

# 2011

FINANCIAL STATEMENTS RELEASE 9 FEBRUARY 2012

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Results for 2011



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# The Board proposes a dividend of EUR 1.20 per share

Sampo Group's profit before taxes for 2011 amounted to EUR 1,228 million (1,320). Total comprehensive income for the period, taking changes in the market value of assets into account, decreased to EUR 686 million (1,807).

- Earnings per share were EUR 1.85 (1.97). Mark-to-market earnings per share amounted to EUR 1.22 (3.22) and return on equity for the Group decreased to 7.7 per cent for 2011 (21.8).
- The Board proposes to the Annual General Meeting to be held on 12 April 2012 a dividend of EUR 1.20 per share (1.15) and an authorization to repurchase a maximum of 50 million Sampo A shares.
- Net asset value per share on 31 December 2011 was EUR 14.05 (17.79). Fair value reserve on the Group level amounted to EUR 355 million (736).
- Profit before taxes in the P&C insurance segment amounted to EUR 636 million (707). Combined ratio improved to 92.0 per cent for the full year 2011 (92.8). Return on equity was 12.4 per cent (39.8) and fair value reserve decreased to EUR 139 million (315).
- Sampo's share of Nordea's net profit in 2011 rose to EUR 534 million (523). In segment reporting the share of Nordea's profit is included in the segment 'Holding'.
- Life insurance segment's profit before taxes remained stable at EUR 137 million (142). Fair value reserve decreased to EUR 214 million as at 31 December 2011 (436). Return on equity was -11.7 per cent (36.2).

KEY FIGURES						
EURm	2011	2010	Change, %	Q4/2011	Q4/2010	Change, %
Profit before taxes	1,228	1,320	-7	322	361	-11
P&C insurance	636	707	-10	171	188	-9
Associate (Nordea)	534	523	2	161	152	6
Life insurance	137	142	-3	30	42	-27
Holding (excl. Nordea)	-77	-48	60	-40	-21	93
<b>Profit for the period</b>	<b>1,038</b>	<b>1,104</b>	<b>-6</b>	<b>279</b>	<b>302</b>	<b>-8</b>
Earnings per share, EUR	1.85	1.97	-0.12	0.50	0.54	-0.04
EPS (incl. change in FVR) EUR	1.22	3.22	-2.00	0.94	0.82	0.12
NAV per share, EUR *)	14.05	17.79	-3.74	-	-	-
Average number of staff (FTE)	6,874	6,914	-40	-	-	-
Group solvency ratio, % *)	138.6	167.1	-28.5	-	-	-
RoE, %	7.7	21.8	-14.1	-	-	-

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 2010 unless otherwise stated.

# Fourth quarter 2011 in brief

Sampo Group's profit before taxes for the fourth quarter of 2011 amounted to EUR 322 million (361). Earnings per share were EUR 0.50 (0.54). Mark-to-market earnings per share were EUR 0.94 (0.82).

Net asset value per share increased in the fourth quarter of 2011 by EUR 0.43 and amounted to EUR 14.05 at the end of 2011.

Good technical profitability was maintained in P&C insurance operation and combined ratio improved to 90.2 per cent (92.3) with improvement in both risk and cost ratios. Profit before taxes amounted to EUR 171 million (188).

Sampo's share of Nordea's fourth quarter 2011 net profit rose to EUR 161 million (152).

Profit before taxes for the life insurance operations decreased to EUR 30 million (42). Premiums written amounted to EUR 237 million (284).

# 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 and Russia. The P&C insurance group's parent company, If P&C Insurance Holding Ltd, is located in Sweden, and the If subsidiaries provide insurance solutions and services in Finland, Sweden, Norway, Denmark, the Baltic countries and Russia. If's operations are divided into four business areas: Private, Commercial, Industrial and Baltic & Russia.

RESULTS						
EURm	2011	2010	Change, %	Q4/2011	Q4/2010	Change, %
Premiums, net	4,201	3,985	5	881	843	4
Net income from investments	298	487	-39	69	146	-53
Other operating income	31	25	25	7	7	2
Claims incurred	-2,801	-2,689	4	-691	-672	3
Change in insurance liabilities	-107	-91	17	165	148	11
Staff costs	-494	-479	3	-125	-120	3
Other operating expenses	-497	-501	-1	-134	-156	-14
Finance costs	-2	-29	-95	-4	-8	-48
Share of associates' profit/loss	7	0	-	4	0	-
<b>Profit before taxes</b>	<b>636</b>	<b>707</b>	<b>-10</b>	<b>171</b>	<b>188</b>	<b>-9</b>
KEY FIGURES						
			Change			Change
Combined ratio, %	92.0	92.8	-0.8	90.2	92.3	-2.1
Risk ratio, %	68.4	69.1	-0.7	66.2	67.7	-1.5
Cost ratio, %	23.5	23.7	-0.2	24.0	24.6	-0.6
Expense ratio, %	17.3	17.2	0.1	17.6	17.8	-0.2
Return on equity, %	12.4	39.8	-27.4	-	-	-
Average number of staff (FTE)	6,299	6,392	-93	-	-	-

Profit before taxes for P&C insurance decreased to EUR 636 million (707) in 2011. The decrease was mainly explained by financial markets' uncertainty during the year, which led to lower investment returns. Year 2011 was also characterized by demanding weather conditions throughout the year. However, despite the higher than normalized weather-related claims, both risk ratio and combined ratio improved to 68.4 per cent (69.1) and 92.0 per cent (92.8), respectively. EUR 135 million (113) was released from technical reserves relating to prior year gains, out of which EUR 85 in business area Industrial.

If P&C's holding in the Danish insurance company Topdanmark exceeded 20 per cent on 16 May 2011. With the holding exceeding 20 per cent Topdanmark became an associated company to If. Topdanmark's profit contribution for 2011 was EUR 7 million. The book value for Topdanmark in the Group balance sheet was EUR 329 million on 31 December 2011. At the end of 2011 If held altogether 3,147,692 Topdanmark shares, corresponding to 23.6 per cent of the votes.

Technical result increased to EUR 457 million (449). Technical result for Private business area increased to EUR 256 million (236). For business area Commercial technical result amounted to EUR 124 million (127), Industrial EUR 53 million (65) and Baltic & Russia EUR 22 million (15).

Return on equity (RoE) decreased to 12.4 per cent (39.8) mainly due to lower investment result mark-to-market and the change in the accounting treatment of Topdanmark holding in the second quarter of 2011. Insurance margin (technical result in relation to net premiums earned) was 11.1 per cent (11.5). Fair value reserve decreased during the year to EUR 139 million (315) at the end of December 2011.

	Combined ratio,%			Risk ratio,%		
	2011	2010	Change	2011	2010	Change
Private	91.9	93.0	-1.1	68.5	68.9	-0.4
Commercial	92.8	93.5	-0.7	69.1	69.8	-0.7
Industrial	91.8	90.6	1.2	71.5	71.9	-0.4
Baltic & Russia	84.5	93.4	-8.9	48.0	56.4	-8.4
Sweden	95.6	93.3	2.3	73.1	70.2	2.9
Norway	88.0	92.1	-4.1	65.9	69.6	-3.7
Finland	94.0	90.4	3.6	70.7	67.0	3.7
Denmark	93.4	101.4	-8.0	63.9	72.8	-8.9

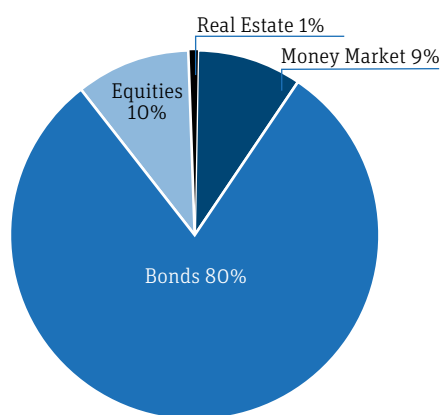
  

	Combined ratio,%			Risk ratio,%		
	10-12/2011	10-12/2010	Change	10-12/2011	10-12/2010	Change
Private	92.1	92.4	-0.3	67.1	66.9	0.2
Commercial	90.6	94.2	-3.6	67.4	71.0	-3.6
Industrial	87.8	85.2	2.6	67.4	66.1	1.3
Baltic & Russia	70.5	97.5	-27.0	29.0	56.5	-27.5
Sweden	86.8	89.4	-2.6	62.6	64.6	-2.0
Norway	86.6	88.6	-2.0	65.0	65.8	-0.8
Finland	112.8	95.8	17.0	88.5	72.5	16.0
Denmark	75.5	108.4	-32.9	44.2	79.9	-35.7

In business area Industrial large claims were EUR 53 million above normalized level as especially Norway and Sweden were affected by several major property claims. Despite this, risk ratio improved in Industrial mainly supported by higher prior year gains. In Finland risk ratio deteriorated compared to previous year mainly due to changed mortality model affecting the results negatively by EUR 53 million in the last quarter of the year. In Baltic & Russia risk ratio improved significantly in 2011 due to lower claims frequency and improved claims outcome.

