

Q1

# Interim Statement

JANUARY-MARCH 2019

8 MAY 2019



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8 May 2019

# Sampo Group's results for January - March 2019

Sampo Group's profit before taxes for January - March 2019 increased to EUR 475 million (445). The total comprehensive income for the period, taking changes in the market value of assets into account, strengthened to EUR 561 million (108). The insurance operations continued to perform well, and the marked-to-market results benefited from the rebound in the equity markets.

- Earnings per share amounted to EUR 0.64 (0.63). Marked-to-market earnings per share were EUR 0.94 (0.15). The return on equity (RoE) for the Group was 16.5 per cent (2.5) for January - March 2019. Net asset value per share on 31 March 2019 amounted to EUR 22.03 (20.60).
- The Annual General Meeting, held on 9 April 2019, decided to distribute a dividend of EUR 2.85 per share for 2018. The dividend was paid on 18 April 2019. In addition to the cash dividend, the Annual General Meeting decided to authorize the Board of Directors to resolve, in its discretion, on the distribution of an extra dividend up to EUR 500,000,000 (EUR 0.9 per share) either in cash and/or in financial instruments. The authorization is valid until the next Annual General Meeting.
- Profit before taxes for the segment If amounted to EUR 198 million (193). Combined ratio for January - March 2019 was unchanged from a year ago at 86.5 per cent (86.5). Return on equity increased to 41.6 per cent (-0.9).
- Topdanmark segment's profit before taxes amounted to EUR 92 million (60) in Sampo Group's consolidated accounts. Insurance technical profitability was excellent, and the combined ratio amounted to 78.2 per cent (83.7).
- Sampo's share of Nordea's net profit for the first quarter of 2019 decreased to EUR 83 million (165). Nordea booked a provision of EUR 95 million for AML-related matters in the first quarter 2019. Nordea's return on equity was 5.5 per cent (9.0). In segment reporting the share of Nordea's profit is included in the segment 'Holding'.
- Profit before taxes for the segment Mandatum amounted to EUR 72 million (73). Return on equity increased to 37.6 per cent (-5.8).

## Key figures

EURm	1-3/2019	1-3/2018	Change, %
Profit before taxes	475	445	7
If	198	193	3
Topdanmark	92	60	52
Associates	83	165	-49
Mandatum	72	73	-2
Holding (excl. associates)	29	-46	-
Profit for the period	398	375	6
			<b>Change</b>
Earnings per share, EUR	0.64	0.63	0.01
EPS (incl. change in FVR) EUR	0.94	0.15	0.79
NAV per share, EUR *)	22.03	20.60	1.43
Average number of staff (FTE)	9,670	9,419	251
Group solvency ratio, % *)	130	147	-17
RoE, %	16.5	2.5	14.0

\*) comparison figure from 31.12.2018

The figures in this report are not audited. Income statement items are compared on a year-on-year basis and comparison figures for balance sheet items are from 31 December 2018 unless otherwise stated.



**Exchange rates used in reporting**

	1-3/2019	1-12/2018	1-9/2018	1-6/2018	1-3/2018
EURSEK					
Income statement (average)	10.4187	10.2583	10.2374	10.1508	9.9712
Balance sheet (at end of period)	10.3980	10.2548	10.3090	10.4530	10.2843
DKKSEK					
Income statement (average)	1.3959	1.3764	1.3741	1.3630	1.3390
Balance sheet (at end of period)	1.3929	1.3733	1.3826	1.4026	1.3799
NOKSEK					
Income statement (average)	1.0694	1.0688	1.0678	1.0582	1.0350
Balance sheet (at end of period)	1.0765	1.0308	1.0890	1.0990	1.0628
EURDKK					
Income statement (average)	7.4637	7.4533	7.4503	7.4477	7.4468
Balance sheet (at end of period)	7.4652	7.4673	7.4564	7.4525	7.4530



