



## INTRODUCTION

### **AFA Insurance – for a better working life**

AFA Insurance embraces a joint organisation for three insurance companies – AFA Life Insurance, AFA Sickness Insurance and AFA Work Injury Insurance – which are owned by the Confederation of Swedish Enterprise and the Swedish Trade Union Confederation (LO), as well as by the Swedish Council for Negotiation and Co-operation (PTK) with regard to AFA Work Injury Insurance. Each company within AFA Insurance is also the largest insurance provider in Sweden within its particular field. We insure employees within the private sector as well as municipalities, county councils and regions. More than four million people are currently covered by at least one of our insurance policies.

### **AFA insurance policies**

AFA insurance policies are based on collective agreements between Sweden's labour market parties. They provide financial support in the event of incapacity for work due to sickness, work injury, shortage of work, death and parental leave. Collectively agreed insurances are effective thanks to a high contribution margin ratio, low administrative costs and the absence of resource-intensive risk assessments in connection with the signing of insurance policies. The collectively agreed insurances are also operated without any requirement to distribute profits to the owners, and with an active claims settlement process that safeguards the insured's rights in accordance with the collective agreement.

### **Our strategic goals**

AFA Insurance's task is to manage the administration related to the various insurance policies. One prerequisite for being able to retain these tasks is that we can offer the labour market parties preconditions for a long-term and stable premium, provided laws and insurance conditions are not amended, at the same time as the insured are satisfied and we achieve a high level of cost-efficiency.

### **We insure, manage and prevent – all are interconnected**

In view of the number of individuals collectively embraced by our insurance policies, AFA Insurance possesses unique knowledge regarding occupational ill-health. We have assembled information about illnesses and injuries for more than 30 years, and all individually filed claims are stored in our unique claims database that today contains more than 10 million cases. This data is then analysed, and provides an important source of information and a decision-making basis for claim-prevention activities and our support of research and development.

In this way, the collectively agreed insurance policies form the foundation for a better working life for everyone.

### **GOOD FINANCIAL PERFORMANCE AND RESULTS**

The Swedish real economy recovered very strongly in 2010 and the country's financial markets developed well during the year, with the stock exchange giving an impressive total yield of 27 percent. The commercial property market also recovered from a weak period in 2008-2009 with regard to both activity and appreciation in value. The historically low bond interest rates fluctuated substantially during 2010, but closed at relatively unchanged levels compared with the beginning of the year.

Despite low returns on fixed-income investments, AFA Insurance achieved a total return of 8.8 percent (13.5) in 2010 – due primarily to favourable developments of equities and properties. We did not manage to equal last year's extremely high level, but nonetheless exceeded our benchmark portfolio by 0.6 percentage points. This excess return comes entirely from equity management, where the Swedish portfolio performed particularly well.

#### **Continued lower claims gave reduced premiums**

We were able to lower the premium for Sickness Insurance to zero for the second consecutive year, leading to a reimbursement of SEK 2.7 billion representing the entire premium of 0.5 percent of total salaries and wages preliminarily paid by employers during the year. The premium reduction was enabled by abnormally low compensation costs, due principally to continued settlement gains caused by amendments to the Swedish National Insurance Act that entered into force on 1 July 2008.

#### **Strengthened financial position**

The overall effects of high capital returns, lower claim-related costs including settlement gains and reduced premium income, have resulted in AFA Insurance reporting a total profit before year-end appropriations and tax of SEK 16.9 billion (22.2), and a profit after tax of SEK 12.0 billion (16.3). Operational costs amounted to SEK 988 million (907). The increase in costs is partially explained by last year's figure containing a large reimbursement from KP Pension & Försäkring related to pension provisions of SEK 56 million.

AFA Insurance strengthened during the year its already solid financial position, and at year-end had a funding ratio of 165.4 percent (145.8).

### **Organizational changes, and new members in the Company's management team**

In order to rationalize our business operations and to better meet the demands and requirements of our owners, principals and customers, the previous Claims Adjustment and Insurance departments have been merged to form a new Insurance Business Area.

The new business area is led by Anita Johansson, who has also now joined the Company's management team together with Johan Held, new head of Asset Management, and Johan Ljungqvist, new head of Communication.

### **SURROUNDING WORLD**

Many factors in the world at large can have an influence on the prerequisites for the Company's operations over the next three to five years. We are affected by both the amended solvency regulations, which are having an impact on the entire insurance sector, and changes taking place within the national social welfare system that to a considerable extent lays the foundations for our insurance plans.

