surviving children (%)		0,1	1,0	1,6
Other pension		0	0,0	0,1
<b>Total:</b>	7	100	100	100
Average number of employees	8	0	134,6	132
Pensions´ burden	9	100	44,9	35,2
Net assets in surplus of total obligations	10	-100		
Net assets in surplus of accrued obligations	11	-100		

### Miscellaneous remarks:

#### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (16,36% increase in 2008) see preface of chapter 4.
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 investments by currencies.
5. Average number of fund members contributing premiums in 2008.
6. Average number of pensioners receiving payment in 2008.
7. Other pension is inheritance paid from private pension plans.
8. Average number of employees in 2008.
9. Pension in percentages of premiums.
10. Financial position in accordance with an actuarial survey pr. 31.12.2008 ((Assets + present value of future contributions) – total obligations)/total obligations.
11. Financial position in accordance with an actuarial survey pr. 31.12.2008 (Assets - accrued obligations)/accrued obligations.

## **5. ANNUAL ACCOUNTS OF PERSONAL PENSION SCHEMES FOR THE YEAR 2008**

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,
- 5.2. Financial ratios.

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/divisions 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, 5, 6, 7, 8, 10 and 13.

## 5.1. PERSONAL PENSION SCHEMES, CHANGES, BALANCE SHEETS AND CASH FLOW 2008

Amounts in 000 IKR	Lífeyrissjóður stm. ríkisins			Lífeyrissj. Verslunar- manna	Gildi lífeyrissjóður		
	(1)			(2)	(3)		
	Leið I	Leið II	Leið III	Deild I	Framsýn 1	Framsýn 2	Framsýn 3
<b>Statement of changes in net assets for pension payment</b>							
Premiums	166.709	52.061	629.065	625.348	-11.038	10.493	260.776
Pension	55.012	64.801	83.275	180.321	10.583	54.079	2.994
Investment income	-749.086	-77.690	167.200	-811.518	10.484	44.422	10.492
Investment expenses	1.461	532	149	2.105	145	214	0
Operating expenses	3.125	1.135	605	1.927	3.997	5.799	0
Other income	0	0	0	0	0	0	0
Other expenses	0	0	0	0	0	0	0
Increase in net assets before extraordinary items and changes in valuation	-641.975	-92.097	712.236	-370.523	-15.279	-5.177	268.274
Increase in net assets	-641.975	-92.097	712.236	-370.523	-15.279	-5.177	268.274
Net assets from previous year end	4.478.071	1.559.057	543.171	6.459.948	906.845	1.311.281	21.944
<b>Net Assets for Pension</b>	<b>3.836.096</b>	<b>1.466.960</b>	<b>1.255.407</b>	<b>6.089.425</b>	<b>891.566</b>	<b>1.306.104</b>	<b>290.218</b>
<b>Balance Sheet</b>							
Assets	3.961.110	1.492.196	1.260.845	6.484.667	891.563	1.306.105	290.218
Investments	3.012.150	1.042.035	1.224.265	5.601.816	891.402	1.301.687	279.420
Claims	3.432	1.923	747	3.101	161	4.418	10.798
Other assets	945.528	448.238	35.833	879.750	0	0	0
<b>Total Assets</b>	<b>3.961.110</b>	<b>1.492.196</b>	<b>1.260.845</b>	<b>6.484.667</b>	<b>891.563</b>	<b>1.306.105</b>	<b>290.218</b>
Liabilities							
Accounts payable	125.014	25.236	5.438	395.242	0	0	0
Accrued expenses and unearned income	0	0	0	0	0	0	0
<b>Total Liabilities</b>	<b>125.014</b>	<b>25.236</b>	<b>5.438</b>	<b>395.242</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Assets for pension</b>	<b>3.836.096</b>	<b>1.466.960</b>	<b>1.255.407</b>	<b>6.089.425</b>	<b>891.563</b>	<b>1.306.105</b>	<b>290.218</b>
<b>Cash Flow</b>							
Inflow	1.591.821	608.532	796.267	1.862.151	311.749	409.858	271.488
Outflow	210.914	89.268	82.532	184.353	14.870	60.156	3.144
Disposable resources to purchase securities and other investments	1.380.907	519.264	713.735	1.677.798	323.917	413.577	268.344
Purchase of securities and other inv	507.678	116.191	686.766	944.221	509.030	678.807	268.344
Increase in cash and current deposit	873.229	403.073	26.969	733.577	-185.113	-265.230	0
Cash and current deposits at beg. of year	72.299	45.165	8.864	144.366	212.151	329.105	0
<b>Cash and current deposits end of year</b>	<b>945.528</b>	<b>448.238</b>	<b>35.833</b>	<b>877.943</b>	<b>27.038</b>	<b>63.875</b>	<b>0</b>

## 5.1. PERSONAL PENSION SCHEMES, CHANGES, BALANCE SHEETS AND CASH FLOW 2008

Amounts in 000 IKR	Stapi lífeyrissjóður					Sameinaði lífeyrissjóðurinn				
	(4)					(5)				
	Safn I	Safn II	Safn III	Leið 1	Leið 2	Aldursl. 1	Aldursl. 2	Aldursl. 3	Aldursl. 4	Innlánsl.
<b>Statement of changes in net assets for pension payment</b>										
<b>Premiums</b>	152.977	-124.330	162.449	11.248	246.323	22.944	13.272	10.734	1.241	100.475
<b>Pension</b>	32.190	5.898	3.576	14.529	85.799	0	1.232	3.614	0	617
<b>Investment income</b>	182.883	557.466	4.877	545	-57.181	5.077	17.826	8.377	412	25.477
<b>Investment expenses</b>	1.390	3.500	257	283	2.191	86	191	82	5	110
<b>Operating expenses</b>	2.803	7.058	519	282	2.187	86	191	81	5	110
<b>Other income</b>	0	0	0	0	0	0	0	0	0	0
<b>Other expenses</b>	0	0	0	0	0	0	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	299.477	416.680	162.974	-3.301	98.965	27.849	29.484	15.334	1.643	125.115
<b>Increase in net assets</b>	299.477	416.680	162.974	-3.301	98.965	27.849	29.484	15.334	1.643	125.115
<b>Net assets from previous year end</b>	642.955	1.962.633	0	363.750	2.463.924	80.948	216.698	91.517	4.937	0
<b>Net Assets for Pension</b>	942.432	2.379.313	162.974	360.449	2.562.889	108.797	246.182	106.851	6.580	125.115
<b>Balance Sheet</b>										
<b>Assets</b>	942.433	2.379.313	162.974	360.449	2.562.889	108.797	246.182	106.851	6.580	125.115
<b>Investments</b>	656.168	1.860.455	0	290.870	2.306.913	92.597	216.473	96.944	5.940	0
<b>Claims</b>	4.770	16.958	343	567	4.393	172	383	163	10	220
<b>Other assets</b>	281.495	501.900	162.631	69.012	251.583	16.028	29.326	9.744	630	124.895
<b>Total Assets</b>	942.433	2.379.313	162.974	360.449	2.562.889	108.797	246.182	106.851	6.580	125.115
<b>Liabilities</b>										
<b>Accounts payable</b>	0	0	0	0	0	0	0	0	0	0
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	0	0	0	0	0
<b>Total Liabilities</b>	0	0	0	0	0	0	0	0	0	0
<b>Net Assets for pension</b>	942.433	2.379.313	162.974	360.449	2.562.889	108.797	246.182	106.851	6.580	125.115
<b>Cash Flow</b>										
<b>Inflow</b>	1.760.306	4.806.110	336.307	252.530	1.028.891	82.844	145.630	47.982	2.430	125.732
<b>Outflow</b>	36.383	14.725	4.352	15.094	90.177	172	1.614	3.777	10	837
<b>Disposable resources to purchase securities and other investments</b>	1.723.923	4.791.385	331.955	237.436	938.714	82.672	144.016	44.205	2.420	124.895
<b>Purchase of securities and other inv</b>	1.444.297	4.306.441	165.327	168.693	695.241	66.644	114.690	34.461	1.790	0
<b>Increase in cash and current deposit</b>	279.626	484.944	166.628	68.743	243.473	16.028	29.326	9.744	630	124.895
<b>Cash and current deposits at beg. of year</b>	0	0	0	269	8.110	0	0	0	0	0
<b>Cash and current deposits end of year</b>	279.626	484.944	166.628	69.012	251.583	16.028	29.326	9.744	630	124.895

