

# Q1

## **Interim Statement January–March 2017**

11 MAY 2017

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# Sampo Group's results for January - March 2017

Sampo Group's profit before taxes for January - March 2017 amounted to EUR 430 million (416). The total comprehensive income for the period, taking changes in the market value of assets into account, rose to EUR 557 million (204).

- Earnings per share increased to EUR 0.68 (0.65). Mark-to-market earnings per share were EUR 0.99 (0.36). The return on equity (RoE) for the Group was 18.4 per cent (7.1) for January - March 2017. Net asset value per share on 31 March 2017 amounted to EUR 26.67 (24.86).
- The Annual General Meeting held on 27 April 2017 decided to pay a dividend of EUR 2.30 per share (2.15). The dividend was paid on 9 May 2017.
- Profit before taxes for the P&C insurance segment amounted to EUR 202 million (216). Combined ratio for January - March 2017 was 87.4 per cent (83.0). Excluding one-off items the combined ratio for the comparison period January - March 2016 was 89.8 per cent. Return on equity was 37.5 per cent (15.3). The contribution of Topdanmark's net profit for the first quarter of 2017 increased to EUR 21 million (5).
- Sampo's share of Nordea's net profit for the first quarter of 2017 amounted to EUR 171 million (159). Nordea's return of equity was 10.3 per cent (10.2). Core Tier 1 ratio (excluding transition rules) strengthened to 18.8 per cent (18.4). In segment reporting the share of Nordea's profit is included in the segment 'Holding'.
- Profit before taxes in life insurance operations amounted to EUR 54 million (53). Return on equity rose to 24.3 per cent (-4.4). Premium income on own account decreased to EUR 229 million (244).

## Key figures

EURm	1-3/2017	1-3/2016	Change, %
Profit before taxes	430	416	3
P&C insurance	202	216	-7
Associate (Nordea)	171	159	8
Life insurance	54	53	3
Holding (excl. Nordea)	3	-12	-
Profit for the period	378	362	5
			Change
Earnings per share, EUR	0.68	0.65	0.03
EPS (incl. change in FVR) EUR	0.99	0.36	0.63
NAV per share, EUR *)	26.67	24.86	1.81
Average number of staff (FTE)	6,844	6,763	81
Group solvency ratio, % *)	158.9	154.3	4.6
RoE, %	18.4	7.1	11.3

\*) comparison figure from 31.12.2016

The figures in this report are not audited. Income statement items are compared on a year-on-year basis and comparison figures for balance sheet items are from 31 December 2016 unless otherwise stated.

## Exchange rates used in reporting

	1-3/2017	1-12/2016	1-9/2016	1-6/2016	1-3/2016
EUR 1 = SEK					
Income statement (average)	9.5063	9.4698	9.3739	9.3023	9.3280
Balance sheet (at end of period)	9.5322	9.5525	9.6210	9.4242	9.2253
DKK 1 = SEK					
Income statement (average)	1.2785	1.2718	1.2586	1.2486	1.2501
Balance sheet (at end of period)	1.2816	1.2849	1.2912	1.2668	1.2381
NOK 1 = SEK					
Income statement (average)	1.0575	1.0192	0.9998	0.9875	0.9790
Balance sheet (at end of period)	1.0397	1.0513	1.0706	1.0133	0.9799

# Business areas

## P&C insurance

If P&C is the leading property and casualty insurance company in the Nordic region, with insurance operations that also encompass the Baltic countries. The P&C insurance group's parent company, If P&C Insurance Holding Ltd, is located in Sweden, and the If subsidiaries and branches provide insurance solutions and services in Finland, Sweden, Norway, Denmark and the Baltic countries. If's operations are divided into four business areas: Private, Commercial, Industrial and Baltic. The share of profit of the Danish insurance company Topdanmark, an associated company of Sampo plc, is reported in the segment P&C insurance.

### Results

EURm	1-3/2017	1-3/2016	Change, %
Premiums, net	1,543	1,518	2
Net income from investments	52	36	45
Other operating income	6	7	-7
Claims incurred	-699	-643	9
Change in insurance liabilities	-474	-459	3
Staff costs	-136	-127	7
Other operating expenses	-108	-117	-8
Finance costs	-4	-4	13
Share of associates' profit/loss	21	5	346
<b>Profit before taxes</b>	<b>202</b>	<b>216</b>	<b>-7</b>

### Key figures

			Change
Combined ratio, %	87.4	83.0*)	4.4
Risk ratio, %	65.4	60.7	4.7
Cost ratio, %	22.0	22.3	-0.3
Expense ratio, %	16.3	16.9	-0.6
Return on equity, %	37.5	15.3	22.2
Average number of staff (FTE)	6,255	6,168	87

\*) Excluding the non-recurring reserve release, combined ratio for the first quarter of 2016 would have been 89.8 per cent.

Profit before taxes for January - March 2017 for the P&C insurance segment amounted to EUR 202 million (216). The total comprehensive income for the period after tax reflecting the changes in market values of assets rose to EUR 268 million (114). Combined ratio was 87.4 per cent (83.0) and risk ratio to 65.4 per cent (60.7). Excluding the non-recurring reserve release, combined ratio for the comparison period would have been 89.8 per cent.

Net releases from technical reserves relating to prior year claims were EUR 17 million (88) in January - March 2017. In the first quarter of 2017 the discount rate used to discount Finnish annuities was lowered by 0.3 percentage points to 1.2 per cent. This impacted the combined ratio negatively with 6.7 percentage points. The impact was, however, to a large extent offset by higher reserve releases in other areas compared to same period last year.

Technical result decreased to EUR 140 million (184). Insurance margin (technical result in relation to net premiums earned) amounted to 13.2 per cent (17.5).

	Combined ratio, %			Risk ratio, %		
	1-3/2017	1-3/2016	Change	1-3/2017	1-3/2016	Change
Private	83.0	78.7	4.3	60.9	56.5	4.4
Commercial	94.7	87.7	7.0	71.9	64.7	7.2
Industrial	98.4	97.5	0.9	76.4	75.5	0.9
Baltic	89.8	90.9	-1.1	62.4	63.3	-0.9
Sweden	82.2	62.8	19.4	61.7	42.1	19.6
Norway	77.7	99.1	-21.4	54.5	75.4	-20.9
Finland	107.0	86.9	20.1	85.5	65.0	20.5
Denmark	96.7	95.5	1.2	68.3	69.3	-1.0

The lowering of the discount rate for annuities in Finland had a negative impact on the Finnish country specific result and also on all the business areas excluding Baltic. The combined ratio for Finland increased by 30 percentage points due to the change. The release from the Swedish MTPL reserves affected both the Swedish country specific result and the Private and Commercial business area results positively in the comparison period. The combined ratio for Norway benefited from higher reserve releases. Large claims all in all were EUR 10 million worse than expected in the first quarter of 2017.

Swedish discount rate used to discount the annuity reserves remained at the same level as at the end of 2016.

Gross written premiums increased to EUR 1,643 million (1,616) in January - March 2017. Adjusted for currency, premium growth was 0.2 per cent. Growth was positive in business areas Private and Baltic, and negative in business areas Commercial and Industrial.

Cost ratio improved to 22.0 per cent (22.3) and expense ratio to 16.3 per cent (16.9).