Gross written premiums increased 5 per cent to EUR 4,414 million (4,189). Adjusted for currency, premiums increased a record 4.0 per cent. All business areas and countries had positive growth. In Private gross written premiums adjusted for currency increased by 4.5 per cent. In Commercial the growth was 3.4 per cent, in Industrial 2.6 per cent and in Baltic & Russia 1.5 per cent.

Cost ratio improved to 23.5 per cent (23.7). Adjusted for currency the nominal costs increased 2.1 per cent.



At the end of December 2011 the total investment assets of If P&C amounted to EUR 11.2 billion (11.7).

Net income from investments decreased to EUR 298 million (487).

Investment return mark-to-market for the year 2011 was 1.8 per cent (7.4).

Duration for interest bearing assets was 1.2 years (1.7) and average maturity 2.5 years. Fixed income running yield was 4.1 per cent (3.9).

If P&C's solvency ratio as at 31 December 2011 (solvency capital in relation to net written premiums) was 72 per cent (79). Solvency capital amounted to EUR 3,080 million (3,373). Reserve ratios were stable at 167 per cent (173) of net written premiums and 229 per cent (237) of claims paid.

# Associated company Nordea Bank Ab

Nordea, the largest bank in the Nordic region, has around 11 million customers and is among the ten largest universal banks in Europe in terms of total market capitalization. In Sampo Group's reporting Nordea is treated as an associated company and is included in the segment Holding. On 31 December 2011 Sampo plc held 860,440,497 Nordea shares corresponding to a holding of 21.3 per cent. The average price paid per share amounted to EUR 6.46 and the book value in the Group accounts was EUR 7.27 per share. The closing price as at 31 December 2011 was EUR 5.98.

The following text is based on Nordea's full-year 2011 result release published on 24 January 2012.

2011 showed continued high total income, up 2 per cent compared to 2010. Net interest income increased 6 per cent compared to last year. Lending volumes increased 7 per cent and deposit volumes 8 per cent. Lending spreads and deposit spreads have increased from last year.

Net fee and commission income continued to increase strongly, up 11 per cent compared to 2010. Net result from items at fair value decreased by 17 per cent compared to last year. The customer-driven capital markets operations continued to be strong, while results from Capital Markets unallocated income decreased. Income under the equity method was EUR 42 million and other income was EUR 91 million.

Total expenses increased 8 per cent compared to last year. Staff costs increased 12 per cent. In local currencies and excluding restructuring costs, total expenses increased 3 per cent and staff costs increased 5 per cent.

Net loan losses decreased 16 per cent to EUR 735 million, compared to last year, corresponding to a loan loss ratio of 23 basis points (31 basis points last year).

Operating profit decreased 3 per cent compared to last year. Net profit decreased 1 per cent from last year to EUR 2,634 million. Risk-adjusted profit increased 4 per cent compared to last year to EUR 2,714 million.

Total lending, including reversed repurchase agreements, was EUR 337 billion, up 1 per cent compared to the previous quarter. Overall, the credit quality in the loan portfolio remained solid in the fourth quarter, with positive migration in the loan portfolio. Improvements in credit quality resulted in a reduction of risk-weighted assets (RWA) of approx. EUR 4.7 billion or 2.5 per cent. The impaired loans ratio decreased to 139 basis points of total loans, due to higher total loan volumes. Total impaired loans gross increased by 5 per cent from the previous quarter. The provisioning ratio decreased compared to the end of the third quarter to 45 per cent.

The Group's core tier 1 capital ratio, excluding transition rules, was 11.2 per cent at the end of the fourth quarter and was strengthened by 0.2 percentage points from the previous quarter. Improved capital ratios have been achieved by strong profit generation and a modest increase in risk-weighted assets (RWA). With the adoption of the CRD III amendment, new risk types under the internal approach have been introduced. For Nordea this includes additional capital charge for stressed VaR, incremental and comprehensive risk. The total CRD III impact was an increase of EUR 4.0 billion in market risk RWA. This was partly offset by continued improvement in credit quality and RWA optimisation activities. The total impact from improved credit quality affected RWA with a reduction by 2.5 per cent.

RWA were EUR 185.2 billion excluding transition rules, up EUR 2.2 billion or 1.2 per cent compared to the previous quarter and were at the same level as at the end of 2010.

The core tier 1 ratio excluding transition rules under Basel II was 11.2 per cent. The capital base of EUR 24.8 billion exceeds the capital requirements including transition rules by EUR 6.9 billion and excluding transition rules by EUR 10.0 billion. The tier 1 capital of EUR 22.6 billion exceeds the Pillar 1 capital requirements (excluding transitions rules) by EUR 7.8 billion.

Nordea is preparing for the new regulatory standards that will increase the capital requirements. The impact of these changes will be moderate and are carefully monitored to support our customers and shareholders in the best possible way. Nordea is well prepared to meet the new Basel capital requirements.

The average funding cost for long-term funding was largely unchanged in the fourth quarter. Nordea issued approx. EUR 4.0 billion of long-term funding in the fourth quarter, of which approx. EUR 2.7 billion represented issuance of Swedish, Norwegian and Finnish covered bonds in the domestic and international markets.

The portion of long-term funding of total funding was at the end of the fourth quarter approx. 64 per cent (64 per cent at the end of the previous quarter).

The Board of Directors proposes to the AGM a dividend of EUR 0.26 per share (EUR 0.29). This corresponds to a payout ratio of 40 per cent of net profit, which is in line with the dividend policy. Total proposed dividend amounts to EUR 1,048 million.

For more information on Nordea Bank Ab and its result release for 2011, see [www.nordea.com](http://www.nordea.com).

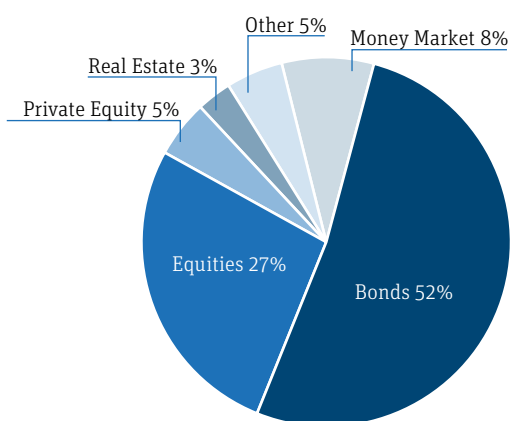
# Life insurance

Mandatum Life Group consists of Mandatum Life, a wholly-owned subsidiary of Sampo plc, operating in Finland, and its subsidiary Mandatum Life Insurance Baltic SE, which has the form of a European company and is headquartered in Estonia. It operates in the other Baltic countries through branches.

RESULTS						
EURm	2011	2010	Change, %	Q4/2011	Q4/2010	Change, %
Premiums written	849	1,111	-24	237	284	-17
Net income from investments	-41	645	-	132	205	-35
Other operating income	2	0	-	1	0	-
Claims incurred	-922	-844	9	-292	-214	37
Change in liabilities for inv. and ins. contracts	348	-678	-	-23	-210	-89
Staff costs	-38	-35	7	-9	-10	-12
Other operating expenses	-53	-49	8	-14	-12	12
Finance costs	-8	-8	4	-1	-2	-13
<b>Profit before taxes</b>	<b>137</b>	<b>142</b>	<b>-3</b>	<b>30</b>	<b>42</b>	<b>-27</b>
KEY FIGURES						
			Change			Change
Expense ratio, %	111.6	112.1	-0.5	-	-	-
Return on equity, %	-11.7	36.2	-47.9	-	-	-
Average number of staff (FTE)	521	470	51	-	-	-

Profit before taxes in Sampo Group's life insurance operations remained on previous year's level despite the challenging investment markets in 2011 and amounted to EUR 137 million (142). The record high premium income of 2010 was not achieved but premiums amounted to EUR 849 million which is the second highest level in the history of the Group.

