

**INTERIM STATEMENT**  
JANUARY – SEPTEMBER 2016

Q3

3 November 2016

# CONTENTS

<b>Summary</b> .....	<b>3</b>
<b>Third quarter 2016 in brief</b> .....	<b>5</b>
<b>Business areas</b> .....	<b>6</b>
P&C insurance .....	6
Associated company Nordea Bank AB.....	9
Life insurance .....	11
Holding.....	13
<b>Other developments</b> .....	<b>14</b>
Mandatory offer for Topdanmark.....	14
Mandatum Life's agency agreement with Danske Bank.....	14
Personnel.....	15
Remuneration.....	15
Shares and share capital.....	15
Shares in the joint book-entry account.....	17
Internal dividends.....	17
Ratings.....	17
Solvency.....	18
Debt financing.....	19
<b>Outlook</b> .....	<b>20</b>
Outlook for the rest of 2016.....	20
The major risks and uncertainties to the Group in the near-term.....	20
<b>Tables</b> .....	<b>22</b>
Group financial review.....	22
Calculation of key figures.....	23
Group quarterly comprehensive income statement.....	25
Statement of profit and other comprehensive income, IFRS.....	26
Consolidated balance sheet, IFRS.....	27
Statement of changes in equity, IFRS.....	28
Statement of cash flows, IFRS.....	29
<b>Notes</b> .....	<b>30</b>
Accounting policies.....	30
Comprehensive income statement by segment for nine months ended 30 September 2016.....	31
Comprehensive income statement by segment for nine months ended 30 September 2015.....	32
Consolidated balance sheet by segment at 30 September 2016.....	33
Consolidated balance sheet by segment at 31 December 2015.....	34
<b>Other notes</b> .....	<b>35</b>
1 Net income from investments.....	35
2 Financial assets.....	38
3 Result analysis of P&C insurance business.....	40
4 Sampo plc's income statement and balance sheet (FAS).....	41

# Sampo Group's results for January - September 2016

Sampo Group's profit before taxes for January - September 2016 amounted to EUR 1,343 million (1,475). The total comprehensive income for the period, taking changes in the market value of assets into account, rose to EUR 1,212 million (1,031).

- Earnings per share decreased to EUR 2.11 (2.31). Mark-to-market earnings per share rose to EUR 2.16 (1.84). The return on equity for the Group was 14.1 per cent (12.6) for January - September 2016. Net asset value per share on 30 September 2016 amounted to EUR 21.81 (23.79).
- Profit before taxes for the P&C insurance segment amounted to EUR 660 million (756). Combined ratio for January-September 2016 improved further to 84.0 per cent (84.6). Following a review of mortality tables by the Swedish insurance federation, EUR 72 million was released from the Swedish MTPL reserves in the first quarter of 2016. Excluding this release combined ratio was 86.3 per cent. Return on equity was 22.3 per cent (18.6). The contribution of Topdanmark's net profit for January-September 2016 amounted to EUR 35 million (37).
- Sampo's share of Nordea's net profit for January - September 2016 amounted to EUR 546 million (577). Operating profit excluding non-recurring items increased 11 per cent during the third quarter compared to the third quarter of 2015. The return on equity improved 1.2 percentage points to 11.6 per cent. Nordea Group's Basel III CET1 capital ratio increased to 17.9 per cent at the end of the third quarter of 2016. 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 157 million (132). Return on equity rose to 18.0 per cent (5.3). Premium income on own account decreased to EUR 669 million (838).
- As a result of the mandatory bid to the shareholders of Topdanmark A/S announced on 7 September 2016, Sampo plc acquired altogether 7,374,306 Topdanmark shares and held 41.1 per cent of all Topdanmark shares on 26 October 2016. Sampo intends to propose a change of distribution policy to the next Topdanmark AGM, whereby a dividend would be reinstated and the share buyback program discontinued. If approved, buybacks would end immediately after Topdanmark's 2017 AGM. For further information on the bid, see section Other Developments.
- Mandatum Life decided on 20 October 2016 not to prolong the agency agreement with Danske Bank as of 31 December 2016. According to the agreement Mandatum Life has the right to sell the insurance portfolio sold through Danske Bank's branch network in Finland, to Danske Bank. Mandatum Life decided on 27 October 2016 to use this option. For further information, see section Other Developments.

## Key figures

EURm	1-9/2016	1-9/2015	Change,%	7-9/2016	7-9/2015	Change,%
Profit before taxes	1,343	1,475	-9	450	460	-2
P&C insurance	660	756	-13	224	245	-9
Associate (Nordea)	546	577	-5	182	159	14
Life insurance	157	132	18	53	52	3
Holding (excl. Nordea)	-19	12	-	-9	5	-
Profit for the period	1,179	1,292	-9	396	398	-1
			<b>Change</b>			<b>Change</b>
Earnings per share, EUR	2.11	2.31	-0.20	0.71	0.71	0
EPS (incl. change in FVR) EUR	2.16	1.84	0.32	1.08	-0.21	1.29
NAV per share, EUR *)	21.81	23.79	-1.98	-	-	-
Average number of staff (FTE)	6,769	6,739	30	-	-	-
Group solvency ratio, % *)	149	145	4	-	-	-
RoE, %	14.1	12.6	1.5	-	-	-

\*) comparison figure from 31 December 2015

The figures in this report are not audited. Income statement items are compared on a year-on-year basis whereas comparison figures for balance sheet items are from 31 December 2015 unless otherwise stated.

## Exchange rates used in reporting

	1-9/2016	1-6/2016	1-3/2016	1-12/2015	1-9/2015
EUR 1 = SEK					
Income statement (average)	9.3712	9.3023	9.3241	9.3534	9.3709
Balance sheet (at end of period)	9.6210	9.4242	9.2253	9.1895	9.4083
DKK 1 = SEK					
Income statement (average)	1.2586	1.2486	1.2501	1.2542	1.2567
Balance sheet (at end of period)	1.2912	1.2668	1.2381	1.2314	1.2612
NOK 1 = SEK					
Income statement (average)	0.9998	0.9875	0.9790	1.0475	1.0646
Balance sheet (at end of period)	1.0706	1.0133	0.9799	0.9570	0.9878

# Third quarter 2016 in brief

Sampo Group's profit before taxes for the third quarter 2016 amounted to EUR 450 million (460). Earnings per share amounted to EUR 0.71 (0.71). Marked-to-market earnings per share increased to EUR 1.08 (-0.21).

Net asset value per share increased EUR 2.98 during the third quarter and was EUR 21.81. The increase is due to the positive development of Nordea's share price and strong capital market development in general.

Combined ratio in P&C operations for the third quarter was 84.6 per cent (83.8). Profit before taxes decreased to EUR 224 million (245). Share of the profits of the associated company Topdanmark amounted to EUR 17 million (13).

Sampo's share of Nordea's third quarter 2016 net profit rose to EUR 182 million (159).

