

FINANCIAL STATEMENT RELEASE

Results for 2014



SAMPO  GROUP

11 February 2015

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Sampo Group Results for 2014

Sampo Group's profit before taxes for 2014 amounted to EUR 1,759 million (1,668). Total comprehensive income for the period, taking changes in the market value of assets into account, decreased to EUR 1,179 million (1,425) largely as a result of weakened Swedish and Norwegian kronas.

- Earnings per share were EUR 2.75 (2.59). Mark-to-market earnings per share were EUR 2.11 (2.54). The return on equity for the Group decreased to 10.9 per cent for 2014 (13.8) mainly due to the negative currency rate development. Net asset value per share at the end of 2014 increased to EUR 22.63 (22.15).
- The Board proposes to the Annual General Meeting to be held on 16 April 2015 a dividend of EUR 1.95 per share (1.65) and an authorization to repurchase a maximum of 50 million Sampo A shares. The proposed dividend payment amounts in total to EUR 1,092 million (924).
- The profit before taxes for the P&C insurance amounted to EUR 931 million (929). Combined ratio for the full year 2014 was the best ever in If P&C's history and amounted to 87.7 per cent (88.1). Return on equity (RoE) decreased to 18.1 per cent (24.4). Adjusted for currency gross written premiums grew 1.7 per cent. The contribution of Topdanmark's net profit for 2014 amounted to EUR 53 million (52).
- Sampo's share of Nordea's net profit for 2014 amounted to EUR 680 million (635). Nordea's RoE was 11.5 per cent (11.0) and core Tier 1 ratio (excluding transition rules) strengthened to 15.7 per cent (13.9). In segment reporting the share of Nordea's profit is included in the segment 'Holding'. Nordea's Board of Directors proposes to the AGM 2015 a dividend of EUR 0.62 per share (0.43). If the AGM approves the Board's dividend proposal, Sampo plc will receive a dividend of EUR 533 million from Nordea on 30 March 2015.
- Life insurance operations reported for 2014 profit before taxes of EUR 163 million (153). Return on equity (RoE) amounted to 11.4 per cent (18.3). Premium income on own account increased 4 per cent to EUR 1,105 million (1,063) and premiums from unit-linked policies reached an all-time high EUR 961 million (909).

Key figures

EURm	2014	2013	Change, %	Q4/2014	Q4/2013	Change, %
Profit before taxes	1,759	1,668	6	447	440	2
P&C insurance	931	929	0	219	230	-4
Associate (Nordea)	680	635	7	179	157	14
Life insurance	163	153	7	50	49	2
Holding (excl. Nordea)	-12	-45	-74	-1	4	-
Profit for the period	1,540	1,452	6	391	397	-2
			Change			Change
Earnings per share, EUR	2.75	2.59	0.16	0.70	0.71	-0.01
EPS (incl. change in FVR) EUR	2.11	2.54	-0.43	0.14	0.56	-0.42
NAV per share, EUR	22.63	22.15	0.48	-	-	-
Average number of staff (FTE)	6,739	6,832	-93	-	-	-
Group solvency ratio, %	187.4	184.4	3.0	-	-	-
RoE, %	10.9	13.8	-2.9	-	-	-

Income statement items are compared on a year-on-year basis and comparison figures for balance sheet items are from 31 December 2013 unless otherwise stated.

Exchange rates used in reporting

	1-12/2014	1-9/2014	1-6/2014	1-3/2014	1-12/2013
EUR 1 = SEK					
Income statement (average)	9.1011	9.0420	8.9592	8.8598	8.6522
Balance sheet (at end of period)	9.3930	9.1465	9.1762	8.9483	8.8591
DKK 1 = SEK					
Income statement (average)	1.2205	1.2118	1.2001	1.1865	1.1599
Balance sheet (at end of period)	1.2616	1.2289	1.2308	1.1986	1.1877
NOK 1 = SEK					
Income statement (average)	1.0893	1.0924	1.0823	1.0574	1.1094
Balance sheet (at end of period)	1.0388	1.1266	1.0920	1.0840	1.0593

Fourth quarter 2014 in brief

Sampo Group's profit before taxes for the fourth quarter of 2014 was EUR 447 million (440). Earnings per share amounted to EUR 0.70 (0.71). Mark-to-market earnings per share were EUR 0.14 (0.56). The decrease is largely explained by the weakening of the Swedish krona. The currency effect comes through comprehensive income from If P&C and Nordea. Net asset value per share increased to EUR 22.63 (22.15).

The combined ratio in the P&C insurance operation in the fourth quarter amounted to 87.1 per cent (87.9) and was the best ever for fourth quarter. Profit before taxes decreased to EUR 219 million (230). Share of the profits of the associated company Topdanmark amounted to EUR 9 million (10).

Sampo's share of Nordea's fourth quarter 2014 net profit amounted to EUR 179 million (157). Nordea's Group core tier 1 capital ratio, excluding transition rules, rose to 15.7 per cent (13.9) at the end of the year.

Profit before taxes for the life insurance operations amounted to EUR 50 million (49). Premiums written increased significantly and amounted to EUR 333 million (275). Transfer of Suomi Mutual's group pension insurance portfolio was completed on 30 December 2014.

Business areas

P&C insurance

If P&C is the leading property and casualty insurance group 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 Danish insurance company Topdanmark is If P&C's associated company.

Results

EURm	2014	2013	Change, %	Q4/2014	Q4/2013	Change, %
Premiums, net	4,464	4,560	-2	900	917	-2
Net income from investments	353	368	-4	75	90	-17
Other operating income	27	28	-3	7	8	-19
Claims incurred	-2,902	-2,946	-1	-713	-723	-1
Change in insurance liabilities	-6	-55	-88	208	194	7
Staff costs	-537	-564	-5	-129	-135	-4
Other operating expenses	-502	-493	2	-132	-127	4
Finance costs	-20	-18	8	-5	-5	1
Share of associates' profit/loss	54	50	8	9	10	-5
Profit before taxes	931	929	0	219	230	-4

Key figures	Change			Change		
Combined ratio, %	87.7	88.1	-0.4	87.1	87.9	-0.8
Risk ratio, %	65.1	65.4	-0.3	64.4	65.1	-0.7
Cost ratio, %	22.5	22.8	-0.3	22.8	22.7	0.1
Expense ratio, %	16.7	16.8	-0.1	17.1	16.8	0.3
Return on equity, %	18.1	24.4	-6.3	-	-	-
Average number of staff (FTE)	6,173	6,238	-65	-	-	-

The strong focus on underwriting and cost efficiency continued in the P&C insurance segment also in 2014 and the profit before taxes for the segment rose to EUR 931 million (929). Combined ratio for the full year 2014 was the best ever in If P&C's history and amounted to 87.7 per cent (88.1). EUR 2 million (79) was released from technical reserves relating to prior year claims. The contribution of Topdanmark's net profit amounted to EUR 53 million (52).

Technical result decreased to EUR 588 million (601) for the full year 2014, due to the weakening of Norwegian and Swedish kronas and the lower interest rates. Technical result for Private business area decreased to EUR 349 million (360) and for business area Commercial to EUR 153 million (166). Technical result for Industrial and Baltics increased to EUR 51 million (43) and EUR 17 million (15), respectively. Insurance margin (technical result in relation to net premiums earned) remained stable at 13.2 per cent (13.3).

Return on equity (RoE) decreased to 18.1 per cent (24.4). Fair value reserve for If P&C rose to EUR 507 million (472) at the end of December 2014.