On 31 March 2017, the total investment assets of If P&C amounted to EUR 12.3 billion (12.2), of which fixed income investments constituted 82 per cent (79), money market 5 per cent (8) and equity 13 per cent (13). Net income from investments amounted to EUR 52 million (36). Investment return marked-to-market for the first quarter of 2017 was 1.5 per cent (-0.2). Duration for interest bearing assets was 1.5 years (1.4) and average maturity 3.0 years (2.8). Fixed income running yield without taking into account the FX hedging cost as at 31 March 2017 was 1.7 per cent (1.8).

Reserve ratios remained stable at 165 per cent (165) of net written premiums and 234 per cent (238) of claims paid. If P&C's solvency position is described in the section Solvency.

## Associated company Nordea Bank AB

Nordea is among the ten largest universal banks in Europe in terms of market capitalization and has around 11 million customers, 31,500 employees and approximately 600 branch office locations. The Nordea share is listed on the Nasdaq exchanges in Stockholm, Helsinki and Copenhagen. In Sampo Group's reporting Nordea is treated as an associated company and is included in the segment Holding.

On 31 March 2017 Sampo plc held 860,440,497 Nordea shares corresponding to a holding of 21.2 per cent. The average price paid per share amounted to EUR 6.46 and the book value in the Group accounts was EUR 8.40 per share. The closing price as at 31 March 2017 was EUR 10.73.

### Results

EURm	1-3/2017	1-3/2016	Change, %
Net interest income	1,197	1,168	2
Total operating income	2,461	2,295	7
Profit before loan losses*,**)	1,215	1,117	9
Net loan losses	-113	-111	2
Operating profit	1,102	1,006	10
Diluted EPS, EUR	0.21	0.19	
Return on equity, %	10.3	10.1	

\*) Excl. non-recurring items (Q4/2016: additional gain related to Visa Inc.'s acquisition Visa Europe of EUR 22 million before tax).

\*\*) Excl. non-recurring items (Q4/2016: gain in staff costs related to change in pension agreement in Norway of EUR 86 million before tax).

The following text is based on Nordea's First Quarter Report 2017 published on 27 April 2017.

The low-intensive growth continued in the beginning of 2017, although Nordea is now seeing good potential for a synchronised recovery with improving growth prospects. Inflation is under control, and Nordea is prepared for low rates for a long time.

Income momentum has improved and total income is up by 6 per cent in local currencies compared to the first quarter of 2016, mainly driven by net fee and commission income. Net fee and commission income increased 12 per cent both in local currencies and in euros from the previous year.

Operating profit was up 8 per cent in local currencies (10 per cent in euros) from the prior year excluding non-recurring items.

Net interest income was unchanged in local currencies (up 2 per cent in euros) from 2016. Average lending volumes in business areas in local currencies were unchanged from the first quarter of 2016 while deposits volumes were up 1 per cent.

Net result from items at fair value increased 17 per cent in local currencies (13 per cent in euros) from 2016.

Costs are up 5 per cent in local currencies (6 per cent in euros) compared to the first quarter of 2016 mainly driven by Group projects, Compliance and Risk. Total expenses amounted to EUR 1,246 million. Staff costs were up 7 per cent in local currencies excluding non-recurring items.

Credit quality is solid. Net loan loss provisions increased to EUR 113 million, corresponding to a loan loss ratio of 14 bps (13 bps for first quarter 2016).

Net profit increased 6 per cent in local currencies (8 per cent in euros) to EUR 844 million. Currency fluctuations had an increasing effect of 1 per cent on income and expenses as well as on loan and deposit volumes compared to a year ago.

The capital position continues to strengthen and the Common Equity Tier 1 ratio increased to 18.8 per cent at the end of the first quarter 2017 compared to 18.4 per cent at the end of 2016. REA increased EUR 0.4 billion. The main drivers were increased REA calculated under the standardised approach and changes to credit quality in the corporate and institution portfolios. This was somewhat offset by decreased market risk.

Further information on Nordea Bank AB and its January - March 2017 result is available at [www.nordea.com](http://www.nordea.com).



## Life insurance

Mandatum Life Group comprises Mandatum Life Insurance Co. Ltd., a wholly-owned subsidiary of Sampo plc, operating in Finland, and its five subsidiaries. Parent company, Mandatum Life, is responsible for sales functions and all the functions required by the Insurance Companies Act. The subsidiaries are Mandatum Life Services Ltd, Mandatum Life Investment Services Ltd., Mandatum Life Fund Management S.A., Innova Services Ltd. and Mandatum Life Insurance Baltic SE.

### Results

EURm	1-3/2017	1-3/2016	Change, %
Premiums written	229	244	-6
Net income from investments	309	-65	-
Other operating income	2	3	-27
Claims incurred	-329	-291	13
Change in liabilities for inv. and ins. contracts	-126	195	-
Staff costs	-13	-11	13
Other operating expenses	-14	-20	-29
Finance costs	-3	-1	130
<b>Profit before taxes</b>	<b>54</b>	<b>53</b>	<b>3</b>
<b>Key figures</b>			<b>Change</b>
Expense ratio, %	97.6	112.3	-14.7
Return on equity, %	24.3	-4.4	28.7
Average number of staff (FTE)	532	539	-7

Profit before taxes in life insurance operations for January – March 2017 amounted to EUR 54 million (53). The total comprehensive income for the period after tax reflecting the changes in market values of assets rose to EUR 85 million (-14). Return on equity was 24.3 per cent (-4.4).

Net investment income, excluding income on unit-linked contracts, amounted to EUR 97 million (78). Net income from unit-linked contracts was EUR 213 million (-143). In the first quarter of 2017 fair value reserve increased to EUR 636 million (596).

Mandatum Life Group's total technical reserves increased to EUR 11.4 billion (11.3). Unit-linked reserves rose to a record high of EUR 6.6 billion (6.4) at the end of the first quarter of 2017, which corresponds to 58 per cent (57) of total technical reserves. In the first quarter of 2017 with profit reserves amounted to EUR 4.8 billion (4.8). Reserves related to the higher guarantees of 4.5 and 3.5 per cent decreased by EUR 54 million to EUR 2.8 billion in January – March 2017.

Mandatum Life has all in all supplemented its technical reserves with a total of EUR 284 million (273) due to low level of interest rates. The figure does not take into account the reserves relating to the segregated fund. The discount rate used for the rest of 2017 and 2018 is 0.25 per cent. For 2019 the rate is 1.25 per cent. Discount rate applied for the segregated fund is 0.50 per cent.

At the end of March 2017 Mandatum Life Group's investment assets, excluding the assets of EUR 6.6 billion (6.5) covering unit-linked liabilities, amounted to EUR 6.6 billion (6.6) at market values.

The assets covering Mandatum Life's original with profit liabilities on 31 March 2017 amounted to EUR 5.4 billion (5.4) at market values. 48 per cent (41) of the assets are in fixed income instruments, 6 per cent (14) in money market, 31 per cent (30) in equities and 15 per cent (15) in alternative investments. The investment return marked-to-market for January - March 2017 was 2.6 per cent (-0.1). The duration of fixed income assets at the end of March 2017 was 2.5 years (1.9) and average maturity 2.8 years (2.3). Fixed income running yield without taking into account the FX hedging cost was 3.3 per cent (3.5).