Profit before taxes for the life insurance operations was EUR 53 million (52). Premiums written grew 9 per cent to EUR 177 million from EUR 162 million at the corresponding period a year ago.

# 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 Danish insurance company Topdanmark, an associated company of Sampo plc, is reported in the segment P&C insurance.

### Results

EURm	1-9/2016	1-9/2015	Change, %	7-9/2016	7-9/2015	Change, %
Premiums, net	3,409	3,493	-2	851	865	-2
Net income from investments	120	234	-49	40	61	-35
Other operating income	20	21	-2	7	6	9
Claims incurred	-1,990	-2,191	-9	-678	-672	1
Change in insurance liabilities	-198	-227	-13	229	222	3
Staff costs	-381	-243	57	-132	-137	-4
Other operating expenses	-352	-356	-1	-112	-110	2
Finance costs	-9	-12	-23	-3	-3	-1
Share of associates' profit/loss	41	36	13	22	12	79
<b>Profit before taxes</b>	<b>660</b>	<b>756</b>	<b>-13</b>	<b>224</b>	<b>245</b>	<b>-9</b>
<b>Key figures</b>			<b>Change</b>			<b>Change</b>
Combined ratio, % *)	84.0	84.6	-0.6	84.6	83.8	0.8
Risk ratio, %	62.0	67.1	-5.1	62.8	61.9	0.9
Cost ratio, %	22.1	17.6	4.5	21.8	22.0	-0.2
Expense ratio, %	16.6	11.8	4.8	16.3	16.1	0.2
Return on equity, %	22.3	18.6	3.7	-	-	-
Average number of staff (FTE)	6,170	6,162	8	-	-	-

\*) Excluding the non-recurring items combined ratio for January-September 2016 would have been 86.3 per cent and 86.1 per cent for January-September 2015.

Profit before taxes for January-September 2016 for the P&C insurance segment amounted to EUR 660 million (756). Combined ratio improved to 84.0 per cent (84.6) and risk ratio to 62.0 per cent (67.1). In the first quarter of 2016 EUR 72 million was released from the Swedish MTPL reserves, following a review of mortality tables by the Swedish insurance federation. This improved the combined ratio for January-September 2016 by 2.3 percentage points. The comparison figure contains two non-recurring items - the reform of the pension system in If Norway and the lowering of the interest rate used in discounting annuities in Finland from 2.0 per cent to 1.5 per cent. Their combined effect on combined ratio was 1.5 percentage points positive.

EUR 100 million, including the Swedish MTPL release, was released from technical reserves relating to prior year claims in January - September 2016. In the same period in 2015 the reserves were strengthened by EUR 83 million mainly explained by the lowering of the interest rate used in discounting annuities in Finland. Return on equity (RoE) rose to 22.3 per cent (18.6) and the fair value reserve at the end of September 2016 was EUR 482 million (391). The contribution of Topdanmark's net profit in January-September 2016 amounted to EUR 35 million (37).

Technical result amounted to EUR 514 million (522). Insurance margin (technical result in relation to net premiums earned) was 16.1 per cent (16.0).

	Combined ratio,%			Risk ratio,%		
	1-9/2016	1-9/2015	Change	1-9/2016	1-9/2015	Change
Private	82.8	88.9	-6.1	60.8	66.5	-5.7
Commercial	86.0	90.4	-4.4	63.4	67.5	-4.1
Industrial	87.6	94.5	-6.9	65.5	73.3	-7.8
Baltic	90.3	85.1	5.2	61.8	55.6	6.2
Sweden	80.0	85.0	-5.0	59.5	63.3	-3.8
Norway	86.4	87.6	-1.2	63.7	65.0	-1.3
Finland	83.4	99.6	-16.2	61.4	77.9	-16.5
Denmark	94.3	90.6	3.7	67.4	64.0	3.4

	Combined ratio,%			Risk ratio,%		
	7-9/2016	7-9/2015	Change	7-9/2016	7-9/2015	Change
Private	85.8	86.7	-0.9	64.2	64.9	-0.7
Commercial	82.6	82.4	0.2	60.0	59.7	0.3
Industrial	84.1	72.0	12.1	62.4	51.4	11.0
Baltic	89.8	86.0	3.8	61.6	58.0	3.6
Sweden	87.1	80.8	6.3	66.3	59.7	6.6
Norway	82.9	82.2	0.7	60.5	60.4	0.1
Finland	80.3	89.8	-9.5	59.3	67.8	-8.5
Denmark	93.4	86.6	6.8	66.9	61.0	5.9

The release from the Swedish MTPL reserves in the first quarter of 2016 affected the January-September 2016 result positively. The comparison figures for the Finnish business are burdened by the change in the Finnish discount rate in the second quarter of 2015. Large claims in BA Industrial were EUR 22 million better than expected in January-September 2016 and the total large claims for If P&C ended up EUR 30 million better than expected for the period.

Swedish discount rate used to discount the annuity reserves decreased to -0.31 per cent by the end of September 2016 and had a negative effect of EUR 49 million in January-September

results. The negative effect on third quarter results amounted to EUR 10 million. The discount rate was 0.41 per cent at the end of 2015. In Finland the discount rate for annuities was unchanged at 1.5 per cent.

Gross written premiums amounted to EUR 3,565 million (3,659) in January-September 2016. Adjusted for currency, premium growth was -0.4 per cent. Growth was positive in business area Private, and negative in business areas Commercial, Industrial and Baltic. Operations in Sweden and Denmark showed growth but in Finland and Norway premiums decreased.

Cost ratio amounted to 22.1 per cent (17.6) while expense ratio was 16.6 per cent (11.8). The comparison figures are positively impacted, 4.7 percentage points, by the non-recurring reform of the pension system in If Norway. Excluding the non-recurring items the cost ratio for January-September 2016 was 0.2 per cent lower than in the corresponding period a year ago.

At the end of September 2016, the total investment assets of If P&C amounted to EUR 12.3 billion (11.4), of which fixed income investments constituted 76 per cent (74), money market 11 per cent (12) and equity 12 per cent (13). Net income from investments decreased to EUR 120 million (234). Investment return marked-to-market for January-September 2016 amounted to 2.4 per cent (0.9). Duration for interest bearing assets was 1.4 years (1.2) and average maturity 2.8 years (2.6). Fixed income running yield as at 30 September 2016 was 1.6 per cent (1.8).

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 total market capitalisation and has around 11 million customers, 30,000 employees and approximately 600 branch office locations. The Nordea share is listed on the Nasdaq Stockholm, Nasdaq Helsinki and Nasdaq Copenhagen exchanges. In Sampo Group's reporting Nordea is treated as an associated company and is included in the segment Holding.