Net investment income, excluding income on unit-linked contracts, amounted to EUR 255 million (312). Net income from unit-linked investments was EUR -296 million (333). In 2011 fair value reserve decreased EUR 222 million amounting to EUR 214 million. Return on equity (RoE) in life insurance was -11.7 per cent (36.2).



Mandatum Life Group's investment assets, excluding the assets of EUR 3.1 billion (3.1) covering unit-linked liabilities, amounted to EUR 5.4 billion (6.0) at market values as at 31 December 2011.

Return on investments in 2011 was -1.4 per cent (11.1). At the end of December 2011 duration of fixed income assets was 1.8 years (2.7) and average maturity 2.3 years. Fixed income running yield was 5.4 per cent (5.2).

Mandatum Life Group's solvency margin amounted to EUR 1,049 million (1,339) as at 31 December 2011. Mandatum Life's solvency ratio was 20.9 (25.8). Total technical reserves in the balance sheet of Mandatum Life Group were EUR 7.3 billion (7.5). Unit-linked reserves accounted for 42 per cent (41) total technical reserves, i.e. EUR 3.1 billion (3.1).

In the Finnish operations, the total return for policyholders on with-profit technical provisions in 2011 was 2.5 – 4.5 per cent, depending on the class of insurance. In addition to the guarantee, customer bonuses varying from 0 to 2.5 per cent depending on the guaranteed interest on policies were paid. Technical reserves of the parent company Mandatum Life contain bonuses of EUR 6.3 million (1.4) for the year 2011.

Majority of Mandatum Life's traditional policies carry a guaranteed interest of 3.5 per cent. Individual policies sold in Finland before 1999 carry a guaranteed interest of 4.5 per cent. The discount rate for these policies has been lowered to 3.5 per cent and subsequently technical reserves have been supplemented with EUR 79 million (86). In addition, EUR 29 million has been reserved to lower the interest rate of all with-profit liabilities to 2.75 per cent in 2012. This supplement decreases the minimum requirement for investment yield to 2.75 per cent for 2012. All in all, Mandatum Life has increased its technical reserves with EUR 108 million (147) due to low level of interest rates.

Risk result was exceptionally high at EUR 25 million (23). Expense result for the Group's life insurance segment developed in 2011 favorably and rose to EUR 10 million (8) for 2011. The result of the unit linked business, EUR 6.2 million (2.0) is included in the expense result.

Mandatum Life Group's premium income on own account amounted to EUR 849 million (1,111). Premiums in the main focus area of unit-linked insurance decreased to EUR 649 million (843). The share of unit-linked premiums remained at 76 per cent (76) of total premiums. Premium income from the Baltic countries was EUR 41 million (60).

Mandatum Life's overall market share in Finland rose to 24.9 per cent (22.1). Market share in the focus area, unit-linked business, remained high and was 26.8 per cent (28.2). Market share in the Baltic countries amounted to 15 per cent (20).

# Holding

Sampo plc owns and controls its subsidiaries engaged in P&C and life insurance. In addition Sampo plc held on 31 December 2011 approximately 21.3 per cent of the share capital of Nordea, the largest bank in the Nordic countries. Nordea is an associated company to Sampo plc.

RESULTS						
EURm	2011	2010	Change, %	Q4/2011	Q4/2010	Change, %
Net investment income	18	25	-27	1	-1	-
Other operating income	15	16	-9	4	5	-24
Staff costs	-11	-13	-11	-3	-3	5
Other operating expenses	-13	-11	14	-3	-3	4
Finance costs	-86	-66	31	-39	-19	110
Share of associate's profit	534	523	2	161	152	6
<b>Profit before taxes</b>	<b>457</b>	<b>474</b>	<b>-4</b>	<b>121</b>	<b>131</b>	<b>-8</b>
			Change			Change
Average number of staff (FTE)	54	52	2	-	-	-

The segment's profit before taxes amounted to EUR 457 million (474), of which EUR 534 million (523) relates to Sampo's share of Nordea's 2011 profit. Segment's profit without Nordea was EUR -77 million (-48).

To balance the risks on the Group level Sampo plc's debt is mainly tied to short term interest rates and issued in euro or Swedish krona. The debt positions are managed with interest rate swaps and cross currency interest rate swaps. These derivatives are valued at fair value in the profit and loss account although economically they match the underlying bonds. As a result Sampo plc maintains the flexibility to adjust derivative position if needed but this comes at the cost of increased volatility in the Holding segment's finance costs.

Sampo plc's holding in Nordea Bank was booked in the consolidated balance sheet at EUR 6.3 billion. The market value of the holding was EUR 5.1 billion at 31 December 2011. In addition the assets on Sampo plc's balance sheet included holdings in subsidiaries for EUR 2.4 billion (2.4).

# Other developments

## Administration

Ilona Ervasti-Vaintola, Sampo Group's Chief Legal Counsel and member of the Group Executive Board, retired on 30 October 2011 when she reached the pension age of 60 years stipulated in her employment contract. Mrs. Ervasti-Vaintola acted as secretary to the Board of Sampo plc.

## Personnel

The number of full-time equivalent staff decreased to 6,810 employees (6,844) as at 31 December 2011. In P&C insurance, the number of staff mainly decreased in Sweden and the Baltic and Russian operation. In life insurance, the number of staff increased in Finland.

During 2011, approximately 92 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, 27 per cent in Sweden, 22 per cent in Norway and 20 per cent in the Baltic countries, Russia, Denmark and other countries. The average number of employees during 2011 was 6,874, which compares to an average of 6,914 during 2010.

## Management incentive schemes

In 2011 EUR 7 million (10) was paid out based on the long-term management incentive scheme 2009:1. The outcome of the long-term management incentive scheme is determined by Sampo's share price development over a period of approximately three years starting from the issue of the respective program. The program is subject to thresholds on share price development and company profitability, as well as ceilings for maximum bonuses. Furthermore, the program is subject to rules requiring part of the paid bonus to be used to acquire Sampo shares, which must in turn be held for a specified period of time.

The terms of all incentive schemes are available on Sampo's website at [www.sampo.com/compensation](http://www.sampo.com/compensation).

## Shares and share capital

As at 31 December 2011, 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 Sampo Board decided on 10 August 2011 to start repurchasing Sampo A shares. The maximum amount to be repurchased was 10,000,000 shares corresponding to approximately 1.8 per cent of the total number of shares. During the third quarter of 2011 Sampo plc acquired 1,282,390 of its own A shares, which corresponds to 0.2 per cent of all shares and related votes. An average EUR 18.94 was paid per share and a total of EUR 24.3 million used for the repurchases.

In accordance with the authorization by the Annual General Meeting the Board of Sampo plc cancelled on 13 December 2011 the Sampo A shares repurchased in the third quarter of 2011. The cancellation reduced the number of Sampo A shares with the corresponding amount.

At the end of the financial year, Sampo plc didn't hold any of its own A shares. Neither did the other Group companies hold any shares in the parent company.

## Internal dividends

In 2011 Sampo plc received a total of EUR 506 million in dividends from its subsidiaries – If P&C paid a dividend of EUR 406 million (SEK 3,700 million) in the fourth quarter and Mandatum Life paid a dividend of EUR 100 million in the second quarter of 2011.

In addition the associated company Nordea Bank AB paid on 5 April 2011 a dividend amounting to EUR 250 million to Sampo plc.

## Ratings

All the main ratings for Sampo Group companies remained unchanged in 2011.

Rated company	Moody's		Standard and Poor's	
	Rating	Outlook	Rating	Outlook
Sampo plc	Baa2	Stable	Not rated	-
If P&C Insurance Ltd (Sweden)	A2	Stable	A	Stable
If P&C Insurance Company Ltd (Finland)	A2	Stable	A	Stable

## Group solvency

With Nordea Bank AB (publ) as its associated company as of 31 December 2009 Sampo Group became a financial and insurance conglomerate according to the Act on the Supervision of Financial and Insurance Conglomerates (2004/699).

Group solvency has in 2011 been calculated according to Chapter 3 of 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.