The assets covering the segregated fund amounted to EUR 1.2 billion (1.2), of which 76 per cent (75) was in fixed income, 8 per cent (10) in money market, 9 per cent (8) in equities and 7 per cent (7) in alternative investments. Segregated fund's investment return marked-to-market for January - March 2017 was 0.9 per cent (0.7). At the end of March 2017 the duration of fixed income assets was 2.7 years (2.4) and average maturity 3.6 years (3.5). Fixed income (incl. money market) running yield without taking into account the FX hedging cost was 2.0 per cent (1.9).

Mandatum Life's solvency position is described in the section Solvency.

The expense result for life insurance segment was best-ever in the first quarter and amounted to EUR 8 million (3). Risk result amounted to EUR 8 million (5).

Mandatum Life Group's premium income on own account amounted to EUR 229 million (244) in the first quarter of 2017.

## Holding

Sampo plc owns and controls its subsidiaries engaged in P&C and life insurance. In addition Sampo plc held on 31 March 2017 approximately 21.2 per cent of the share capital of Nordea, the largest bank in the Nordic countries, and almost 47 per cent of the Danish P&C insurer Topdanmark. Nordea and Topdanmark are both associated companies to Sampo plc but Topdanmark's result is reported in the P&C insurance segment.

### Results

EURm	1-3/2017	1-3/2016	Change, %
Net investment income	17	1	1,397
Other operating income	5	4	20
Staff costs	-4	-4	11
Other operating expenses	-3	-3	-10
Finance costs	-12	-9	28
Share of associates' profit	171	159	8
<b>Profit before taxes</b>	<b>174</b>	<b>148</b>	<b>18</b>
<b>Key figures</b>			<b>Change</b>
Average number of staff (FTE)	57	56	1

Holding segment's profit before taxes for January – March 2017 amounted to EUR 174 million (148), of which EUR 171 million (159) relates to Sampo's share of Nordea's first quarter 2017 profit. Segment's profit excluding Nordea was EUR 3 million (-12).

Sampo plc's holding in Nordea Bank was booked in the consolidated balance sheet at EUR 7.2 billion. The market value of the holding was EUR 9.2 billion, i.e. EUR 10.73 per share, at 31 March 2017.

Sampo plc holds 41,997,070 Topdanmark shares, which correspond to 46.7 per cent of all shares in Topdanmark and 49.3 per cent of all votes. The market value of the holding was EUR 998 million and the book value on the Group accounts was EUR 616 million at 31 March 2017.

In addition the assets on Sampo plc's balance sheet included holdings in subsidiaries for EUR 2.4 billion (2.4).

# Other developments

## Annual General Meeting

The Annual General Meeting of Sampo plc, held on 27 April 2017, decided to distribute a dividend of EUR 2.30 per share for 2016. The dividend was paid on 9 May 2017. The Annual General Meeting adopted the financial accounts for 2016 and discharged the Board of Directors and the Group CEO and President from liability for the financial year.

The Annual General Meeting elected eight members to the Board of Directors. The following members were re-elected to the Board: Christian Clausen, Jannica Fagerholm, Adine Grate Axén, Veli-Matti Mattila, Risto Murto, Eira Palin-Lehtinen, Per Arthur Sørli and Björn Wahlroos. The Members of the Board were elected for a term continuing until the close of the next Annual General Meeting.

At its organizational meeting, the Board elected Björn Wahlroos as Chairman and Eira Palin-Lehtinen as Vice-chairperson. Veli-Matti Mattila, Risto Murto, Eira Palin-Lehtinen and Björn Wahlroos (Chairman) were elected to the Nomination and Compensation Committee and Jannica Fagerholm (Chairman), Christian Clausen, Adine Grate Axén and Per Arthur Sørli to the Audit Committee.

All the Board members have been determined to be independent of the company and of the major shareholders under the rules of the Finnish Corporate Governance Code 2015. The curriculum vitae of the Board Members are available at [www.sampo.com/board](http://www.sampo.com/board).

The Annual General Meeting decided to pay the following fees to the members of the Board of Directors until the close of the 2018 Annual General Meeting the Chairman of the Board will be paid an annual fee of EUR 175,000, the Vice Chairperson of the Board and the Chairperson of the Audit Committee will be paid EUR 115,000, the members of the Audit Committee will be paid EUR 96,000 and the other members of the Board of Directors will be paid EUR 90,000 each. A Board member shall in accordance with the resolution of the Annual General Meeting acquire Sampo plc's A shares at the price paid in public trading for 50 per cent of his/her annual fee excluding taxes and similar payments.

Ernst & Young Oy was elected as Auditor. The Auditor will be paid a fee determined by an invoice approved by Sampo. Kristina Sandin, APA, will act as the principally responsible auditor.

Based on the proposal made by a shareholder and the Board of Directors, the AGM made the decision on the forfeiture of the share certificates that were still in the joint account and the rights carried by the shares. The decision does not apply to shares whose transfer into the book-entry system has been validly requested by 27 April 2017 at 2 pm and whose request for conversion after the conversion period will be finalized by 31 October 2017. The company's Board of Directors will cancel the treasury shares to be held by the company as a result of the forfeiture. Approximately 98.9 per cent of the votes cast at the AGM were in favor of the proposal for the forfeiture of the share certificates that were still in the joint account and the rights carried by the shares.

There were 3,105 shareholders represented at the beginning of the meeting holding altogether 373,911,948 shares and 378,711,948 votes in the company.

The minutes of the Annual General Meeting will be available for viewing at [www.sampo.com/agm](http://www.sampo.com/agm) and at Sampo plc's head office at Fabianinkatu 27, Helsinki, Finland, on 11 May 2017 at the latest.

## Personnel

The number of full-time equivalent staff in Sampo Group on 31 March 2017 was 6,883 employees compared to 6,799 employees at the end of 2016. The number of staff increased in P&C insurance and decreased in life insurance.

During the first quarter of 2017, approximately 91 per cent of the staff worked in P&C insurance, 8 per cent in life insurance and 1 per cent in the Group's parent company Sampo plc. Geographically, 32 per cent worked in Finland, 28 per cent in Sweden, 20 per cent in Norway and 21 per cent in the Baltic and other countries.

The average number of employees during January - March 2017 was 6,844. A year earlier the corresponding figure was 6,763.

## Remuneration

In the first quarter of 2017 no long-term incentive payments were made. At the end of March 2017 Sampo Group had provisioned EUR 28 million (22) for future payments of long-term incentive schemes. EUR 5 million (6), including social costs, was paid as short-term incentives during the same period. The long-term incentive schemes in force had a negative profit impact of EUR 6 million (7).

The terms of the long-term incentive schemes are available at [www.sampo.com/incentiveterms](http://www.sampo.com/incentiveterms).

Sampo Group published a Remuneration Report 2016 in March 2017. The report has been prepared in accordance with section Remuneration Reporting of the Finnish Corporate Governance Code 2015 approved by the Securities Market Association on 1 October 2015, effective from 1 January 2016. The Remuneration Report is available at [www.sampo.com/remunerationreport](http://www.sampo.com/remunerationreport). It is a part of the Remuneration Statement, which is available at [www.sampo.com/remunerationstatement](http://www.sampo.com/remunerationstatement).