## 5.1. PERSONAL PENSION SCHEMES, CHANGES, BALANCE SHEETS AND CASH FLOW 2008

Amounts in 000 IKR	Almennir lífeyrissjóðurinn					Stafir lífeyrissjóður				
	Ævisafn I	Ævisafn II	(6) Ævisafn III	Ævisafn IV	Innláns.	Leið I	Leið II	(7) Leið III	Leið IV	Leið V
<b>Statement of changes in net assets for pension payment</b>										
<b>Premiums</b>	713.335	-572.762	922.792	836.037	3.083.887	473.352	-16.712	-10.624	1.244	-202.709
<b>Pension</b>	52.777	398.986	298.518	359.169	25.185	4.403	19.364	2.694	3.028	109.022
<b>Investment income</b>	-3.359.883	-4.696.920	-705.366	-189.413	72.221	23.309	38.500	-15.378	-50.707	-211.010
<b>Investment expenses</b>	15.781	36.878	3.323	3.034	6	113	2.401	487	333	6.370
<b>Operating expenses</b>	11.900	33.106	3.549	3.681	63	139	2.947	598	408	14.657
<b>Other income</b>	0	0	0	0	0	0	0	0	0	0
<b>Other expenses</b>	0	0	0	0	0	0	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	-2.727.006	-5.738.652	-87.964	280.740	3.130.854	492.006	-2.924	-29.781	-53.232	-543.768
<b>Increase in net assets</b>	-2.727.006	-5.738.652	-87.964	280.740	3.130.854	492.006	-2.924	-29.781	-53.232	-543.768
<b>Net assets from previous year end</b>	12.837.426	34.114.128	3.678.524	2.142.623	0	13.584	940.891	217.385	156.857	2.158.599
<b>Net Assets for Pension</b>	10.110.420	28.375.476	3.590.560	2.423.363	3.130.854	505.590	937.967	187.604	103.625	1.614.831
<b>Balance Sheet</b>										
<b>Assets</b>	11.263.325	30.845.912	3.751.481	2.527.815	3.139.923	505.590	937.967	187.604	103.625	1.639.825
<b>Investments</b>	10.264.129	28.929.305	3.517.512	2.396.275	2.871.055	461.156	812.773	117.675	42.764	1.446.161
<b>Claims</b>	356.166	667.394	89.766	35.359	0	44.434	26.124	42.549	28.014	26.323
<b>Other assets</b>	643.030	1.249.213	144.203	96.181	268.868	0	99.070	27.380	32.847	167.341
<b>Total Assets</b>	11.263.325	30.845.912	3.751.481	2.527.815	3.139.923	505.590	937.967	187.604	103.625	1.639.825
<b>Liabilities</b>										
<b>Accounts payable</b>	1.152.906	2.470.436	160.920	104.450	9.069	0	0	0	0	24.994
<b>Accrued expenses and unearned income</b>	0	0	0	0	0	0	0	0	0	0
<b>Total Liabilities</b>	1.152.906	2.470.436	160.920	104.450	9.069	0	0	0	0	24.994
<b>Net Assets for pension</b>	10.110.419	28.375.476	3.590.561	2.423.365	3.130.854	505.590	937.967	187.604	103.625	1.614.831
<b>Cash Flow</b>										
<b>Inflow</b>	6.249.640	15.901.806	2.919.493	3.618.437	3.165.171	452.662	176.195	77.807	87.407	1.000.971
<b>Outflow</b>	81.215	461.552	307.069	373.439	25.248	4.747	24.712	3.779	5.851	130.087
<b>Disposable resources to purchase securities and other investments</b>	6.168.425	15.440.254	2.612.424	3.244.998	3.139.923	447.915	151.483	74.028	81.556	870.884
<b>Purchase of securities and other inv</b>	5.587.338	14.450.169	2.510.333	3.209.630	2.871.055	447.915	145.153	69.350	84.409	758.324
<b>Increase in cash and current deposit</b>	581.087	990.085	102.091	35.368	268.868	0	6.330	4.678	-2.853	112.560
<b>Cash and current deposits at beg. of year</b>	61.942	259.127	42.111	60.812	0	0	92.740	22.702	35.700	54.240
<b>Cash and current deposits end of year</b>	643.029	1.249.212	144.202	96.180	268.868	0	99.070	27.380	32.847	166.800



## 5.1. PERSONAL PENSION SCHEMES, CHANGES, BALANCE SHEETS AND CASH FLOW 2008

Amounts in 000 IKR	Frjálsi lífeyrissjóðurinn				Söfnunarsj.	Festa
	(8)			Áhætta	Lífeyris- réttinda (9)	lífeyrissjóður (10)
	Deild/leið I	Deild/leið II	Deild/leið III	Áhætta	Deild I	Séreignardeild
<b>Statement of changes in net assets for pension payment</b>						
Premiums	1.343.467	30.924	2.243.197	5.625	40.617	19.994
Pension	504.445	177.600	419.652	0	11.442	507
Investment income	-2.502.511	358.302	1.188.101	-323	17.871	-240
Investment expenses	160.156	10.708	13.490	16	750	358
Operating expenses	64.134	4.579	6.455	7	0	120
Other income	0	0	0	0	0	0
Other expenses	0	0	0	0	0	0
Increase in net assets before extraordinary items and changes in valuation	-1.887.779	196.339	2.991.701	5.279	46.296	18.769
Increase in net assets	-1.887.779	196.339	2.991.701	5.279	46.296	18.769
Net assets from previous year end	45.518.639	3.090.467	4.778.289	0	384.381	130.634
<i>Net Assets for Pension</i>	43.630.860	3.286.806	7.769.990	5.279	430.677	149.403
<b>Balance Sheet</b>						
Assets	44.335.123	3.327.096	7.813.749	5.358	442.849	149.402
Investments	42.359.334	3.148.615	6.851.135	4.456	442.538	148.990
Claims	94.997	6.993	16.215	1	311	271
Other assets	1.880.792	171.488	946.399	901	0	141
<i>Total Assets</i>	44.335.123	3.327.096	7.813.749	5.358	442.849	149.402
Liabilities						
Accounts payable	704.263	40.290	43.759	79	12.172	0
Accrued expenses and unearned income	0	0	0	0	0	0
<i>Total Liabilities</i>	704.263	40.290	43.759	79	12.172	0
<i>Net Assets for pension</i>	<b>43.630.860</b>	<b>3.286.806</b>	<b>7.769.990</b>	<b>5.279</b>	<b>430.677</b>	<b>149.402</b>
<b>Cash Flow</b>						
Inflow	24.937.091	1.926.495	10.155.859	8.900	69.501	22.170
Outflow	764.419	196.671	455.853	27	12.192	593
Disposable resources to purchase securities and other investments	24.172.672	1.729.824	9.700.006	8.873	57.309	21.577
Purchase of securities and other inv	22.558.809	1.565.596	8.867.776	7.972	57.309	23.866
Increase in cash and current deposit	1.613.863	164.228	832.230	901	0	-2.289
Cash and current deposits at beg. of year	266.929	7.260	114.169	0	0	2.430
<i>Cash and current deposits end of year</i>	1.880.792	171.488	946.399	901	0	141

## 5.1. PERSONAL PENSION SCHEMES, CHANGES, BALANCE SHEETS AND CASH FLOW 2008

Amounts in 000 IKR	Lífeyrissjóður stm. sveitarfélaga			Lífeyrissjóður verkfræðinga	
	(13)			(14)	
	Leið I	Leið II	Leið III	Deild I/Séreign	II/Séreign
<i>Statement of changes in net assets for pension payment</i>					
<b>Premiums</b>	47.315	11.021	50.033	596.784	70.881
<b>Pension</b>	17.719	4.214	4.700	13.760	0
<b>Investment income</b>	-9.471	14.579	14.601	-270.116	-34.769
<b>Investment expenses</b>	1.368	206	0	1.871	97
<b>Operating expenses</b>	100	100	100	1.871	97
<b>Other income</b>	0	0	0	0	0
<b>Other expenses</b>	0	0	0	0	0
<b>Increase in net assets before extraordinary items and changes in valuation</b>	18.657	21.080	59.834	309.166	35.918
<b>Increase in net assets</b>	18.657	21.080	59.834	309.166	35.918
<b>Net assets from previous year end</b>	675.296	105.681	53.451	1.949.594	99.507
<b>Net Assets for Pension</b>	693.953	126.761	113.285	2.258.760	135.425
<i>Balance Sheet</i>					
<b>Assets</b>	696.515	127.177	114.520	2.235.993	133.131
<b>Investments</b>	651.342	124.828	114.504	2.228.232	132.221
<b>Claims</b>	412	28	16	7.757	909
<b>Other assets</b>	44.761	2.321	0	4	1
<b>Total Assets</b>	696.515	127.177	114.520	2.235.993	133.131
<i>Liabilities</i>					
<b>Accounts payable</b>	2.562	416	1.235	-22.767	-2.295
<b>Accrued expenses and unearned income</b>	0	0	0	0	0
<b>Total Liabilities</b>	2.562	416	1.235	-22.767	-2.295
<b>Net Assets for pension</b>	<b>693.953</b>	<b>126.761</b>	<b>113.285</b>	<b>2.258.760</b>	<b>135.426</b>
<i>Cash Flow</i>					
<b>Inflow</b>	337.968	54.056	64.642	610.986	71.904
<b>Outflow</b>	18.249	4.547	3.968	24.254	958
<b>Disposable resources to purchase securities and other investments</b>	319.719	49.509	60.674	586.732	70.946
<b>Purchase of securities and other inv</b>	275.137	49.803	60.674	586.767	70.946
<b>Increase in cash and current deposit</b>	44.582	-294	0	-35	0
<b>Cash and current deposits at beg. of year</b>	179	2.615	0	38	0
<b>Cash and current deposits end of year</b>	44.761	2.321	0	3	0