### Results

EURm	1-9/2016	1-9/2015	Change, %	7-9/2016	7-9/2015	Change, %
Net interest income	3,518	3,760	-6	1,178	1,233	-4
Total operating income*	7,166	7,495	-4	2,466	2,253	9
Profit before loan losses	3,750	4,014	-7	1,283	1,145	12
Net loan losses	-373	-337	11	-135	-112	21
Operating profit *	3,226	3,677	-12	1,148	1,033	11
Diluted EPS, EUR	0.66	0.70		0.22	0.19	
Return on equity*, %	11.1	12.6		11.6	10.4	

\*Excluding non-recurring items (Q2/2016: gain related to Visa Inc's acquisition of Visa Europe amounting to EUR 151 million net of tax).

On 30 September 2016 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 8.46 per share. The closing price at the end of September 2016 was EUR 8.85.

The following text is based on Nordea's January-September 2016 report published on 26 October 2016.

The third quarter was characterised by a stable environment with low volatility on financial markets but also continued low growth. Net interest income was down 4 per cent in local currencies compared to the third quarter of 2015, but is up 1 per cent from the previous quarter. Nordea continues to believe that the trough levels are now over.

Total income was down 3 per cent in local currencies (-4 per cent in EUR) from last year and operating profit was down 11 per cent in local currencies (-12 per cent in EUR) from last year excluding non-recurring items.

Negative rates have put pressure on deposit margins, which was partly offset by higher lending margins. Both average lending and deposit volumes in business areas increased 2 per cent in local currencies from last year.

Net fee and commission income decreased 1 per cent in local currencies (-2 per cent in EUR) from last year. Net result from items at fair value also decreased 2 per cent in local currencies (-1 per cent in EUR) from last year.

Costs are following the plan. Cost to income ratio excluding non-recurring items improved 1 percentage point from the last year to 48.1 per cent. Total expenses were up 4 per cent in local currencies (2 per cent in EUR) from the previous year and amounted to EUR 3,567 million.

Net profit decreased 4 per cent in local currencies (5 per cent in EUR) to EUR 2,666 million.

Nordea's credit quality remains solid with a loan loss level at the 10-year average. Net loan loss provisions increased to EUR 373 million, corresponding to a loan loss ratio of 15 bps (13 bps for the first nine months of 2015).

Currency fluctuations had a reducing effect of 1 percentage point on income and expenses and no effect on loan and deposit volumes compared to a year ago.

Nordea Group's Basel III Common equity tier 1 (CET1) capital ratio was in line with Nordea's capital policy. CET 1 ratio increased to 17.9 per cent at the end of the third quarter of 2016 from 16.8 per cent at the end of the second quarter of 2016. The increase to the CET1 capital ratio was due to a decrease in REA (risk exposure amount) of EUR 6.7 billion mainly driven by the new securitisation transaction, market risk and an increase in Common equity tier 1 capital of EUR 0.4 billion mainly driven by a dividend pay-out from NLP and profit generation.

Further information on Nordea Bank AB and its January-September 2016 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	1-9/2016	1-9/2015	Change, %	7-9/2016	7-9/2015	Change, %
Premiums written	669	838	-20	177	162	9
Net income from investments	361	340	6	279	-260	-
Other operating income	11	11	1	4	2	84
Claims incurred	-775	-777	0	-214	-189	13
Change in liabilities for inv. and ins. contracts	-18	-185	-90	-164	363	-
Staff costs	-34	-35	-2	-12	-11	8
Other operating expenses	-51	-54	-4	-16	-14	13
Finance costs	-5	-5	1	-2	-2	10
<b>Profit before taxes</b>	<b>157</b>	<b>132</b>	<b>18</b>	<b>53</b>	<b>52</b>	<b>3</b>
<b>Key figures</b>			<b>Change</b>			<b>Change</b>
Expense ratio, %	103.6	99.4	4.2	-	-	-
Return on equity, %	18.0	5.3	12.7	-	-	-
Average number of staff (FTE)	543	521	22	-	-	-

Profit before taxes for life insurance operations in January-September 2016 amounted to EUR 157 million (132). The total comprehensive income for the period after tax reflecting the changes in market values of assets increased strongly to EUR 193 million from EUR 50 million in the corresponding period a year earlier. Return on equity (RoE) improved to 18.0 per cent (5.3).

Net investment income, excluding income on unit-linked contracts, amounted to EUR 224 million (316). Net income from unit-linked contracts was EUR 135 million (23). In January-September 2016 fair value reserve increased to EUR 598 million (532).

Total technical reserves of Mandatum Life Group were EUR 10.9 billion (10.9). The unit-linked reserves exceeded EUR 6 billion and amounted to EUR 6.1 billion (5.9) at the end of September 2016, which corresponds to 56 per cent (54) of total technical reserves. With profit reserves decreased to EUR 4.8 billion (5.0) in January-September 2016. Reserves related to the higher guarantees of 4.5 and 3.5 per cent decreased EUR 165 million to EUR 2.9 billion in the same period.

Mandatum Life has all in all supplemented its technical reserves with a total of EUR 223 million (244) due to low level of interest rates. The figure does not take into account the reserves relating to the segregated fund. The discount rates used for 2016, 2017 and 2018 are 0.5 per cent, 0.75 per cent, and 1.50 per cent, respectively. Discount rate applied to the segregated fund is 0.75 per cent.

On 30 September 2016 Mandatum Life Group's investment assets, excluding the assets of EUR 6.1 billion (5.9) covering unit-linked liabilities, amounted to EUR 6.6 billion (6.7) at market values.

The assets covering Mandatum Life's original with profit liabilities on 30 September 2016 amounted to EUR 5.4 billion (5.5) at market values. 43 per cent (47) of the assets are in fixed income instruments, 11 per cent (7) in money market, 31 per cent (29) in equities and 15 per cent (16) in alternative investments. The investment return marked-to-market for January - September 2016 was 5.1 per cent (3.7). The duration of fixed income assets at the end of September 2016 was 2.1 years (2.1) and average maturity 2.5 years (2.8). Fixed income (incl. money market) running yield was 3.1 per cent (3.2).

The assets covering the segregated fund amounted to EUR 1.2 billion (1.2), of which 74 per cent (71) was in fixed income, 7 per cent (9) in money market, 12 per cent (12) in equities and 7 per cent (8) in alternative investments. Segregated fund's investment return marked-to-market for January - September 2016 was 3.6 per cent (2.3). At the end of September 2016 the duration of fixed income assets was 2.6 years (2.3) and average maturity 3.8 years (3.8). Fixed income (incl. money market) running yield was 1.9 per cent (0.9).

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

Expense result for life insurance segment decreased to EUR 15 million (20) and risk result amounted to EUR 15 million (15).

Mandatum Life Group's premium income on own account decreased to EUR 669 million (838) in January - September 2016. However, in the third quarter of 2016 premiums grew by 9 per cent to EUR 177 million. Mandatum Life's market share in Finland amounted to 20.4 per cent (17.3).

## Holding

Sampo plc owns and controls its subsidiaries engaged in P&C and life insurance. In addition Sampo plc held on 30 September 2016 approximately 21.2 per cent of the share capital of Nordea, the largest bank in the Nordic countries. Sampo plc also owned 41.1 per cent of Danish insurance company Topdanmark on 26 October 2016. Nordea and Topdanmark are associated companies to Sampo plc. Sampo plc's share of Topdanmark's profit continues to be reported in the P&C insurance segment.