#### **Solvency II**

Our anxiety prior to Solvency II has attenuated. There still remain a number of question marks, but the considerable apprehension regarding new capital requirements that we experienced one year ago has diminished considerably. The new solvency regulations proposed in Solvency II have not yet been ratified, and the effects on the funding ratio of a fair value liability in combination with a risk-based capital requirement are currently difficult to estimate accurately. This in turn means that the optimal funding ratio for the companies cannot yet be determined.

Another challenge related to the new regulations will be to fulfil the stipulated requirements regarding operational management and reporting without entailing unnecessary bureaucracy and significantly higher administrative costs.

#### **Collective agreement insurance plans scrutinized by the EU**

One very significant item for the future is the so-called Germany case, where the EU Commission has brought an action against the German State. The EU Court of Justice has ruled in its judgment that Germany is in violation of the Public Procurement Directives inasmuch as certain German collective agreements within the public sector

## MESSAGE FROM THE CEO

directly designate a number of pension asset managers without having first followed public procurement procedures in their choice of asset managers. AFA's insurance plans are regulated to a considerable degree by collective agreements within the Swedish public sector. An analysis is currently being performed by both the Company and representatives of employers and employees in order to determine the impact that the judgment of the EU Court of Justice could have on such collective agreements and the choice of insurer.

### **Sustainable social insurance plans under review**

AFA's insurance plans act as a complement to national social insurance cover. The Swedish government has established a parliamentary social insurance committee of inquiry, with the mission to review national insurance cover upon sickness and unemployment. The inquiry's terms of reference are very broad, and the proposals that the inquiry produces will in all probability have an effect on the future formulation of AFA's insurance plans. It is important for us to carefully monitor the work of this committee of inquiry, which will present its proposals in May 2013.

In conjunction with this committee, the Swedish Insurance Federation has appointed an independent Work Injury Commission that will present proposals regarding the future formulation of work injury insurance. AFA Insurance is participating in the commission's assignment by contributing with our unique knowledge of work injuries and high level of specialist expertise within our insurance segment.

### **Meeting place for exchange of knowledge and experience**

Our well frequented seminars about current topics and issues form part of how we monitor trends and developments within the labour market and social insurance. Those attending the seminars come from the Swedish Government Offices, public authorities, employers, employer organizations, trade unions and other organizations and companies that have a general interest in these issues.

A total of 14 seminars were held in 2010, including "Social Security in a Globalized World" with researcher Agneta Kruse, and "Sustainable Insurance upon Sickness and Unemployment" where the parliamentary social insurance committee of inquiry presented its work. The

Minister for Social Security, Ulf Kristersson, presented the challenges related to reforming health insurance, and at the last seminar for the year held on 20 December 2010, the Work Injury Commission made a presentation of its activities.

### **AFA Insurance's sustainability policy**

For the first time, AFA Insurance is publishing a sustainability report that describes our operations and related development from a sustainability perspective.

The sustainability perspective is strategically important for us, because it places focus on the public welfare to which we contribute when we carry out the task given to us by the labour-market parties to "insure, manage and prevent" within the framework of collective agreement insurance plans.

In order to emphasize the connection between different parts of our operations and our contribution to social, economical and environmental sustainability, we have adopted a Sustainability Policy for AFA Insurance that will help us guide our operations towards greater sustainability. It will not necessarily lead to us doing new things, but it could lead us into making other priorities when we choose between various development alternatives.

### **THE FUTURE**

In addition to monitoring all changes taking place in the surrounding world and adapting our activities and safeguarding subsequent opportunities, we must also constantly improve our existing operations.

### **Focus on greater customer benefits**

It is very important that we look at our operations from a customer perspective. Reasonable processing times, comprehensible information, and a respectful and professional approach are just some of the factors that we continuously review.

AFA Insurance is launching an e-service in 2011. The objective is to improve accessibility for employers and their staff, as well as to simplify and shorten the claim notification process. The insured will also be able to easily follow their insurance case via the Internet. The development of a new website for AFA Insurance has started in parallel with this new service.

We always endeavour to be clear, accessible and accurate in our communication – and to emphasize the importance of this ambition we have formulated a vision of becoming “Sweden’s most comprehensible insurance company”.