### Sampo Group solvency

EURm	31 Dec 2011	31 Dec 2010
Group capital	8,920	8,886
Sectoral items	1,091	1,711
Intangibles and other deductibles	-2,545	-2,388
Dividends for the current period	-672	-646
Group's own funds, total	6,794	7,564
Minimum requirements for own funds, total	4,902	4,526
Group solvency	1,892	3,038
Group solvency ratio		
(Own funds % of minimum requirements)	138.6	167.1

Group solvency ratio (own funds in relation to minimum requirements for own funds) remained flat in the fourth quarter of 2011 and was 138.6 per cent (167.1) as at 31 December 2011. The decrease in the solvency ratio during 2011 was due to the change in accounting of Topdanmark holding, the reduction of the amount of Tier2 loans in Nordea and the calling of If's hybrid loan in March 2011. The minimum capital requirement rose due to the increase in Nordea's capital requirement. The part of Nordea's capital requirement corresponding to Sampo's holding in Nordea is taken into account in the Group's capital requirement.

In Sampo Group solvency is assessed internally by comparing the capital required to the capital available. Capital requirement assessment is based on an economic capital framework, in which Group companies quantify the amount of capital required for measurable risks over a one year time horizon at 99.5 per cent's confidence level. In addition to economic capital, companies assess their capital need related to non-measurable risks like risks in business environment. Capital available or Adjusted Solvency Capital include regulatory capital and in addition other loss absorbing items like the effect of discounting technical reserves and other reserves excluded from regulatory capital.

The economic capital tied up in Group's operations on 31 December 2011 was EUR 4,374 million (4,281) and adjusted solvency capital was EUR 7,262 million (8,521).

## Debt financing

Sampo plc's debt financing at the end of 2011 amounted to EUR 2,329 million and interest bearing assets including bank accounts to EUR 1,121 million. During the year the net debt increased to EUR 1,208 million (1,016). Gross debt to Sampo plc's equity was 35 per cent (26).

As at 31 December 2011 financial liabilities in Sampo plc's balance sheet consisted of issued senior bonds and notes of EUR 1,677 million and EUR 652 million of outstanding CPs issued. During 2011 Sampo plc focused on diversifying the maturity structure of its outstanding debt by three smaller issues maturing in 2013, 2014 and 2016, respectively. The average interest on Sampo plc's debt as of 31 December 2011 was 3.73 per cent.

# Outlook

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

The major risks Sampo Group is exposed to in its normal business activities are credit risk, market risks and insurance risks. Their contributions to Group's Economic Capital requirement are currently within normal boundaries at levels 38 per cent, 36 per cent and 14 per cent, respectively.

Sovereign debt crisis, crisis of political system, potential banking crisis and slow growth may escalate in ways that can affect Group's activities unfavorably although Sampo Group companies do not have direct exposures in sovereigns under pressure and have small exposure to banking sector outside the Nordic region.

## Outlook for 2012

Sampo Group's business areas are expected to report good operating results for 2012. However, the mark-to-market results are, particularly in life insurance, highly dependent on capital market developments.

P&C insurance operations are expected to reach their long-term combined ratio target of below 95 per cent in 2012. Nordea's contribution to the Group's profit is expected to be significant.

# Dividend proposal

According to Sampo Group's dividend policy, total annual dividends paid shall be higher than 50 per cent of Group's net profit for the year (excluding extraordinary items). In addition, share buy-backs can be used to complement the cash dividend.

The parent company's distributable capital and reserves totaled EUR 6,623,776,460.88, of which profit for the financial year was EUR 682,234,763.79.

The Board proposes to the Annual General Meeting a dividend of EUR 1.20 per share to company's 560,000,000 shares. The dividends to be paid are EUR 672,000,000.00 in total. Rest of funds are left in the equity capital.

The dividend will be paid to shareholders registered in the Register of Shareholders held by Euroclear Finland Ltd as at the record date of 17 April 2012. The Board proposes that the dividend be paid on 24 April 2012.

No significant changes have taken place in the company's financial position since the end of the financial year. The company's liquidity position is good and in the view of the Board, the proposed distribution does not jeopardize the company's ability to fulfill its obligations.

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

**For more information, please contact:**

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- Jarmo Salonen, Head of Investor Relations and Group Communications, tel. +358 10 516 0030
- Essi Nikitin, IR Manager, tel. +358 10 516 0066
- Maria Silander, Press Officer, tel. +358 10 516 0031

Sampo will arrange a Finnish-language press conference (Savoy, Eteläesplanadi 14, Helsinki), at 2 pm Finnish time. An English-language telephone conference for investors and analysts will be arranged at 4 pm Finnish time (2 pm UK time). Please call +44 207 162 0025 (Europe) or +1 334 323 6201 (North America). Please be ready to state the conference ID '910679' and the conference title 'Sampo plc 2011/Q4 Release'.

The telephone conference can also be followed from a direct transmission on the Internet at [www.sampo.com/result](http://www.sampo.com/result). A recorded version will later be available at the same address.

In addition, Group CEO and President Kari Stadigh's video interview and Supplementary Financial Information are available at [www.sampo.com/result](http://www.sampo.com/result).

Sampo will publish an on-line Annual Report 2011 in week 10. At the same time Corporate Governance Statement and Salary and Remuneration Report will be published.

Sampo will publish an interim report for January – March 2012 on 8 May 2012.

**DISTRIBUTION:**

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The principal media

Financial Supervisory Authority

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

# Tables

## 31 December 2011

# Group financial review

FINANCIAL HIGHLIGHTS		1-12/2011	1-12/2010
<b>Group</b>			
Profit before taxes	EURm	1,228	1,320
Return on equity (at fair value)	%	7.7	21.8
Return on assets (at fair value)	%	3.7	10.0
Equity/assets ratio	%	29.7	29.8
Group solvency <sup>1)</sup>	EURm	1,892	3,038
Group solvency ratio	%	138.6	167.1
Average number of staff		6,874	6,914
<b>Property &amp; casualty insurance</b>			
Premiums written before reinsurers' share	EURm	4,414	4,189
Premiums earned	EURm	4,094	3,894
Profit before taxes	EURm	636	707
Return on equity (at current value)	%	12.4	39.8
Risk ratio <sup>2)</sup>	%	68.4	69.1
Cost ratio <sup>2)</sup>	%	23.5	23.7
Loss ratio, excl. unwinding of discounting <sup>2)</sup>	%	74.7	75.6
Expense ratio <sup>2)</sup>	%	17.3	17.2
Combined ratio, excl. unwinding of discounting	%	92.0	92.8
Average number of staff		6,299	6,392
<b>Life insurance</b>			
Premiums written before reinsurers' share	EURm	854	1,117
Profit before taxes	EURm	137	142
Return on equity (at current value)	%	-11.7	36.2
Expense ratio	%	111.6	112.1
Average number of staff		521	470
<b>Holding</b>			
Profit before taxes	EURm	456	474
Average number of staff		54	52
<b>Per share key figures</b>			
Earnings per share	EUR	1.85	1.97
Earnings per share, incl. other comprehensive income	EUR	1.22	3.22
Capital and reserves per share	EUR	15.93	15.83
Net asset value per share	EUR	14.05	17.79
Adjusted share price, high	EUR	23.90	20.71
Adjusted share price, low	EUR	16.85	16.13
Market capitalisation	EURm	10,735	11,254

1) 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).

2) 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 13.

In calculating the per share key figures, the treasury shares (1,282,390 shares) held by Sampo during the financial year have been taken into account. The number of shares used at the balance sheet date was 560,000,000 and the average number of shares 560,862,572.

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 (former Insurance Supervisory Authority).