## 5.1. PERSONAL PENSION SCHEMES, CHANGES, BALANCE SHEETS AND CASH FLOW 2008

Amounts in 000 IKR	Islenski lífeyrissjóðurinn				Lífeyrissjóður Vestmannaeyja	
	Líf 1	Líf 2	Líf 3	Líf 4	Safn I	Safn II
	(15)				(16)	
<b>Statement of changes in net assets for pension payment</b>						
<b>Premiums</b>	2.648.153	973.410	446.200	610.893	6.126	14.481
<b>Pension</b>	12.002	29.889	152.601	296.400	1.734	2.794
<b>Investment income</b>	-3.405.992	-1.809.630	-1.131.017	-680.506	3.076	8.458
<b>Investment expenses</b>	7.098	3.507	1.973	1.071	135	451
<b>Operating expenses</b>	10.044	6.320	4.356	2.493	45	150
<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 items and changes in valuation</b>	-786.983	-875.936	-843.747	-369.577	7.288	19.544
<b>Increase in net assets</b>	-786.983	-875.936	-843.747	-369.577	7.288	19.544
<b>Net assets from previous year end</b>	11.664.800	7.488.082	5.197.014	2.973.377	40.718	138.790
<b>Net Assets for Pension</b>	10.877.817	6.612.146	4.353.267	2.603.800	48.006	158.334
<b>Balance Sheet</b>						
<b>Assets</b>	11.011.458	6.642.574	4.369.021	2.634.975	48.006	158.331
<b>Investments</b>	8.438.128	5.165.223	3.540.066	2.632.354	47.664	157.875
<b>Claims</b>	290.081	160.675	59.447	1.369	342	456
<b>Other assets</b>	2.283.249	1.316.676	769.508	1.252	0	0
<b>Total Assets</b>	11.011.458	6.642.574	4.369.021	2.634.975	48.006	158.331
<b>Liabilities</b>						
<b>Accounts payable</b>	30.369	30.428	15.754	31.175	0	0
<b>Accrued expenses and unearned income</b>	103.272	0	0	0	0	0
<b>Total Liabilities</b>	133.641	30.428	15.754	31.175	0	0
<b>Net Assets for pension</b>	<b>10.877.817</b>	<b>6.612.146</b>	<b>4.353.267</b>	<b>2.603.800</b>	<b>48.006</b>	<b>158.331</b>
<b>Cash Flow</b>						
<b>Inflow</b>	21.266.147	11.613.687	6.338.511	5.270.250	72.045	192.083
<b>Outflow</b>	904.171	517.158	336.562	301.592	1.914	3.395
<b>Disposable resources to purchase securities and other investments</b>	20.361.976	11.096.529	6.001.949	4.968.658	70.131	188.688
<b>Purchase of securities and other inv</b>	18.122.958	9.799.037	5.239.047	4.967.406	70.132	188.688
<b>Increase in cash and current deposit</b>	2.239.018	1.297.492	762.902	1.252	-1	0
<b>Cash and current deposits at beg. of year</b>	44.231	19.183	6.606	0	0	0
<b>Cash and current deposits end of year</b>	2.283.249	1.316.675	769.508	1.252	-1	0

## 5.1. PERSONAL PENSION SCHEMES, CHANGES, BALANCE SHEETS AND CASH FLOW 2008

Amounts in 000 IKR	Lífeyrissj. Vestfirðinga (17)	Lífeyrissj. Tannlæknaféll Íslands (28)	TOTAL 46 divisions
<i>Statement of changes in net assets for pension payment</i>			
Premiums	22.251	88.197	16.828.156
Pension	6.772	144.812	3.672.709
Investment income	25.191	-410.852	-18.379.832
Investment expenses	0	5.012	289.694
Operating expenses	1.076	0	203.005
Other income	0	0	0
Other expenses	0	0	0
Increase in net assets before extraordinary items and changes in valuation	39.594	-472.479	-5.717.084
Increase in net assets	39.594	-472.479	-5.717.084
Net assets from previous year end	364.924	2.482.829	164.504.165
<i>Net Assets for Pension</i>	404.518	2.010.350	158.787.085
<i>Balance Sheet</i>			
Assets	404.518	2.076.686	164.317.836
Investments	388.457	1.378.861	147.692.763
Claims	10.029	44.636	2.063.633
Other assets	6.032	653.189	14.561.440
<i>Total Assets</i>	404.518	2.076.686	164.317.836
<i>Liabilities</i>			
Accounts payable	0	66.336	5.427.481
Accrued expenses and unearned income	0	0	103.272
<i>Total Liabilities</i>	0	66.336	5.530.753
<i>Net Assets for pension</i>	<b>404.518</b>	<b>2.010.350</b>	<b>158.787.083</b>
<i>Cash Flow</i>			
Inflow	80.506	2.950.175	134.133.193
Outflow	15.296	134.052	5.925.948
Disposable resources to purchase securities and other investments	65.210	2.816.123	128.207.245
Purchase of securities and other investments	59.178	2.215.983	115.629.381
Increase in cash and current deposits	6.032	600.140	12.577.864
Cash and current deposits at beg. of year	0	3.201	1.916.544
<i>Cash and current deposits end of year</i>	6.032	603.341	14.494.408

## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEMES 2008

		Lífeyrissjóður stm. ríkisins <sup>(#)</sup>			Lífeyrissj. Verslunar- manna	Gildi lífeyrissjóður			
		(1)				(2)	(3)		
		Leið I	Leið II	Leið III		Deild I	Framsýn 1	Framsýn 2	Framsýn 3
Net real rate of return (%)	1	-27,7	-17,9	8,0	-24,5	-13,5	-11,5	-8,1	
Average net real rate of return 2004-2008 (%)	2	-1	-1	6	2,3	3,7	1,3	*5,6	
Quoted variable yield securities (%)		92,1	93,0	0,0	35,1	22,5	15,4	0,0	
Quoted fixed rate securities (%)		4	4	0	39	75	80	0	
Unquoted variable yield securities (%)		3	2	0	5	0	0	0	
Unquoted fixed yield securities (%)		1	1	0	2	0	0	0	
Mortgages (%)		0	0	0	19	0	0	0	
Other investments (%)		0	0	100	0	3	5	100	
<b>Total:</b>	3	100	100	100	100	100	100	100	
Assets in ISK (%)		51,3	74,0	100,0	61,5	79,4	86,1	100,0	
Assets in foreign currencies (%)		48,7	26,0	0,0	38,5	20,6	13,9	0,0	
<b>Total:</b>	4								
Number of fund members	5	1.606	605	1.046	2.700	431	639	49	
Number of pensioners	6	13	13	27	69	0	0	0	
		81	98	98	100	100	100	100	
Old-age pension (%)		2	0	0	0	0	0	0	
Disability pension (%)		2	1	2	0	0	0	0	
Pension to surviving spouse (%)		15	1	0	0	0	0	0	
Pension to surviving children (%)		0	0	0	0	0	0	0	
Other pension (%)	7	100	100	100	100	100	100	100	
<b>Total:</b>									
	8	0	0	0	1	0	0	0	
Average number of employees	9	0	0	0	29	-96	515	1	
Pensions´ burden									

### Miscellaneous remarks:

<sup>(#)</sup>Exchange rate calculated daily

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (16,36% increase in 2008) see preface of chapter 4.
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 investments by currencies.
5. Average number of fund members contributing premiums in 2008.
6. Average number of pensioners receiving payment in 2008.
7. Other pension is inheritance paid from private pension plans.
8. Average number of employees in 2008.
9. Pension in percentages of premiums.

## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEMES 2008

	Stapi lífeyrissjóður					Sameinaði lífeyrissjóðurinn <sup>(#)</sup>					
	(4)					(5)					
	Safn I	Safn II	Safn III	Leið 1	Leið 2	Aldursl. 1	Aldursl. 2	Aldursl. 3	Aldursl. 4	Innlánsl.	
Net real rate of return (%)	1	7,8	10,7	*	-18,3	-13,2	-17,5	-15,8	-14,3	-13,4	14,0
Average net real rate of return 2004-2008 (%)	2	18,1	20,8	*	1,3	1,8	1,5	2,0	**1,7	**1,8	***
Quoted variable yield securities (%)		0,0	34,4	0,0	27,1	0,0	40,6	22,2	5,3	0,0	0,0
Quoted fixed rate securities (%)		100	66	0	57	78	45	60	73	76	100
Unquoted variable yield securities (%)		0	0	0	0	0	0	0	0	0	0
Unquoted fixed yield securities (%)		0	0	0	4	7	5	6	7	9	0
Mortgages (%)		0	0	0	12	16	9	12	15	16	0
Other investments (%)		0	0	100	0	0	0	0	0	0	0
<b>Total:</b>	3	100	100	100	100	100	100	100	100	100	100
Assets in ISK (%)		100,0	73,0	100,0	80,6	100,0	55,7	78,8	94,4	100,0	100,0
Assets in foreign currencies (%)		0,0	27,0	0,0	19,4	0,0	44,3	21,2	5,6	0,0	0,0
<b>Total:</b>	4										
Number of fund members	5	0	0	0	57	1.266	112	66	54	6	510
Number of pensioners	6	11	1	0	3	9	0	0	0	0	0
		82	100	100	100	100	100	100	100	100	100
Old-age pension (%)		18	0	0	0	0	0	0	0	0	0
Disability pension (%)		0	0	0	0	0	0	0	0	0	0
Pension to surviving spouse (%)		0	0	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	100	100	100	100	100	100	100	100	100	100
<b>Total:</b>											
Average number of employees	8	0	0	0	17	17	17	17	17	17	17
Pensions' burden	9	21	0	2	129	35	0	9	34	0	1

\*\*Aldurleið 3 and 4 established 2005

\*Safn III established 2008

\*\*\*Innlánsleið established 2008

Miscellaneous remarks:

(#)Exchange rate calculated daily

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (16,36% increase in 2008) see preface of chapter 4.
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 investments by currencies.
5. Average number of fund members contributing premiums in 2008.
6. Average number of pensioners receiving payment in 2008.
7. Other pension is inheritance paid from private pension plans.
8. Average number of employees in 2008.
9. Pension in percentages of premiums.

## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEMES 2008

### Almenni lífeyrissjóðurinn<sup>(#)</sup>

		(6)				
		Ævisafn I	Ævisafn II	Ævisafn III	Ævisafn IV	Innláns.
Net real rate of return (%)	1	-34,9	-26,2	-26,5	-17,3	0,1
Average net real rate of return 2004-2008 (%)	2	-3,6	-1,0	-2,2	0,5	*
Quoted variable yield securities (%)		59,3	52,9	53,4	25,1	0,0
Quoted fixed rate securities (%)		22	24	34	17	0
Unquoted variable yield securities (%)		1	0	0	0	0
Unquoted fixed yield securities (%)		4	4	2	0	0
Mortgages (%)		14	19	11	0	0
Other investments (%)		0	0	0	58	100
<b>Total:</b>	3	100	100	100	100	100
Assets in ISK (%)		53,8	66,7	89,4	97,4	100,0
Assets in foreign currencies (%)		46,2	33,3	10,6	2,6	0,0
<b>Total:</b>	4					
Number of fund members	5	0	0	0	0	0
Number of pensioners	6	0	0	0	0	0
		68	97	98	96	93
Old-age pension (%)		6	1	0	0	0
Disability pension (%)		4	2	2	2	5
Pension to surviving spouse (%)		22	1	1	1	2
Pension to surviving children (%)		0	0	0	0	0
Other pension (%)	7	100	100	100	100	100
<b>Total:</b>						
Average number of employees	8	0	0	0	0	0
Pensions' burden	9	7	70	32	43	1

\*Innlánssafn established 2008

#### Miscellaneous remarks:

(#)Exchange rate calculated daily

#### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (16,36% increase in 2008) see preface of chapter 4.
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 investments by currencies.
5. Average number of fund members contributing premiums in 2008.
6. Average number of pensioners receiving payment in 2008.
7. Other pension is inheritance paid from private pension plans.
8. Average number of employees in 2008.
9. Pension in percentages of premiums.

## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEMES 2008

### Stafir lífeyrissjóður<sup>(#)</sup>

		(7)				
		Leið I	Leið II	Leið III	Leið IV	Leið V
Net real rate of return (%)	1	-5,8	-11,0	-20,8	-42,4	-24,0
Average net real rate of return 2004-2008 (%)	2	*1,9	*2,3	*-0,2	*-8,2	*1,1
Quoted variable yield securities (%)		0,0	0,0	5,9	28,8	21,3
Quoted fixed rate securities (%)		0	24	22	71	43
Unquoted variable yield securities (%)		0	0	0	0	13
Unquoted fixed yield securities (%)		0	5	4	0	1
Mortgages (%)		0	65	61	0	21
Other investments (%)		100	7	7	0	1
<b>Total:</b>	3	100	100	100	100	100
Assets in ISK (%)		100,0	100,0	97,0	98,6	67,2
Assets in foreign currencies (%)		0,0	0,0	3,0	1,4	32,8
<b>Total:</b>	4					
Number of fund members	5	96	720	121	155	480
Number of pensioners	6	3	13	5	4	47
		0	0	0	0	0
Old-age pension (%)		0	0	0	0	0
Disability pension (%)		0	0	0	0	0
Pension to surviving spouse (%)		0	0	0	0	0
Pension to surviving children (%)		100	100	100	100	100
Other pension (%)	7	100	100	100	100	100
<b>Total:</b>						
Average number of employees	8	0	0	0	0	2
Pensions' burden	9	1	-116	-25	243	-54

\*Weighted average rate of return of 2004 - 2005 of merged funds

(#)Exchange rate calculated daily

#### Miscellaneous remarks:

#### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (16,36% increase in 2008) see preface of chapter 4.
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 investments by currencies.
5. Average number of fund members contributing premiums in 2008.
6. Average number of pensioners receiving payment in 2008.
7. Other pension is inheritance paid from private pension plans.
8. Average number of employees in 2008.
9. Pension in percentages of premiums.



## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEMES 2008

		Frjálsi lífeyrissjóðurinn <sup>(#)</sup>				Söfnunarsj. lífeyris- réttinda (9)	Festa lífeyris- sjóður <sup>(#)</sup> (10)	Lífeyrissjóður stm. sveitarfélaga (11)				
		(8)						Leið I/Séreign	Séreign	(11)		
		Leið I	Leið II	Leið III	Áhætta					Leið I	Leið II	Leið III
Net real rate of return (%)	1	-18,2	-3,5	6,3	-20,4	-10,4	-14,1	-15,4	-2,8	2,3		
Average net real rate of return 2004-2008 (%)	2	1,1	2,6	4,7	*	1,4	0,8	2,7	2,5	5,2		
Quoted variable yield securities (%)		55,3	36,5	23,0	46,5	100,0	100,0	74,3	85,1	0,0		
Quoted fixed rate securities (%)		41	63	57	51	0	0	25	15	0		
Unquoted variable yield securities (%)		0	0	0	0	0	0	1	0	0		
Unquoted fixed yield securities (%)		1	0	0	3	0	0	0	0	0		
Mortgages (%)		2	0	0	0	0	0	0	0	0		
Other investments (%)		0	0	20	0	0	0	0	0	100		
<b>Total:</b>	3	100	100	100	100	100	100	100	100	100		
Assets in ISK (%)		67,9	88,8	100,0	74,9	81,0	80,9	69,0	91,0	100,0		
Assets in foreign currencies (%)		32,1	11,2	0,0	25,1	19,0	19,1	31,0	9,0	0,0		
<b>Total:</b>	4											
Number of fund members	5	9.416	760	974	7	5.551	140	392	90	45		
Number of pensioners	6	520	141	310	0	11	0	6	1	2		
		85	95	87	0	100	67	80	100	100		
Old-age pension (%)		2	0	1	0	0	0	3	0	0		
Disability pension (%)		0	0	0	0	0	33	17	0	0		
Pension to surviving spouse (%)		0	0	0	0	0	0	0	0	0		
Pension to surviving children (%)		13	5	12	0	0	0	0	0	0		
Other pension (%)	7	100	100	100	0	100	100	100	100	100		
<b>Total:</b>												
	8	0	0	0	0	0	0	0	0	0		
Average number of employees	9	38	574	19	0	28	3	37	38	9		
Pensions´ burden												

\*Áhætta established 2008

Miscellaneous remarks:

(#)Exchange rate calculated daily

(#)Exchange rate  
calculated daily

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (16,36% increase in 2008) see preface of chapter 4.
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 investments by currencies.
5. Average number of fund members contributing premiums in 2008.
6. Average number of pensioners receiving payment in 2008.
7. Other pension is inheritance paid from private pension plans.
8. Average number of employees in 2008.
9. Pension in percentages of premiums.

## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEMES 2008

		Íslenski lífeyrissjóðurinn <sup>(#)</sup>					
		Lífeyrissjóður verkfræðinga					
		(12)		(13)			
		Deild I	Deild II	Líf 1	Líf 2	Líf 3	Líf 4
Net real rate of return (%)	1	-24,6	-36,3	<b>-36,7</b>	<b>-33,7</b>	<b>-32,4</b>	<b>-32,8</b>
Average net real rate of return 2004-2008 (%)	2	-2,2	*	-2,9	-2,6	-3,3	**
Quoted variable yield securities (%)		100,0	100,0	53,1	54,5	79,3	52,8
Quoted fixed rate securities (%)		0	0	0	1	0	0
Unquoted variable yield securities (%)		0	0	6	10	4	0
Unquoted fixed yield securities (%)		0	0	0	2	2	1
Mortgages (%)		0	0	0	0	0	0
Other investments (%)		0	0	40	33	14	46
<b>Total:</b>	3	100	100	100	100	100	100
Assets in ISK (%)		100,0	77,5	80,9	85,1	92,8	100,0
Assets in foreign currencies (%)		0,0	22,5	19,1	14,9	7,2	0,0
<b>Total:</b>	4						
Number of fund members	5	2.684	293	18.997	5.247	2.970	3.481
Number of pensioners	6	10	0	72	79	262	323
		100	0	69	59	88	95
Old-age pension (%)		0	0	17	26	1	0
Disability pension (%)		0	0	4	12	4	3
Pension to surviving spouse (%)		0	0	10	4	7	2
Pension to surviving children (%)		0	0	0	0	0	0
Other pension (%)	7	100	0	100	100	100	100
<b>Total:</b>	8	0	0	0	0	0	0
Average number of employees	9	2	0	0	0	0	0
Pensions' burden							

\*Deild II established 2006

\*\*Established 2004

### Miscellaneous remarks:

<sup>(#)</sup>Exchange rate calculated daily

### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (16,36% increase in 2008) see preface of chapter 4.
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 investments by currencies.
5. Average number of fund members contributing premiums in 2008.
6. Average number of pensioners receiving payment in 2008.
7. Other pension is inheritance paid from private pension plans.
8. Average number of employees in 2008.
9. Pension in percentages of premiums.

## 5.2 FINANCIAL RATIOS FOR PERSONAL PENSION SCHEMES 2008

		Lífeyrissjóður Vestmannaeyja		Lífeyrissj.	Lífeyrissj.	TOTAL
		(14)		Vestfirðinga	Tannlæknafél.	
		Safn I	Safn II	(15)	Íslands	
				(16)		46 divisions
Net real rate of return (%)	1	-8,3	-9,4	-8,5	-28,6	-23,5
Average net real rate of return 2004-2008 (%)	2	-0,6	2,3	9,0	-1,8	-23,5
Quoted variable yield securities (%)		13,0	24,9	78,2	85,8	50,0
Quoted fixed rate securities (%)		87	75	22	1	29,6
Unquoted variable yield securities (%)		0	0	0	9	1,5
Unquoted fixed yield securities (%)		0	0	0	0	1,8
Mortgages (%)		0	0	0	4	7,1
Other investments (%)		0	0	0	0	10,0
<b>Total:</b>	3	100	100	100	100	100
Assets in ISK (%)		87,0	75,1	90,0	80,6	74,6
Assets in foreign currencies (%)		13,0	24,9	10,0	19,4	25,4
<b>Total:</b>	4					
	5	34	75	145	329	62.349
Number of fund members	6	4	1	12	62	2.034
Number of pensioners		0	0	100	83	88
Old-age pension (%)		0	0	0	0	1
Disability pension (%)		0	0	0	0	1
Pension to surviving spouse (%)		0	0	0	7	2
Pension to surviving children (%)		100	100	0	11	8
Other pension (%)	7	100	100	100	100	100
<b>Total:</b>						
	8	0	0	0	0	121
Average number of employees	9	28	19	20	0	1.697
Pensions' burden						

### Miscellaneous remarks:

#### Explanation to financial ratios:

1. Net real rate of return based on the Consumer price index (16,36% increase in 2008) see preface of chapter 4.
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 investments by currencies.
5. Average number of fund members contributing premiums in 2008.
6. Average number of pensioners receiving payment in 2008.
7. Other pension is inheritance paid from private pension plans.
8. Average number of employees in 2008.
9. Pension in percentages of premiums.