**Continued investment in prevention and R&D**

The continued process of reducing and preventing work injuries and sickness absence is important for us and our principals. We invest SEK 150 million each year in the form of research grants to various projects. What differentiates us from many other funders when appraising projects includes placing great emphasis on that the results can be transformed into concrete measures to improve working life or create new methods to both prevent and treat illnesses. In collaboration with Prevent, we will intensify our efforts to integrate research results into the work environment.

The publication of new R&D programs will be prepared in 2011, including the promotion of developments within occupational healthcare services. We are also looking forward to the final results of two ongoing R&D programs entitled “The Work Environment of Women within Industry” and “Noise in Working Life”.

**Unique insurance company**

AFA Insurance is unique in that we only administrate insurance related to collective agreements and that we cover almost the entire Swedish labour market. This implies that virtually all gainfully employed Swedes, more than four million people, are covered by at least one of our insurance plans. This in turn entails an extensive spread of risk and significant economies of scale, which enable low costs in relation to the offered insurance protection.

We do not seek to generate a distributable profit, and one particularly important task entrusted to us by our owners and principals is to ensure that all those who have the right to compensation shall also receive such. Our claim settlements over a period of many years have enabled us to assemble a unique database of statistics, which are now used as underlying data for research grants and by our principals for prioritizing various preventive measures.

Maj-Charlotte Wallin

PRESIDENT AND CEO

## CLAIM TRENDS 2010

In 2010, AFA Insurance received a total of 231,000 claims for compensation spread over all insurance categories, which represents around 5,000 fewer claims than the year before. The decline is attributable to the more than halved inflow of claims related to our Severance Allowance Insurance (AGB), and a minor decrease in claims regarding Group Life Insurance (TGL). Other insurance categories saw a rise in claims for compensation.

The policies that provide compensation in the event of incapacity to work due to sickness are Group Sickness Insurance (AGS, AGS-KL), Waiver-of-Premium Insurance, and Waiver-of-Fee Insurance. The number of newly filed claims for these policies amounted to 160,000 in 2010, representing an increase of about 6,000 compared with the previous year.

With respect to Work Injury Insurance (TFA, TFA-KL), the number of newly reported claims was about 50,000 in 2010, which is 4,000 more than the year before.

A smaller inflow was noted in the number of claims for Group Life Insurance (TGL), where the number of newly filed claims was approximately 3,100 in the year 2010.

Severance Allowance Insurance (AGB), which pays compensation in the event of redundancy due to shortage of work, saw a substantial fall in the number of claims in 2010 compared with 2009. The decline could be observed already in the late autumn of 2009 and then continued during the whole of 2010. As of August 2010, the inflow of cases to AGB has become stable with about 900 compensation claims per month.

**AFA SICKNESS INSURANCE (GROUP)**

<b>INCOME STATEMENT (SEK million)</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Premiums earned	180	665	12,187	9,646	11,668
Investment income, net	17,057	24,140	-18,013	6,288	11,878
Claims incurred	-632	-2,067	-5,050	-16,855	-13,927
Operating expenses	-417	-366	-327	-233	-219
Other technical expenses	-156	-108	-98	-217	-173
<b>Profit/loss for the year before tax</b>	<b>16,032</b>	<b>22,264</b>	<b>-11,301</b>	<b>-1,371</b>	<b>9,227</b>
<b>NET PROFIT/LOSS FOR THE YEAR</b>	<b>11,811</b>	<b>16,408</b>	<b>-7,574</b>	<b>-1,005</b>	<b>6,641</b>
<b>FINANCIAL POSITION (SEK million)</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Investments, book value	206,120	199,130	180,271	200,031	194,472
Technical provisions	126,525	135,923	144,404	150,455	143,338
Net asset value	79,809	63,778	41,514	52,909	54,392
<i>of which deferred tax</i>	<i>18,365</i>	<i>14,145</i>	<i>8,289</i>	<i>12,045</i>	<i>12,523</i>
<b>KEY RATIOS (%)</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Claims ratio	351.1	310.8	41.4	174.7	119.4
Expense ratio	231.7	55.0	2.7	2.4	1.9
Combined ratio	582.8	365.8	44.1	177.2	121.2
Yield <sup>1)</sup>	3.7	3.6	4.2	3.9	3.3
Total return <sup>2)</sup>	8.7	13.2	-8.8	3.2	6.6
Net asset value ratio	44,338.3	9,595.7	340.6	549.0	466.0

<sup>1)</sup> Yield is calculated as the portion of yield in relation to total return as per the same principle as in the total return table.