### Results

EURm	1-9/2016	1-9/2015	Change, %	7-9/2016	7-9/2015	Change, %
Net investment income	-2	60	-	-5	8	-
Other operating income	12	12	-2	4	4	2
Staff costs	-10	-14	-29	-4	-4	-1
Other operating expenses	-10	-9	17	-3	-2	70
Finance costs	-9	-38	-76	-1	-1	-41
Share of associates' profit	546	577	-5	182	159	14
<b>Profit before taxes</b>	<b>527</b>	<b>589</b>	<b>-11</b>	<b>173</b>	<b>164</b>	<b>6</b>
<b>Key figures</b>			<b>Change</b>			<b>Change</b>
Average number of staff (FTE)	56	56	0	-	-	-

Holding segment's profit before taxes for January - September 2016 amounted to EUR 527 million (589), of which EUR 546 million (577) relates to Sampo's share of Nordea's January - September 2016 profit. Segment's profit excluding Nordea was EUR -19 million (-12).

Investment income ended up EUR 2 million (60) negative because of realized equity losses in the third quarter amounting to EUR 8 million. Finance costs continued to decrease because of low interest rates and the weakness of Swedish krona.

Sampo plc's holding in Nordea Bank was booked in the consolidated balance sheet at EUR 7.3 billion. The market value of the holding was EUR 7.6 billion, i.e. EUR 8.85 per share, at 30 September 2016. In addition the assets on Sampo plc's balance sheet included holdings in subsidiaries for EUR 2.4 billion (2.4).

# Other developments

## Mandatory offer for Topdanmark

Sampo plc announced on 7 September 2016 the obligation to make a mandatory offer to the shareholders of Topdanmark A/S. In the mandatory offer, Sampo offered to acquire all outstanding shares, excluding treasury shares, and other financial instruments, warrants and share options, if applicable, issued by Topdanmark and shares held by Topdanmark shareholders resident in certain restricted jurisdictions. The cash price offered in the mandatory offer was DKK 183 for each share issued by Topdanmark. The offer period commenced on 27 September 2016 and expired on 25 October 2016. As a result of the offer, Sampo plc acquired altogether 7,374,306 Topdanmark shares and held on 26 October 2016 41.1 per cent of all Topdanmark shares.

The mandatory offer was made pursuant to the Danish Takeover Order (no. 562 of 2 June 2014) Section 2(1). The obligation to make the Mandatory Offer arose as a result of Sampo in the period from 6 September 2016 until 7 September having acquired 200,000 Topdanmark shares in the market with the highest purchase price being DKK 183 and thereby crossing the applicable Danish threshold of one third of the total outstanding voting rights of Topdanmark. In connection herewith, Sampo also acquired 31,476,920 Topdanmark shares at a price of DKK 183 per share, representing approximately 33.13 per cent of the entire issued share capital and of all voting rights of Topdanmark (including treasury shares), from its wholly owned subsidiary If P&C Insurance Holding Ltd. Following Sampo's acquisition of If's shareholding in Topdanmark, If no longer holds any shares in Topdanmark.

If P&C booked a sales gain of approx. EUR 450 million in this transaction but as Sampo plc's share of Topdanmark's profit will continue to be shown in the P&C insurance segment, this effectively means that the sales gain is eliminated in the segment and not at all visible in Sampo Group reported numbers.

## Mandatum Life's agency agreement with Danske Bank

In connection with the acquisition of Sampo's banking operations by Danske Bank A/S in early 2007, Sampo Bank plc (now Danske Bank Plc), and Sampo Life Insurance Company Ltd (now Mandatum Life Insurance Company Ltd) signed an agency agreement that guaranteed Sampo Life the exclusive right to sell life and pension insurance products through Sampo Bank's branch network in Finland.

Mandatum Life decided 20 October 2016 not to prolong the agency agreement as of 31 December 2016. In relation to the agency agreement Mandatum Life has the right to sell the insurance portfolio sold through Danske Bank's branch network in Finland, to Danske Bank. Mandatum Life decided on 27 October 2016 to use this option.

The valuation of the portfolio will be conducted by a third party in accordance with the terms and conditions of the bank transaction agreement referred to above. The valuation is estimated to take until the summer of 2017 and the transfer of the portfolio is estimated to take place during the fourth quarter of 2017. The transfer is subject to regulatory approvals.

The portfolio consists of 151,000 policies and the technical reserves related to the portfolio amounted to EUR 3,060 million at the end of 2015. The portfolio accrued premiums of EUR 453

million in 2015 and contains almost exclusively unit linked and loan insurance products. The amount of with profit technical reserves is EUR 212 million.

## Personnel

The number of full-time equivalent staff in Sampo Group on 30 September 2016 was 6,837 employees compared to 6,782 employees at the end of 2015. The number of staff increased slightly in both P&C and life insurance.

During January-September 2016 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-September 2016 was 6,769. A year earlier the corresponding figure was 6,739.

## Remuneration

In January-September 2016 payments of EUR 37 million (34), including social costs, were made on the basis of the long-term incentive schemes. The result impact of the long-term incentive schemes in force in January-September 2016 was EUR 8 million (25). At the end of September 2016 Sampo Group had provisioned EUR 15 million (35) for future payments of long-term incentive schemes. EUR 37 million (31), including social costs, was paid as short-term incentives during the same period.

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

## Shares and share capital

As at 30 September 2016, 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 21 April 2016 authorized the Board to repurchase a maximum of 50,000,000 Sampo A shares. At the end of September 2016, neither Sampo plc nor its Group companies held any Sampo A shares.

During the first nine months of 2016 Sampo plc received altogether 25 notifications of change in holding pursuant to Chapter 9, Section 5 of the Securities Markets Act, of which 23 related to 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.

The notified changes are illustrated in the table below.