# Calculation of key figures

## Return on equity (fair values), %

+ total comprehensive income	
± valuation differences on investments less deferred tax	
<hr/>	
	x 100 %
+ total equity	
± valuation differences on investments less deferred tax (average of values 1 Jan. and the end of reporting period)	

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

+ operating profit	
± other comprehensive income before taxes	
+ interest and other financial expense	
+ calculated interest on technical provisions	
± change in valuation differences on investments	
<hr/>	
	x 100 %
+ balance sheet, total	
- technical provisions relating to unit-linked insurance	
± valuation differences on investments (average of values on 1 Jan. and the end of the reporting period)	

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

+ total equity	
± valuation differences on investments after deduction of deferred tax	
<hr/>	
	x 100 %
+ balance sheet total	
± valuation differences on investments	

## Risk ratio for P&C Insurance, %

+ claims incurred	
- claims settlement expenses	
<hr/>	
	x 100 %
insurance premiums earned	

## Cost ratio for P&C Insurance, %

+ operating expenses	
+ claims settlement expenses	
<hr/>	
	x 100 %
insurance premiums earned	

## Loss ratio for P&C Insurance, %

claims incurred	
<hr/>	
	x 100 %
insurance premiums earned	

## Expense ratio for P&C Insurance, %

operating expenses	
<hr/>	
	x 100 %
insurance premiums earned	

## Combined ratio for P&C Insurance, %

Loss ratio + expense ratio

## Expense ratio for life insurance, %

+ operating expenses before change in deferred acquisition costs	
+ claims settlement expenses	
<hr/>	
	x 100 %
expense charges	

## 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

### 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	10-12/2011	7-9/2011	4-6/2011	1-3/2011	10-12/2010
Insurance premiums written	1,117	985	1,211	1,736	1,127
Net income from investments	199	-324	119	266	342
Other operating income	8	8	7	8	11
Claims incurred	-984	-897	-908	-934	-886
Change in liabilities for insurance and investment contracts	141	554	82	-537	-62
Staff costs	-136	-133	-132	-141	-133
Other operating expenses	-147	-135	-137	-129	-162
Finance costs	-41	13	-18	-35	-29
Share of associates' profit/loss	164	80	145	152	152
<b>Profit for the period before taxes</b>	<b>322</b>	<b>150</b>	<b>369</b>	<b>387</b>	<b>361</b>
Taxes	-43	-25	-60	-62	-59
<b>Profit for the period</b>	<b>279</b>	<b>125</b>	<b>310</b>	<b>325</b>	<b>302</b>
<b>Other comprehensive income for the period</b>					
Exchange differences on translating foreign operations	58	-16	-38	2	43
Available-for-sale financial assets	177	-413	-158	-125	146
Cash flow hedges	0	0	0	-1	-1
Share of other comprehensive income of associates	52	-19	-8	-1	10
Income tax relating to components of other comprehensive income	-42	108	41	33	-38
<b>Other comprehensive income for the period, net of tax</b>	<b>245</b>	<b>-341</b>	<b>-163</b>	<b>-93</b>	<b>161</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>524</b>	<b>-216</b>	<b>146</b>	<b>232</b>	<b>463</b>
<b>Profit attributable to</b>					
Owners of the parent	279	125	310	325	302
Non-controlling interests	0	0	0	0	
<b>Total comprehensive income attributable to</b>					
Owners of the parent	524	-216	146	232	463
Non-controlling interests	0	0	0	0	0

# Consolidated comprehensive income statement, IFRS

EURm	Note	1-12/2011	1-12/2010
Insurance premiums written	1	5,050	5,096
Net income from investments	2	260	1,148
Other operating income		32	26
Claims incurred	3	-3,723	-3,533
Change in liabilities for insurance and investment contracts		241	-769
Staff costs	4	-543	-527
Other operating expenses		-548	-547
Finance costs		-82	-96
Share of associates' profit/loss		541	523
<b>Profit before taxes</b>		<b>1,228</b>	<b>1,320</b>
Taxes		-189	-217
<b>Profit for the period</b>		<b>1,038</b>	<b>1,104</b>
<b>Other comprehensive income for the period</b>			
Exchange differences		6	214
Available-for-sale financial assets		-520	605
Cash flow hedges		-2	-9
Share of other comprehensive income of associates		23	48
Income tax relating to components of other comprehensive income		141	-156
<b>Other comprehensive income for the period, net of tax</b>		<b>-352</b>	<b>703</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>686</b>	<b>1,807</b>
<b>Profit attributable to</b>			
Owners of the parent		1,038	1,104
Non-controlling interests		0	0
<b>Total comprehensive income attributable to</b>			
Owners of the parent		686	1,807
Non-controlling interests		0	0
<b>Basic earnings per share (eur)</b>		<b>1.85</b>	<b>1.97</b>

# Consolidated balance sheet, IFRS

EURm	Note	12/2011	12/2010
<b>Assets</b>			
Property, plant and equipment		26	29
Investment property		118	122
Intangible assets	5	745	742
Investments in associates		6,593	5,699
Financial assets	6, 7	16,745	17,508
Investments related to unit-linked insurance contracts	8	3,053	3,127
Tax assets		64	68
Reinsurers' share of insurance liabilities		532	514
Other assets		1,659	1,515
Cash and cash equivalents		572	527
<b>Total assets</b>		<b>30,107</b>	<b>29,851</b>
<b>Liabilities</b>			
Liabilities for insurance and investment contracts	9	13,796	13,749
Liabilities for unit-linked insurance and investment contracts	10	3,054	3,124
Financial liabilities	11	2,768	2,187
Tax liabilities		474	640
Provisions		37	36
Employee benefits		98	105
Other liabilities		960	1,124
<b>Total liabilities</b>		<b>21,187</b>	<b>20,965</b>
<b>Equity</b>			
Share capital		98	98
Reserves		1,531	1,530
Retained earnings		6,844	6,459
Other components of equity		447	799
<b>Equity attributable to owners of the parent</b>		<b>8,920</b>	<b>8,886</b>
Non-controlling interests		0	0
<b>Total equity</b>		<b>8,920</b>	<b>8,886</b>
<b>Total equity and liabilities</b>		<b>30,107</b>	<b>29,851</b>

# Statements of changes in equity, IFRS

EURm	Share capital	Share premium account	Legal reserve	Invested un-restricted equity	Retained earnings	Translation of foreign operations *)	Available-for-sale financial assets **)	Cash flow hedges ***)	Total
<b>Equity at 1 Jan. 2010</b>	<b>98</b>	<b>0</b>	<b>4</b>	<b>1,527</b>	<b>5,889</b>	<b>-200</b>	<b>287</b>	<b>9</b>	<b>7,613</b>
<b>Changes in equity</b>									
Share-based payments					-1				-1
Recognition of undrawn dividends					10				10
Dividends					-561				-561
Share of associate's other changes in equity					19				19
Total comprehensive income for the period					1,104	262	447	-6	1,807
<b>Equity at 31 December 2010</b>	<b>98</b>	<b>0</b>	<b>4</b>	<b>1,527</b>	<b>6,459</b>	<b>62</b>	<b>734</b>	<b>3</b>	<b>8,886</b>
<b>Changes in equity</b>									
Recognition of undrawn dividends					13				13
Dividends					-645				-645
Acquisition of treasury shares					-24				-24
Share of associate's other changes in equity					4				4
<b>Total comprehensive income for the period</b>					<b>1,038</b>	<b>29</b>	<b>-379</b>	<b>-2</b>	<b>686</b>
<b>Equity at 31 December 2011</b>	<b>98</b>	<b>0</b>	<b>4</b>	<b>1,527</b>	<b>6,844</b>	<b>91</b>	<b>354</b>	<b>1</b>	<b>8,920</b>

\*) The total comprehensive income includes also the share of the associate Nordea's other comprehensive income, in accordance with the Group's share holding. As Nordea's other comprehensive income comprise mainly the currency hedging of net investments and exchange differences, the Group's share of Nordea's other comprehensive income EURm 23 (48) is also included in the Group's exchange differences in the statement of changes in equity.

\*\*\*) The amount recognised in equity from available-for-sale financial assets for the period totalled EURm -409 (615). The amount transferred to p/l amounted to EURm 30 (-168).

\*\*\*) The amount recognised in equity from cash flow hedges for the period totalled EURm -2 (-6).

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

# Statement of cash flows

EURm	1-12/2011	1-12/2010
<b>Cash and cash equivalent at the beginning of the period</b>	<b>527</b>	<b>761</b>
Cash flow from/used in operating activities	106	147
Cash flow from/used in investing activities	-136	67
Cash flow from/used in financing activities	75	-448
Dividends paid	-637	-554
Acquisition of treasury shares	-24	-
Increase of liabilities	2,440	1,954
Decrease of liabilities	-1,703	-1,848
<b>Cash and cash equivalent at the end of the period</b>	<b>572</b>	<b>527</b>

The cash flow statement reports cash flows during the period classified by operating, investing and financing activities. Cash flows are reported by using the indirect method. 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 presented in accordance with IAS 34 *Interim Financial Reporting*. In preparing the interim financial statements, the same accounting policies and methods of computation are applied as in the financial statements for 2010.