<sup>2)</sup> Total return is reported as per the method in the total return table, which is also the measure used internally.

## FIVE-YEAR OVERVIEW

### AFA SICKNESS INSURANCE (PARENT COMPANY)

<b>INCOME STATEMENT (SEK million)</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Premiums earned	15	115	11,538	8,996	10,905
Allocated investment return transferred from the non-technical account	581	478	4,908	4,445	2,821
Claims incurred	2,303	-2,279	-4,928	-15,897	-12,158
Operating expenses	-181	-192	-179	-151	-144
Other technical expenses	-70	-36	-55	-139	-71
<b>Technical profit/loss, insurance business</b>	<b>2,648</b>	<b>-1,914</b>	<b>11,284</b>	<b>-2,746</b>	<b>1,353</b>
Net investment income plus unrealized changes in the value of investments	13,653	19,727	-18,822	468	6,455
<b>Profit/loss before appropriations and tax</b>	<b>16,301</b>	<b>17,813</b>	<b>-7,538</b>	<b>-2,278</b>	<b>7,808</b>
<b>NET PROFIT/LOSS FOR THE YEAR</b>	<b>6,783</b>	<b>2,817</b>	<b>-5,974</b>	<b>-3,992</b>	<b>2,933</b>
<b>FINANCIAL POSITION (SEK million)</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Investments, current value	174,842	166,210	150,117	165,305	157,750
Technical provisions	108,546	119,258	125,955	130,355	122,947
Net asset value	68,732	52,431	31,196	38,707	40,984
<i>of which deferred tax</i>	4,987	2,569	693	3,080	4,614
Capital base	68,732	52,431	31,196	38,707	40,984
Required solvency margin	2,196	2,413	3,765	3,881	3,661
Capital base, insurance group	79,753	64,360	41,844	52,522	54,288
Required solvency margin, insurance group	3,006	3,168	4,651	4,816	4,539
<b>KEY RATIOS (%)</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Claims ratio	-15,353.3	1,981.7	42.7	176.7	111.5
Expense ratio	1,206.7	167.0	1.6	1.7	1.3
Combined ratio	-14,146.7	2,148.7	44.3	178.4	112.8
Yield <sup>1)</sup>	3.6	3.5	4.3	4.0	3.2
Total return <sup>2)</sup>	8.6	12.9	-8.3	3.3	6.3
Net asset value ratio	458,213.3	45,592.2	270.4	430.3	375.8

<sup>1)</sup> Yield is calculated as the portion of yield in relation to total return as per the same principle as in the total return table.

<sup>2)</sup> Total return is reported as per the method in the total return table, which is also the measure used internally.



**AFA WORK INJURY INSURANCE**

<b>INCOME STATEMENT (SEK million)</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Premiums earned	165	550	649	650	763
Allocated investment return transferred from the non-technical account	88	68	738	711	473
Claims incurred	-2,915	230	-23	-867	-1,674
Operating expenses	-222	-171	-157	-89	-80
Other technical expenses	-86	-73	-43	-79	-103
<b>Technical profit/loss, insurance business</b>	<b>-2,970</b>	<b>604</b>	<b>1,164</b>	<b>326</b>	<b>-621</b>
Net investment income plus unrealized changes in the value of investments	2,540	4,113	-4,387	179	2,040
<b>Profit/loss before appropriations and tax</b>	<b>-430</b>	<b>4,717</b>	<b>-3,223</b>	<b>505</b>	<b>1,419</b>
<b>NET PROFIT/LOSS FOR THE YEAR</b>	<b>973</b>	<b>3,478</b>	<b>-1,481</b>	<b>-1,686</b>	<b>1,490</b>
<b>FINANCIAL POSITION (SEK million)</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Investments, current value	28,288	30,282	27,395	32,039	33,831
Technical provisions	17,979	16,665	18,449	20,100	20,391
Net asset value	11,024	11,454	10,249	13,411	12,906
<i>of which deferred tax</i>	675	328	58	594	1,243
Capital base	11,024	11,454	10,249	13,411	12,906
Required solvency margin	322	277	484	526	476
Capital base, insurance group	79,753	64,360	41,861	52,522	54,288
Required solvency margin, insurance group	3,006	3,168	4,651	4,816	4,539
<b>KEY RATIOS (%)</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Claims ratio	1,766.7	-41.8	3.5	133.4	219.4
Expense ratio	134.5	31.1	24.2	13.7	10.5
Combined ratio	1,901.2	-10.7	27.7	147.1	229.9
Yield <sup>1)</sup>	4.0	4.0	4.0	3.7	3.6
Total return <sup>2)</sup>	9.3	15.1	-11.1	2.7	8.0
Net asset value ratio	6,681.2	2,082.5	1,579.2	2,063.2	1,691.5

<sup>1)</sup> Yield is calculated as the portion of yield in relation to total return as per the same principle as in the total return table.