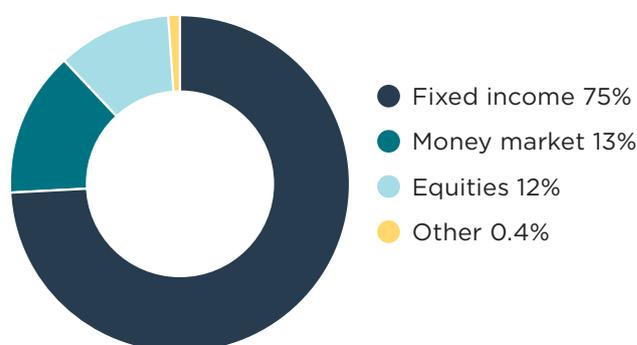
	Combined ratio, %			Risk ratio, %		
	2014	2013	Change	2014	2013	Change
Private	87.4	87.8	-0.4	64.8	64.9	-0.1
Commercial	88.6	88.6	0.0	65.8	65.1	0.7
Industrial	89.0	91.5	-2.5	68.3	70.7	-2.4
Baltic	86.8	88.4	-1.6	52.4	56.2	-3.8
Sweden	94.6	93.5	1.1	72.4	70.7	1.7
Norway	82.0	83.3	-1.3	59.6	61.4	-1.8
Finland	89.7	88.5	1.2	67.6	65.5	2.1
Denmark	83.6	91.3	-7.7	58.3	64.7	-6.4

	Combined ratio, %			Risk ratio, %		
	Q4/2014	Q4/2013	Change	Q4/2014	Q4/2013	Change
Private	87.4	87.6	-0.2	63.5	64.9	-1.4
Commercial	89.6	87.4	2.2	66.8	64.6	2.2
Industrial	85.4	91.3	-5.9	64.8	69.0	-4.2
Baltic	103.1	91.7	11.4	55.0	57.5	-2.5
Sweden	90.8	96.0	-5.2	69.5	72.6	-3.1
Norway	74.3	80.3	-6.0	51.2	59.1	-7.9
Finland	106.1	81.1	25.0	81.6	59.0	22.6
Denmark	80.6	107.0	-26.4	53.7	79.7	-26.0

The results of business areas Private and Commercial were positively impacted by the favourable frequency development and benign weather conditions. Business area Industrial performed well in 2014 as both combined ratio and risk ratio improved compared to previous year. In the Baltics, risk ratio and combined ratio improved also significantly helped by a very low claims level in the beginning of the year and negative large claims outcome in the comparison year. Also in Denmark both risk and combined ratios improved significantly helped by positive large claims outcome. The large claims outcome for If in total was close to the expected level ending up EUR 7 million negative.

Investment Allocation

If P&C, 31 December 2014, total EUR 11.5 billion



In Sweden, the risk ratio deteriorated by 1.7 percentage points as the decline in discount rates used to discount the annuity reserves together with negative large claims outcome affected the Swedish result. The Swedish discount rate used to discount the annuity reserves decreased to 0.58 per cent by the end of the year. At the end of 2013 the discount rate was 1.19 per cent. In Finland, the discount rate for annuities was lowered from 2.5 per cent to 2.0 per cent in the fourth quarter of 2014.

Gross written premiums decreased to EUR 4,634 million (4,768) as a result of the weakened Norwegian and Swedish kronas. Adjusted for currency premiums increased 1.7 per cent. Premiums grew in all business areas except Industrial. In Private gross written premiums adjusted for currency increased 3.2 per cent, in Commercial 0.2 per cent and in the Baltic operations by 4.9 per cent. Gross written premiums in Industrial decreased by 2.6 per cent.

Cost ratio improved to 22.5 per cent (22.8) and expense ratio to 16.7 per cent (16.8) as a result of the adoption of continuous cost efficiency measures.

At the end of December 2014 the total investment assets of If P&C amounted to EUR 11.5 billion (11.7).

Net income from investments decreased to EUR 353 million (368). Investment return mark-to-market for 2014 was 4.1 per cent (5.0).

Duration for interest bearing assets was 1.0 year (1.3) and average maturity 2.4 years (2.3). Fixed income running yield as at 31 December 2014 was 2.4 per cent (2.9).

If P&C's solvency ratio as at 31 December 2014 (solvency capital in relation to net written premiums) amounted to 82 per cent (81). Solvency capital amounted to EUR 3,544 million (3,601), although a dividend of SEK 5.5 billion (EUR 597 million) was paid to Sampo plc in the fourth quarter. Reserve ratios were 161 per cent (160) of net written premiums and 237 per cent (227) 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 2014 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 8.21 per share. The closing price as at 30 December 2014 was EUR 9.68.

Nordea's Board of Directors proposes to the AGM 2015 a dividend of EUR 0.62 per share (0.43). The Board's ambition is to continue increasing the pay-out ratio for 2015, while maintaining a strong capital base. If the AGM approves the Board's dividend proposal, Sampo plc will receive a dividend of EUR 533 million from Nordea on 30 March 2015.

Results

EURm	2014	2013	Change, %	Q4/2014	Q4/2013	Change, %
Net interest income	5,482	5,525	-1	1,356	1,390	-2
Total operating income*)	9,847	9,891	0	2,513	2,469	2
Profit before loan losses	5,015	4,851	3	1,286	1,186	8
Net loan losses	-534	-735	-27	-129	-180	-28
Loan loss ratio (ann.), bps	15	21		15	21	
Operating profit	4,324	4,116	5	1,157	1,006	15
Diluted EPS (total oper.), EUR	0.83	0.77		0.22	0.19	
Return on equity, %	11.5	11.0		11.8	10.5	

*) Excluding non-recurring income and cost items in Q2 and Q3 2014 – capital gain of EUR 378 million and charge for impairment of intangible assets of EUR 344 million in Q3 2014 and restructuring costs of EUR 190 million in Q2 2014.

The following text is based on Nordea's full-year 2014 result release published on 28 January 2015.

Despite a challenging environment with low growth, low interest rates and increased geopolitical tensions, Nordea delivered a robust result with stable revenues, decreased costs and improved credit quality.

Total income was up 2 per cent in local currencies (largely unchanged in EUR) compared to last year, excluding nonrecurring items, and operating profit was up 12 per cent in local currencies (+9 per cent in EUR) compared to last year excluding non-recurring items.

Net interest income was up 2 per cent in local currencies (down 1 per cent in EUR) compared to last year. Lending volumes were up 4 per cent in local currencies excluding reversed repurchase agreements. Corporate and household lending margins were higher, while deposit margins overall were down from one year ago.

Net fee and commission income increased 10 per cent in local currencies (+8 per cent in EUR) and the net result from items at fair value decreased by 6 per cent in local currencies (-7 per cent in EUR) compared to last year.

Total expenses were down 1 per cent in local currencies (-4 per cent in EUR) compared to 2013 excluding impairment charge and restructuring costs. Staff costs were up 3 per cent in local currencies (largely unchanged in EUR) excluding restructuring costs. In local currencies and excluding non-recurring items and variable pay, costs were down by 2.2 per cent. Total expenses in the full year 2014 excluding the restructuring costs and the charge for impairment of intangible assets were EUR 4,832 million.

Net loan loss provisions decreased to EUR 534 million, corresponding to a loan loss ratio of 15 basis points (21 basis points last year).

Net profit including non-recurring items increased 9 per cent in local currencies (+7 per cent in EUR) to EUR 3,332 million and net profit as basis for dividend distribution increased 17 per cent in local currencies (+15 per cent in EUR) to EUR 3,593 million.

The impact from currency fluctuations was a reducing effect of 3 percentage points on income and expenses and approx. -3 percentage points on loan and deposit volumes compared to a year ago.

The Group's fully loaded Basel III Common equity tier 1 (CET1) capital ratio increased to 15.7 per cent at the end of the fourth quarter from 15.6 per cent at the end of the third quarter, following strong profit generation and the continuous focus on capital management. The CET1 capital ratio was negatively affected by 10 basis points due to currency effects. The tier 1 capital ratio increased to 17.6 per cent and the total capital ratio increased 0.4 percentage points to 20.7 per cent.

REA was EUR 145.5 billion, a decrease of EUR 7.1 billion compared to the previous quarter. A reduction in REA of EUR 4.4 billion has been realized in the quarter following the continued focus on capital management.

Nordea's cost efficiency programme is progressing as planned and the net cost reduction effects are expected to accelerate during 2015. An annualised gross reduction in total expenses of EUR 65 million has been conducted in the fourth quarter and EUR 415 million from the beginning of 2013. The focus on capital management will continue.