Sampo adopted various new or revised standards and interpretations at the beginning of the year 2011. These standards and interpretations are explained in Sampo's accounting policies for the financial year 2010. 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 twelve months ended 31 December 2011

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
Insurance premium written	4,201	849	-	-	5,050
Net income from investments	298	-41	18	-16	260
Other operating income	31	2	15	-15	32
Claims incurred	-2,801	-922	-	-	-3,723
Change in liabilities for insurance and investment contracts	-107	348	-	-	241
Staff costs	-494	-38	-11	-	-543
Other operating expenses	-497	-53	-13	15	-548
Finance costs	-2	-8	-86	14	-82
Share of associates' profit/loss	7	0	534	-	541
<b>Profit before taxes</b>	<b>636</b>	<b>137</b>	<b>457</b>	<b>-3</b>	<b>1,228</b>
Taxes	-159	-30	-1	0	-189
<b>Profit for the period</b>	<b>478</b>	<b>107</b>	<b>456</b>	<b>-3</b>	<b>1,038</b>
<b>Other comprehensive income for the period</b>					
Exchange differences	6	0	-	-	6
Available-for-sale financial assets	-239	-304	3	20	-520
Cash flow hedges	-	-2	-	-	-2
Share of other comprehensive income of associates	-	-	23	-	23
Income tax relating to components of other comprehensive income	63	84	-1	-5	141
<b>Other comprehensive income for the period, net of tax</b>	<b>-170</b>	<b>-222</b>	<b>25</b>	<b>15</b>	<b>-352</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>308</b>	<b>-115</b>	<b>481</b>	<b>12</b>	<b>686</b>
<b>Profit attributable to</b>					
Owners of the parent					1,038
Non-controlling interests					0
<b>Total comprehensive income attributable to</b>					
Owners of the parent					686
Non-controlling interests					0

# Comprehensive income statement by segment for twelve months ended 31 December 2010

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
Insurance premium written	3,985	1,111	-	-	5,096
Net income from investments	487	645	25	-9	1,148
Other operating income	25	0	16	-15	26
Claims incurred	-2,689	-844	-	-	-3,533
Change in liabilities for insurance and investment contracts	-91	-678	-	-	-769
Staff costs	-479	-35	-13	-	-527
Other operating expenses	-501	-49	-11	15	-547
Finance costs	-29	-8	-66	6	-96
Share of associates' profit/loss	0	0	523	-	523
<b>Profit before taxes</b>	<b>707</b>	<b>142</b>	<b>474</b>	<b>-3</b>	<b>1,320</b>
Taxes	-189	-37	9	0	-217
<b>Profit for the period</b>	<b>518</b>	<b>105</b>	<b>483</b>	<b>-3</b>	<b>1,104</b>
<b>Other comprehensive income for the period</b>					
Exchange differences	214	0	-	-	214
Available-for-sale financial assets	286	315	4	1	605
Cash flow hedges	-	-9	-	-	-9
Share of other comprehensive income of associates	-	-	48	-	48
Income tax relating to components of other comprehensive income	-75	-80	-1	0	-156
<b>Other comprehensive income for the period, net of tax</b>	<b>425</b>	<b>226</b>	<b>51</b>	<b>1</b>	<b>703</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>943</b>	<b>332</b>	<b>534</b>	<b>-2</b>	<b>1,807</b>
<b>Profit attributable to</b>					
Owners of the parent					1,104
Non-controlling interests					0
<b>Total comprehensive income attributable to</b>					
Owners of the parent					1,807
Non-controlling interests					0

# Consolidated balance sheet by segment at 31 December 2011

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
<b>Assets</b>					
Property, plant and equipment	16	6	4	-	26
Investment property	26	92	4	-4	118
Intangible assets	580	165	0	-	745
Investments in associates	340	0	6,253	-	6,593
Financial assets	10,754	5,168	3,465	-2,642	16,745
Investments related to unit-linked insurance contracts	-	3,053	-	-	3,053
Tax assets	52	-	17	-5	64
Reinsurers' share of insurance liabilities	528	3	-	-	532
Other assets	1,479	133	59	-12	1,659
Cash and cash equivalents	390	93	89	-	572
<b>Total assets</b>	<b>14,165</b>	<b>8,713</b>	<b>9,891</b>	<b>-2,662</b>	<b>30,107</b>
<b>Liabilities</b>					
Liabilities for insurance and investment contracts	9,547	4,249	-	-	13,796
Liabilities for unit-linked insurance and investment contracts	-	3,054	-	-	3,054
Financial liabilities	528	164	2,346	-269	2,768
Tax liabilities	388	85	-	-	474
Provisions	37	-	-	-	37
Employee benefits	98	-	-	-	98
Other liabilities	695	151	126	-12	960
<b>Total liabilities</b>	<b>11,294</b>	<b>7,703</b>	<b>2,472</b>	<b>-281</b>	<b>21,187</b>
<b>Equity</b>					
Share capital					98
Reserves					1,531
Retained earnings					6,844
Other components of equity					447
<b>Equity attributable to owners of the parent</b>					<b>8,920</b>
Non-controlling interests					0
<b>Total equity</b>					<b>8,920</b>
<b>Total equity and liabilities</b>					<b>30,107</b>

# Consolidated balance sheet by segment at 31 December 2010

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
<b>Assets</b>					
Property, plant and equipment	19	5	5	-	29
Investment property	26	96	4	-4	122
Intangible assets	577	165	0	-	742
Investments in associates	11	0	5,688	-	5,699
Financial assets	11,226	5,745	3,101	-2,563	17,508
Investments related to unit-linked insurance contracts	-	3,127	-	-	3,127
Tax assets	50	-	18	0	68
Reinsurers' share of insurance liabilities	510	4	-	-	514
Other assets	1,363	106	66	-20	1,515
Cash and cash equivalents	319	152	56	-	527
<b>Total assets</b>	<b>14,101</b>	<b>9,400</b>	<b>8,938</b>	<b>-2,587</b>	<b>29,851</b>
<b>Liabilities</b>					
Liabilities for insurance and investment contracts	9,340	4,410	-	-	13,749
Liabilities for unit-linked insurance and investment contracts	-	3,124	-	-	3,124
Financial liabilities	512	126	1,741	-191	2,187
Tax liabilities	464	176	-	-	640
Provisions	36	-	-	-	36
Employee benefits	105	-	-	-	105
Other liabilities	690	339	117	-22	1,124
<b>Total liabilities</b>	<b>11,146</b>	<b>8,174</b>	<b>1,857</b>	<b>-213</b>	<b>20,965</b>
<b>Equity</b>					
Share capital					98
Reserves					1,530
Retained earnings					6,459
Other components of equity					799
<b>Equity attributable to owners of the parent</b>					<b>8,886</b>
Non-controlling interests					0
<b>Total equity</b>					<b>8,886</b>
<b>Total equity and liabilities</b>					<b>29,851</b>

# OTHER NOTES, EURm

## 1 Insurance premiums

<b>P&amp;C insurance</b>	1-12/2011	1-12/2010
<b>Premiums from insurance contracts</b>		
Premiums written, direct insurance	4,324	4,105
Premiums written, assumed reinsurance	90	84
<b>Premiums written, gross</b>	<b>4,414</b>	<b>4,189</b>
Ceded reinsurance premiums written	-213	-204
<b>P&amp;C insurance, total</b>	<b>4,201</b>	<b>3,985</b>
Change in unearned premium provision	-106	-94
Reinsurers' share	-1	2
<b>Premiums earned for P&amp;C insurance, total</b>	<b>4,094</b>	<b>3,894</b>

<b>Life insurance</b>	1-12/2011	1-12/2010
<b>Premiums from insurance contracts</b>		
Premiums from contracts with discretionary participation feature	201	271
Premiums from unit-linked contracts	339	376
Premiums from other contracts	1	1
<b>Insurance contracts, total</b>	<b>541</b>	<b>648</b>
Assumed reinsurance	2	2
<b>Premiums from investment contracts</b>		
Premiums from contracts with discretionary participation feature	1	1
Premiums from unit-linked contracts	310	467
<b>Investment contracts, total</b>	<b>311</b>	<b>468</b>
Reinsurers' shares	-5	-6
<b>Life insurance, total</b>	<b>849</b>	<b>1,111</b>
<b>Single and regular premiums from direct insurance</b>		
Regular premiums, insurance contracts	360	392
Single premiums, insurance contracts	186	256
Single premiums, investment contracts	307	468
<b>Total</b>	<b>852</b>	<b>1,115</b>
<b>Group, total</b>	<b>5,050</b>	<b>5,096</b>