## Shares and share capital

As at 31 March 2017, Sampo plc had 560,000,000 shares, which were divided into 558,800,000 A shares and 1,200,000 B shares. Total number of votes attached to the shares is 564,800,000. Each A share entitles the holder to one vote and each B share entitles the holder to five votes at the General Meeting of Shareholders.

The Annual General Meeting held on 27 April 2017 authorized the Board to repurchase a maximum of 50,000,000 Sampo A shares. The maximum price to be paid will be highest market price quoted during the authorization period. The authorization will be valid until the close of the next Annual General Meeting, nevertheless not more than 18 months after AGM's decision. Sampo plc did not repurchase its own shares during the first quarter of 2017. At the end of March 2017, neither Sampo plc nor its Group companies held any Sampo A shares.



Sampo's Annual General Meeting held on 27 April 2017 decided to forfeit the rights carried by the shares in the joint book-entry account (for details see section Annual General Meeting). The number of shares on the joint account on 28 April 2017 amounted to 5,951,580.

During the first quarter of 2017 Sampo plc received altogether 13 notifications of change in holding pursuant to Chapter 9, Section 5 of the Securities Markets Act, according to which the total number of Sampo A shares or related voting rights owned by BlackRock, Inc. (tax ID 32-0174421) and its funds directly or through financial instruments had decreased below 5 per cent or increased above 5 per cent. The notified changes are illustrated in the table below.

Date	Total shares	Total voting rights
24 February 2017	5.04%	<5%
28 February 2017	<5%	<5%
8 March 2017	5.02%	<5%
9 March 2017	<5%	<5%
10 March 2017	5.00%	<5%
13 March 2017	5.07%	5.03%
14 March 2017	5.04%	5.00%
16 March 2017	5.07%	5.03%
17 March 2017	5.03%	<5%
20 March 2017	5.07%	5.03%
22 March 2017	5.11%	5.07%
23 March 2017	5.10%	5.05%
27 March 2017	5.14%	5.10%

The details of the notifications are available at [www.sampo.com/flaggings](http://www.sampo.com/flaggings).

## Internal dividends

Mandatum Life paid a dividend of EUR 125 million to Sampo plc on 22 March 2017. If P&C normally pays its dividend towards the end of the calendar year.

On 16 March 2017 Nordea Bank AB's Annual General Meeting decided on a dividend of EUR 0.65 per share. Sampo plc's share of total dividends amounts to EUR 559 million. The dividend was paid on 27 March 2017.

## Ratings

All the ratings for Sampo Group companies remained unchanged in the first quarter of 2017.

Rated company	Moody's		Standard & Poor's	
	Rating	Outlook	Rating	Outlook
Sampo plc	Baa1	Stable	A-	Stable
If Skadeförsäkring Ab (Sweden)	A1	Stable	A+	Stable
If Vahinkovakuutusyhtiö Oy (Finland)	A1	Stable	A+	Stable

## Solvency

As of 1 January 2016 insurance subgroups If P&C and Mandatum Life apply Solvency II rules in their regulatory solvency calculations. Both subgroups use a standard model when calculating their solvency requirements and eligible own funds at Group level.

On 31 March 2017 If P&C Group's Solvency II capital requirement under standard model amounted to EUR 1,980 million (1,942) and own funds to EUR 4,253 million (3,822). Solvency ratio was 215 per cent (197).

Mandatum Life's solvency ratio with transitional measures strengthened to 181 per cent (160) due to higher interest rates and good investment performance. This is the strongest Solvency II ratio Mandatum Life has reported. Own funds of EUR 2,107 million (1,893) exceed Solvency Capital Requirement (SCR) of EUR 1,163 million (1,182) by EUR 944 million. Without transitional measures, own funds would have amounted to EUR 1,663 and the solvency capital requirement EUR 1,393 million leading to a solvency ratio of 119 per cent.

Sampo Group is regarded as a financial and insurance conglomerate according to the Act on the Supervision of Financial and Insurance Conglomerates (2004/699). The Act is based on Directive 2002/87/EC of the European Parliament and of the Council on the supplementary supervision of credit institutions, insurance undertakings and investment. The Act was amended as of 1 January 2016 to correspond to Solvency II and Basel III rules.

The starting point for the Group's solvency capital, when calculated by Conglomerate rules, is the consolidated Group equity. The sectoral items are added to it and the intangibles and other deductibles are subtracted from it.

### Sampo Group solvency

EURm	31 Mar 2017	31 Dec 2016
Group capital	12,522	11,934
Goodwill, other intangibles and deductibles	-3,598	-3,251
Sectoral items	2,309	2,254
Group's own funds, total	11,233	10,937
Minimum requirements for own funds, total	7,068	7,088
Group solvency	4,166	3,849
Group solvency ratio (Own funds % of minimum requirements)	159	154

Group's conglomerate solvency ratio (own funds in relation to minimum requirements for own funds) was 159 per cent (154) as at 31 March 2017.

Group solvency is also calculated by Solvency II rules. More information on this method is available at the Risk Management section of the Annual Report 2016. The requirements calculated with the two methods differ very little from one another.

More information on Sampo Group's capital policy is available at the Risk Management section of the Annual Report 2016.

## Debt financing

Sampo plc's debt financing on 31 March 2017 amounted to EUR 2,932 million (3,548) and interest bearing assets to EUR 2,112 million (2,104). Interest bearing assets include bank accounts, fixed income instruments and EUR 640 million (637) of hybrid capital and subordinated debt instruments issued by the subsidiaries and associated companies. Altogether, excluding cash and equivalents, the fixed income instruments yield over 5 per cent.

At the end of the first quarter of 2017 the interest bearing net debt amounted to EUR 820 million (1,443). The net debt calculation takes into account interest bearing assets and liabilities. Gross debt to Sampo plc's equity was 36 per cent (47) and financial leverage 26 per cent (32).

On 27 February 2017 Sampo plc repaid EUR 500 million senior notes maturing on that date.

On 31 March 2017 financial liabilities in Sampo plc's balance sheet consisted of issued senior bonds and notes of EUR 2,399 million (2,877) and EUR 534 million (671) of CPs issued. The average interest, net of interest rate swaps, on Sampo plc's debt as of 31 March 2017 was 0.96 per cent (1.38).

More information on Sampo Group's outstanding debt issues is available at [www.sampo.com/debtfinancing](http://www.sampo.com/debtfinancing).

# Outlook

## Outlook for 2017

Sampo Group's business areas are expected to report good operating results for 2017.

However, the mark-to-market results are, particularly in life insurance, highly dependent on capital market developments. The continuing low interest rate level also creates a challenging environment for reinvestment in fixed income instruments.

The P&C insurance operations are expected to reach a combined ratio of 87 - 90 per cent for the full-year 2017.

Nordea's contribution to the Group's profit is expected to be significant.

## The major risks and uncertainties to the Group in the near-term

In its day-to-day business activities Sampo Group is exposed to various risks and uncertainties mainly through its separately managed major business units. Parent company Sampo plc's contribution to risks is a minor one.

Major risks affecting the Group companies' profitability and its variation are market, credit, insurance and operational risks that are quantified independently by the major business units. At the Group level sources of risks are same, but they are not additive because of diversification effects.