For more information on Nordea Bank AB and its results for 2014, see 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	2014	2013	Change, %	Q4/2014	Q4/2013	Change, %
Premiums written	1,105	1,063	4	333	275	21
Net income from investments	540	569	-5	70	181	-61
Other operating income	5	4	26	2	1	46
Claims incurred	-876	-731	20	-253	-173	46
Change in liabilities for inv. and ins. contracts	-499	-648	-23	-70	-211	-67
Staff costs	-46	-46	1	-12	-11	12
Other operating expenses	-60	-54	10	-18	-12	48
Finance costs	-7	-7	5	-2	-1	26
Share of associate's profit	0	1	-67	0	0	181
Profit before taxes	163	153	7	50	49	2

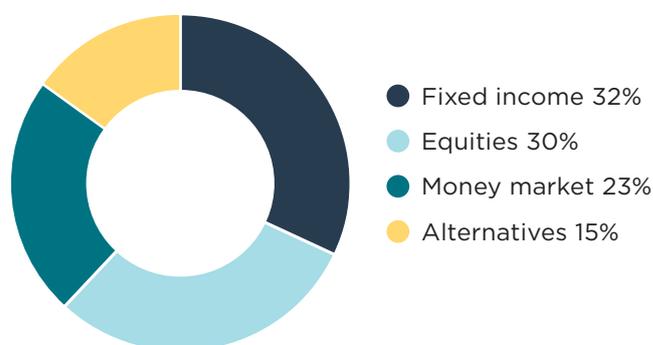
Key figures

			Change			
Expense ratio, %	104.1	106.6	-2.5	-	-	-
Return on equity, %	11.4	18.3	-6.9	-	-	-
Average number of staff (FTE)	509	541	-32	-	-	-

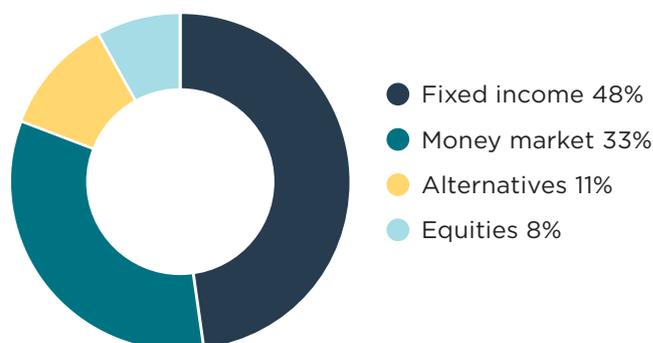
On 30 December 2014 Mandatum Life received Suomi Mutual's with profit group pension portfolio. The portfolio comprises approximately 2,300 policies and 34,000 members. The amount of transferred assets and liabilities was EUR 1,337 million. Technical provisions include longevity and expense supplements totaling EUR 108 million. Due to the special features of the received portfolio, technical provisions excluding the longevity and expense supplements and related assets have been segregated from the rest of Mandatum Life's balance sheet. Unless otherwise stated the information on technical provisions and the assets covering the provisions at the end of 2014 include the segregated group pension portfolio. The segregated group pension portfolio did not impact the profit and loss statement in 2014.

Life insurance operations reported for 2014 profit before taxes of EUR 163 million (153). The total comprehensive income for the period reflecting the changes in market values of assets was EUR 149 million (220). Return on equity (RoE) amounted to 11.4 per cent (18.3).

Investment Allocation
(excluding the segregated portfolio)
Mandatum Life, 31 December 2014, total EUR 5.3 billion



Allocation of assets of the segregated portfolio
31 December 2014, total EUR 1.2 billion



Mandatum Life Group's investment assets, excluding the assets of EUR 5.3 billion (4.6) covering unit-linked liabilities, amounted to EUR 6.6 billion (5.5) at market values as at 31 December 2014.

Mark-to-market return on investments in 2014 was 4.6 per cent (7.1). At the end of December 2014 duration of fixed income assets, excluding the segregated portfolio, was 1.6 years (1.8) and average maturity 1.9 years (2.2). Fixed income running yield was 3.1 per cent (3.7). For the segregated portfolio the duration was 2.4 years and average maturity 1.9 years.

Net investment income, excluding income on unit linked contracts, decreased to EUR 273 million (298). Net income from unit-linked contracts was EUR 267 million (270). In 2014, fair value reserve remained almost unchanged at EUR 508 million (492).

Mandatum Life Group's solvency margin clearly exceeded Solvency I requirements and the solvency capital amounted to EUR 1,463 million (1,403) as at 31 December 2014. The solvency ratio was 22.9 per cent (27.6). The decrease in solvency ratio based on Solvency I requirements was due to the portfolio transfer from Suomi Mutual.

Total technical reserves of Mandatum Life Group increased to EUR 10.4 billion (8.5). The unit-linked reserves grew to EUR 5.3 billion (4.6) at the end of 2014, which corresponds to 51 per cent (54) of total technical reserves. Because of the portfolio transfer from Suomi Life, the with profit reserves increased during 2014 and amounted to EUR 5.1 billion (3.9) at the end of 2014. Excluding the portfolio transfer the with profit reserves decreased EUR 199 million in 2014.

The discount rate used to discount all with profit liabilities excluding the segregated fund, have been lowered to 2.0 per cent for 2015 and 3.0 per cent for 2016. For this purpose a reserve of EUR 135 million has been established.

The segregated fund carries a guaranteed interest of 3.5 per cent, which has been lowered to 1.0 per cent by supplementing the technical reserves with EUR 241 million.

The expense result for life insurance segment continued to develop favorably and increased to EUR 19 million (14). Risk result remained almost unchanged at EUR 23 million (24).

Mandatum Life Group's premium income on own account increased 4 per cent to EUR 1,105 million (1,063). Main sales channels, Danske Bank and Mandatum's own Wealth Management unit, performed well and premiums from unit linked policies reached an all-time high EUR 961 million (909). Premium income from the Baltic countries amounted to EUR 40 million (32). Mandatum Life's market share in Finland was 17.9 per cent both overall and in unit-linked. A year earlier the market shares were 19.3 and 19.2 per cent, respectively. Market share in the Baltic countries was 11 per cent (10).

Holding

Sampo plc owns and controls its subsidiaries engaged in P&C and life insurance. In addition Sampo plc held on 31 December 2014 approximately 21.2 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	2014	2013	Change, %	Q4/2014	Q4/2013	Change, %
Net investment income	29	26	10	6	10	-35
Other operating income	15	15	0	4	4	1
Staff costs	-20	-23	-15	-6	-5	12
Other operating expenses	-12	-11	9	-4	-2	87
Finance costs	-23	-51	-56	-2	-2	-15
Share of associate's profit	680	635	7	179	157	14
Profit before taxes	669	589	14	178	161	10
Key figures			Change			
Average number of staff (FTE)	57	53	4	-	-	-

Holding segment's profit before taxes amounted to EUR 669 million (589), of which EUR 680 million (635) relates to Sampo's share of Nordea's 2014 profit. Segment's profit excluding Nordea was EUR -12 million (-45). The finance costs reduced significantly because the average running cost of debt, net of swaps, decreased by 0.50 per cent and the weakening of Swedish krona decreased the value of debt.

Sampo plc's holding in Nordea Bank was booked in the consolidated balance sheet at EUR 7.1 billion. The market value of the holding was EUR 8.3 billion, i.e. EUR 9.68 per share, at 31 December 2014. In addition the assets on Sampo plc's balance sheet included holdings in subsidiaries for EUR 2.4 billion (2.4).

Other developments

Personnel

The average number of Sampo Group's employees (FTE) in 2014 amounted to 6,739 (6,832). P&C insurance is Sampo Group's largest business area and employed 91.6 per cent of the personnel in 2014. Life insurance had approximately 7.6 per cent of the work force and the parent company Sampo plc 0.8 per cent.

In geographical terms Finland had 33 per cent of the personnel, Sweden 27 per cent and Norway 21 per cent. The share of Baltic countries, Denmark and other countries was 19 per cent. As of 31 December, the total number of staff in Sampo Group totaled 6,723 persons.

Remuneration

In 2014 EUR 26 million (27), including social costs, was paid on the basis of the long-term incentive scheme 2011:1. EUR 33 million (34), including social costs, was paid as short-term incentives during the same period.

The outcome of the long-term incentive schemes is determined by Sampo's share price development over a period of approximately three years starting from the issue of the respective program. The programs are subject to thresholds on share price development and company profitability, as well as ceilings for maximum payout. Furthermore, the programs are subject to rules requiring part of the paid incentive reward to be used to acquire Sampo shares, which must in turn be held for a specified period of time. The result impact of the long-term incentive schemes in force in 2014 was EUR 34 million (42).

Shares

The Annual General Meeting of 2014 authorized the Board to acquire in one or several lots a maximum of 50,000,000 Sampo A shares. Shares can be repurchased in other proportion than the shareholders' proportional shareholdings (private repurchase). The share price will be no higher than the highest price paid for Sampo shares in public trading at the time of purchase. The authorization is valid until the close of the next Annual General Meeting, nevertheless not more than 18 months after AGM's decision.