## 2 Net income from investments >

P&C insurance	1-12/2011	1-12/2010
<b>Financial assets</b>		
Derivative financial instruments	-18	28
Financial assets designated as at fair value through p/l		
Debt securities	2	7
Equity securities	2	3
Total	4	9
Loans and receivables	21	13
Financial asset available-for-sale		
Debt securities	416	446
Equity securities	-53	73
Total	363	519
<b>Total financial assets</b>	<b>370</b>	<b>569</b>
Income from other assets	0	-2
Fee and commission expense	-9	-8
Expense on other than financial liabilities	-7	-16
Effect of discounting annuities	-56	-58
<b>P&amp;C insurance, total</b>	<b>298</b>	<b>487</b>

## &gt; 2 Net income from investments &gt;

Life insurance	1-12/2011	1-12/2010
<b>Financial assets</b>		
Derivative financial instruments	-14	-7
Financial assets designated as at fair value through p/l		
Debt securities	8	5
Equity securities	0	0
Total	8	6
Investments related to unit-linked contracts		
Debt securities	9	48
Equity securities	-288	284
Loans and receivables	3	-1
Other financial assets	-21	2
Total	-296	333
Loans and receivables	4	4
Financial asset available-for-sale		
Debt securities	159	190
Equity securities	83	107
Total	242	297
<b>Total income from financial assets</b>	<b>-56</b>	<b>631</b>
Other assets	6	5
Fee and commission income, net	10	8
<b>Life insurance, total</b>	<b>-41</b>	<b>645</b>

## > 2 Net income from investments

Holding	1-12/2011	1-12/2010
<b>Financial assets</b>		
Derivative financial instruments	2	-9
Loans and other receivables	-2	21
Financial assets available-for-sale		
Debt securities	13	10
Equity securities	5	2
Total	18	11
Other assets	0	2
Fee income, net	0	1
<b>Holding, total</b>	<b>18</b>	<b>25</b>
Elimination items between segments	-16	-9
<b>Group, total</b>	<b>260</b>	<b>1,148</b>

### 3 Claims incurred

<b>P&amp;C insurance</b>	1-12/2011	1-12/2010
Claims paid	-2,891	-2,690
Reinsurers' share	124	116
<b>Claims paid, net</b>	<b>-2,767</b>	<b>-2,574</b>
Change in provision for claims outstanding	-48	-106
Reinsurers' share	14	-9
<b>P&amp;C insurance total</b>	<b>-2,801</b>	<b>-2,689</b>

<b>Life insurance</b>	1-12/2011	1-12/2010
Claims paid	-808	-782
Reinsurers' share	3	4
<b>Claims paid, net</b>	<b>-805</b>	<b>-778</b>
Change in provision for claims outstanding	-117	-66
Reinsurers' share	0	0
<b>Life insurance, total</b>	<b>-922</b>	<b>-844</b>

<b>Group, total</b>	<b>-3,723</b>	<b>-3,533</b>
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## 4 Staff costs

<b>P&amp;C insurance</b>	1-12/2011	1-12/2010
Wages and salaries	-356	-340
Granted cash-settled share options	-5	-9
Pension costs	-65	-63
Other social security costs	-68	-68
<b>P&amp;C insurance, total</b>	<b>-494</b>	<b>-479</b>

<b>Life insurance</b>	1-12/2011	1-12/2010
Wages and salaries	-30	-27
Granted cash-settled share options	-1	-2
Pension costs	-5	-4
Other social security costs	-2	-3
<b>Life insurance, total</b>	<b>-38</b>	<b>-35</b>

<b>Holding</b>	1-12/2011	1-12/2010
Wages and salaries	-8	-7
Granted cash-settled share options	-2	-4
Pension costs	-1	-1
Other social security costs	-1	-1
<b>Holding, total</b>	<b>-11</b>	<b>-13</b>

<b>Group, total</b>	<b>-543</b>	<b>-527</b>
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## 5 Intangible assets

<b>P&amp;C insurance</b>	12/2011	12/2010
Goodwill	564	564
Other intangible assets	17	13
<b>P&amp;C insurance, total</b>	<b>580</b>	<b>577</b>

<b>Life insurance</b>	12/2011	12/2010
Goodwill	153	153
Other intangible assets	12	12
<b>Life insurance, total</b>	<b>165</b>	<b>165</b>

<b>Holding</b>	12/2011	12/2010
Other intangible assets	0	0

<b>Group, total</b>	<b>745</b>	<b>742</b>
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## 6 Financial assets >

<b>P&amp;C insurance</b>	12/2011	12/2010
Derivative financial instruments (Note 7)	114	63
Financial assets designated as at fair value through p/l		
Debt securities	155	90
Equity securities	2	2
Total	157	92
Loans and receivables		
Loans	82	72
Deposits with ceding undertakings	1	1
Total	83	73
Financial assets available-for-sale		
Debt securities	9,113	9,226
Equity securities	1,287	1,772
Total	10,400	10,997
<b>P&amp;C insurance, total</b>	<b>10,754</b>	<b>11,226</b>

<b>Life insurance</b>	12/2011	12/2010
Derivative financial instruments (Note 7)	36	58
Financial assets designated as at fair value through p/l		
Debt securities	50	61
Equity securities	1	0
Total	51	61
Loans and receivables		
Loans	22	25
Deposits with ceding undertakings	1	1
Total	23	26
Financial assets available-for-sale		
Debt securities	2,832	3,242
Equity securities *)	2,226	2,357
Total	5,058	5,598
<b>Life insurance, total</b>	<b>5,168</b>	<b>5,745</b>

\*) of which investments in interest funds 39 61

## > 6 Financial assets

Holding	12/2011	12/2010
Derivative financial instruments (Note 7)	29	36
Loans and receivables		
Deposits	1	1
Financial assets available-for-sale		
Debt securities	1,032	659
Equity securities	34	36
Total	1,066	695
Investments in subsidiaries	2,370	2,370
<b>Holding, total</b>	<b>3,465</b>	<b>3,101</b>
Elimination items between segments	-2,642	-2,563
<b>Group, total</b>	<b>16,745</b>	<b>17,508</b>

## 7 Derivative financial instruments

P&C insurance	12/2011			12/2010		
	Contract/ notional amount	Fair value Assets	Fair value Liabilities	Contract/ notional amount	Fair value Assets	Fair value Liabilities
<b>Derivatives held for trading</b>						
Interest rate derivatives	555	19	16	970	8	0
Foreign exchange derivatives	11,961	95	186	3,963	54	75
Equity derivatives	0	0	-	2	1	-
<b>Total</b>	<b>12,516</b>	<b>114</b>	<b>202</b>	<b>4,935</b>	<b>63</b>	<b>75</b>
<b>Derivatives held for hedging</b>						
Fair value hedges	277		0	189	0	0
<b>P&amp;C Insurance, total</b>	<b>12,793</b>	<b>114</b>	<b>202</b>	<b>5,124</b>	<b>63</b>	<b>75</b>

Life insurance	12/2011			12/2010		
	Contract/ notional amount	Fair value Assets	Fair value Liabilities	Contract/ notional amount	Fair value Assets	Fair value Liabilities
<b>Derivatives held for trading</b>						
Interest rate derivatives	2,308	31	0	1,277	30	3
Foreign exchange derivatives	912	3	25	1,874	25	9
Equity derivatives	29	0	0			
<b>Total</b>	<b>3,248</b>	<b>35</b>	<b>25</b>	<b>3,151</b>	<b>54</b>	<b>12</b>
<b>Derivatives held for hedging</b>						
Cash flow hedges	47	2	-	88	3	0
Fair value hedges	463		38	494	1	14
<b>Total</b>	<b>510</b>	<b>2</b>	<b>38</b>	<b>582</b>	<b>4</b>	<b>14</b>
<b>Life insurance, total</b>	<b>3,758</b>	<b>36</b>	<b>64</b>	<b>3,733</b>	<b>58</b>	<b>26</b>