# Business areas

## If

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

### Results

EURm	1-3/2019	1-3/2018	Change, %
Premiums, net	1,537	1,518	1
Net income from investments	59	53	11
Other operating income	8	7	15
Claims incurred	-694	-681	2
Change in insurance liabilities	-466	-466	0
Staff costs	-138	-132	4
Other operating expenses	-104	-106	-1
Finance costs	-4	-3	37
Share of associates' profit/loss	0	2	-116
Profit before taxes	198	193	3

### Key figures

			Change
Combined ratio, %	86.5	86.5	0.0
Risk ratio, %	64.8	64.7	0.1
Cost ratio, %	21.7	21.8	-0.1
Expense ratio, %	15.7	16.2	-0.5
Return on equity, %	41.6	-0.9	42.5
Average number of staff (FTE)	6,732	6,461	271

Profit before taxes for January - March 2019 for the If segment rose to EUR 198 million (193). The total comprehensive income for the period after tax increased to EUR 259 million (-6). Combined ratio was 86.5 per cent (86.5) and risk ratio 64.8 per cent (64.7).

Net releases from technical reserves relating to prior year claims were EUR 51 million (50) in the first quarter of 2019. Swedish discount rate used to discount the annuity reserves rose from -0.41 percent at the end of 2018 to -0.34 at the end of the first quarter of 2019 and had a positive impact of EUR 5 million on the profit. Technical result increased to EUR 147 million (143). Insurance margin (technical result in relation to net premiums earned) improved slightly to 13.9 per cent (13.8).



	Combined ratio,%			Risk ratio,%		
	1-3/2019	1-3/2018	Change	1-3/2019	1-3/2018	Change
Private	82.7	84.9	-2.2	60.8	63.2	-2.4
Commercial	93.1	89.6	3.5	70.7	67.1	3.6
Industrial	93.1	90.8	2.3	73.5	69.0	4.5
Baltic	89.6	89.7	-0.1	61.6	60.8	0.8
Sweden	78.2	82.5	-4.4	58.7	63.5	-4.9
Norway	93.7	88.8	4.9	71.5	66.1	5.4
Finland	89.5	86.5	3.0	67.2	64.0	3.1
Denmark	88.2	96.6	-8.4	60.8	67.7	-6.9

Large claims overall were in line with expectations ending up EUR 4 million worse than expected in the first quarter of 2019. In BA Commercial large claims were EUR 8 million worse than expected and in BA Industrial EUR 5 million better than expected.

Gross written premiums increased 1.9 per cent to EUR 1,651 million (1,621) in January - March 2019, but adjusted for currency, premium growth was strong at 3.9 per cent. The growth was driven by increased retention levels and increased number of customers. Price increases were on average slightly higher than claims inflation. Growth was positive in all business areas, except the Baltics, and all markets, except Finland. The growth was highest in Norway and accelerated to 10.5 per cent. In BA Industrial premiums grew by 11.7 per cent.

Cost ratio improved further and amounted to 21.7 per cent (21.8). Expense ratio improved to 15.7 per cent (16.2).

The total investment assets of If on 31 March 2019 were EUR 11.4 billion (10.9), of which fixed income investments constituted 84 per cent (88), money market 6 per cent (2) and equity 10 per cent (10). Net income from investments amounted to EUR 59 million (53). Investment return marked-to-market for the first quarter of 2019 was 2.1 per cent (-0.1). Duration for interest bearing assets was 1.4 years (1.4) and average maturity 2.7 years (2.7). Fixed income running yield without taking into account the FX hedging costs was 1.7 per cent (1.7) on 31 March 2019.

If P&C's solvency position is described in the section Solvency.



## Topdanmark

Topdanmark is the second largest non-life insurance company and a major life insurance company in Denmark. The company is listed on Nasdaq Copenhagen. In non-life insurance, Topdanmark has a 17 per cent market share. Topdanmark focuses on the private, agricultural and SME market where the company has around 620,000 customers and handles around 300,000 claims a year. In life insurance, Topdanmark has a 10 per cent market share in Denmark.