Sampo plc made no repurchases during 2014 and has not purchased its own shares after the end of the reporting period. At the end of the financial year, neither Sampo plc nor its Group companies held any Sampo A shares.

Internal dividends

Sampo plc, Sampo Group's parent company, received close to EUR 1,2 billion in dividends from its subsidiaries and associated company Nordea Bank AB during 2014. The following dividend payments were received during 2014:

- 24 March 2014; Mandatum Life; EUR 100 million,
- 1 April 2014; Nordea Bank AB; EUR 370 million and
- 9 December 2014; If P&C; SEK 5.5 billion (approx. EUR 597 million).

On 28 January 2015 Nordea Bank AB's Board of Directors proposed to the Annual General meeting to be held on 19 March 2015, a dividend of EUR 0.62 per share. With its current holding Sampo plc's share amounts to EUR 533 million. The dividend is proposed to be paid on 30 March 2015.

A planned dividend of EUR 100 million has already been deducted in Mandatum Life's solvency calculation as at 31 December 2014. The dividend will be paid during the first quarter of 2015. If P&C normally pays its dividend towards the end of the calendar year.

Ratings

All the ratings for Sampo Group companies remained unchanged in 2014.

Rated company	Moody's		Standard & 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

Nordea Bank AB (publ) has been Sampo plc's associated company since 31 December 2009. Under the Act on the Supervision of Financial and Insurance Conglomerates (2004/699), Sampo Group is therefore treated as a financial and insurance conglomerate.

Group solvency has in 2014 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 December 2014	31 December 2013
Group capital	10,924	10,643
Sectoral items	1,685	1,274
Intangibles and other deductibles	-3,426	-3,319
Group's own funds, total	9,183	8,598
Minimum requirements for own funds, total	4,901	4,663
Group solvency	4,282	3,935
Group solvency ratio (Own funds % of minimum requirements)	187.4	184.4

Group solvency ratio (own funds in relation to minimum requirements for own funds) strengthened further during 2014 and amounted to 187.4 per cent (184.4) as at 31 December 2014.

In addition to the aforementioned conglomerate solvency considerations, Sampo Group's 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 2014 was EUR 5,510 million (5,361) and adjusted solvency capital was EUR 9,100 million (9,417).

Debt financing

Sampo plc's debt financing on 31 December 2014 amounted to EUR 2,192 million (2,027) and interest bearing assets to EUR 1,233 million (980). Interest bearing assets include bank accounts, money market instruments and EUR 465 million of hybrid instruments issued by the subsidiaries and associates. During 2014 the net debt decreased EUR 88 million to EUR 960 million (1,048). Gross debt to Sampo plc's equity was 31 per cent (29).

As at 31 December 2014 financial liabilities in Sampo plc's balance sheet consisted of issued senior bonds and notes of EUR 1,888 million (1,720) and EUR 305 million (308) of outstanding CPs issued. The average interest on Sampo plc's debt as of 31 December 2014 was 1.74 per cent (2.26).

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. Interest rate swaps are used to obtain the desired characteristics for the debt portfolio. These derivatives are valued at fair value in the profit and loss account although economically they are related to 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 net finance costs.

The underlying objective of Sampo plc is to maintain a well-diversified debt structure, relatively low leverage and strong liquidity in order for the company to be able to arrange financing for strategic projects if needed. Strong liquidity and the ability to acquire financing are essential factors in maintaining Sampo Group's strategic flexibility.

More information on Sampo Group's outstanding debt issues is available at www.sampo.com/debtfinancing.

Outlook

Outlook for 2015

Sampo Group's business areas are expected to report good operating results for 2015.

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 their long-term combined ratio target of below 95 per cent in 2015 by a margin.

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

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 which it identifies and assesses regularly.

Major risks affecting the Group's profitability and its variation are market, credit, insurance and operational risks that can be quantified in most of the cases by financial measurement techniques based on historical data. Currently their quantified contributions to the Group's Economic Capital - used as an internal basis for capital needs - represent normal levels of 34 per cent, 44 per cent, 11 per cent and 10 per cent, respectively.

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. They both may have also long-term impact on how business shall be conducted.

Dividend proposal

According to Sampo plc's dividend policy, total annual dividends paid shall be at least 50 per cent of the 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 6,908,853,083.44, of which profit for the financial year was EUR 1,049,724,795.16.

The Board proposes to the Annual General Meeting a dividend of EUR 1.95 per share to company's 560,000,000 shares. The dividends to be paid are EUR 1,092,000,000.00 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 20 April 2015. The Board proposes that the dividend be paid on 28 April 2015.

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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Press conference and conference call

Sampo will today arrange a Finnish-language press conference at Savoy (Eteläesplanadi 14, Helsinki), at 12.30 pm Finnish time.

An English-language conference call for investors and analysts will be arranged at 4 pm Finnish time (2 pm UK time).

Please call +44 (0)203 194 0550, +1 855 269 2605, +46 (0)8 5199 9355 or +358 (0)9 8171 0465.

The title for the conference is 'Sampo Group's Results for 2014'.

The conference call can also be followed live at www.sampo.com/result.

A recorded version will later be available at the same address.

In addition a Supplementary Financial Information Package is available at www.sampo.com/result.

Sampo will publish the Interim Report for January - March 2015 on 7 May 2015.

Distribution:
Nasdaq Helsinki
The principal media
Financial Supervisory Authority
www.sampo.com

Group financial review

Financial highlights

Group		1-12/2014	1-12/2013
Profit before taxes	EURm	1,759	1,668
Return on equity (at fair value)	%	10.9	13.8
Return on assets (at fair value)	%	5.6	7.0
Equity/assets ratio	%	31.5	32.7
Group solvency ¹⁾	EURm	4,282	3,934
Group solvency ratio	%	187.4	184.4
Average number of staff		6,739	6,832
Property & Casualty insurance			
Premiums written before reinsurers' share	EURm	4,634	4,768
Premiums earned	EURm	4,457	4,505
Profit before taxes	EURm	931	929
Return on equity (at current value)	%	18.1	24.4
Risk ratio ²⁾	%	65.1	65.4
Cost ratio ²⁾	%	22.5	22.8
Loss ratio, excl. unwinding of discounting ²⁾	%	70.9	71.4
Expense ratio ²⁾	%	16.7	16.8
Combined ratio, excl. unwinding of discounting	%	87.7	88.1
Average number of staff		6,173	6,238
Life insurance			
Premiums written before reinsurers' share	EURm	1,110	1,068
Profit before taxes	EURm	163	153
Return on equity (at current value)	%	11.4	18.3
Expense ratio	%	104.1	106.6
Average number of staff		509	541
Holding			
Profit before taxes	EURm	669	589
Average number of staff		57	53
Per share key figures			
Earnings per share	EUR	2.75	2.59
Earnings per share, incl. other comprehensive income	EUR	2.11	2.54
Capital and reserves per share	EUR	19.51	19.01
Net asset value per share	EUR	22.63	22.15
Adjusted share price, high	EUR	39.98	35.92
Adjusted share price, low	EUR	33.71	25.04
Market capitalisation	EURm	21,739	20,003

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.