Holding	12/2011			12/2010		
	Contract/ notional amount	Fair value Assets	Fair value Liabilities	Contract/ notional amount	Fair value Assets	Fair value Liabilities
<b>Derivatives held for trading</b>						
Interest rate derivatives	1,050	16	-	1,075	29	-
Credit risk derivatives	20	0		-	-	-
Equity derivatives	80	13	17	95	7	10
<b>Total</b>	<b>1,150</b>	<b>29</b>	<b>17</b>	<b>1,170</b>	<b>36</b>	<b>10</b>

## 8 Investments related to unit-linked insurance

Life insurance	12/2011	12/2010
<b>Financial assets as at fair value through p/l</b>		
Debt securities	570	551
Equity securities	2,190	2,430
Loans and receivables	293	131
Derivatives	1	15
<b>Life insurance, total</b>	<b>3,053</b>	<b>3,127</b>

## 9 Liabilities for insurance and investment contracts >

P&C insurance	12/2011	12/2010
<b>Insurance contracts</b>		
Provision for unearned premiums	1,972	1,845
Provision for claims outstanding	7,576	7,494
<b>P&amp;C insurance, total</b>	<b>9,547</b>	<b>9,340</b>
<b>Reinsurers' share</b>		
Provision for unearned premiums	53	53
Provision for claims outstanding	476	457
<b>P&amp;C insurance, total</b>	<b>528</b>	<b>510</b>

Life insurance	12/2011	12/2010
<b>Insurance contracts</b>		
Liabilities for contracts with DPF		
Provision for unearned premiums	2,219	2,465
Provision for claims outstanding	2,020	1,907
Total	4,239	4,372
Liabilities for contracts without DPF		
Provision for unearned premiums	0	14
Provision for claims outstanding	0	0
Total	1	14
<b>Total</b>	<b>4,240</b>	<b>4,386</b>
Assumed reinsurance		
Provision for unearned premiums	1	1
Provision for claims outstanding	1	2
<b>Total</b>	<b>2</b>	<b>3</b>
<b>Insurance contracts, total</b>		
Provision for unearned premiums	2,220	2,479
Provision for claims outstanding	2,022	1,909
<b>Total</b>	<b>4,242</b>	<b>4,388</b>

## > 9 Liabilities for insurance and investment contracts

<b>Investment contracts</b>		
Liabilities for contracts with DPF		
Provision for unearned premiums	7	22
<b>Liabilities for insurance and investment contracts, total</b>		
Provision for unearned premiums	2,227	2,501
Provision for claims outstanding	2,022	1,909
<b>Life insurance, total</b>	<b>4,249</b>	<b>4,410</b>
<b>Recoverable from reinsurers</b>		
Provision for unearned premiums	0	0
Provision for claims outstanding	3	4
<b>Life insurance, total</b>	<b>3</b>	<b>4</b>
Investment contracts do not include a provision for claims outstanding.		
Liability adequacy test does not give rise to supplementary claims.		
Exemption allowed in IFRS 4 <i>Insurance contracts</i> has been applied to investment contracts with DPF or contracts with a right to trade-off for an investment contract with DPF. These investment contracts have been valued like insurance contracts.		
<b>Group, total</b>	<b>13,796</b>	<b>13,749</b>

## 10 Liabilities from unit-linked insurance and investment contracts

<b>Life insurance</b>	12/2011	12/2010
Unit-linked insurance contracts	2,216	2,381
Unit-linked investment contracts	838	743
<b>Life insurance, total</b>	<b>3,054</b>	<b>3,124</b>

# 11 Financial liabilities

<b>P&amp;C insurance</b>	12/2011	12/2010
Derivative financial instruments (Note 7)	202	75
<b>Subordinated debt securities</b>		
Subordinated loans	326	437
<b>P&amp;C insurance, total</b>	<b>528</b>	<b>512</b>
<b>Life insurance</b>	12/2011	12/2010
Derivative financial instruments (Note 7)	64	26
<b>Subordinated debt securities</b>		
Subordinated loans	100	100
<b>Life insurance, total</b>	<b>164</b>	<b>126</b>
<b>Holding</b>	12/2011	12/2010
Derivative financial instruments (Note 7)	17	10
<b>Debt securities in issue</b>		
Commercial papers	652	575
Bonds	1,677	1,026
<b>Total</b>	<b>2,329</b>	<b>1,601</b>
<b>Other</b>		
Pension loan	-	130
<b>Holding, total</b>	<b>2,346</b>	<b>1,741</b>
Elimination items between segments	-269	-191
<b>Group, total</b>	<b>2,768</b>	<b>2,187</b>

## 12 Contingent liabilities and commitments >

P&C insurance	12/2011		12/2010	
<b>Off-balance sheet items</b>				
Guarantees		43		57
Other irrevocable commitments		11		27
<b>Total</b>		<b>54</b>		<b>84</b>
<b>Assets pledged as collateral for liabilities or contingent liabilities</b>				
	12/2011	12/2011	12/2010	12/2010
<b>Assets pledged as collateral</b>	<b>Assets pledged</b>	<b>Liabilities/ commitments</b>	<b>Assets pledged</b>	<b>Liabilities/ commitments</b>
Cash at balances at central banks	10	8	10	8
Investments				
- Investment securities	142	114	133	111
<b>Total</b>	<b>152</b>	<b>122</b>	<b>142</b>	<b>118</b>
<b>Non-cancellable operating leases</b>		12/2011		12/2010
<b>Minimum lease payments</b>				
- not later than one year		41		32
- later than one year and not later than five years		105		78
- later than five years		120		101
<b>Total</b>		<b>266</b>		<b>212</b>

## > 12 Contingent liabilities and commitments

Life insurance	12/2011	12/2010
<b>Off-balance sheet items</b>		
Fund commitments	309	348
<b>Other commitments</b>		
Acquisition of IT-software	1	2
<b>Non-cancellable operating leases</b>		
<b>Minimum lease payments</b>		
- not later than one year	2	2
- later than one year and not later than five years	5	6
<b>Total</b>	<b>7</b>	<b>8</b>

Holding	12/2011	12/2010
<b>Off-balance sheet items</b>		
Fund commitments	1	1
<b>Non-cancellable operating leases</b>		
<b>Minimum lease payments</b>		
- not later than one year	1	1
- later than one year and not later than five years	3	3
- later than five years	0	1
<b>Total</b>	<b>5</b>	<b>5</b>

# 13 Result analysis of P&C insurance business

	1-12/2011	1-12/2010
Premiums earned	4,094	3,894
Claims incurred	-3,058	-2,943
Operating expenses	-707	-671
Other technical income and expenses	4	0
Allocated investment return transferred from the non-technical account	124	168
<b>Technical result</b>	<b>457</b>	<b>449</b>
Investment result	353	516
Allocated investment return transferred to the technical account	-181	-226
Other income and expenses	7	-32
<b>Operating result</b>	<b>636</b>	<b>707</b>

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

<b>INCOME STATEMENT</b>	1-12/2011	1-12/2010
Other operating income	15	17
Staff expenses	-11	-13
Depreciation and impairment	0	0
Other operating expenses	-13	-12
<b>Operating profit</b>	<b>-10</b>	<b>-8</b>
Finance income and expenses	693	710
<b>Profit before appropriations and income taxes</b>	<b>683</b>	<b>702</b>
Income taxes	-1	9
<b>Profit for the financial period</b>	<b>682</b>	<b>710</b>
<b>BALANCE SHEET</b>	12/2011	12/2010
<b>ASSETS</b>		
Non-current assets		
Intangible assets	1	1
Property, plant and equipment	4	4
Investments		
Shares in Group companies	2,370	2,370
Receivables from Group companies	223	145
Shares in participating undertakings	5,557	5,304
Receivables from participating undertakings	325	150
Other shares and participations	38	40
Other receivables	484	365
Receivables	104	120
Cash and cash equivalents	89	56
<b>TOTAL ASSETS</b>	<b>9,195</b>	<b>8,553</b>
<b>LIABILITIES</b>		
<b>Equity</b>		
Share capital	98	98
Fair value reserve	2	0
Invested unrestricted equity	1,527	1,527
Other reserves	273	273
Retained earnings	4,142	4,088
Profit for the year	682	710
<b>Total equity</b>	<b>6,724</b>	<b>6,696</b>
<b>Liabilities</b>		
Long-term	1,677	1,155
Short-term	795	702
<b>Total liabilities</b>	<b>2,472</b>	<b>1,857</b>
<b>TOTAL LIABILITIES</b>	<b>9,195</b>	<b>8,553</b>



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