**Notifications by BlackRock, Inc. in 2016**

Date of the change	% of shares and voting rights		% of shares and voting rights through financial instruments		Total	
	Shares	Voting rights	Shares	Voting rights	Shares	Voting rights
25 Jan 2016	5.02%	<5%	0.03%	<5%	5.04%	<5%
26 Jan 2016	-	-	-	-	<5%	<5%
29 Jan 2016	5.00%	<5%	0.02%	<5%	5.02%	<5%
1 Feb 2016	-	-	-	-	<5%	<5%
3 Feb 2016	5.01%	<5%	0.02%	<5%	5.03%	<5%
4 Feb 2016	-	-	-	-	<5%	<5%
4 Apr 2016	4.96%	<5%	0.05%	<5%	5.01%	<5%
5 Apr 2016	5.01%	4.97%	0.03%	0.03%	5.05%	5.00%
6 Apr 2016	5.08%	5.04%	0.01%	0.01%	5.09%	5.05%
22 Apr 2016	4.94%	4.90%	0.24%	0.24%	5.19%	5.14%
25 Apr 2016	5.01%	4.97%	0.17%	0.16%	5.18%	5.14%
26 Apr 2016	5.24%	5.19%	0.14%	0.14%	5.38%	5.33%
8 Jul 2016	5.04%	4.995%	0.06%	0.06%	5.10%	5.05%
12 Jul 2016	4.98%	4.94%	0.11%	0.11%	5.09%	5.05%
22 Jul 2016	5.02%	4.98%	0.04%	0.04%	5.06%	5.02%
25 Jul 2016	4.96%	4.92%	0.04%	0.04%	5.00%	4.96%
26 Jul 2016	5.05%	5.00%	0.04%	0.04%	5.09%	5.04%
28 Jul 2016	5.01%	4.97%	0.04%	0.04%	5.05%	5.01%
8 Aug 2016	5.07%	5.03%	0.04%	0.04%	5.11%	5.06%
10 Aug 2016	5.02%	4.98%	0.05%	0.05%	5.06%	5.02%
17 Aug 2016	4.96%	4.92%	0.12%	0.12%	5.08%	5.04%
30 Aug 2016	4.88%	4.84%	0.14%	0.14%	5.03%	4.99%
31 Aug 2016	<5%	<5%	<5%	<5%	<5%	<5%

In addition Sampo plc has received in January-September 2016 two notifications regarding the total number of Sampo A shares and related voting rights owned by Capital Income Builder (CIB), a 100 per cent owned subsidiary of the Capital Group Companies, Inc., directly or through financial instruments.

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



## Shares in the joint book-entry account

When Sampo plc's shares were incorporated to the book-entry system in 1997 shareholders were obliged to provide the share certificates and request registration of the shares into their book-entry accounts during the registration period set in the General Meeting's resolution to incorporate the shares into the book-entry system. A joint book-entry account in the name of the Company was opened for those shareholders who did not request the registration of their shares.

According to the Finnish Companies Act the Annual General Meeting may after September 2016 resolve that the shares in the joint book-entry account and the rights that those shares carry have been forfeited. After the General Meeting's resolution the provisions on treasury shares apply to forfeited shares and the Board may, for example, resolve on cancellation of treasury shares.

As this will be the first time the Annual General Meeting has an option to resolve the issue, the Audit Committee has initiated a project to look into the procedure and consequences of such a resolution by the Annual General Meeting with a particular view on the equal treatment of all shareholders.

## Internal dividends

Mandatum Life paid a dividend of EUR 125 million to Sampo plc in March 2016. On 17 March 2016 Nordea Bank AB's Annual General Meeting decided to pay a dividend of EUR 0.64 per share. With its current holding Sampo plc's share amounted to EUR 551 million. The dividend was paid on 30 March 2016.

If P&C normally pays its dividend towards the end of the calendar year. If P&C made a sales gain in connection to the mandatory offer on Topdanmark shares and paid an extra SEK 2.8 billion (EUR 293 million) dividend to Sampo plc on 22 September 2016. In December 2016 If P&C plans to pay a normal dividend of SEK 5.8 billion to Sampo plc.

## Ratings

All the ratings for Sampo Group companies remained unchanged in the third quarter of 2016. The table below illustrates all the ratings of Sampo Group companies at the end of September 2016.

Rated company	Moody's		Standard & Poor's	
	Rating	Outlook	Rating	Outlook
Sampo plc	Baa2	Positive	A-	Stable
If P&C Insurance Ltd (Sweden)	A2	Positive	A+	Stable
If P&C Insurance Company Ltd (Finland)	A2	Positive	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 in calculating their solvency requirements and eligible own funds.

On 30 September 2016 If P&C Group's Solvency II capital requirement under standard model amounted to EUR 1,940 million (2,073) and own funds to EUR 3,818 million (3,202). Solvency ratio was 197 per cent (154). S&P rating total capital charge for If P&C Group was EUR 2,961 million (3,058) at the end of September 2016 while the capital base amounted to EUR 3,714 million (3,455).

Mandatum Life's solvency ratio after transitional measures remained strong at 153 per cent (158). Own funds of EUR 1,743 million (1,913) exceed Solvency Capital Requirement (SCR) of EUR 1,141 million (1,212) by EUR 602 million. Without transitional measures, own funds would have amounted to EUR 1,283 and the solvency capital requirement EUR 1,334 million leading to a solvency ratio of 96 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 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	30 Sep 2016	31 Dec 2015
Group capital	11,445	11,411
Goodwill, other intangibles and deductibles	-2,752	-3,371
Sectoral items	1,741	2,254
Group's own funds, total	10,433	10,294
Minimum requirements for own funds, total	6,999	7,114
Group solvency	3,434	3,179
Group solvency ratio (Own funds % of minimum requirements)	149	145

Group's conglomerate solvency ratio (own funds in relation to minimum requirements for own funds) using Solvency II rules for the insurance subsidiaries was 149 per cent (145) as at 30 September 2016.

More information on Sampo Group's capital policy is available at the Risk Management section of the Annual Report 2015.

## Debt financing

Sampo plc's debt financing on 30 September 2016 amounted to EUR 2,845 million (2,302) and interest bearing assets to EUR 992 million (1,343). Interest bearing assets include bank accounts, fixed income instruments and EUR 623 million (579) of hybrid capital and subordinated debt instruments issued by the subsidiaries and associated companies. At the end of the third quarter of 2016 the net debt amounted to EUR 1,853 million (959). The net debt calculation only takes into account interest bearing assets and liabilities. Gross debt to Sampo plc's equity was 41 per cent (32) and financial leverage 29 per cent (24).

In connection to the mandatory bid on Topdanmark, Sampo plc increased the amount of commercial papers issued from EUR 338 million at the end of the second quarter 2016 to EUR 702 million on 30 September 2016.

On 30 September 2016 financial liabilities in Sampo plc's balance sheet consisted of issued senior bonds and notes of EUR 2,142 million (1,997) and EUR 702 million (305) of CPs issued. The average interest, net of interest rate swaps, on Sampo plc's debt as of 30 September 2016 was 1.17 per cent (1.65).

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

# Outlook

## Outlook for the rest of 2016

Sampo Group's business areas are expected to report good operating results for 2016.

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 86-88 per cent excluding the release from the Swedish MTPL reserves.

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:

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## 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)20 3 043 2003, +46 (0)8 5033 6574, +1 719 457 2086 or +358 (0)9 7479 0361. Confirmation Code: 9535979

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 Full-year Financial Report for 2016 on 8 February 2017.