### Results

EURm	1-3/2019	1-3/2018	Change, %
Premiums, net	906	837	8
Net income from investments	482	-86	-
Other operating income	1	1	-8
Claims incurred	-320	-305	5
Change in insurance liabilities	-896	-302	197
Staff costs	-75	-75	0
Other operating expenses	-5	-9	-46
Finance costs	-3	-3	-12
Share of associates' profit/loss	2	2	-24
Profit before taxes	92	60	52

### Key figures

			Change
Combined ratio, %	78.2	83.7	-5.5
Risk ratio, %	61.0	66.3	-5.3
Expense ratio, %	17.0	17.4	-0.4
Average number of staff (FTE)	2,334	2,369	-35

On 31 March 2019 Sampo plc held 41,997,070 Topdanmark shares, corresponding to 46.7 per cent of all shares and 48.5 per cent of related voting rights in the company. The market value of the holding was EUR 1,870 million on 31 March 2019.

The AGM on 3 April 2019 decided to pay a dividend of DKK 15 per share. Sampo plc's share of the dividend payment was EUR 84 million.

The following text is based on Topdanmark's January - March 2019 result release published on 25 April 2019.

Topdanmark's profit before taxes for January - March 2019 amounted to EUR 92 million (60).

Topdanmark's premiums increased to EUR 906 million (837). In non-life insurance premiums earned increased 2.6 per cent (1.7) and in life insurance gross premiums increased 12.8 per cent (18.6). The non-life insurance run-off profits of EUR 23 (8) million were primarily generated in workers' compensation, motor and illness/accident insurance.

In January - March 2019, weather related claims amounted to EUR 2 million (0) and large claims amounted to EUR 5 million (1). Adjusted for run-off, weather related claims, large claims other positions including the change of risk margin, the claims trend was 68.7 per cent (69.6).



The combined ratio amounted to 78.2 per cent (83.7) in the first quarter of 2019. The expense ratio was 17.1 per cent (17.4).

Topdanmark's solvency position is described in the section Solvency.

Further information on Topdanmark and its January - March 2019 result is available at [www.topdanmark.com](http://www.topdanmark.com).



## Associated company Nordea

Nordea is the largest bank in the Nordic region and among the ten largest financial groups in Europe in terms of total market capitalization with around 11 million customers. The Nordea share is listed on the Nasdaq exchanges in Stockholm, Helsinki and Copenhagen. In Sampo Group's reporting Nordea is treated as an associated company and is included in the segment Holding.

On 31 March 2019 Sampo plc held 860,440,497 Nordea shares corresponding to 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 8.10 per share. The closing price as at 31 March 2019 was EUR 6.81.

The following text is based on Nordea's First Quarter Report 2019 published on 30 April 2019.

Compared to the previous quarter, reported revenues were largely unchanged while revenues excluding items affecting comparability increased by 4 per cent, due to improved fees and commission and net fair value. Net interest income decreased by 7 per cent compared to the previous quarter, mainly driven by higher regulatory costs, fewer interest days and continuing pressure on household lending margins. Fees and commission improved by 3 per cent from the previous quarter.

Underlying costs, excluding resolution fees and items affecting comparability decreased by 7 per cent to EUR 1.16 billion and 4 per cent from the first quarter of 2018. Nordea is on track to meet the target to reduce costs in constant currencies in 2019 compared to 2018.

Credit quality remained robust and loan losses were 7 bps in the quarter. Nordea continues to expect largely unchanged credit quality in the coming quarters. Adjusted operating profit increased by 21 per cent from the previous quarter whilst statutory operating profit decreased by 11 per cent.

The CET1 ratio decreased to 14.6 per cent mainly due to the acquisition of Gjensidige, increased lending volumes and IFRS 16. The management buffer is 130 bps over the nominal capital commitment made as part of Nordea's transition to the banking union.

Nordea has previously stated that it expects to be fined in Denmark for its past weak AML processes and procedures, and Nordea is consequently making a provision of EUR 95 million for AML-related matters.