Uncertainties in the form of major unforeseen events may have an immediate impact on the Group's profitability. Identification of unforeseen events is easier than estimation of their probabilities, timing and potential outcomes. Currently there are a number of widely identified macro-economic, political and other sources of uncertainty which can in various ways affect financial services industry negatively.

Other sources of uncertainty are unforeseen structural changes in the business environment and already identified trends and potential wide-impact events. These external drivers may also have a long-term impact on how the business shall be conducted.

**SAMPO PLC**  
**Board of Directors**

## For more information, please contact

**Peter Johansson**, Group CFO, tel. +358 10 516 0010

**Jarmo Salonen**, Head of Investor Relations and Group Communications, tel. +358 10 516 0030

**Maria Silander**, Communications Manager, tel. +358 10 516 0031

## Conference call

An English-language conference call for investors and analysts will be arranged at 4 pm Finnish time (2 pm UK time). Please call tel. +44 (0)330 336 9105, +46 (0)8 5033 6574, +1 719 325 4746 or +358 (0)9 7479 0361. The conference code is 7569563.

The conference call can also be followed live at [www.sampo.com/result](http://www.sampo.com/result). A recorded version will later be available at the same address.

In addition the Supplementary Financial Information Package is available at [www.sampo.com/result](http://www.sampo.com/result).

Sampo will publish the Half-Year Financial Report for January - June 2017 on 9 August 2017.

### Distribution:

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[www.sampo.com](http://www.sampo.com)



## Group financial review

### Financial highlights

Group		1-3/2017	1-3/2016
Profit before taxes	EURm	430	416
Return on equity (at fair value)	%	18.4	7.1
Return on assets (at fair value)	%	9.0	3.6
Equity/assets ratio	%	32.2	32.0
Group solvency <sup>1)</sup>	EURm	4,166	3,035
Group solvency ratio	%	158.9	143.4
Average number of staff		6,844	6,763
<b>Property &amp; casualty insurance</b>			
Premiums written before reinsurers' share	EURm	1,643	1,616
Premiums earned	EURm	1,069	1,059
Profit before taxes	EURm	202	216
Return on equity (at current value)	%	37.5	15.3
Risk ratio <sup>2)</sup>	%	65.4	60.7
Cost ratio <sup>2)</sup>	%	22.0	22.3
Loss ratio, excl. unwinding of discounting <sup>2)</sup>	%	71.1	66.1
Expense ratio <sup>2)</sup>	%	16.3	16.9
Combined ratio, excl. unwinding of discounting	%	87.4	83.0
Average number of staff		6,255	6,168
<b>Life insurance</b>			
Premiums written before reinsurers' share	EURm	231	245
Profit before taxes	EURm	54	53
Return on equity (at current value)	%	24.3	-4.4
Expense ratio	%	97.6	112.3
Average number of staff		532	539
<b>Holding</b>			
Profit before taxes	EURm	174	148
Average number of staff		57	56
<b>Per share key figures</b>			
Earnings per share	EUR	0.68	0.65
Earnings per share, incl. other comprehensive income	EUR	0.99	0.36
Capital and reserves per share	EUR	22.36	20.75
Net asset value per share	EUR	26.67	22.09
Adjusted share price, high	EUR	44.69	46.56
Adjusted share price, low	EUR	41.53	36.76
Market capitalisation	EURm	24,898	23,374

<sup>1)</sup> The Group solvency is calculated according to the consolidation method defined in Chapter 3 of the Act on the Supervision of Financial and Insurance Conglomerates (2004/699).

<sup>2)</sup> The key figures for P&C Insurance are based on activity based costs and cannot, therefore, be calculated directly from the consolidated income statement. The result analysis of P&C insurance is presented in note 3.

The number of shares used at the balance sheet date and as the average number during the financial period was 560,000,000.

The valuation differences on investment property have been taken into account in calculating the return on assets, return on equity, equity/assets ratio and net asset value per share. The tax component includes the tax corresponding to the result for the period, and the deferred tax liability related to valuation differences on investment property.

The total comprehensive income has been used in the calculation of the return on assets and return on equity.

The key figures for the insurance business have been calculated in accordance with the decree issued by the Ministry of Finance and the specifying regulations and instructions of the Finance Supervisory Authority.

## Calculation of key figures

### Return on equity (fair values), %

$$\frac{\begin{array}{l} + \text{ total comprehensive income} \\ \pm \text{ valuation differences on investments less deferred tax} \\ + \text{ total equity} \end{array}}{\begin{array}{l} \pm \text{ valuation differences on investments less deferred tax} \\ \text{(average of values 1 Jan. and the end of reporting period)} \end{array}} \times 100 \%$$

### Return on assets (at fair values), %

$$\frac{\begin{array}{l} + \text{ operating profit} \\ \pm \text{ other comprehensive income before taxes} \\ + \text{ interest and other financial expense} \\ + \text{ calculated interest on technical provisions} \\ \pm \text{ change in valuation differences on investments} \\ + \text{ balance sheet, total} \\ - \text{ technical provisions relating to unit-linked insurance} \end{array}}{\begin{array}{l} \pm \text{ valuation differences on investments} \\ \text{(average of values on 1 Jan. and the end of the reporting period)} \end{array}} \times 100 \%$$

### Equity/assets ratio (at fair values), %

$$\frac{\begin{array}{l} + \text{ total equity} \\ \pm \text{ valuation differences on investments after deduction of deferred tax} \\ + \text{ balance sheet total} \end{array}}{\begin{array}{l} \pm \text{ valuation differences on investments} \end{array}} \times 100 \%$$

### Risk ratio for P&C insurance, %

$$\frac{\begin{array}{l} + \text{ claims incurred} \\ - \text{ claims settlement expenses} \end{array}}{\text{insurance premiums earned}} \times 100 \%$$

### Cost ratio for P&C insurance, %

$$\frac{\begin{array}{l} + \text{ operating expenses} \\ + \text{ claims settlement expenses} \end{array}}{\text{insurance premiums earned}} \times 100 \%$$

### Loss ratio for P&C insurance, %

$$\frac{\text{claims incurred}}{\text{insurance premiums earned}} \times 100 \%$$

### Expense ratio for P&C insurance, %

$$\frac{\text{operating expenses}}{\text{insurance premiums earned}} \times 100 \%$$

### Combined ratio for P&C insurance, %

Loss ratio + expense ratio

### Expense ratio for life insurance, %

$$\frac{\begin{array}{l} + \text{ operating expenses before change in deferred acquisition costs} \\ + \text{ claims settlement expenses} \end{array}}{\text{expense charges}} \times 100 \%$$

## Per share key figures

### Earnings per share

profit for the financial period attributable to the parent company's equity holders  
adjusted average number of shares

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### Equity per share

equity attributable to the parent company's equity holders  
adjusted number of shares at the balance sheet date

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### Net asset value per share

+ equity attributable to the parent company's equity holders  
± valuation differences on listed associates in the Group  
± valuation differences after the deduction of deferred taxes  
adjusted number of shares at balance sheet date

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### Market capitalisation

number of shares at the balance sheet date x closing share price at the balance sheet date