### Distribution:

Nasdaq Helsinki  
London Stock Exchange  
The principal media  
Financial Supervisory Authority  
[www.sampo.com](http://www.sampo.com)

## Group financial review

### Financial highlights

Group		1-9/2016	1-9/2015
Profit before taxes	EURm	1,343	1,475
Return on equity (at fair value)	%	14.1	12.6
Return on assets (at fair value)	%	6.9	6.5
Equity/assets ratio	%	31.5	31.2
Group solvency <sup>1)</sup>	EURm	3,434	3,179
Group solvency ratio	%	149	145
Average number of staff		6,769	6,739
<b>Property &amp; casualty insurance</b>			
Premiums written before reinsurers' share	EURm	3,565	3,659
Premiums earned	EURm	3,211	3,267
Profit before taxes	EURm	660	756
Return on equity (at current value)	%	22.3	18.6
Risk ratio <sup>2)</sup>	%	62.0	67.1
Cost ratio <sup>2)</sup>	%	22.1	17.6
Loss ratio, excl. unwinding of discounting <sup>2)</sup>	%	67.4	72.8
Expense ratio <sup>2)</sup>	%	16.6	11.8
Combined ratio, excl. unwinding of discounting	%	84.0	84.6
Average number of staff		6,170	6,162
<b>Life insurance</b>			
Premiums written before reinsurers' share	EURm	674	843
Profit before taxes	EURm	157	132
Return on equity (at current value)	%	18.0	5.3
Expense ratio	%	103.6	99.4
Average number of staff		543	521
<b>Holding</b>			
Profit before taxes	EURm	527	589
Average number of staff		56	56
<b>Per share key figures</b>			
Earnings per share	EUR	2.11	2.31
Earnings per share, incl. other comprehensive income	EUR	2.16	1.84
Capital and reserves per share	EUR	20.44	19.42
Net asset value per share	EUR	21.81	22.77
Adjusted share price, high	EUR	46.56	49.40
Adjusted share price, low	EUR	34.42	37.72
Market capitalisation	EURm	22,176	24,237

<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), %

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

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

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

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

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

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

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

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

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

### 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, %

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

## 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

### Equity per share

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

### 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

### 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	7-9/2016	4-6/2016	1-3/2016	10-12/2015	7-9/2015
Insurance premiums written	1,028	1,289	1,734	1,191	1,027
Net income from investments	308	189	-30	374	-194
Other operating income	11	10	9	15	9
Claims incurred	-892	-939	-934	-949	-861
Change in liabilities for insurance and investment contracts	67	-17	-238	-84	584
Staff costs	-148	-135	-142	-146	-153
Other operating expenses	-127	-138	-136	-139	-121
Finance costs	-1	-1	-10	-27	-2
Share of associates' profit/loss	204	219	164	179	171
<b>Profit for the period before taxes</b>	<b>450</b>	<b>477</b>	<b>416</b>	<b>413</b>	<b>460</b>
Taxes	-54	-55	-55	-49	-62
<b>Profit for the period</b>	<b>396</b>	<b>421</b>	<b>362</b>	<b>364</b>	<b>398</b>
<b>Other comprehensive income for the period</b>					
<b>Items reclassifiable to profit or loss</b>					
Exchange differences on translating foreign operations	-40	-42	-6	39	-85
Available-for-sale financial assets	319	51	-151	129	-409
Share of other comprehensive income of associates	3	-2	-30	45	-109
Taxes	-69	-11	31	-27	87
<b>Total items reclassifiable to profit or loss, net of tax</b>	<b>212</b>	<b>-5</b>	<b>-155</b>	<b>185</b>	<b>-517</b>
<b>Items not reclassifiable to profit or loss</b>					
Actuarial gains and losses from defined pension plans	-4	-18	-2	-21	3
Taxes	1	4	0	5	-1
<b>Total items not reclassifiable to profit or loss, net of tax</b>	<b>-3</b>	<b>-14</b>	<b>-2</b>	<b>-16</b>	<b>2</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>605</b>	<b>402</b>	<b>204</b>	<b>533</b>	<b>-116</b>

## Statement of profit and other comprehensive income, IFRS

EURm	Note	1-9/2016	1-9/2015
Insurance premiums written		4,050	4,331
Net income from investments	1	467	624
Other operating income		31	31
Claims incurred		-2,765	-2,968
Change in liabilities for insurance and investment contracts		-188	-418
Staff costs		-426	-292
Other operating expenses		-401	-406
Finance costs		-13	-41
Share of associates' profit/loss		587	614
<b>Profit before taxes</b>		<b>1,343</b>	<b>1,475</b>
Taxes		-164	-183
<b>Profit for the period</b>		<b>1,179</b>	<b>1,292</b>
<b>Other comprehensive income for the period</b>			
<b>Items reclassifiable to profit or loss</b>			
Exchange differences		-89	-73
Available-for-sale financial assets		219	-235
Share of other comprehensive income of associates		-29	-29
Taxes		-49	48
<b>Total items reclassifiable to profit or loss, net of tax</b>		<b>52</b>	<b>-288</b>
<b>Items not reclassifiable to profit or loss</b>			
Actuarial gains and losses from defined pension plans		-24	35
Taxes		5	-8
<b>Total items not reclassifiable to profit or loss, net of tax</b>		<b>-19</b>	<b>26</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>1,212</b>	<b>1,031</b>
<b>Basic earnings per share (EUR)</b>		<b>2.11</b>	<b>2.31</b>

## Consolidated balance sheet, IFRS

EURm	Note	9/2016	12/2015
<b>Assets</b>			
Property, plant and equipment		26	26
Investment property		206	191
Intangible assets		698	724
Investments in associates		7,664	7,679
Financial assets	2	17,509	17,189
Investments related to unit-linked insurance contracts		6,063	5,847
Tax assets		34	36
Reinsurers' share of insurance liabilities		229	242
Other assets		1,758	1,708
Cash and cash equivalents		2,156	1,997
<b>Total assets</b>		<b>36,343</b>	<b>35,639</b>
<b>Liabilities</b>			
Liabilities for insurance and investment contracts		14,380	14,447
Liabilities for unit-linked insurance and investment contracts		6,041	5,841
Financial liabilities		2,900	2,375
Tax liabilities		513	468
Provisions		34	51
Employee benefits		100	90
Other liabilities		930	957
<b>Total liabilities</b>		<b>24,898</b>	<b>24,228</b>
<b>Equity</b>			
Share capital		98	98
Reserves		1,531	1,531
Retained earnings		9,231	9,325
Other components of equity		585	457
<b>Total equity</b>		<b>11,445</b>	<b>11,411</b>
<b>Total equity and liabilities</b>		<b>36,343</b>	<b>35,639</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. 2015</b>	<b>98</b>	<b>4</b>	<b>1,527</b>	<b>8,655</b>	<b>-400</b>	<b>1,039</b>	<b>10,924</b>
<b>Changes in equity</b>							
Recognition of undrawn dividends				8			8
Dividends				-1,092			-1,092
Share of associates' other changes in equity				6			6
Profit for the period				1,292			1,292
Other comprehensive income for the period				41	-95	-208	-262
<b>Equity at 30 September 2015</b>	<b>98</b>	<b>4</b>	<b>1,527</b>	<b>8,911</b>	<b>-495</b>	<b>832</b>	<b>10,876</b>
<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>							
Recognition of undrawn dividends				9			9
Dividends				-1,204			-1,204
Share of associates' other changes in equity				17			17
Profit for the period				1,179			1,179
Other comprehensive income for the period				-95	-62	190	33
<b>Equity at 30 September 2016</b>	<b>98</b>	<b>4</b>	<b>1,527</b>	<b>9,231</b>	<b>-534</b>	<b>1,119</b>	<b>11,445</b>

1) IAS 19 *Pension benefits* had a net effect of EURm -95 (41) 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 -76 (15) of Nordea's actuarial gains/losses from defined pension plans. The exchange differences include the share of Nordea's exchange differences EURm 27 (-22). Respectively, available-for-sale financial assets include EURm 20 (-21) of Nordea's valuation differences.