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), %

+ total comprehensive income	
± valuation differences on investments less deferred tax	
<hr/>	
+ total equity	x 100 %
± 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/>	
+ balance sheet, total	x 100 %
- 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/>	
+ balance sheet total	x 100 %
± valuation differences on investments	

Risk ratio for P&C Insurance, %

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

Cost ratio for P&C Insurance, %

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

Loss ratio for P&C Insurance, %

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

Expense ratio for P&C Insurance, %

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

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/>	
expense charges	x 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	10-12/2014	7-9/2014	4-6/2014	1-3/2014	10-12/2013
Insurance premiums written	1,232	1,071	1,398	1,844	1,187
Net income from investments	145	189	364	201	276
Other operating income	9	8	7	8	10
Claims incurred	-958	-916	-923	-973	-896
Change in liabilities for insurance and investment contracts	132	188	-244	-566	-12
Staff costs	-148	-148	-158	-150	-151
Other operating expenses	-151	-135	-133	-140	-137
Finance costs	-3	-16	-1	-9	-4
Share of associates' profit/loss	189	211	154	181	167
Profit for the period before taxes	447	452	465	396	440
Taxes	-56	-52	-66	-46	-43
Profit for the period	391	400	399	351	397
Other comprehensive income for the period					
Items reclassifiable to profit or loss					
Exchange differences on translating foreign operations	-112	11	-54	-17	-68
Available-for-sale financial assets	-32	-82	100	85	46
Cash flow hedges	-	-	-	-	0
Share of other comprehensive income of associates	-137	-7	-4	-20	-31
Taxes	7	17	-20	-19	21
Total items reclassifiable to profit or loss, net of tax	-274	-61	22	28	-31
Items not reclassifiable to profit or loss					
Actuarial gains and losses from defined pension plans	-49	-41	-6	-6	-71
Taxes	12	11	1	1	19
Total items not reclassifiable to profit or loss, net of tax	-36	-30	-5	-4	-52
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	80	309	415	374	313

Statement of profit and other comprehensive income, IFRS

EURm	Note	1-12/2014	1-12/2013
Insurance premiums written	1	5,544	5,618
Net income from investments	2	898	942
Other operating income		32	31
Claims incurred	3	-3,771	-3,677
Change in liabilities for insurance and investment contracts		-489	-697
Staff costs	4	-603	-634
Other operating expenses		-558	-543
Finance costs		-29	-58
Share of associates' profit/loss		735	686
Profit before taxes		1,759	1,668
Taxes		-220	-216
Profit for the period		1,540	1,452
Other comprehensive income for the period			
Items reclassifiable to profit or loss			
Exchange differences		-174	-153
Available-for-sale financial assets		72	233
Cash flow hedges		-	0
Share of other comprehensive income of associates		-168	-70
Taxes		-15	-22
Total items reclassifiable to profit or loss, net of tax		-285	-13
Items not reclassifiable to profit or loss			
Actuarial gains and losses from defined pension plans		-101	-21
Taxes		26	7
Total items not reclassifiable to profit or loss, net of tax		-76	-14
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		1,179	1,425
Basic earnings per share (eur)		2.75	2.59

Consolidated balance sheet, IFRS

EURm	Note	12/2014	12/2013
Assets			
Property, plant and equipment		24	25
Investment property		195	125
Intangible assets	5	715	752
Investments in associates		7,447	7,282
Financial assets	6, 7, 8, 9, 10	16,930	16,824
Investments related to unit-linked insurance contracts	11	5,259	4,616
Tax assets		86	68
Reinsurers' share of insurance liabilities		240	422
Other assets		1,781	1,676
Cash and cash equivalents		2,074	785
Total assets		34,750	32,576
Liabilities			
Liabilities for insurance and investment contracts	12	14,248	13,427
Liabilities for unit-linked insurance and investment contracts	13	5,289	4,610
Financial liabilities	14	2,423	2,193
Tax liabilities		504	508
Provisions		63	58
Employee benefits		265	195
Other liabilities		1,035	941
Total liabilities		23,827	21,933
Equity			
Share capital		98	98
Reserves		1,531	1,531
Retained earnings		8,655	8,175
Other components of equity		639	840
Total equity		10,924	10,643
Total equity and liabilities		34,750	32,576

Statement of changes in equity, IFRS

EURm	Share capital	Share premium account	Legal reserve	Invested un-restricted equity	Retained earnings	Translation of foreign operations 1)	Available-for-sale financial assets 2)	Cash flow hedges 3)	Total
Equity at 1 Jan. 2013	98	0	4	1,527	7,587	167	760	-29	10,113
Change in IAS 19 Pension benefits 4)					-91	-2			-93
Restated equity at 1 Jan. 2013	98	0	4	1,527	7,496	165	760	-29	10,020
Changes in equity									
Recognition of undrawn dividends					7				7
Dividends					-756				-756
Share of associate's other changes in equity					-54				-52
Other changes in equity 5)					19	-19			-
Profit for the period					1,452				1,452
Other comprehensive income for the period					10	-253	216	-1	-27
Equity at 31 Dec. 2013	98	0	4	1,527	8,175	-106	976	-30	10,643
Changes in equity									
Recognition of undrawn dividends					8				8
Dividends					-924				-924
Share of associate's other changes in equity					17				17
Profit for the period					1,540				1,540
Other comprehensive income for the period					-160	-264	64	-	-361
Equity at 31 Dec. 2014	98	0	4	1,527	8,655	-370	1,039	-30	10,924

¹⁾ 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 -85 (25) of Nordea's actuarial gains/losses from defined pension plans. The exchange differences include the share of Nordea's exchange differences EURm -90 (-99). Respectively, available-for-sale financial assets include EURm 7 (5) of Nordea's valuation differences.

²⁾ The amount recognised in equity from available-for-sale financial assets for the period totalled EURm 177 (280). The amount transferred to p/l amounted to EURm -120 (-70).

³⁾ The amount recognised in equity from cash flow hedges for the period totalled EURm - (-0).

⁴⁾ IAS 19 Pension benefits had a net effect of EURm -160 (-83) on retained earnings.

⁵⁾ Reclassification of subsidiary exchange differences.

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	1-12/2014	1-12/2013
Cash and cash equivalent at the beginning of the period	785	1,034
Cash flow from/used in operating activities	1,638	230
Cash flow from/used in investing activities	377	360
Cash flow from/used in financing activities	-725	-839
Dividends paid	-913	-747
Increase of liabilities	1,199	1,214
Decrease of liabilities	-1,012	-1,307
Cash and cash equivalent at the end of the period	2,074	785

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 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 2013.

Sampo adopted new or revised standards and interpretations at the beginning of the year 2014. These standards and interpretations are explained in Sampo's accounting policies for the financial year 2013. The financial statements are available on Sampo's website at www.sampo.com/annualreport.

Comprehensive income statement by segment for twelve months ended 31 December 2014

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
Insurance premium written	4,464	1,105	-	-24	5,544
Net income from investments	353	540	29	-23	898
Other operating income	27	5	15	-16	32
Claims incurred	-2,902	-876	-	8	-3,771
Change in liabilities for insurance and investment contracts	-6	-499	-	16	-489
Staff costs	-537	-46	-20	-	-603
Other operating expenses	-502	-60	-12	16	-558
Finance costs	-20	-7	-23	20	-29
Share of associates' profit/loss	54	0	680	-	735
Profit before taxes	931	163	669	-3	1,759
Taxes	-190	-29	0	1	-220
Profit for the period	740	133	669	-2	1,540
Other comprehensive income for the period					
Items reclassifiable to profit or loss					
Exchange differences	-174	0	-	-	-174
Available-for-sale financial assets	45	20	4	2	72
Share of other comprehensive income of associates	-	-	-168	-	-168
Taxes	-10	-4	-1	0	-15
Total items reclassifiable to profit or loss, net of tax	-138	16	-165	2	-285
Items not reclassifiable to profit or loss					
Actuarial gains and losses from defined pension plans	-101	-	-	-	-101
Taxes	26	-	-	-	26
Total items not reclassifiable to profit or loss, net of tax	-76	-	-	-	-76
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	526	149	504	0	1,179

Comprehensive income statement by segment for twelve months ended 31 December 2013

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
Insurance premium written	4,560	1,063	-	-6	5,618
Net income from investments	368	569	26	-22	942
Other operating income	28	4	15	-16	31
Claims incurred	-2,946	-731	-	-	-3,677
Change in liabilities for insurance and investment contracts	-55	-648	-	6	-697
Staff costs	-564	-46	-23	-	-634
Other operating expenses	-493	-54	-11	16	-543
Finance costs	-18	-7	-51	18	-58
Share of associates' profit/loss	50	1	635	-	686
Profit before taxes	929	153	589	-3	1,668
Taxes	-181	-33	-3	2	-216
Profit for the period	748	119	586	-1	1,452
Other comprehensive income for the period					
Items reclassifiable to profit or loss					
Exchange differences	-153	0	-	-	-153
Available-for-sale financial assets	134	97	4	-2	233
Cash flow hedges	-	0	-	-	0
Share of other comprehensive income of associates	-	-	-70	-	-70
Taxes	-25	4	-1	0	-22
Total items not reclassifiable to profit or loss, net of tax	-45	101	-67	-2	-13
Items not reclassifiable to profit or loss					
Actuarial gains and losses from defined pension plans	-21	-	-	-	-21
Taxes	7	-	-	-	7
Total items not reclassifiable to profit or loss, net of tax	-14	-	-	-	-14
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	689	220	520	-3	1,425