## **6. SPECIFICATION OF INVESTMENT AS OF 31 DECEMBER 2008 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 authorizations 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 authorizations of the Pension Fund Act.

Pension's investments reflect the difficult conditions in financial markets at the end of 2008. Amounts in section 6 are based on reports showing the breakdown of investments pensions funds, but not annual reports. The reports were submitted at the end of January 2009 and showed investment based on 31 December 2008. At the end of January 2009, there had not been depreciated as heavily as in the annual reports at the end of April, since more time had passed from the fall of commercial banks and asset prices fall and the status of the pensions' investments explained better. Therefore it is not always complete conformity between section 6 and the annual reports of the funds.

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 categorized as marketable bonds. The same applies to securities received by the pension funds of State employees and Reykjavik City employees respectively on account of the settlement of obligations prior to the entry into effect of the Pension Fund Act in July 1998. Pension fund with employer guarantee which has accepted unquoted bond as a settlement of obligations are permitted to classify those bonds as quoted. 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.

Amounts in 000 IKR.	Lífeyrissjóður starfsmanna ríkisins						Lífeyrissjóður verslunarmanna			Gildi lífeyrissjóður		
	B-deild	A-deild	(1)			(2)			(3)			
			Leið I	Leið II	Leið III	Samtrygging	Séreign	Samtrygging	Framsýn 1	Framsýn 2	Framsýn 3	
<b>Marketable bonds</b>												
Treasure notes and bonds	34.494.927	20.637.644	1.013.301	572.738	0	55.583.578	1.366.809	74.663.167	554.518	772.551	0	
Municipalities bonds	8.698.657	5.772.117	12.042	5.699	0	1.253.842	30.832	4.296.233	7.537	44.199	0	
Credit institutions notes and bonds	18.749.167	10.636.483	157.027	67.560	0	17.664.911	434.383	11.278.468	59.914	97.195	0	
Investment funds, other	3.214.782	1.925.224	48.865	5.047	0	9.572.018	235.377	24.742.190	183.321	182.115	0	
Other securities	21.002.885	12.595.936	226.162	98.591	0	17.215.399	423.329	12.954.163	49.230	130.273	0	
<b>TOTAL</b>	<b>86.160.418</b>	<b>51.567.404</b>	<b>1.457.397</b>	<b>749.635</b>	<b>0</b>	<b>101.289.748</b>	<b>2.490.730</b>	<b>127.934.221</b>	<b>854.520</b>	<b>1.226.333</b>	<b>0</b>	
<b>Other securities</b>												
Treasure notes and bonds	5.073.857	0	13.295	6.996	0	0	0	0	0	0	0	
Municipalities bonds	3.343.259	1.097.040	9	2	0	262.707	6.460	743.676	0	0	0	
Credit institutions notes and bonds	1.961.251	976.455	0	0	0	3.684.213	90.595	487.596	0	0	0	
Investment funds, other	5.335.397	3.927.421	102.413	20.902	0	11.035.144	271.356	37.796.870	0	0	0	
Other securities	710.794	1.009.484	13.011	5.150	0	9.915	244	369.438	0	0	0	
Mortgage loans	33.461.331	21.294.204	16.761	3.200	0	41.150.083	1.011.887	13.514.387	0	0	0	
<b>TOTAL</b>	<b>49.885.889</b>	<b>28.304.604</b>	<b>145.489</b>	<b>36.250</b>	<b>0</b>	<b>56.142.062</b>	<b>1.380.542</b>	<b>52.911.967</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Shares</b>												
Listed shares	59.052.523	32.120.227	1.396.013	240.517	0	63.789.585	1.568.597	7.568.710	9.846	11.541	0	
Unlisted shares	306	206	0	0	0	1.519	37	35.275	0	0	0	
<b>TOTAL</b>	<b>59.052.829</b>	<b>32.120.433</b>	<b>1.396.013</b>	<b>240.517</b>	<b>0</b>	<b>63.791.104</b>	<b>1.568.634</b>	<b>7.603.985</b>	<b>9.846</b>	<b>11.541</b>	<b>0</b>	
<b>Other investments</b>												
Deposits with banks and savings	3.919.842	7.649.449	1.083.154	514.323	1.256.511	35.146.711	864.263	21.438.219	27.037	63.875	279.602	
<b>TOTAL</b>	<b>3.919.842</b>	<b>7.649.449</b>	<b>1.083.154</b>	<b>514.323</b>	<b>1.256.511</b>	<b>35.146.711</b>	<b>864.263</b>	<b>21.438.219</b>	<b>27.037</b>	<b>63.875</b>	<b>279.602</b>	
<b>TOTAL INVESTMENTS</b>	<b>199.018.978</b>	<b>119.641.890</b>	<b>4.082.053</b>	<b>1.540.725</b>	<b>1.256.511</b>	<b>256.369.625</b>	<b>6.304.169</b>	<b>209.888.392</b>	<b>891.403</b>	<b>1.301.749</b>	<b>279.602</b>	
<i>Thereof unit shares</i>	39.970.742	21.769.269	2.644.148	953.058	0	47.579.713	1.169.993	0	0	0	0	
<i>Thereof unlisted securities</i>	16.424.864	7.010.606	128.728	33.050	0	14.993.498	368.692	39.432.854	0	0	0	
<i>Thereof foreign securities</i>	66.728.528	37.683.364	1.545.611	288.226	0	86.995.803	2.139.242	75.921.424	0	182.115	0	

	Stapi lífeyrissjóður				Sameinaði lífeyrissjóðurinn							
	Tryggingard.	(4) Safn I	Safn II	Tryggingard.	Leið 1	Leið 2	(5) Aldursleið 1 Aldursleið 2 Aldursleið 3			Aldursleið 4	Innlánsleið	
Amounts in 000 IKR.												
<b>Marketable bonds</b>												
Treasure notes and bonds	20.421.578	653.564	1.451.892	23.032.582	67.196	730.709	17.409	53.349	29.092	1.881	0	
Municipalities bonds	2.731.962	0	0	967.139	16.981	184.662	4.400	13.482	7.352	475	0	
Credit institutions notes and bonds	11.956.742	0	0	808.733	32.579	354.278	8.441	25.866	14.105	912	0	
Investment funds, other	16.355.335	0	411.167	992.523	0	0	0	0	0	0	0	
Other securities	11.850.912	0	0	13.754.121	55.657	605.233	14.419	44.188	24.097	1.558	0	
<b>TOTAL</b>	<b>63.316.529</b>	<b>653.564</b>	<b>1.863.059</b>	<b>39.555.098</b>	<b>172.413</b>	<b>1.874.882</b>	<b>44.669</b>	<b>136.885</b>	<b>74.646</b>	<b>4.826</b>	<b>0</b>	
<b>Other securites</b>												
Treasure notes and bonds	0	0	0	292.946	0	0	0	0	0	0	0	
Municipalities bonds	0	0	0	467.874	0	0	0	0	0	0	0	
Credit institutions notes and bonds	573.488	0	0	63.696	0	0	0	0	0	0	0	
Investment funds, other	4.607.200	0	0	7.355.421	0	0	0	0	0	0	0	
Other securities	450.375	0	0	998.068	14.955	162.628	3.875	11.874	6.475	419	0	
Mortgage loans	1.614.326	0	0	13.732.539	24.774	269.402	6.418	19.669	10.726	694	0	
<b>TOTAL</b>	<b>7.245.389</b>	<b>0</b>	<b>0</b>	<b>22.910.544</b>	<b>39.729</b>	<b>432.030</b>	<b>10.293</b>	<b>31.543</b>	<b>17.201</b>	<b>1.113</b>	<b>0</b>	
<b>Shares</b>												
Listed shares	636.158	0	0	21.473.459	78.703	0	37.630	48.038	5.097	0	0	
Unlisted shares	771.329	0	0	622.022	25	0	5	6	0	0	0	
<b>TOTAL</b>	<b>1.407.487</b>	<b>0</b>	<b>0</b>	<b>22.095.481</b>	<b>78.728</b>	<b>0</b>	<b>37.635</b>	<b>48.044</b>	<b>5.097</b>	<b>0</b>	<b>0</b>	
<b>Other investments</b>												
Deposits with banks and savings	25.839.231	282.876	0	6.916.309	69.012	251.583	16.028	29.326	9.744	630	124.895	
<b>TOTAL</b>	<b>25.839.231</b>	<b>282.876</b>	<b>0</b>	<b>6.916.309</b>	<b>69.012</b>	<b>251.583</b>	<b>16.028</b>	<b>29.326</b>	<b>9.744</b>	<b>630</b>	<b>630</b>	
<b>TOTAL INVESTMENTS</b>	<b>97.808.636</b>	<b>936.440</b>	<b>1.863.059</b>	<b>91.477.432</b>	<b>359.882</b>	<b>2.558.495</b>	<b>108.625</b>	<b>245.798</b>	<b>106.688</b>	<b>6.569</b>	<b>630</b>	
<i>Thereof unit shares</i>	7.881.042	0	228.593	17.004.614	70.569	0	35.847	46.034	5.097	0	0	
<i>Thereof unlisted securites</i>	6.402.392	0	0	9.800.027	14.980	162.628	3.880	11.880	6.475	419	0	
<i>Thereof foreign securites</i>	35.813.823	0	411.167	31.587.560	70.569	0	35.847	46.034	5.097	0	0	