3) The amount recognised in equity from available-for-sale financial assets for the period totalled EURm 140 (103). The amount transferred to p/l amounted to EURm 47 (-286). EURm 17 (4) 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	1-9/2016	1-9/2015
<b>Cash and cash equivalent at the beginning of the period</b>	<b>1,997</b>	<b>2,074</b>
Cash flow from/used in operating activities	204	232
Cash flow from/used in investing activities	575	516
Cash flow from/used in financing activities	-620	-1,003
Dividends paid	-1,189	-1,079
Increase of liabilities	1,318	802
Decrease of liabilities	-748	-727
<b>Cash and cash equivalent at the end of the period</b>	<b>2,156</b>	<b>1,819</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 2015.

Sampo adopted new or revised standards and interpretations at the beginning of the year 2016. These standards and interpretations are explained in Sampo's accounting policies for the financial year 2015. 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 nine months ended 30 September 2016

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
Insurance premium written	3,409	669	-	-28	4,050
Net income from investments	120	361	-2	-11	467
Other operating income	20	11	12	-12	31
Claims incurred	-1,990	-775	-	0	-2,765
Change in liabilities for insurance and investment contracts	-198	-18	-	28	-188
Staff costs	-381	-34	-10	-	-426
Other operating expenses	-352	-51	-10	12	-401
Finance costs	-9	-5	-9	11	-13
Share of associates' profit/loss	41	0	546	-	587
<b>Profit before taxes</b>	<b>660</b>	<b>157</b>	<b>527</b>	<b>0</b>	<b>1,343</b>
Taxes	-134	-29	-1	-	-164
<b>Profit for the period</b>	<b>526</b>	<b>128</b>	<b>526</b>	<b>0</b>	<b>1,179</b>
<b>Other comprehensive income for the period</b>					
<b>Items reclassifiable to profit or loss</b>					
Exchange differences	-89	-	-	-	-89
Available-for-sale financial assets	115	86	17	-	219
Share of other comprehensive income of associates	-	-	-29	-	-29
Taxes	-25	-21	-3	-	-49
<b>Total items reclassifiable to profit or loss, net of tax</b>	<b>1</b>	<b>66</b>	<b>-15</b>	<b>-</b>	<b>52</b>
<b>Items not reclassifiable to profit or loss</b>					
Actuarial gains and losses from defined pension plans	-24	-	-	-	-24
Taxes	5	-	-	-	5
<b>Total items not reclassifiable to profit or loss, net of tax</b>	<b>-19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-19</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>508</b>	<b>193</b>	<b>510</b>	<b>0</b>	<b>1,212</b>

## Comprehensive income statement by segment for nine months ended 30 September 2015

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
Insurance premium written	3,493	838	-	-	4,331
Net income from investments	234	340	60	-10	624
Other operating income	21	11	12	-13	31
Claims incurred	-2,191	-777	-	-	-2,968
Change in liabilities for insurance and investment contracts	-227	-185	-	-6	-418
Staff costs	-243	-35	-14	-	-292
Other operating expenses	-356	-54	-9	13	-406
Finance costs	-12	-5	-38	14	-41
Share of associates' profit/loss	36	0	577	-	614
<b>Profit before taxes</b>	<b>756</b>	<b>132</b>	<b>589</b>	<b>-2</b>	<b>1,475</b>
Taxes	-157	-24	-2	0	-183
<b>Profit for the period</b>	<b>599</b>	<b>108</b>	<b>588</b>	<b>-2</b>	<b>1,292</b>
<b>Other comprehensive income for the period</b>					
<b>Items reclassifiable to profit or loss</b>					
Exchange differences	-73	-	-	-	-73
Available-for-sale financial assets	-150	-72	-21	8	-235
Share of other comprehensive income of associates	-	-	-29	-	-29
Taxes	32	14	4	-2	48
<b>Total items not reclassifiable to profit or loss, net of tax</b>	<b>-191</b>	<b>-58</b>	<b>-45</b>	<b>6</b>	<b>-288</b>
<b>Items not reclassifiable to profit or loss</b>					
Actuarial gains and losses from defined pension plans	35	-	-	-	35
Taxes	-8	-	-	-	-8
<b>Total items not reclassifiable to profit or loss, net of tax</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>434</b>	<b>50</b>	<b>543</b>	<b>4</b>	<b>1,031</b>



## Consolidated balance sheet by segment at 30 September 2016

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
<b>Assets</b>					
Property, plant and equipment	19	4	3	-	26
Investment property	14	195	-	-4	206
Intangible assets	538	159	0	-	698
Investments in associates	385	0	7,278	-	7,664
Financial assets	11,174	5,838	3,156	-2,659	17,509
Investments related to unit-linked insurance contracts	-	6,108	-	-45	6,063
Tax assets	29	-	9	-4	34
Reinsurers' share of insurance liabilities	226	3	-	-	229
Other assets	1,655	102	18	-16	1,758
Cash and cash equivalents	1,308	503	345	-	2,156
<b>Total assets</b>	<b>15,349</b>	<b>12,912</b>	<b>10,810</b>	<b>-2,728</b>	<b>36,343</b>
<b>Liabilities</b>					
Liabilities for insurance and investment contracts	9,588	4,793	-	-	14,380
Liabilities for unit-linked insurance and investment contracts	-	6,086	-	-45	6,041
Financial liabilities	227	115	2,848	-289	2,900
Tax liabilities	344	169	-	0	513
Provisions	34	-	-	-	34
Employee benefits	100	-	-	-	100
Other liabilities	705	148	94	-17	930
<b>Total liabilities</b>	<b>10,997</b>	<b>11,311</b>	<b>2,941</b>	<b>-351</b>	<b>24,898</b>
<b>Equity</b>					
Share capital					98
Reserves					1,531
Retained earnings					9,231
Other components of equity					585
<b>Total equity</b>					<b>11,445</b>
<b>Total equity and liabilities</b>					<b>36,343</b>