<sup>2)</sup> Total return is reported as per the method in the total return table, which is also the measure used internally.

## FIVE-YEAR OVERVIEW

### AFA LIFE INSURANCE

OVERVIEW OF TECHNICAL ACCOUNT (SEK million)	2010	2009	2008	2007	2006
<b>Property &amp; casualty insurance business</b>					
Premiums earned	2.6	2.5	2.8	2.2	2.5
Claims incurred	-469.9	-1,122.2	-266.5	-251.4	-233.2
Operating expenses	-36.2	-36.9	-36.7	-32.5	-31.5
Allocated investment return transferred from the non-technical account	369.1	862.6	-1,032.4	49.2	422.5
<b>Technical profit/loss, property &amp; casualty insurance business</b>	<b>-134.4</b>	<b>-294.0</b>	<b>-1,332.8</b>	<b>-232.5</b>	<b>160.3</b>
<b>Life assurance business</b>					
Premiums earned	523.0	81.4	507.1	476.3	201.1
Claims incurred	-514.4	-566.5	-560.6	-536.1	-545.6
Life assurance provisions	148.9	339.9	-77.3	68.9	137.5
Operating expenses	-46.0	-46.1	-46.6	-41.0	-39.2
Other technical expenses	-12.8	-12.7	-12.8	-12.3	-12.1
Net investment income plus unrealized changes in the value of investments	212.7	467.3	-329.3	104.2	276.7
<b>Technical profit/loss, life assurance business</b>	<b>311.4</b>	<b>263.3</b>	<b>-519.5</b>	<b>60.0</b>	<b>18.4</b>
<b>OVERVIEW OF NON-TECHNICAL ACCOUNT</b>					
Technical profit/loss, property & casualty insurance business	-134.4	-294.0	-1,332.8	-232.5	160.3
Technical profit/loss, life assurance business	311.4	263.3	-519.5	60.0	18.4
<b>Profit/loss before appropriations and tax</b>	<b>177.0</b>	<b>-30.7</b>	<b>-1,852.3</b>	<b>-172.5</b>	<b>178.7</b>
Appropriations	-	100.7	137.0	-90.4	4.9
<b>Profit/loss before tax</b>	<b>177.0</b>	<b>70.0</b>	<b>-1,715.3</b>	<b>-262.9</b>	<b>183.6</b>
Tax on results of life assurance business	-2.8	-67.3	140.6	-20.3	-20.5
<b>NET PROFIT/LOSS FOR THE YEAR</b>	<b>174.2</b>	<b>2.7</b>	<b>-1,574.7</b>	<b>-283.2</b>	<b>163.1</b>

**AFA LIFE INSURANCE**

<b>FINANCIAL POSITION (SEK million)</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Property &amp; casualty insurance business</b>					
Investments, current value	3,197.3	3,363.3	3,384.7	4,852.7	5,115.8
Technical provisions	179.2	225.0	74.6	104.7	134.5
Net asset value	3,052.9	3,187.3	3,481.4	4,814.1	5,046.7
Capital base	3,052.9	3,187.3	3,481.4	4,814.1	5,046.7
Required solvency margin	153.0	137.3	49.8	70.1	66.9
<b>Life assurance business</b>					
Investments, current value	2,695.1	2,672.4	3,033.6	3,346.1	3,274.7
Technical provisions	2,116.4	2,245.6	2,574.4	2,464.9	2,555.2
Net asset value	1,035.7	725.0	581.0	983.0	923.7
<i>of which deferred tax</i>	32.4	30.3	82.5	105.5	86.0
Capital base	1,035.7	725.0	581.0	983.0	923.7
Required solvency margin	334.7	339.8	353.0	338.6	334.9
<b>AFA Life Insurance total</b>					
Investments, current value	5,892.4	6,035.7	6,418.3	8,198.8	8,390.5
Technical provisions	2,295.6	2,470.6	2,649.0	2,569.6	2,689.7
Net asset value	4,088.6	3,912.3	4,062.4	5,797.1	5,970.4
<i>of which deferred tax</i>	32.4	30.3	82.5	105.5	86.0
Capital base	4,088.6	3,912.3	4,062.4	5,797.1	5,970.4
Required solvency margin	487.7	477.1	402.8	408.7	401.8
Capital base, insurance group	79,753	64,360	41,844	52,522	54,288
Required solvency margin, insurance group	3,006	3,168	4,651	4,816	4,539