Further information on Nordea and its January - March 2019 result is available at [www.nordea.com](http://www.nordea.com).



## Mandatum Life

Mandatum Life Group comprises Mandatum Life Insurance Company Ltd., a wholly-owned subsidiary of Sampo plc, operating in Finland, Estonia, Latvia and Lithuania, and its three 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. and Mandatum Life Fund Management S.A.

### Results

EURm	1-3/2019	1-3/2018	Change, %
Premiums written	238	243	-2
Net income from investments	553	-19	-
Other operating income	2	2	-15
Claims incurred	-268	-345	-22
Change in liabilities for inv. and ins. contracts	-419	223	-
Staff costs	-12	-12	5
Other operating expenses	-19	-18	7
Finance costs	-2	-2	-7
Profit before taxes	72	73	-2
			<b>Change</b>
<b>Key figures</b>			
Expense ratio, % *)	85.9	80.9	5
Return on equity, %	37.6	-5.8	43.4
Average number of staff (FTE)	545	530	15

\*)Including rebates

Mandatum segment's profit before taxes for January - March 2019 amounted to EUR 72 million (73). The total comprehensive income for the period after tax reflecting the changes in market values of assets increased to EUR 113 million (-19). Return on equity rose to 37.6 per cent (-5.8).

Net investment income, excluding income on unit-linked contracts, amounted to EUR 126 million (72). Net income from unit-linked contracts was EUR 427 million (-90). In the first quarter of 2019 fair value reserve increased to EUR 407 million (352).

Mandatum Life Group's total technical reserves amounted to EUR 11.6 billion (11.2). Unit-linked reserves increased to EUR 7.4 billion (7.0) at the end of the first quarter of 2019. The amount corresponds to 64 percent (62) of total technical reserves. At the end of the first quarter of 2019 with profit reserves amounted to EUR 4.2 billion (4.2). Reserves related to the higher guarantees of 4.5 and 3.5 per cent decreased by EUR 74 million to EUR 2.4 billion in January - March 2019.

Mandatum Life has all in all supplemented its technical reserves with a total of EUR 258 million (232) due to low level of interest rates. The figure does not take into account the reserves relating to the segregated fund. The discount rate used for the years 2019, 2020 and 2021 is 0.25 per cent. Bringing down the discount rate for 2021 from 2.5 per cent to 0.25 per cent had a negative impact of 54 million euro on the first quarter 2019 profit. Discount rate applied for the segregated fund is 0.50 per cent.

On 31 March 2019 Mandatum Life Group's investment assets, excluding the assets of EUR 7.4 billion (7.0) covering unit-linked liabilities, amounted to EUR 5.5 billion (5.6) at market values.



The assets covering Mandatum Life's original with profit liabilities on 31 March 2019 amounted to EUR 4.5 billion (4.6) at market values. 44 per cent (49) of the assets were in fixed income instruments, 14 per cent (9) in money market, 28 per cent (27) in equities and 14 per cent (15) in alternative investments. The investment return marked-to-market for January - March 2019 was 4.0 per cent (-0.7). The duration of fixed income assets at the end of March 2019 was 2.6 years (2.5) and average maturity 2.8 years (2.8). Fixed income running yield without taking into account the FX hedging cost was 2.6 per cent (2.6).

The assets covering the segregated fund amounted to EUR 1.0 billion (1.0), of which 69 per cent (77) was in fixed income, 13 per cent (5) in money market, 12 per cent (11) in equities and 7 per cent (6) in alternative investments. Segregated fund's investment return marked-to-market for January - March 2019 was 2.7 per cent (-0.7). At the end of March 2019, the duration of fixed income assets was 2.6 years (2.5) and average maturity 3.1 years (3.1). Fixed income (incl. money market) running yield without taking into account the FX hedging cost was 2.1 per cent (2.2).

The expense result in the first quarter amounted to EUR 5 million (7). Risk result amounted to EUR 5 million (5).

Mandatum Life Group's premium income on own account amounted to EUR 238 million (243) in the first quarter of 2019.