## Consolidated balance sheet by segment at 31 December 2015

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
<b>Assets</b>					
Property, plant and equipment	19	5	3	-	26
Investment property	15	180	-	-4	191
Intangible assets	564	160	0	-	724
Investments in associates	374	0	7,305	-	7,679
Financial assets	10,566	6,039	3,243	-2,659	17,189
Investments related to unit-linked insurance contracts	-	5,865	-	-18	5,847
Tax assets	27	-	12	-4	36
Reinsurers' share of insurance liabilities	239	3	-	-	242
Other assets	1,541	127	51	-10	1,708
Cash and cash equivalents	775	482	739	-	1,997
<b>Total assets</b>	<b>14,119</b>	<b>12,860</b>	<b>11,354</b>	<b>-2,695</b>	<b>35,639</b>
<b>Liabilities</b>					
Liabilities for insurance and investment contracts	9,433	5,014	-	-	14,447
Liabilities for unit-linked insurance and investment contracts	-	5,858	-	-18	5,841
Financial liabilities	216	133	2,314	-289	2,375
Tax liabilities	314	154	-	0	468
Provisions	51	-	-	-	51
Employee benefits	90	-	-	-	90
Other liabilities	669	167	133	-11	957
<b>Total liabilities</b>	<b>10,772</b>	<b>11,327</b>	<b>2,447</b>	<b>-318</b>	<b>24,228</b>
<b>Equity</b>					
Share capital					98
Reserves					1,531
Retained earnings					9,325
Other components of equity					457
<b>Total equity</b>					<b>11,411</b>
<b>Total equity and liabilities</b>					<b>35,639</b>

# Other notes, EURm

## 1 Net income from investments >

<b>P&amp;C Insurance</b>	<b>1-9/2016</b>	<b>1-9/2015</b>
<b>Financial assets</b>		
Derivative financial instruments	-7	-7
Loans and receivables	5	13
Financial asset available-for-sale		
Debt securities	113	149
Equity securities	42	122
Total	155	271
<b>Total financial assets</b>	<b>154</b>	<b>278</b>
Fee and commission expense	-10	-12
Expense on other than financial liabilities	-3	-4
Effect of discounting annuities	-22	-28
<b>P&amp;C insurance, total</b>	<b>120</b>	<b>234</b>

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

Life insurance	1-9/2016	1-9/2015
<b>Financial assets</b>		
Derivative financial instruments	58	-63
Financial assets designated as at fair value through p/l		
Debt securities	-3	1
Equity securities	0	0
Total	-3	1
Investments related to unit-linked contracts		
Debt securities	28	6
Equity securities	101	31
Loans and receivables	0	1
Other financial assets	6	-15
Total	135	23
Loans and receivables	5	26
Financial asset available-for-sale		
Debt securities	44	91
Equity securities	106	248
Total	151	339
<b>Total income from financial assets</b>	<b>346</b>	<b>326</b>
Other assets	7	5
Fee and commission income, net	8	9
<b>Life insurance, total</b>	<b>361</b>	<b>340</b>

## &gt; 1 Net income from investments

Holding	1-9/2016	1-9/2015
<b>Financial assets</b>		
Derivative financial instruments	8	6
Loans and other receivables	-18	4
Financial assets available-for-sale		
Debt securities	21	30
Equity securities	-14	21
Total	8	50
<b>Total income from financial assets</b>	<b>-3</b>	<b>60</b>
Fee and commission income, net	1	0
<b>Holding, total</b>	<b>-2</b>	<b>60</b>
Elimination items between segments	-11	-10
<b>Group, total</b>	<b>467</b>	<b>624</b>

## 2 Financial assets >

<b>P&amp;C insurance</b>	<b>9/2016</b>	<b>12/2015</b>
Derivative financial instruments	9	21
Loans and receivables		
Loans	26	108
Deposits with ceding undertakings	1	1
<b>Total</b>	<b>27</b>	<b>108</b>
Financial assets available-for-sale		
Debt securities	9,599	8,916
Equity securities	1,540	1,522
<b>Total</b>	<b>11,139</b>	<b>10,437</b>
<b>P&amp;C insurance, total</b>	<b>11,174</b>	<b>10,566</b>
<b>Life insurance</b>	<b>9/2016</b>	<b>12/2015</b>
Derivative financial instruments	6	11
Financial assets designated as at fair value through p/l		
Debt securities	23	47
Equity securities	2	2
<b>Total</b>	<b>25</b>	<b>48</b>
Loans and receivables		
Loans	22	24
Financial assets available-for-sale		
Debt securities	3,211	3,414
Equity securities *)	2,575	2,542
<b>Total</b>	<b>5,786</b>	<b>5,956</b>
<b>Life insurance, total</b>	<b>5,838</b>	<b>6,039</b>
*) of which investments in fixed income funds	102	113

## &gt; 2 Financial assets

<b>Holding</b>	<b>9/2016</b>	<b>12/2015</b>
Derivative financial instruments	2	21
Loans and receivables		
Deposits	1	1
Financial assets available-for-sale		
Debt securities	647	603
Equity securities	137	248
<b>Total</b>	<b>784</b>	<b>852</b>
Investments in subsidiaries	2,370	2,370
<b>Holding, total</b>	<b>3,156</b>	<b>3,243</b>
Elimination items between segments	-2,659	-2,659
<b>Group, total</b>	<b>17,509</b>	<b>17,189</b>

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

	1-9/2016	1-9/2015
Premiums earned	3,211	3,267
Claims incurred	-2,165	-2,379
Operating expenses	-534	-386
Other technical income and expenses	-3	-1
Allocated investment return transferred from the non-technical account	4	21
<b>Technical result</b>	<b>514</b>	<b>522</b>
Investment result	132	250
Allocated investment return transferred to the technical account	-26	-49
Other income and expenses	40	33
<b>Operating result</b>	<b>660</b>	<b>756</b>



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

INCOME STATEMENT	1-9/2016	1-9/2015
Other operating income	12	12
Staff expenses	-10	-14
Depreciation and impairment	0	0
Other operating expenses	-10	-8
<b>Operating profit</b>	<b>-8</b>	<b>-10</b>
Finance income and expenses	957	656
<b>Profit before appropriations and income taxes</b>	<b>949</b>	<b>646</b>
Income taxes	-1	-2
<b>Profit for the financial period</b>	<b>948</b>	<b>644</b>
BALANCE SHEET	9/2016	12/2015
<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	296
Shares in participating undertakings	6,336	5,557
Receivables from participating undertakings	324	196
Other shares and participations	137	248
Other receivables	24	111
Receivables	29	84
Cash and cash equivalents	345	739
<b>TOTAL ASSETS</b>	<b>9,867</b>	<b>9,606</b>
<b>LIABILITIES</b>		
<b>Equity</b>		
Share capital	98	98
Fair value reserve	22	8
Invested unrestricted equity	1,527	1,527
Other reserves	273	273
Retained earnings	4,059	4,026
Profit for the year	948	1,228
<b>Total equity</b>	<b>6,926</b>	<b>7,159</b>
<b>Liabilities</b>		
Long-term	2,142	1,997
Short-term	799	450
<b>Total liabilities</b>	<b>2,941</b>	<b>2,447</b>
<b>TOTAL LIABILITIES</b>	<b>9,867</b>	<b>9,606</b>

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