Consolidated balance sheet by segment at 31 December 2014

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
Assets					
Property, plant and equipment	16	5	3	-	24
Investment property	20	179	-	-4	195
Intangible assets	555	160	0	-	715
Investments in associates	381	0	7,065	-	7,447
Financial assets	11,021	5,665	2,959	-2,715	16,930
Investments related to unit-linked insurance contracts	-	5,282	-	-23	5,259
Tax assets	76	-	13	-4	86
Reinsurers' share of insurance liabilities	237	3	-	-	240
Other assets	1,533	208	50	-11	1,781
Cash and cash equivalents	448	858	768	-	2,074
Total assets	14,288	12,359	10,859	-2,756	34,750
Liabilities					
Liabilities for insurance and investment contracts	9,183	5,065	-	-	14,248
Liabilities for unit-linked insurance and investment contracts	-	5,312	-	-23	5,289
Financial liabilities	373	186	2,203	-339	2,423
Tax liabilities	382	123	-	-1	504
Provisions	63	-	-	-	63
Employee benefits	265	-	-	-	265
Other liabilities	702	209	134	-11	1,035
Total liabilities	10,969	10,895	2,337	-374	23,827
Equity					
Share capital					98
Reserves					1,531
Retained earnings					8,655
Other components of equity					639
Total equity					10,924
Total equity and liabilities					34,750

Consolidated balance sheet by segment at 31 December 2013

EURm	P&C insurance	Life insurance	Holding	Elimination	Group
Assets					
Property, plant and equipment	16	5	4	-	25
Investment property	22	107	-	-4	125
Intangible assets	590	162	0	-	752
Investments in associates	374	1	6,906	-	7,282
Financial assets	11,265	5,122	3,148	-2,712	16,824
Investments related to unit-linked insurance contracts	-	4,623	-	-7	4,616
Tax assets	58	-	14	-4	68
Reinsurers' share of insurance liabilities	420	3	-	-	422
Other assets	1,559	81	47	-10	1,676
Cash and cash equivalents	282	222	280	-	785
Total assets	14,586	10,327	10,399	-2,736	32,576
Liabilities					
Liabilities for insurance and investment contracts	9,500	3,927	-	-	13,427
Liabilities for unit-linked insurance and investment contracts	-	4,617	-	-7	4,610
Financial liabilities	373	111	2,045	-336	2,193
Tax liabilities	381	128	-	-1	508
Provisions	58	-	-	-	58
Employee benefits	195	-	-	-	195
Other liabilities	694	129	129	-11	941
Total liabilities	11,202	8,912	2,174	-355	21,933
Equity					
Share capital					98
Reserves					1,531
Retained earnings					8,175
Other components of equity					840
Equity attributable to owners of the parent					10,643
Non-controlling interests					-
Total equity					10,643
Total equity and liabilities					32,576

Other notes, EURm

1 Insurance premiums

P&C insurance	1-12/2014	1-12/2013
Premiums from insurance contracts		
Premiums written, direct insurance	4,550	4,674
Premiums written, assumed reinsurance	84	94
Premiums written, gross	4,634	4,768
Ceded reinsurance premiums written	-170	-208
P&C insurance, total	4,464	4,560
Change in unearned premium provision	-3	-46
Reinsurers' share	-3	-10
Premiums earned for P&C insurance, total	4,457	4,505
Life insurance	1-12/2014	1-12/2013
Premiums from insurance contracts		
Premiums from contracts with discretionary participation feature	143	153
Premiums from unit-linked contracts	513	469
Premiums from other contracts	2	1
Insurance contracts, total	658	624
Assumed reinsurance	4	4
Premiums from investment contracts		
Premiums from contracts with discretionary participation feature	1	0
Premiums from unit-linked contracts	448	440
Investment contracts, total	449	440
Reinsurers' shares	-5	-5
Life insurance, total	1,105	1,063
Single and regular premiums from direct insurance		
Regular premiums, insurance contracts	282	291
Single premiums, insurance contracts	375	333
Single premiums, investment contracts	449	440
Total	1,106	1,064
Elimination items between segments	-24	-6
Group, total	5,544	5,618

2 Net income from investments >

P&C Insurance	1-12/2014	1-12/2013
Financial assets		
Derivative financial instruments	-28	-5
Financial assets designated as at fair value through p/l		
Debt securities	0	0
Equity securities	0	6
Total	0	7
Loans and receivables	21	22
Financial asset available-for-sale		
Debt securities	251	330
Equity securities	173	89
Total	424	419
Total financial assets	417	443
Income from other assets	-1	-1
Fee and commission expense	-14	-15
Expense on other than financial liabilities	-4	-4
Effect of discounting annuities	-45	-55
P&C insurance, total	353	368

> 2 Net income from investments >

Life insurance	1-12/2014	1-12/2013
Financial assets		
Derivative financial instruments	-97	6
Financial assets designated as at fair value through p/l		
Debt securities	2	2
Equity securities	0	0
Total	2	2
Investments related to unit-linked contracts		
Debt securities	48	19
Equity securities	232	223
Loans and receivables	3	-1
Other financial assets	-16	29
Total	267	270
Loans and receivables	44	-4
Financial asset available-for-sale		
Debt securities	147	116
Equity securities	155	165
Total	302	282
Total income from financial assets	518	556
Other assets	8	2
Fee and commission income, net	13	11
Life insurance, total	540	569

> 2 Net income from investments

Holding	1-12/2014	1-12/2013
Financial assets		
Derivative financial instruments	1	8
Loans and other receivables	-4	-5
Financial assets available-for-sale		
Debt securities	29	16
Equity securities	3	5
Total	32	22
Other assets	0	1
Holding, total	29	26
Elimination items between segments	-23	-22
Group, total	898	942

3 Claims incurred

P&C insurance	1-12/2014	1-12/2013
Claims paid	-2,930	-3,066
Reinsurers' share	195	186
Claims paid, net	-2,735	-2,880
Change in provision for claims outstanding	11	59
Reinsurers' share	-178	-126
P&C insurance total	-2,902	-2,946
Life insurance	1-12/2014	1-12/2013
Claims paid	-882	-741
Reinsurers' share	3	3
Claims paid, net	-879	-738
Change in provision for claims outstanding	3	7
Reinsurers' share	0	-1
Life insurance, total	-876	-731
Elimination items between segments	8	-
Group, total	-3,771	-3,677

4 Staff costs

P&C insurance	1-12/2014	1-12/2013
Wages and salaries	-374	-390
Granted cash-settled share options	-18	-22
Pension costs	-71	-73
Other social security costs	-75	-79
P&C insurance, total	-537	-564
Life insurance	1-12/2014	1-12/2013
Wages and salaries	-33	-33
Granted cash-settled share options	-4	-5
Pension costs	-5	-5
Other social security costs	-4	-3
Life insurance, total	-46	-46
Holding	1-12/2014	1-12/2013
Wages and salaries	-8	-8
Granted cash-settled share options	-9	-12
Pension costs	-2	-3
Other social security costs	0	-1
Holding, total	-20	-23
Group, total	-603	-634

5 Intangible assets

P&C insurance	12/2014	12/2013
Goodwill	535	567
Other intangible assets	20	23
P&C insurance, total	555	590
Life insurance	12/2014	12/2013
Goodwill	153	153
Other intangible assets	7	9
Life insurance, total	160	162
Group, total	715	752

6 Financial assets >

P&C insurance	12/2014	12/2013
Derivative financial instruments (Note 7)	42	5
Loans and receivables		
Loans	237	245
Deposits with ceding undertakings	1	1
Total	238	246
Financial assets available-for-sale		
Debt securities	9,188	9,531
Equity securities	1,553	1,483
Total	10,741	11,014
P&C insurance, total	11,021	11,265
Life insurance	12/2014	12/2013
Derivative financial instruments (Note 7)	3	33
Financial assets designated as at fair value through p/l		
Debt securities	47	46
Equity securities	2	2
Total	48	48
Loans and receivables		
Loans	27	18
Deposits with ceding undertakings	-	1
Total	27	19
Financial assets available-for-sale		
Debt securities	2,895	2,907
Equity securities *)	2,691	2,116
Total	5,587	5,023
Life insurance, total	5,665	5,122
*) of which investments in fixed income funds	92	112