## Group quarterly comprehensive income statement

EURm	1-3/2017	10-12/2016	7-9/2016	4-6/2016	1-3/2016
Insurance premiums written	1,771	1,325	1,028	1,289	1,734
Net income from investments	374	359	308	189	-30
Other operating income	9	19	11	10	9
Claims incurred	-1,028	-862	-892	-939	-934
Change in liabilities for insurance and investment contracts	-599	-261	67	-17	-238
Staff costs	-153	-148	-148	-135	-142
Other operating expenses	-121	-150	-127	-138	-136
Finance costs	-15	-6	-1	-1	-10
Share of associates' profit/loss	192	250	204	219	164
<b>Profit for the period before taxes</b>	<b>430</b>	<b>528</b>	<b>450</b>	<b>477</b>	<b>416</b>
Taxes	-51	-57	-54	-55	-55
<b>Profit for the period</b>	<b>378</b>	<b>471</b>	<b>396</b>	<b>421</b>	<b>362</b>
<b>Other comprehensive income for the period</b>					
<b>Items reclassifiable to profit or loss</b>					
Exchange differences on translating foreign operations	3	9	-40	-42	-6
Available-for-sale financial assets	185	6	319	51	-151
Share of other comprehensive income of associates	26	48	3	-2	-30
Taxes	-40	0	-69	-11	31
<b>Total items reclassifiable to profit or loss, net of tax</b>	<b>175</b>	<b>63</b>	<b>212</b>	<b>-5</b>	<b>-155</b>
<b>Items not reclassifiable to profit or loss</b>					
Actuarial gains and losses from defined pension plans	5	19	-4	-18	-2
Taxes	-1	-4	1	4	0
<b>Total items not reclassifiable to profit or loss, net of tax</b>	<b>4</b>	<b>14</b>	<b>-3</b>	<b>-14</b>	<b>-2</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>557</b>	<b>549</b>	<b>605</b>	<b>402</b>	<b>204</b>

# Statement of profit and other comprehensive income, IFRS

EURm	Note	1-3/2017	1-3/2016
Insurance premiums written		1,771	1,734
Net income from investments	1	374	-30
Other operating income		9	9
Claims incurred		-1,028	-934
Change in liabilities for insurance and investment contracts		-599	-238
Staff costs		-153	-142
Other operating expenses		-121	-136
Finance costs		-15	-10
Share of associates' profit/loss		192	164
<b>Profit before taxes</b>		<b>430</b>	<b>416</b>
Taxes		-51	-55
<b>Profit for the period</b>		<b>378</b>	<b>362</b>
<b>Other comprehensive income for the period</b>			
<b>Items reclassifiable to profit or loss</b>			
Exchange differences		3	-6
Available-for-sale financial assets		185	-151
Share of other comprehensive income of associates		26	-30
Taxes		-40	31
<b>Total items reclassifiable to profit or loss, net of tax</b>		<b>175</b>	<b>-155</b>
<b>Items not reclassifiable to profit or loss</b>			
Actuarial gains and losses from defined pension plans		5	-2
Taxes		-1	0
<b>Total items not reclassifiable to profit or loss, net of tax</b>		<b>4</b>	<b>-2</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>557</b>	<b>204</b>
<b>Basic earnings per share (euro)</b>		<b>0.68</b>	<b>0.65</b>



## Consolidated balance sheet, IFRS

EURm	Note	3/2017	12/2016
<b>Assets</b>			
Property, plant and equipment		27	27
Investment property		212	211
Intangible assets		614	612
Investments in associates		7,855	8,107
Financial assets	2	18,465	17,668
Investments related to unit-linked insurance contracts		3,562	3,427
Tax assets		24	27
Reinsurers' share of insurance liabilities		291	239
Other assets		2,156	1,761
Cash and cash equivalents		2,323	2,585
Assets held for sale	5	3,353	3,291
<b>Total assets</b>		<b>38,883</b>	<b>37,955</b>
<b>Liabilities</b>			
Liabilities for insurance and investment contracts		14,441	13,990
Liabilities for unit-linked insurance and investment contracts		3,528	3,407
Financial liabilities		3,183	3,847
Tax liabilities		555	527
Provisions		33	35
Employee benefits		68	79
Other liabilities		1,289	933
Liabilities related to assets held for sale	5	3,264	3,202
<b>Total liabilities</b>		<b>26,360</b>	<b>26,021</b>
<b>Equity</b>			
Share capital		98	98
Reserves		1,531	1,531
Retained earnings		10,116	9,700
Other components of equity		777	605
<b>Total equity</b>		<b>12,522</b>	<b>11,934</b>
<b>Total equity and liabilities</b>		<b>38,883</b>	<b>37,955</b>

## Statement of changes in equity, IFRS

EURm	Share capital	Legal reserve	Invested unrestricted equity	Retained earnings 1)	Translation of foreign operations 2)	Available- for-sale financial assets 3)	Total
<b>Equity at 1 Jan. 2016</b>	<b>98</b>	<b>4</b>	<b>1,527</b>	<b>9,325</b>	<b>-472</b>	<b>929</b>	<b>11,411</b>
<b>Changes in equity</b>							
Share of associate's other changes in equity				4			4
Profit for the period				362			362
Other comprehensive income for the period				-52	10	-115	-157
<b>Equity at 31 March 2016</b>	<b>98</b>	<b>4</b>	<b>1,527</b>	<b>9,639</b>	<b>-461</b>	<b>813</b>	<b>11,620</b>
<b>Equity at 1 Jan. 2017</b>	<b>98</b>	<b>4</b>	<b>1,527</b>	<b>9,700</b>	<b>-518</b>	<b>1,124</b>	<b>11,934</b>
<b>Changes in equity</b>							
Share of associate's other changes in equity				32			32
Profit for the period				378	22	150	550
Other comprehensive income for the period				7			7
<b>Equity at 31 March 2017</b>	<b>98</b>	<b>4</b>	<b>1,527</b>	<b>10,116</b>	<b>-497</b>	<b>1,274</b>	<b>12,522</b>

1) IAS 19 Pension benefits had a net effect of EURm 7 (-52) on retained earnings.

2) The total comprehensive income includes also the share of the associate Nordea's other comprehensive income, in accordance with the Group's share holding. The retained earnings thus include EURm 3 (-51) of Nordea's actuarial gains/losses from defined pension plans. The exchange differences include the share of Nordea's exchange differences EURm 19 (17). Respectively, available-for-sale financial assets include EURm 4 (4) of Nordea's valuation differences.

3) The amount recognised in equity from available-for-sale financial assets for the period totalled EURm 189 (-134). The amount transferred to p/l amounted to EURm -41 (15). EURm -2 (-11) was transferred to the Segregated Suomi portfolio.

The amount included in the translation, available-for-sale, cash flow hedge reserves and defined benefit plans represent other comprehensive income for each component, net of tax.

## Statement of cash flows, IFRS

EURm	1-3/2017	1-3/2016
<b>Cash and cash equivalent at the beginning of the period</b>	<b>2,585</b>	<b>1,997</b>
Cash flow from/used in operating activities	-133	12
Cash flow from/used in investing activities	484	551
Cash flow from/used in financing activities	-614	184
Increase of liabilities	110	605
Decrease of liabilities	-724	-420
<b>Cash and cash equivalent at the end of the period</b>	<b>2,323</b>	<b>2,744</b>

The cash flow statement reports cash flows during the period classified by operating, investing and financing activities. Cash flows from operating activities derive primarily from the principal revenue-producing activities. Cash flows from investments in subsidiaries and associated undertakings and those from investments in intangible assets and property, plant and equipment are presented in investing activities. Financing activities include cash flows resulting from changes in equity and borrowings in order to conduct the business. Cash and cash equivalents consist of cash at bank and in hand and short-term deposits (under 3 months).