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



## Holding

Sampo plc owns and controls its subsidiaries engaged in P&C and life insurance. In addition, Sampo plc held on 31 March 2019 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. Sampo plc also has another associated company, NDX Intressenter AB, of which Sampo plc owns 36.25 per cent. The company was established for the takeover of Nordax Group AB.

### Results

EURm	1-3/2019	1-3/2018	Change, %
Net investment income	-3	-41	-92
Other operating income	4	4	-4
Staff costs	-4	-3	37
Other operating expenses	-3	-4	-31
Finance costs	35	-2	-
Share of associates' profit	83	165	-49
Profit before taxes	113	119	-5

### Key figures

			Change
Average number of staff (FTE)	58	59	-1

Holding segment's profit before taxes for January - March 2019 amounted to EUR 113 million (119), of which EUR 83 million (165) relates to Sampo's share of Nordea's and NDX Intressenter's January - March 2019 profit. Nordea's share was EUR 83 million (165) and NDX Intressenter's EUR 1 million. Segment's profit before taxes excluding the associated companies was EUR 29 million (-46).

Changes in market values of derivative instruments and currency exchange rates can cause volatility in the net investment income and finance cost lines.

Sampo plc's holding in Nordea was booked in the consolidated balance sheet at EUR 7.0 billion. The market value of the holding was EUR 5.9 billion, i.e. EUR 6.81 per share, on 31 March 2019. In addition the assets on Sampo plc's balance sheet included holdings in subsidiaries for EUR 3.4 billion (2.4).



# Other developments

## Changes in Group Management

Peter Johansson retired from Sampo's Group CFO position as of 1 January 2019. On 8 August 2018 the Board of Sampo plc nominated Knut Arne Alsaker, CFO of If P&C, as the new Group CFO as of 1 of January 2019.

The Group CEO and President of Sampo Kari Stadigh will retire on 31 December 2019. He also stepped down as Chairman of If P&C Insurance Board of Directors as of 7 February 2019. On 7 February 2019 Sampo's Board of Directors appointed Torbjörn Magnusson, the CEO of If, to succeed Stadigh as Group CEO and President of Sampo Group, effective 1 January 2020. Magnusson took immediately over as Chairman of If P&C.

On the same day the Sampo and If Boards appointed Morten Thorsrud, the Head of If Business Area Private, to succeed Magnusson as the CEO of If, effective immediately. Thorsrud was in turn be succeeded by Ingrid Janbu Holthe as Head of If BA Private. She was also nominated a member of the Group Executive Committee of Sampo Group.

## Annual General Meeting

The Annual General Meeting of Sampo plc, held on 9 April 2019, decided to distribute a dividend of EUR 2.85 per share for 2018. The record date for dividend payment was 11 April 2019 and the dividend was paid on 18 April 2019. In addition to the cash dividend, the Annual General Meeting decided to authorize the Board of Directors to resolve, in its discretion, on the distribution of an extra dividend up to EUR 500,000,000 (EUR 0.9 per share) either in cash and/or in financial instruments. The authorization is valid until the next Annual General Meeting.

The Annual General Meeting adopted the financial accounts for 2018 and discharged the Board of Directors and the Group CEO and President from liability for the financial year.

The Annual General Meeting elected eight members to the Board of Directors. The following members were re-elected to the Board: Christian Clausen, Jannica Fagerholm, Veli-Matti Mattila, Risto Murto, Antti Mäkinen and Björn Wahlroos. Fiona Clutterbuck and Johanna Lamminen were elected as new members to the Board. The Members of the Board were elected for a term continuing until the close of the next Annual General Meeting.

At its organizational meeting, the Board elected Björn Wahlroos as Chairman and Jannica Fagerholm as Vice Chairperson. Veli-Matti Mattila, Risto Murto, Antti Mäkinen and Björn Wahlroos (Chairman) were elected to the Nomination and Compensation Committee and Christian Clausen, Fiona Clutterbuck, Jannica Fagerholm (Chairman), and Johanna Lamminen to the Audit Committee.