> 6 Financial assets

Holding	12/2014	12/2013
Derivative financial instruments (Note 7)	34	41
Loans and receivables		
Deposits	1	1
Financial assets available-for-sale		
Debt securities	470	709
Equity securities	85	28
Total	555	737
Investments in subsidiaries	2,370	2,370
Holding, total	2,959	3,148
Elimination items between segments	-2,715	-2,712
Group, total	16,930	16,824

7 Derivative financial instruments

P&C insurance	12/2014			12/2013		
	Contract/ notional amount	Fair value Assets	Fair value Liabilities	Contract/ notional amount	Fair value Assets	Fair value Liabilities
Derivatives held for trading						
Interest rate derivatives	153	-	3	1,250	1	5
Foreign exchange derivatives	3,008	42	21	2,189	4	20
P&C Insurance, total	2,855	42	24	3,439	5	25
Life insurance	12/2014			12/2013		
	Contract/ notional amount	Fair value Assets	Fair value Liabilities	Contract/ notional amount	Fair value Assets	Fair value Liabilities
Derivatives held for trading						
Interest rate derivatives	1,443	-	19	5,978	25	7
Credit risk derivatives	577	-	1	508	0	2
Foreign exchange derivatives	1,377	3	15	955	7	1
Equity derivatives	1	0	0	1	-	0
Total	3,398	3	35	7,441	32	11
Derivatives held for hedging						
Fair value hedges	583	-	50	501	1	-
Life insurance, total	4,166	3	86	7,942	33	11
Holding	12/2014			12/2013		
	Contract/ notional amount	Fair value Assets	Fair value Liabilities	Contract/ notional amount	Fair value Assets	Fair value Liabilities
Derivatives held for trading						
Interest rate derivatives	800	23	-	800	26	-
Credit risk derivatives	-	-	-	20	0	-
Foreign exchange derivatives	3	1	-	21	-	1
Equity derivatives	69	10	11	88	14	16
Holding, total	872	34	11	930	41	18

8 Determination and hierarchy of fair values >

A large majority of Sampo Group's financial assets are valued at fair value. The valuation is based on either published price quotations or valuation techniques based on market observable inputs, where available. For a limited amount of assets the value needs to be determined using other techniques.

The financial instruments measured at fair value have been classified into three hierarchy levels in the notes, depending on e.g. if the market for the instrument is active, or if the inputs used in the valuation technique are observable.

On level 1, the measurement of the instrument is based on quoted prices in active markets for identical assets or liabilities.

On level 2, inputs for the measurement of the instrument include also other than quoted prices observable for the asset or liability, either directly or indirectly by using valuation techniques.

In level 3, the measurement is based on other inputs rather than observable market data.

Financial assets at 31.12.2014	Level 1	Level 2	Level 3	Total
Derivative financial instruments				
Interest rate swaps	-	24	-	24
Foreign exchange derivatives	-	46	-	46
Equity derivatives	-	10	-	10
Total	-	79	-	79
Financial assets designated at fair value through profit or loss				
Equity securities	2	-	-	2
Debt securities	19	27	-	47
Total	21	27	-	48
Financial assets related to unit-linked insurance				
Equity securities	449	8	16	472
Debt securities	543	645	24	1,212
Mutual funds	2,464	896	57	3,417
Derivative financial instruments	-	9	-	9
Total	3,456	1,558	96	5,110
Financial assets available-for-sale				
Equity securities	1,658	-	228	1,887
Debt securities	8,086	4,037	77	12,200
Mutual funds	1,595	106	748	2,450
Total	11,340	4,143	1,054	16,537
Total financial assets measured at fair value	14,817	5,808	1,150	21,775

> 8 Determination and hierarchy of fair values >

Financial liabilities at 31.12.2014	Level 1	Level 2	Level 3	Total
Derivative financial instruments				
Interest derivatives	2	21	-	23
Foreign exchange derivatives	-	87	-	87
Equity derivatives	-	11	-	11
Total financial liabilities measured at fair value	2	118	-	120

Financial assets at 31.12.2013	Level 1	Level 2	Level 3	Total
Derivative financial instruments				
Interest rate swaps	1	51	-	52
Other interest derivatives	-	0	-	0
Foreign exchange derivatives	-	12	-	12
Equity derivatives	-	14	-	14
Total	1	77	-	78

Financial assets designated at fair value through profit or loss				
Equity securities	2	-	-	2
Debt securities	-	46	0	46
Total	2	46	0	48

Financial assets related to unit-linked insurance				
Equity securities	324	2	13	339
Debt securities	14	1,069	19	1,101
Mutual funds	2,098	804	64	2,966
Derivative financial instruments	-	26	-	26
Total	2,436	1,901	97	4,433

Financial assets available-for-sale				
Equity securities	1,583	-	243	1,826
Debt securities	1,874	10,858	39	12,770
Mutual funds	993	124	720	1,836
Total	4,449	10,981	1,002	16,432

Total financial assets measured at fair value	6,887	13,006	1,099	20,992
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> 8 Determination and hierarchy of fair values

Financial liabilities at 31.12.2013	Level 1	Level 2	Level 3	Total
Derivative financial instruments				
Interest derivatives	1	14	-	15
Foreign exchange derivatives	-	22	-	22
Equity derivatives	-	16	-	16
Total financial liabilities measured at fair value	1	52	-	53

Transfers between levels 1 and 2

During the last quarter, the Group started to utilise the BVAL Score information for level determination. As a result, there were several classification changes from level 2 to level 1. Debt securities available-for-sale EURm 5,438 (151) were transferred during the financial year. Also debt securities at fair value through p/l EURm 19 were transferred. Equity securities EURm 68 and debt securities EURm 368, related to unit-linked insurance, were equivalently transferred to level one.

Sensitivity analysis of fair values

The sensitivity of financial assets and liabilities to changes in exchange rates is assessed on business area level due to different base currencies. In P&C insurance, 10 percentage point depreciation of all other currencies against SEK would result in an effect recognised in profit/loss of EURm 30 (12) and in an effect recognised directly in equity of EURm -13 (-11). In Life insurance, 10 percentage point depreciation of all other currencies against EUR would result in an effect recognised in profit/loss of EURm 35 (14) and in an effect recognised directly in equity of EURm -94 (-68). In Holding, 10 percentage point depreciation of all other currencies against EUR would have no impact in profit/loss, but an effect recognised in equity of EURm -71 (-15).

The sensitivity analysis of the Group's fair values of financial assets and liabilities in different market risk scenarios is presented below. The effects represent the instantaneous effects of a one-off change in the underlying market variable on the fair values on 31 December 2014.

The sensitivity analysis includes the effects of derivative positions. All sensitivities are calculated before taxes.

The debt issued by Sampo plc is not included.

	Interest rate		Equity	Other financial assets
	1% parallel shift down	1% parallel shift up	20% fall in prices	20% fall in prices
Effect recognised in profit/loss	-78	50	0	-4
Effect recognised directly in equity	186	-179	-625	-196
Total effect	108	-130	-625	-200

9 Movements in level 3 financial instruments measured at fair value >

Financial assets at 31.12.2014	At Jan. 1 2014	Total gains/ losses in income statement	Total gains/ losses recorded in other com- prehensive income	Purchases	Sales	Transfers between levels 1 and 2	At 31 Dec 2014	Gains/losses included in p/l for financial assets 31 Dec 2014
Financial assets designated at fair value through profit or loss								
Equity securities	14	2	-	3	-3	-	16	1
Debt securities	19	-1	-	18	-1	-10	24	0
Mutual funds	64	0	-	30	-20	-18	57	1
Total	97	1	-	51	-24	-28	96	2
Financial assets available-for-sale								
Equity securities	243	11	1	30	-23	-33	228	-1
Debt securities	39	2	2	10	-6	30	78	2
Mutual funds	720	29	46	215	-262	-	748	62
Total	1,002	42	49	255	-291	-3	1,054	64
Total financial assets measured at fair value	1,099	43	49	306	-316	-31	1,150	66

	12/2014		Total
	Realised gains	Fair value gains and losses	
Total gains or losses included in profit or loss for the financial period	43	56	99
Total gains or losses included in profit and loss for assets held at the end of the financial period	10	56	66