# Notes

## Accounting policies

Sampo Group's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU. The interim financial statements are not presented in accordance with IAS 34 standard as Sampo applies the statutes of security markets act (1278/2015), regarding the regular disclosure requirements. The same accounting policies and methods of computation are applied as in the financial statements for 2016.

Sampo adopted new or revised standards and interpretations at the beginning of the year 2017. These standards and interpretations are explained in Sampos accounting policies for the financial year 2016. The financial statements are available on Sampo's website at [www.sampo.com/annualreport](http://www.sampo.com/annualreport).

# Comprehensive income statement by segment for three months ended 31 March 2017

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
Insurance premium written	1,543	229	-	0	1,771
Net income from investments	52	309	17	-5	374
Other operating income	6	2	5	-4	9
Claims incurred	-699	-329	-	-	-1,028
Change in liabilities for insurance and investment contracts	-474	-126	-	2	-599
Staff costs	-136	-13	-4	-	-153
Other operating expenses	-108	-14	-3	4	-121
Finance costs	-4	-3	-12	4	-15
Share of associates' profit/loss	21	0	171	-	192
<b>Profit before taxes</b>	<b>202</b>	<b>54</b>	<b>174</b>	<b>0</b>	<b>430</b>
Taxes	-41	-10	0	-	-51
<b>Profit for the period</b>	<b>160</b>	<b>44</b>	<b>174</b>	<b>0</b>	<b>378</b>
<b>Other comprehensive income for the period</b>					
<b>Items reclassifiable to profit or loss</b>					
Exchange differences	3	-	-	-	3
Available-for-sale financial assets	128	51	6	-	185
Share of other comprehensive income of associates	-	-	26	-	26
Taxes	-28	-11	-1	-	-40
<b>Total items reclassifiable to profit or loss, net of tax</b>	<b>103</b>	<b>41</b>	<b>31</b>	<b>-</b>	<b>175</b>
<b>Items not reclassifiable to profit or loss</b>					
Actuarial gains and losses from defined pension plans	5	-	-	-	5
Taxes	-1	-	-	-	-1
<b>Total items not reclassifiable to profit or loss, net of tax</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>268</b>	<b>85</b>	<b>205</b>	<b>0</b>	<b>557</b>



## Comprehensive income statement by segment for three months ended 31 March 2016

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
Insurance premium written	1,518	244	-	-28	1,734
Net income from investments	36	-65	1	-2	-30
Other operating income	7	3	4	-4	9
Claims incurred	-643	-291	-	0	-934
Change in liabilities for insurance and investment contracts	-459	195	-	26	-238
Staff costs	-127	-11	-4	-	-142
Other operating expenses	-117	-20	-3	4	-136
Finance costs	-4	-1	-9	4	-10
Share of associates' profit/loss	5	0	159	-	164
<b>Profit before taxes</b>	<b>216</b>	<b>53</b>	<b>148</b>	<b>0</b>	<b>416</b>
Taxes	-46	-9	-	-	-55
<b>Profit for the period</b>	<b>170</b>	<b>44</b>	<b>148</b>	<b>0</b>	<b>362</b>
<b>Other comprehensive income for the period</b>					
<b>Items reclassifiable to profit or loss</b>					
Exchange differences	-6	-	-	-	-6
Available-for-sale financial assets	-62	-72	-17	-	-151
Share of other comprehensive income of associates	-	-	-30	-	-30
Taxes	14	14	3	-	31
<b>Total items not reclassifiable to profit or loss, net of tax</b>	<b>-55</b>	<b>-57</b>	<b>-43</b>	<b>-</b>	<b>-155</b>
<b>Items not reclassifiable to profit or loss</b>					
Actuarial gains and losses from defined pension plans	-2	-	-	-	-2
Taxes	0	-	-	-	0
<b>Total items not reclassifiable to profit or loss, net of tax</b>	<b>-2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-2</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>114</b>	<b>-14</b>	<b>104</b>	<b>0</b>	<b>204</b>

## Consolidated balance sheet by segment at 31 March 2017

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
<b>Assets</b>					
Property, plant and equipment	19	4	3	-	27
Investment property	14	202	0	-4	212
Intangible assets	544	70	0	-	614
Investments in associates	629	0	7,226	-	7,855
Financial assets	12,059	5,842	3,223	-2,659	18,465
Investments related to unit-linked insurance contracts	-	3,605	-	-43	3,562
Tax assets	23	-	6	-4	24
Reinsurers' share of insurance liabilities	288	3	-	-	291
Other assets	1,946	204	22	-16	2,156
Cash and cash equivalents	610	295	1,419	-	2,323
Assets held for sale	-	3,353	-	-	3,353
<b>Total assets</b>	<b>16,132</b>	<b>13,578</b>	<b>11,899</b>	<b>-2,726</b>	<b>38,883</b>
<b>Liabilities</b>					
Liabilities for insurance and investment contracts	9,868	4,573	-	-	14,441
Liabilities for unit-linked insurance and investment contracts	-	3,571	-	-43	3,528
Financial liabilities	416	115	2,940	-289	3,183
Tax liabilities	369	186	-	0	555
Provisions	33	-	-	-	33
Employee benefits	68	-	-	-	68
Other liabilities	957	270	80	-17	1,289
Liabilities related to assets held for sale	-	3,264	-	-	3,264
<b>Total liabilities</b>	<b>11,711</b>	<b>11,979</b>	<b>3,020</b>	<b>-349</b>	<b>26,360</b>
<b>Equity</b>					
Share capital					98
Reserves					1,531
Retained earnings					10,116
Other components of equity					777
<b>Total equity</b>					<b>12,522</b>
<b>Total equity and liabilities</b>					<b>38,883</b>

# Consolidated balance sheet by segment at 31 December 2016

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
<b>Assets</b>					
Property, plant and equipment	19	4	3	-	27
Investment property	14	201	-	-4	211
Intangible assets	541	70	0	-	612
Investments in associates	553	0	7,554	-	8,107
Financial assets	11,667	5,459	3,201	-2,659	17,668
Investments related to unit-linked insurance contracts	-	3,468	-	-41	3,427
Tax assets	24	-	7	-4	27
Reinsurers' share of insurance liabilities	236	3	-	-	239
Other assets	1,593	162	15	-9	1,761
Cash and cash equivalents	463	682	1,439	-	2,585
Assets held for sale	-	3,291	-	-	3,291
<b>Total assets</b>	<b>15,111</b>	<b>13,341</b>	<b>12,220</b>	<b>-2,717</b>	<b>37,955</b>
<b>Liabilities</b>					
Liabilities for insurance and investment contracts	9,379	4,611	-	-	13,990
Liabilities for unit-linked insurance and investment contracts	-	3,448	-	-41	3,407
Financial liabilities	474	111	3,551	-289	3,847
Tax liabilities	346	181	-	0	527
Provisions	35	-	-	-	35
Employee benefits	79	-	-	-	79
Other liabilities	700	148	96	-10	933
Liabilities related to assets held for sale	-	3,202	-	-	3,202
<b>Total liabilities</b>	<b>11,013</b>	<b>11,701</b>	<b>3,647</b>	<b>-340</b>	<b>26,021</b>
<b>Equity</b>					
Share capital					98
Reserves					1,531
Retained earnings					9,700
Other components of equity					605
<b>Total equity</b>					<b>11,934</b>
<b>Total equity and liabilities</b>					<b>37,955</b>