All the Board members have been determined to be independent of the company under the rules of the Finnish Corporate Governance Code 2015. Furthermore, all Board members but Antti Mäkinen have been determined to be independent of the major shareholders.

The Annual General Meeting decided to pay the following fees to the members of the Board of Directors until the close of the 2020 Annual General Meeting: the Chairman of the Board will be paid an annual fee of EUR 175,000 and other members of the Board will be paid EUR 90,000 each. Furthermore, the members of the Board and its Committees will be paid the following annual fees: the Vice Chairperson of the Board EUR 25,000, the Chairperson of the Audit Committee EUR 25,000 and the member of the Audit Committee EUR 6,000. A Board member shall in accordance with the resolution of the Annual General Meeting acquire Sampo plc's A shares at the price paid in public trading for 50 per cent of his/her annual fee excluding taxes and similar payments.

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



The Annual General Meeting authorized the Board to repurchase a maximum of 50,000,000 Sampo A shares. The price paid for the shares repurchased under the authorization shall be based on the current market price of Sampo A shares on the securities market. The authorization will be valid until the close of the next Annual General Meeting, nevertheless not more than 18 months after AGM's decision.

There were 1,052 shareholders represented at the beginning of the meeting holding altogether 360,849,587 shares and 365,649,587 votes in the company.

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

## Personnel

The average number of Sampo Group's employees during January – March 2019 was 9,670 (9,419). The number of full-time equivalent staff in Sampo Group on 31 March 2019 was 9,698 (9,459) employees.

During the first quarter of 2019, approximately 70 per cent of the personnel worked in If, 24 per cent in Topdanmark, 6 per cent in Mandatum Life and 1 per cent in the parent company Sampo plc. In geographical terms Denmark had 30 per cent of the personnel, Finland 23 per cent, Sweden 23 per cent and Norway 14 per cent. The share of other countries was 10 per cent.

As of 31 March 2019 If employed 6,760 (6,522) persons, Topdanmark 2,330 (2,347) and Mandatum Life 549 (532). Sampo plc had 58 (58) employees at the end of the first quarter.

## Remuneration

In the first quarter of 2019 no long-term incentive payments were made. At the end of March 2019 Sampo Group had provisioned EUR 18 million (13) for future payments of long-term incentive schemes. The long-term incentive schemes in force had a negative profit impact of EUR 5 million (-6).

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

Sampo Group published in March 2019 a Remuneration Report 2018 at [www.sampo.com/year2018](http://www.sampo.com/year2018). The Remuneration Report 2018 is part of the Remuneration Statement, which is available at [www.sampo.com/remunerationstatement](http://www.sampo.com/remunerationstatement). The statement has been prepared in accordance with the Corporate Governance Code issued by the Securities Market Association and effective as of 1 January 2016.

## Shares and share capital

As at 31 March 2019, Sampo plc had 555,351,850 shares, which were divided into 554,151,850 A shares and 1,200,000 B shares. Total number of votes attached to the shares was 560,151,850. Each A share entitles the holder to one vote and each B share entitles the holder to five votes at the General Meeting of Shareholders.

The Annual General Meeting authorized the Board to repurchase a maximum of 50,000,000 Sampo A shares. The price paid for the shares repurchased under the authorization shall be based on the current market price of Sampo A shares on the securities market. The authorization will be valid until the close of the next Annual General Meeting, nevertheless not more than 18 months after AGM's decision.

Sampo plc did not repurchase its own shares during the first quarter of 2019 and at the end of March 2019, neither Sampo plc nor its Group companies held any Sampo A shares.

After the end of the first quarter of 2019 Sampo plc received a notification of change in holding pursuant to Chapter 9, Section 5 of the Securities Markets Act according to which the total number of shares and voting



rights owned by Solidium Oy decreased on 2 April 2019 below ten (10) per cent of Sampo plc's entire stock and voting rights.