	Almenni lífeyrissjóðurinn							Stafir lífeyrissjóðu					
	Amounts in 000 IKR.												
	Tryggingard.	Lífeyrisdeild	(6)					(7)					
Ævisafn I			Ævisafn II	Ævisafn III	Ævisafn IV	Samtrygging	Leið I	Leið II	Leið III	Leið IV	Leið V		
<b>Marketable bonds</b>													
Treasure notes and bonds	1.726.302	941.380	2.668.712	8.171.955	2.024.678	141.986	13.214.421	0	17.775	2.423	0	293.931	
Municipalities bonds	368.728	264.060	564.545	1.729.844	664.364	72.210	1.007.364	0	0	0	0	22.407	
Credit institutions notes and bonds	352.591	333.325	1.015.267	1.822.824	1.032.149	162.314	4.671.621	0	43.663	5.952	22.241	103.912	
Investment funds, other	0	0	0	0	0	0	4.917.989	0	0	3.530	2.895	109.392	
Other securities	1.243.019	1.300.501	1.849.045	5.809.221	3.841.744	537.343	8.767.502	0	129.227	17.614	8.203	195.017	
<b>TOTAL</b>	<b>3.690.640</b>	<b>2.839.266</b>	<b>6.097.569</b>	<b>17.533.844</b>	<b>7.562.935</b>	<b>913.853</b>	<b>32.578.897</b>	<b>0</b>	<b>190.665</b>	<b>29.519</b>	<b>33.339</b>	<b>724.659</b>	
<b>Other securities</b>													
Treasure notes and bonds	20.945	12.055	29.685	97.610	25.586	1.874	244.621	0	0	0	0	5.441	
Municipalities bonds	34.189	16.129	48.326	159.349	27.607	463	175.381	0	0	0	0	3.901	
Credit institutions notes and bonds	22.797	15.627	22.901	73.398	45.791	6.295	184.031	0	36.623	4.992	0	4.093	
Investment funds, other	132.300	0	467.896	814.380	66.620	0	6.993.851	0	0	0	0	155.566	
Other securities	75.780	57.441	108.954	353.624	171.909	21.350	307.569	0	45	6	0	6.842	
Mortgage loans	1.596.713	723.739	2.255.945	7.442.301	1.171.413	0	13.611.727	0	528.238	72.004	0	302.768	
<b>TOTAL</b>	<b>1.882.724</b>	<b>824.991</b>	<b>2.933.707</b>	<b>8.940.662</b>	<b>1.508.926</b>	<b>29.982</b>	<b>21.517.180</b>	<b>0</b>	<b>564.906</b>	<b>77.002</b>	<b>0</b>	<b>478.611</b>	
<b>Shares</b>													
Listed shares	2.049.477	12.297	6.991.222	12.169.618	1.026.149	0	8.818.488	0	0	1.813	5.089	196.151	
Unlisted shares	52.175	0	102.180	177.663	14.599	0	1.607.781	0	0	0	0	35.762	
<b>TOTAL</b>	<b>2.101.652</b>	<b>12.297</b>	<b>7.093.402</b>	<b>12.347.281</b>	<b>1.040.748</b>	<b>0</b>	<b>10.426.269</b>	<b>0</b>	<b>0</b>	<b>1.813</b>	<b>5.089</b>	<b>231.913</b>	
<b>Other investments</b>													
Deposits with banks and savings	507.552	296.247	1.337.286	2.610.860	984.060	1.548.620	7.905.948	461.156	99.070	28.924	37.183	175.854	
<b>TOTAL</b>	<b>507.552</b>	<b>296.247</b>	<b>1.337.286</b>	<b>2.610.860</b>	<b>984.060</b>	<b>1.548.620</b>	<b>7.905.948</b>	<b>461.156</b>	<b>99.070</b>	<b>28.924</b>	<b>37.183</b>	<b>175.854</b>	
<b>TOTAL INVESTMENTS</b>	<b>8.182.568</b>	<b>3.972.801</b>	<b>17.461.964</b>	<b>41.432.647</b>	<b>11.096.669</b>	<b>2.492.455</b>	<b>72.428.294</b>	<b>461.156</b>	<b>854.641</b>	<b>137.258</b>	<b>75.611</b>	<b>1.611.037</b>	
<i>Thereof unit shares</i>	3.913.978	1.684.420	9.747.368	21.045.370	5.691.663	601.687	2.334.062	0	0	3.357	9.425	51.917	
<i>Thereof unlisted securities</i>	338.186	101.252	779.942	1.676.024	352.112	29.982	9.513.234	0	36.668	4.998	0	211.605	
<i>Thereof foreign securities</i>	2.211.773	26.958	7.590.115	13.224.436	1.126.270	26.574	21.742.917	0	0	3.876	3.802	483.532	



Amounts in 000 IKR.	Frjálsi lífeyrissjóðurinn					Söfnunarsjóður lífeyrisréttinda		Festa lífeyrissjóður		Lífeyris- sjóður stn. Reykjavíkurb.
	Samtrygging	(8)			Áhætta	(9)		(10)		(11)
		Deild/leið I	Deild/leið II	Deild/leið III		Deild I/Séreign	Samtrygging	Séreignardeild	Samtrygging	
<b>Marketable bonds</b>										
Treasure notes and bonds	6.848.361	19.455.119	2.282.706	4.779.088	2.809	29.336.670	267.600	22.324.662	61.023	37.310.605
Municipalities bonds	142.128	618.779	65.009	179.690	0	1.464.435	0	5.063.496	1.265	78.374
Credit institutions notes and bonds	133.336	732.257	111.006	21.939	56	5.020.305	31.605	3.905.094	3.365	1.129.087
Investment funds, other	231.606	1.734.786	34.553	0	0	3.813.697	0	2.550.484	0	30.282
Other securities	1.071.270	4.911.599	203.121	439.241	181	3.331.990	36.527	5.010.956	12.069	1.402.547
<b>TOTAL</b>	<b>8.426.701</b>	<b>27.452.540</b>	<b>2.696.395</b>	<b>5.419.958</b>	<b>3.046</b>	<b>42.967.097</b>	<b>335.732</b>	<b>38.854.692</b>	<b>77.722</b>	<b>39.950.895</b>
<b>Other securities</b>										
Treasure notes and bonds	0	49.288	0	0	0	13.302	0	155.086	12	180.744
Municipalities bonds	68.559	24.740	242	0	1	162.617	0	698.705	27	0
Credit institutions notes and bonds	24.116	6.368	143	0	0	293.055	0	569.787	0	46.055
Investment funds, other	153.605	1.060.607	112.016	0	0	0	0	1.995.270	0	0
Other securities	247.644	920.990	29.881	11.016	191	22.465	0	457.685	1.661	3.782.208
Mortgage loans	24.546	853.893	0	0	0	2.343.350	0	2.038.785	0	1.783.248
<b>TOTAL</b>	<b>518.470</b>	<b>2.915.886</b>	<b>142.282</b>	<b>11.016</b>	<b>192</b>	<b>2.834.789</b>	<b>0</b>	<b>5.915.318</b>	<b>1.700</b>	<b>5.792.255</b>
<b>Shares</b>										
Listed shares	3.515.517	11.509.652	279.530	0	1.159	10.701.288	60.214	9.616.440	29.545	174.262
Unlisted shares	11.570	28.468	1.051	0	1	13.714	0	890.834	12	12.804
<b>TOTAL</b>	<b>3.527.087</b>	<b>11.538.120</b>	<b>280.581</b>	<b>0</b>	<b>1.160</b>	<b>10.715.002</b>	<b>60.214</b>	<b>10.507.274</b>	<b>29.557</b>	<b>187.066</b>
<b>Other investments</b>										
Deposits with banks and savings	683.554	2.376.272	200.847	2.366.560	958	486.939	46.593	759.962	40.011	308.760
<b>TOTAL</b>	<b>683.554</b>	<b>2.376.272</b>	<b>200.847</b>	<b>2.366.560</b>	<b>958</b>	<b>486.939</b>	<b>46.593</b>	<b>759.962</b>	<b>40.011</b>	<b>308.760</b>
<b>TOTAL INVESTMENTS</b>	<b>13.155.812</b>	<b>44.282.818</b>	<b>3.320.105</b>	<b>7.797.534</b>	<b>5.356</b>	<b>57.003.827</b>	<b>442.539</b>	<b>56.037.246</b>	<b>148.990</b>	<b>46.238.976</b>
<i>Thereof unit shares</i>	5.043.856	20.382.806	994.029	1.570.386	2.028	10.456.337	442.539	12.710.831	148.990	1.013.618
<i>Thereof unlisted securities</i>	505.494	2.090.461	143.333	11.016	193	505.153	0	4.767.367	1.712	4.021.811
<i>Thereof foreign securities</i>	3.587.240	13.537.750	355.189	0	1.113	14.019.839	0	14.216.866	28.472	209.217