# Other notes, EURm

## 1 Net income from investments >

P&C Insurance	1-3/2017	1-3/2016
<b>Financial assets</b>		
Derivative financial instruments	-11	5
Loans and receivables	2	2
Financial asset available-for-sale		
Debt securities	48	32
Equity securities	28	8
Total	77	40
<b>Total financial assets</b>	<b>68</b>	<b>47</b>
Fee and commission expense	-5	-4
Expense on other than financial liabilities	-1	1
Effect of discounting annuities	-9	-8
<b>P&amp;C insurance, total</b>	<b>52</b>	<b>36</b>

## &gt; 1 Net income from investments &gt;

Life insurance	1-3/2017	1-3/2016
<b>Financial assets</b>		
Derivative financial instruments	3	75
Financial assets designated as at fair value through p/l		
Debt securities	0	-3
Equity securities	0	0
Total	0	-3
Investments related to unit-linked contracts		
Debt securities	26	-27
Equity securities	181	-122
Loans and receivables	0	-1
Other financial assets	6	6
Total	212	-143
Loans and receivables	1	1
Financial asset available-for-sale		
Debt securities	4	-28
Equity securities	82	30
Total	86	1
<b>Total income from financial assets</b>	<b>303</b>	<b>-69</b>
Other assets	2	2
Fee and commission income, net	4	2
<b>Life insurance, total</b>	<b>309</b>	<b>-65</b>

## &gt; 1 Net income from investments

Holding	1-3/2017	1-3/2016
<b>Financial assets</b>		
Derivative financial instruments	7	4
Loans and other receivables	2	-3
Financial assets available-for-sale		
Debt securities	4	-1
Equity securities	3	1
Total	8	0
<b>Holding, total</b>	<b>17</b>	<b>1</b>
Elimination items between segments	-5	-2
<b>Group, total</b>	<b>374</b>	<b>-30</b>

## 2 Financial assets >

<b>P&amp;C insurance</b>	<b>3/2017</b>	<b>12/2016</b>
Derivative financial instruments	20	14
Loans and receivables		
Loans	83	83
Deposits with ceding undertakings	1	1
<b>Total</b>	<b>84</b>	<b>84</b>
Financial assets available-for-sale		
Debt securities	10,331	10,022
Equity securities	1,624	1,547
<b>Total</b>	<b>11,955</b>	<b>11,569</b>
<b>P&amp;C insurance, total</b>	<b>12,059</b>	<b>11,667</b>
<b>Life insurance</b>	<b>3/2017</b>	<b>12/2016</b>
Derivative financial instruments	19	13
Financial assets designated as at fair value through p/l		
Debt securities	19	22
Equity securities	2	2
<b>Total</b>	<b>21</b>	<b>24</b>
Loans and receivables		
Loans	18	20
Financial assets available-for-sale		
Debt securities	3,478	3,105
Equity securities *)	2,509	2,507
<b>Total</b>	<b>5,987</b>	<b>5,612</b>
<b>Total</b>	<b>6,044</b>	<b>5,670</b>
Assets held for sale	-202	-210
<b>Life insurance, total</b>	<b>5,842</b>	<b>5,459</b>
*) of which investments in fixed income funds	107	108

## > 2 Financial assets

Holding	3/2017	12/2016
Derivative financial instruments	19	18
Financial assets available-for-sale		
Debt securities	693	666
Equity securities	141	148
Total	834	814
Investments in subsidiaries	2,370	2,370
<b>Holding, total</b>	<b>3,223</b>	<b>3,201</b>
Elimination items between segments	-2,659	-2,659
<b>Group, total</b>	<b>18,465</b>	<b>17,668</b>



### 3 Result analysis of P&C insurance business

	1-3/2017	1-3/2016
Premiums earned	1,069	1,059
Claims incurred	-760	-700
Operating expenses	-174	-179
Other technical income and expenses	-2	-1
Allocated investment return transferred from the non-technical account	7	5
<b>Technical result</b>	<b>139</b>	<b>184</b>
Investment result	57	40
Allocated investment return transferred to the technical account	-16	-13
Other income and expenses	21	4
<b>Operating result</b>	<b>202</b>	<b>216</b>

## 4 Sampo plc's income statement and balance sheet (FAS)

INCOME STATEMENT	1-3/2017	1-3/2016
Other operating income	5	4
Staff expenses	-4	-4
Depreciation and impairment	0	0
Other operating expenses	-3	-3
<b>Operating profit</b>	<b>-3</b>	<b>-4</b>
Finance income and expenses	690	668
<b>Profit before appropriations and income taxes</b>	<b>687</b>	<b>664</b>
Income taxes	0	-
<b>Profit for the financial period</b>	<b>687</b>	<b>664</b>
BALANCE SHEET	3/2017	12/2016
<b>ASSETS</b>		
Intangible assets	0	0
Property, plant and equipment	3	3
Investments		
Shares in Group companies	2,370	2,370
Receivables from Group companies	299	298
Shares in participating undertakings	6,588	6,530
Receivables from participating undertakings	342	339
Other shares and participations	141	148
Other receivables	53	28
Receivables	47	40
Cash and cash equivalents	1,418	1,439
<b>TOTAL ASSETS</b>	<b>11,261</b>	<b>11,196</b>
<b>LIABILITIES</b>		
<b>Equity</b>		
Share capital	98	98
Fair value reserve	32	28
Invested unrestricted equity	1,527	1,527
Other reserves	273	273
Retained earnings	5,624	4,059
Profit for the year	687	1,565
<b>Total equity</b>	<b>8,241</b>	<b>7,549</b>
<b>Liabilities</b>		
Long-term	2,399	2,877
Short-term	621	770
<b>Total liabilities</b>	<b>3,020</b>	<b>3,647</b>
<b>TOTAL LIABILITIES</b>	<b>11,261</b>	<b>11,196</b>

## 5 Assets and liabilities related to assets held for sale

In October 2016, Mandatum Life Insurance Company announced that it will not continue the distribution agreement of insurance policies with Danske Bank Plc after 31 December 2016 and that it will use its right to sell the insurance portfolio acquired via Danske Bank to Danske Bank A/S. The value evaluation will last approximately until the summer 2017. The portfolio transfer requires the approval of the authorities, expected to take place at the earliest at the end of year 2017.



### Assets and liabilities of the portfolio at 31 March 2017

Assets		Liabilities	
Financial assets	202	Liabilities for insurance and investment contracts	202
Investments related to unit-linked insurance contracts	3,062	Liabilities for unit-linked insurance and investment contracts	3,062
Goodwill	89		
<b>Total</b>	<b>3,353</b>	<b>Total</b>	<b>3,264</b>

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