> 9 Movements in level 3 financial instruments measured at fair value

Financial assets at 31.12.2013	At Jan. 1 2013	Total gains/ losses in income statement	Total gains/ losses recorded in other com- prehensive income	Purchases	Sales	Transfers between levels 1 and 2	At 31 Dec 2013	Gains/losses included in p/l for financial assets 31 Dec 2013
Financial assets designated at fair value through profit or loss								
Equity securities	14	-1	-	5	-4	-	14	-1
Debt securities	17	1	-	2	-1	-	19	1
Mutual funds	50	4	-	24	-13	-	64	3
Total	81	4	-	31	-19	-	97	4
Financial assets available-for-sale								
Equity securities	69	-1	3	176	-4	-	243	-3
Debt securities	73	29	-21	6	-47	-	39	-1
Mutual funds	894	-24	46	139	-335	-	720	19
Total	1,036	4	27	320	-385	-	1,002	14
Total financial assets measured at fair value	1,117	8	27	351	-404	-	1,099	18

	12/2013		Total
	Realised gains	Fair value gains and losses	
Total gains or losses included in profit or loss for the financial period	8	32	40
Total gains or losses included in profit and loss for assets held at the end of the financial period	-14	32	18

10 Sensitivity analysis of level 3 financial instruments measured at fair value

	12/2014		12/2013	
	Carrying amount	Effect of reasonably possible alternative assumptions (+ / -)	Carrying amount	Effect of reasonably possible alternative assumptions (+ / -)
Financial assets				
Financial assets available-for-sale				
Equity securities	228	-18	243	-23
Debt securities	77	-4	39	-2
Mutual Funds	748	-148	720	-138
Total	1,054	-170	1,002	-163

The value of financial assets regarding the debt security instruments has been tested by assuming a rise of 1 per cent unit in interest rate level in all maturities. For other financial assets, the prices were assumed to go down by 20 per cent. Sampo Group bears no investment risks related to unit-linked insurance, so a change in assumptions regarding these assets does not affect profit or loss. On the basis of the these alternative assumptions, a possible change in interest levels at 31 December 2014 would cause descend of EURm 4 (-2) for the debt instruments, and EURm 166 (-161) valuation loss for other instruments in the Group's other comprehensive income. The reasonably possible effect, proportionate to the Group's equity, would thus be 1.6 per cent (1.5) .

11 Investments related to unit-linked insurance

Life insurance	12/2014	12/2013
Financial assets as at fair value through p/l		
Debt securities	1,234	1,101
Equity securities	3,890	3,312
Loans and receivables	149	183
Derivatives	9	26
Life insurance, total	5,282	4,623
Elimination items between segments	-23	-7
Group, total	5,259	4,616

12 Liabilities for insurance and investment contracts >

P&C insurance	12/2014	12/2013
Insurance contracts		
Provision for unearned premiums	1,998	2,065
Provision for claims outstanding	7,185	7,435
P&C insurance, total	9,183	9,500
Reinsurers' share		
Provision for unearned premiums	41	43
Provision for claims outstanding	197	377
P&C insurance, total	237	420

> 12 Liabilities for insurance and investment contracts

Life insurance	12/2014	12/2013
Insurance contracts		
Liabilities for contracts with DPF		
Provision for unearned premiums	2,625	1,969
Provision for claims outstanding	2,433	1,948
Total	5,058	3,917
Liabilities for contracts without DPF		
Provision for unearned premiums	0	0
Provision for claims outstanding	-	1
Total	0	1
Total	5,058	3,918
Assumed reinsurance		
Provision for unearned premiums	1	4
Provision for claims outstanding	0	2
Total	2	5
Insurance contracts, total		
Provision for unearned premiums	2,626	1,973
Provision for claims outstanding	2,434	1,951
Total	5,060	3,924
Investment contracts		
Liabilities for contracts with DPF		
Provision for unearned premiums	4	4
Liabilities for insurance and investment contracts, total		
Provision for unearned premiums	2,631	1,976
Provision for claims outstanding	2,434	1,951
Life insurance, total	5,065	3,927
Recoverable from reinsurers		
Provision for unearned premiums	3	3
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.		
Group, total	14,248	13,427

13 Liabilities from unit-linked insurance and investment contracts

Life insurance	12/2014	12/2013
Unit-linked insurance contracts	3,599	3,095
Unit-linked investment contracts	1,714	1,522
Life insurance, total	5,312	4,617
Elimination items between segments	-23	-7
Group, total	5,289	4,610

14 Financial liabilities

P&C insurance	12/2014	12/2013
Derivative financial instruments (Note 7)	24	25
Subordinated debt securities		
Subordinated loans	349	348
P&C insurance, total	373	373
Life insurance	12/2014	12/2013
Derivative financial instruments (Note 7)	86	11
Subordinated debt securities		
Subordinated loans	100	100
Life insurance, total	186	111
Holding	12/2014	12/2013
Derivative financial instruments (Note 7)	11	18
Debt securities in issue		
Commercial papers	305	308
Bonds	1,888	1,720
Total	2,192	2,027
Holding, total	2,203	2,045
Elimination items between segments	-339	-336
Group, total	2,423	2,193

15 Contingent liabilities and commitments >

P&C insurance	12/2014		12/2013	
Off-balance sheet items				
Guarantees		7		28
Other irrevocable commitments		10		14
Total		17		42
Assets pledged as collateral for liabilities or contingent liabilities				
	12/2014	12/2014	12/2013	12/2013
Assets pledged as collateral	Assets pledged	Liabilities/commitments	Assets pledged	Liabilities/commitments
Cash and cash equivalents	0	1	1	1
Investments				
- Investment securities	238	136	270	131
Total	239	137	271	132
Assets pledged as security for derivative contracts, carrying value				
		12/2014		12/2013
Investment securities		25		39
The pledged assets are included in the balance sheet item Other assets.				
Non-cancellable operating leases				
		12/2014		12/2013
Minimum lease payments				
- not later than one year		31		32
- later than one year and not later than five years		93		99
- later than five years		59		78
Total		183		209

> 15 Contingent liabilities and commitments

Life insurance	12/2014	12/2013
Off-balance sheet items		
Investment commitments	384	391
Acquisition of IT-software	2	3
Total	386	394
Assets pledged as security for derivative contracts, carrying value		
Cash and cash equivalents	72	6
The pledged assets are included in the balance sheet item Other assets.		
Non-cancellable operating leases		
Minimum lease payments		
- not later than one year	2	2
- later than one year and not later than five years	8	8
- later than five years	8	9
Total	18	19
Holding	12/2014	12/2013
Off-balance sheet items		
Investment commitments	0	1
Non-cancellable operating leases		
Minimum lease payments		
- not later than one year	1	1
- later than one year and not later than five years	1	2
Total	2	3

16 Result analysis of P&C insurance business

	1-12/2014	1-12/2013
Premiums earned	4,457	4,505
Claims incurred	-3,162	-3,215
Operating expenses	-745	-755
Other technical income and expenses	0	2
Allocated investment return transferred from the non-technical account	37	65
Technical result	588	601
Investment result	378	405
Allocated investment return transferred to the technical account	-82	-120
Other income and expenses	47	43
Operating result	931	929

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

Income statement	1-12/2014	1-12/2013
Other operating income	15	15
Staff expenses	-20	-23
Depreciation and impairment	0	0
Other operating expenses	-13	-12
Operating profit	-18	-20
Finance income and expenses	1,067	852
Profit before appropriations and income taxes	1,050	832
Income taxes	-	-3
Profit for the financial period	1,050	829
Balance sheet	12/2014	12/2013
ASSETS		
Intangible assets	0	0
Property, plant and equipment	3	4
Investments		
Shares in Group companies	2,370	2,370
Receivables from Group companies	325	321
Shares in participating undertakings	5,557	5,557
Receivables from participating undertakings	110	-
Other shares and participations	85	28
Other receivables	35	388
Receivables	97	101
Cash and cash equivalents	768	280
TOTAL ASSETS	9,351	9,051
LIABILITIES		
Equity		
Share capital	98	98
Fair value reserve	7	4
Invested unrestricted equity	1,527	1,527
Other reserves	273	273
Retained earnings	4,060	4,146
Profit for the year	1,050	829
Total equity	7,014	6,877
Liabilities		
Long-term	1,888	1,720
Short-term	450	454
Total liabilities	2,337	2,174
TOTAL LIABILITIES	9,351	9,051

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