Amounts in 000 IKR.	Lífeyrissjóður bankamanna		Lífeyrissjóður starfsmanna sveitarfélög				Lífeyrissjóður verkfræðinga			
	(12)		(13)				(14)			
	Hlutfallsdeild	Aldursdeild	A-deild	V-deild	Leið I	Leið II	Leið III	Samtrygging	Deild I	
<b>Marketable bonds</b>										
Treasure notes and bonds	17.245.680	4.334.018	8.356.998	980.430	383.966	106.358	0	1.003.837	601.303	
Municipalities bonds	40.473	20.286	520.919	61.113	0	0	0	873.633	0	
Credit institutions notes and bonds	718.701	275.141	1.890.115	221.746	10.031	752	0	1.729.142	253.140	
Investment funds, other	0	0	311.716	36.570	10.361	992	0	659.642	0	
Other securities	1.254.289	722.441	2.925.169	343.176	30.913	2.374	0	5.559.890	575.603	
<b>TOTAL</b>	<b>19.259.143</b>	<b>5.351.886</b>	<b>14.004.917</b>	<b>1.643.035</b>	<b>435.271</b>	<b>110.476</b>	<b>0</b>	<b>9.826.144</b>	<b>1.430.046</b>	
<b>Other securites</b>										
Treasure notes and bonds	2.597.668	27.412	10.447	1.226	0	0	0	0	0	
Municipalities bonds	11.499	2.842	82.084	9.630	53	8	0	29.000	0	
Credit institutions notes and bonds	146.398	21.682	228.241	26.777	0	0	0	0	0	
Investment funds, other	0	706.194	304.533	35.727	10.635	422	0	1.015.246	0	
Other securities	32.746	120.725	1.816.379	213.095	13.071	861	0	152.585	0	
Mortgage loans	1.225.454	1.625.159	5.679.979	666.366	0	0	0	6.571.093	0	
<b>TOTAL</b>	<b>4.013.765</b>	<b>2.504.014</b>	<b>8.121.663</b>	<b>952.821</b>	<b>23.759</b>	<b>1.291</b>	<b>0</b>	<b>7.767.924</b>	<b>0</b>	
<b>Shares</b>										
Listed shares	7.810	866.588	4.066.802	477.111	198.658	11.720	0	4.178.840	0	
Unlisted shares	138	388	26.834	3.148	71	7	0	35.934	0	
<b>TOTAL</b>	<b>7.948</b>	<b>866.976</b>	<b>4.093.636</b>	<b>480.259</b>	<b>198.729</b>	<b>11.727</b>	<b>0</b>	<b>4.214.774</b>	<b>0</b>	
<b>Other investments</b>										
Deposits with banks and savings	5.627.539	1.750.032	2.863.132	335.898	55.150	4.567	114.504	3.531.222	795.616	
<b>TOTAL</b>	<b>5.627.539</b>	<b>1.750.032</b>	<b>2.863.132</b>	<b>335.898</b>	<b>55.150</b>	<b>4.567</b>	<b>114.504</b>	<b>3.531.222</b>	<b>795.616</b>	
<b>TOTAL INVESTMENTS</b>	<b>28.908.395</b>	<b>10.472.908</b>	<b>29.083.348</b>	<b>3.412.013</b>	<b>712.909</b>	<b>128.061</b>	<b>114.504</b>	<b>25.340.064</b>	<b>2.225.662</b>	
<i>Thereof unit shares</i>	1.934.193	2.506.667	5.797.914	680.202	483.108	105.186	0	3.308.083	2.225.662	
<i>Thereof unlisted securites</i>	2.788.449	879.243	2.468.518	289.603	23.830	1.298	0	1.232.765	0	
<i>Thereof foreign securites</i>	410	1.799.883	7.199.416	844.624	197.236	12.155	0	7.761.402	0	

Amounts in 000 IKR.	Íslenski lífeyrissjóðurinn					Lífeyrissjóður Vestmannaeyja			Lífeyrissjóður Vestfirðinga		Lífeyrissjóður bænda	Lífeyrissjóður hjúkrunarfræðinga
	Samtrygging	Líf 1	(15) Líf 2	Líf 3	Líf 4	Samtrygging	(16) Safn I	Safn II	(17) Samtrygging	Deild I	(18)	(19)
<b>Marketable bonds</b>												
Treasure notes and bonds	924.167	1.394.921	1.217.242	1.458.536	652.186	8.048.637	36.570	102.252	6.418.918	296.846	8.433.736	4.222.172
Municipalities bonds	14.799	30.234	34.563	24.348	13.396	2.887.975	0	0	1.733.182	0	461.420	1.163.985
Credit institutions notes and bonds	42.219	180.369	148.868	134.932	88.434	825.634	0	0	1.713.613	0	944.375	2.164.059
Investment funds, other	72.718	420.158	241.973	52.711	0	604.860	0	0	22.754	0	9.292	422.384
Other securities	237.225	1.073.626	762.580	769.220	496.131	1.260.520	0	0	2.909.724	4.496	2.592.926	2.609.608
<b>TOTAL</b>	<b>1.291.128</b>	<b>3.099.308</b>	<b>2.405.226</b>	<b>2.439.747</b>	<b>1.250.147</b>	<b>13.627.626</b>	<b>36.570</b>	<b>102.252</b>	<b>12.798.191</b>	<b>301.342</b>	<b>12.441.749</b>	<b>10.582.208</b>
<b>Other securities</b>												
Treasure notes and bonds	17.375	58.539	62.780	67.305	40.246	30.459	0	0	0	0	462.497	47.723
Municipalities bonds	1.985	7.572	6.786	13.753	4.018	130.382	0	0	277.295	0	260.376	270.394
Credit institutions notes and bonds	34.235	158.340	99.394	101.740	69.441	610.661	0	0	457.229	0	405.571	338.142
Investment funds, other	97.211	337.879	269.485	104.578	0	1.392.449	0	0	7.368	0	190.006	726.937
Other securities	4.331	19.794	12.611	20.298	8.839	41.328	0	0	1.017.260	0	162.985	102.747
Mortgage loans	0	0	0	0	0	83.589	0	0	526.679	0	975.329	2.723.025
<b>TOTAL</b>	<b>155.137</b>	<b>582.124</b>	<b>451.056</b>	<b>307.674</b>	<b>122.544</b>	<b>2.288.868</b>	<b>0</b>	<b>0</b>	<b>2.285.831</b>	<b>0</b>	<b>2.456.764</b>	<b>4.208.968</b>
<b>Shares</b>												
Listed shares	183.213	1.265.067	508.919	173.139	0	6.505.806	6.174	39.327	6.879.787	87.111	4.421.604	7.405.028
Unlisted shares	0	7	10	5	0	647.135	0	0	428.105	0	4.523	35
<b>TOTAL</b>	<b>183.213</b>	<b>1.265.074</b>	<b>508.929</b>	<b>173.144</b>	<b>0</b>	<b>7.152.941</b>	<b>6.174</b>	<b>39.327</b>	<b>7.307.892</b>	<b>87.111</b>	<b>4.426.127</b>	<b>7.405.063</b>
<b>Other investments</b>												
Deposits with banks and savings	858.048	5.931.310	3.246.936	1.432.701	1.231.736	1.207.285	4.921	16.296	1.242.209	9.032	1.489.778	266.150
<b>TOTAL</b>	<b>858.048</b>	<b>5.931.310</b>	<b>3.246.936</b>	<b>1.432.701</b>	<b>1.231.736</b>	<b>1.207.285</b>	<b>4.921</b>	<b>16.296</b>	<b>1.242.209</b>	<b>9.032</b>	<b>1.489.778</b>	<b>266.150</b>
<b>TOTAL INVESTMENTS</b>	<b>2.487.526</b>	<b>10.877.816</b>	<b>6.612.147</b>	<b>4.353.266</b>	<b>2.604.427</b>	<b>24.276.720</b>	<b>47.665</b>	<b>157.875</b>	<b>23.634.123</b>	<b>397.485</b>	<b>20.814.418</b>	<b>22.462.389</b>
<i>Thereof unit shares</i>	1.101.841	4.244.388	2.859.451	2.825.394	1.390.169	4.721.946	6.174	39.327	5.085.109	242.488	14.481.221	4.999.118
<i>Thereof unlisted securities</i>	155.137	582.131	451.066	307.679	122.544	2.852.414	0	0	2.187.257	0	1.485.958	1.485.978
<i>Thereof foreign securities</i>	352.652	1.997.339	1.022.402	334.045	0	8.268.542	6.174	39.327	7.720.859	23.447	4.346.911	8.476.084