<b>KEY RATIOS (%)</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Property &amp; casualty insurance business</b>					
Claims ratio	18,073.1	44,888.0	9,517.9	11,413.6	9,328.0
Expense ratio	1,392.3	1,476.0	1,310.7	1,477.3	1,260.0
Combined ratio	19,465.4	46,364.0	10,828.6	12,890.9	10,588.0
Yield <sup>1)</sup>	2.8	3.9	3.6	2.5	2.6
Total return <sup>2)</sup>	12.2	28.9	-21.6	0.9	8.8
Net asset value ratio	117,419.2	127,492.0	124,335.7	233,509.1	201,868.0
<b>Life assurance business</b>					
Management expense ratio	1.6	1.6	1.5	1.2	1.2
Yield <sup>1)</sup>	3.1	3.4	4.2	3.7	2.8
Total return <sup>2)</sup>	8.5	15.9	-9.6	3.4	8.0
Net asset value ratio	198.0	890.7	114.6	181.5	459.3
<b>AFA Life Insurance, total</b>					
Yield <sup>1)</sup>	2.9	3.7	3.8	2.9	2.7
Total return <sup>2)</sup>	10.4	22.5	-16.6	1.9	8.4
Net asset value ratio	777.9	4,663.1	796.7	1,263.1	2,932.4

<sup>1)</sup> Yield is calculated as the portion of yield in relation to total return as per the same principle as in the total return table.

<sup>2)</sup> Total return is reported as per the method in the total return table, which is also the measure used internally.

## CAPITAL YIELD 2010 AND INVESTMENT ASSETS

The total investment assets for AFA Insurance amounted to SEK 216 billion at the end of 2010. The assets were spread in the proportions of 57 percent in fixed-income securities, 32 percent in equities, 7 percent in property, and 4 percent in alternative investments (private equity).

The overall yield for AFA Insurance amounted to 8.8 percent for the year. For companies included in AFA Insurance, the overall yield in 2010 was as follows: AFA Sickness Insurance (Parent Company) 8.6 percent, AFA Work Insurance 9.3 percent, and AFA Life Insurance 10.3 percent.

### Total yield table for investments

	Market values				Total yield	
	2010		2009		2010	2009
	SEKm	%	SEKm	%	%	%
Fixed income – nominal	89,283	41	94,782	45	3.4	3.7
Fixed income – inflation-linked	25,444	12	24,195	11	4.3	3.5
Equities	77,156	36	68,621	33	17.4	44.1
Property	15,681	7	14,312	7	11.9	0.4
Private equity	9,203	4	7,526	4	6.4	-15.2
Allocation – foreign exchange	30	0	-14	0	0.0	0.3
<b>Total investments</b>	<b>216,797</b>	<b>100</b>	<b>209,422</b>	<b>100</b>	<b>8.8</b>	<b>13.5</b>

### Contribution analysis 2010

	Benchmark portfolio	Yield benchmark portfolio	Yield of portfolio	Management contribution
	%	%	%	%
Fixed income – nominal	44	3.4	3.4	0.0
Fixed income – inflation-linked	13	5.0	4.3	-0.1
Equities	31	15.4	17.4	0.6
Property	8	11.9	11.9	-
Private equity	4	6.4	6.4	-
Tactical allocation	-	-	0.0	0.0
<b>Total investments</b>	<b>100</b>	<b>8.2</b>	<b>8.8</b>	<b>0.6</b>

The unlisted asset classes (property and private equity) are not evaluated for such a short period of time as one year. The yield of the benchmark portfolio has therefore been set at the same as the yield attained for these asset classes.

For long-term series, the Swedish Property Index (SFI) is used as benchmark for the property asset class. The private equity asset class has an absolute annual yield requirement of 10 percent as benchmark index for long-term series.