Amounts in 000 IKR.	Lífeyrissj. stm. Búnaðarb. Ísl.	Eftirlauna- sjóður FÍA	Kjölur lífeyris- sjóður	Lífeyrissj. stm. Akureyrarb.	Eftirlaunasj. stm. Glitnis banka	Lífeyrissjóður Rangæinga	Lífeyrissj. starfsm. Kópavogsb.	Eftirlaunasj. Reykjanes- bæjar	Tannlæknafélags Íslands (28) Samtrygging Séreign		Eftirlaunasj. stm. Hafnarfjarðk. (29) B-deild
	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)			
<b>Marketable bonds</b>											
Treasure notes and bonds	10.711.139	2.495.243	2.799.422	3.965.916	2.997.310	1.297.512	478.316	1.799.306	118.139	615.008	313.230
Municipalities bonds	114.700	286.402	137.044	387.410	529.265	175.517	93.293	0	2.026	10.617	9.470
Credit institutions notes and bonds	708.093	59.776	193.745	347.505	359.409	85.530	39.759	5.696	4.292	36.639	45.010
Investment funds, other	8.604	375.464	261.172	67.290	0	11.702	641.811	11.016	5.954	91.906	0
Other securities	454.718	1.775.658	1.249.887	0	1.934.881	430.342	188.329	25.150	35.194	232.163	288.153
<b>TOTAL</b>	<b>11.997.254</b>	<b>4.992.543</b>	<b>4.641.270</b>	<b>4.768.121</b>	<b>5.820.865</b>	<b>2.000.603</b>	<b>1.441.508</b>	<b>1.841.168</b>	<b>165.605</b>	<b>986.333</b>	<b>655.863</b>
<b>Other securities</b>											
Treasure notes and bonds	776.537	159.785	110.052	0	506	916.152	0	0	2.070	16.637	0
Municipalities bonds	182.809	19.037	17.143	5.770	50.947	556	256.646	61	421	2.477	201.843
Credit institutions notes and bonds	130.254	246.179	232.491	8.316	4.128	67.467	0	20.159	3.254	28.562	137.372
Investment funds, other	25.578	438.216	382.405	0	0	51.685	0	6.333	14.176	103.297	0
Other securities	39.255	30.179	19.800	914.759	61.060	117.208	35.503	781	416	3.637	33.381
Mortgage loans	341.984	2.463.630	60.258	56.340	0	0	124.328	25.530	0	60.026	335.131
<b>TOTAL</b>	<b>1.496.417</b>	<b>3.357.026</b>	<b>822.149</b>	<b>985.185</b>	<b>116.641</b>	<b>1.153.068</b>	<b>416.476</b>	<b>52.864</b>	<b>20.337</b>	<b>214.636</b>	<b>707.727</b>
<b>Shares</b>											
Listed shares	314.408	839.722	185.636	0	95.341	328.236	20.767	272.276	18.622	121.614	461.122
Unlisted shares	1.615	68	15.824	0	86	9.124	0	78.274	0	11	20.680
<b>TOTAL</b>	<b>316.023</b>	<b>839.790</b>	<b>201.460</b>	<b>0</b>	<b>95.427</b>	<b>337.360</b>	<b>20.767</b>	<b>350.550</b>	<b>18.622</b>	<b>121.625</b>	<b>481.802</b>
<b>Other investments</b>											
Deposits with banks and savings	168.372	4.559.737	2.340.108	1.308.872	424.325	943.011	637.117	228.631	85.963	687.757	91.563
<b>TOTAL</b>	<b>168.372</b>	<b>4.559.737</b>	<b>2.340.108</b>	<b>1.308.872</b>	<b>424.325</b>	<b>943.011</b>	<b>637.117</b>	<b>228.631</b>	<b>85.963</b>	<b>687.757</b>	<b>91.563</b>
<b>TOTAL INVESTMENTS</b>	<b>13.978.066</b>	<b>13.749.096</b>	<b>8.004.987</b>	<b>7.062.178</b>	<b>6.457.258</b>	<b>4.434.042</b>	<b>2.515.868</b>	<b>2.473.213</b>	<b>290.527</b>	<b>2.010.351</b>	<b>1.936.955</b>
<i>Thereof unit shares</i>	963.874	4.268.004	3.700.048	79.964	4.308.247	1.598.284	1.064.040	1.844.043	167.405	1.109.236	404.582
<i>Thereof unlisted securities</i>	1.156.048	893.464	777.715	928.845	116.727	1.162.192	292.148	105.608	20.337	154.621	393.276
<i>Thereof foreign securities</i>	208.725	1.628.848	847.894	59.441	74.042	371.007	641.811	291.568	38.636	314.576	508.971

Amounts in 000 IKR.	Lífeyrissj. Akranes- kaupstaðar (30)	Eftirlaunasj. Sláturfél. Suðurlands (31)	Lífeyrissj. stm. Húsavíkurk. (32)	Lífeyrissj. Nes- kaupstaðar (33)	Lífeyris- sjóðurinn Skjöldur (34)	Lífeyrissj. Eimskipa- félags Ísl. (35) Deild II	Lífeyrissj. stm. Vestm.eyjab. (36) Deild I	Eftirlaunasj. starfsm. Útvegsb. Ísl. (37)	TOTAL
<b>Marketable bonds</b>									
Treasure notes and bonds	280.440	0	298.579	322.301	58.788	63.441	0	10.841	<b>482.834.394</b>
Municipalities bonds	1.714	0	10.264	0	55.211	783	0	0	<b>46.048.351</b>
Credit institutions notes and bonds	3.926	31.871	18.332	6.411	87.805	4.658	0	0	<b>106.380.401</b>
Investment funds, other	0	0	43	69	0	0	0	0	<b>75.638.340</b>
Other securities	23.715	348.682	91.688	72.658	75.360	22.615	0	0	<b>162.543.194</b>
<b>TOTAL</b>	<b>309.795</b>	<b>380.553</b>	<b>418.906</b>	<b>401.439</b>	<b>277.164</b>	<b>91.497</b>	<b>0</b>	<b>10.841</b>	<b>873.444.680</b>
									<b>0</b>
<b>Other securites</b>									<b>0</b>
Treasure notes and bonds	2.604	0	12	0	0	3.119	0	0	<b>11.634.494</b>
Municipalities bonds	7.733	93.923	13	0	0	270	0	0	<b>9.288.588</b>
Credit institutions notes and bonds	14.385	27.649	2	2.945	15.985	2.920	0	0	<b>12.833.285</b>
Investment funds, other	25.207	16.995	0	0	0	0	0	0	<b>88.666.797</b>
Other securities	318	0	1.020	243	68	387	0	0	<b>15.341.635</b>
Mortgage loans	25.400	24.533	3.870	29.705	4.175	3.821	1.032	6.711	<b>184.522.219</b>
<b>TOTAL</b>	<b>75.647</b>	<b>163.100</b>	<b>4.917</b>	<b>32.893</b>	<b>20.228</b>	<b>10.517</b>	<b>1.032</b>	<b>6.711</b>	<b>322.287.018</b>
									<b>0</b>
<b>Shares</b>									<b>0</b>
Listed shares	159.730	0	142	1.504	0	0	0	0	<b>295.296.380</b>
Unlisted shares	0	1.326	0	725	0	0	994	0	<b>5.654.410</b>
<b>TOTAL</b>	<b>159.730</b>	<b>1.326</b>	<b>142</b>	<b>2.229</b>	<b>0</b>	<b>0</b>	<b>994</b>	<b>0</b>	<b>300.950.790</b>
									<b>0</b>
<b>Other investments</b>									<b>0</b>
Deposits with banks and savings	321.596	1.075.549	86.547	66.782	59.725	13.724	152.899	4.530	<b>174.316.705</b>
<b>TOTAL</b>	<b>321.596</b>	<b>1.075.549</b>	<b>86.547</b>	<b>66.782</b>	<b>59.725</b>	<b>13.724</b>	<b>152.899</b>	<b>4.530</b>	<b>174.192.440</b>
									<b>0</b>
<b>TOTAL INVESTMENTS</b>	<b>866.768</b>	<b>1.620.528</b>	<b>510.512</b>	<b>503.343</b>	<b>357.117</b>	<b>115.738</b>	<b>154.925</b>	<b>22.082</b>	<b>1.670.874.929</b>
									<b>0</b>
									<b>0</b>
									<b>0</b>
<i>Thereof unit shares</i>	396.205	0	143.281	213.352	13.224	103.043	0	0	<b>316.621.859</b>
<i>Thereof unlisted securites</i>	50.247	139.893	1.047	3.913	16.053	6.696	994	0	<b>143.419.210</b>
<i>Thereof foreign securites</i>	167.252	9.135	0	1.237	0	0	0	0	<b>487.416.400</b>

## **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 255.6 billion at year-end 2008, compared with ISK 30.6 billion at the year-end 1999. Cumulative private pension savings growth comes to an average of 27% per year from 1999.

By far the largest share of these savings, or ISK 128.8 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 96.8 billion at year-end 2008 and other pension funds held ISK 29.9 billion. Private pension savings premiums totalled ISK 33.4 billion in 2008, compared with ISK 32.6 billion in 2007 and pension paid amounted ISK 5.2 billion.

At the end of 2008, some 42 parties offered pension savings and supplementary insurance coverage contracts, viz 16 pension funds, 3 banks, 19 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	
	30.12.2008	31.12.2007	2008	2007	2008	2007
Pension funds operating purely as personal pension savings funds prior to the entry into effect of Act 129/1997 (1)	128.847.084	135.812.477	15.176.350	14.302.473	2.880.393	2.159.728
Other pension funds	29.940.001	28.691.689	1.651.806	4.848.800	792.316	692.752
Depositories other than pension funds (2)	96.785.322	73.251.081	16.601.471	13.465.982	1.498.679	1.101.373
<b>Total</b>	<b>255.572.407</b>	<b>237.755.247</b>	<b>33.429.627</b>	<b>32.617.255</b>	<b>5.171.388</b>	<b>3.953.853</b>

(1)

Private account for supplementary cover (bundin séreign)	17.999.289	17.732.480	1.686.364	1.767.534	68.548	80.209
Supplementary pension cover*	110.847.795	118.079.997	13.489.986	12.534.939	2.811.845	2.079.519
<b>Total</b>	<b>128.847.084</b>	<b>135.812.477</b>	<b>15.176.350</b>	<b>14.302.473</b>	<b>2.880.393</b>	<b>2.159.728</b>
*Thereof from mandatory 12% premium	15.785.930	12.518.977	2.660.597	2.247.084		

(2)	Assets					
	31.12.2008	31.12.2007	31.12.2006	31.12.2005	31.12.2004	31.12.2003
Banks and securities firms	70.324.639	54.729.980	42.733.309	30.725.575	21.472.925	12.404.684
Savings banks	16.366.222	12.963.480	9.323.803	7.083.185	5.095.430	3.359.891
Life insurance companies	10.094.461	5.557.621	3.642.491	3.030.315	2.001.150	446.931
<b>Total</b>	<b>96.785.322</b>	<b>73.251.081</b>	<b>55.699.603</b>	<b>40.839.075</b>	<b>28.569.505</b>	<b>16.211.506</b>
Total members at year end 2008	135.003	122.265	104.914	92.717	91.297	72.882
Average number of fund members contributing premiums in 2008	62.306	56.997	55.080	42.313	55.044	61.590
Average number of pensioners receiving payment in 2008	1.603	1.227	1.180	442	643	201