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

## Internal dividends

Mandatum Life paid a dividend of EUR 150 million to Sampo plc in March 2019.

On 28 March 2019 Nordea's Annual General Meeting decided on a dividend of EUR 0.69 per share. Sampo plc's share of total dividends amounted to EUR 594 million. The dividend was paid on 8 April 2019.

Topdanmark's Annual General Meeting held on 3 April 2019 decided to pay a dividend of DKK 15 per share. Sampo plc's share of the dividend payment was EUR 84 million. The dividend was paid on 8 April 2019.

If normally pays its dividend towards the end of the calendar year.

## Ratings

All the ratings for Sampo Group companies remained unchanged in the first quarter of 2019.

Rated company	Moody's		Standard & Poor's	
	Rating	Outlook	Rating	Outlook
Sampo plc – Long-term Issuer Rating	A3	Stable	A-	Stable
If P&C Insurance Ltd (Sweden) – Insurance Financial Strength Rating	A1	Stable	A+	Stable

## Solvency

### Group solvency

Sampo Group's capital requirement and the amount of group's own funds are calculated by both the conglomerate rules (FICO) and the Solvency II directive. Until the end of 2018 the total minimum capital requirement under FICO rules was calculated based on the subsidiaries' standard formula capital requirements. At the year-end 2018 Sampo started to use Partial Internal Model (PIM) Solvency Capital Requirements (SCR) for most of non-life insurance business of If and Topdanmark in FICO calculations.

In Solvency II Sampo Group has not, however, an approved Group PIM, although the PIMs of If and Topdanmark are approved by their respective local regulators, and therefore the Standard Formula SCRs are applied in Solvency II on a group-level. The treatment of Nordea's capital requirement in Sampo is similar under FICO and Solvency II and the effects of any changes are similar as well. The calculation methods also differ in their treatment of foreseeable dividends. Going forward in Solvency II calculation the foreseeable dividend is not deducted from the own funds whereas in the FICO calculation they are deducted with quarterly cumulation.

The underlying risks for Sampo's holding in Nordea have not changed. Despite this in the first quarter of 2019 Sampo's capital requirement on Nordea increased by EUR 896 million from the end of 2018 because of the 2 per cent O-SII (other systemically important institution) buffer, which came into force as of 1 January in Finland, and higher REA, which grew from EUR 156 billion to EUR 163 billion during the first quarter. The 3 per cent Systemic Risk Buffer (SRB), which replaces the O-SII buffer in Nordea's capital requirement calculation, will be applied in Finland from 1 July 2019 and this will, everything else equal, increase Nordea's capital requirement for Sampo further.



Group's conglomerate solvency ratio (own funds in relation to minimum requirements for own funds) amounted to 130 per cent (147) as at 31 March 2019. The components of the calculation are described in the table below.

#### Sampo Group solvency

EURm	31 Mar 2019	31 Dec 2018	Change
Group capital	13,518	13,014	504
Goodwill, other intangibles, foreseeable dividends and distributions and deductibles	-5,677	-5,269	-408
Sectoral items	2,849	2,586	263
Group's own funds, total	10,691	10,330	361
Minimum requirements for own funds, total	8,255	7,017	1,238
Group solvency	2,436	3,313	-877
Group solvency ratio (Own funds % of minimum requirements)	130	147	-17

The Group solvency calculated according to the Solvency II directive amounted to 126 per cent (140) on 31 March 2019.

Sampo's management has actively been planning the adoption of measures to reverse the solvency ratio development which is mainly caused by Nordea's increased Pillar 1 requirements after the redomiciliation to Finland. The measures may include i.a. issuing of hybrid capital and use of the authorization the Board received from the AGM to distribute an extra dividend either in cash and/or in financial instruments held by Sampo plc. The exact timetables have not yet been decided upon, but the potential actions are expected to be taken before the end of 2019.

Sampo Group's capital requirement would be positively impacted if Sampo plc's holding in Nordea decreased below 20 per cent. Sampo Group would no longer be treated as a financial conglomerate and calculated by Solvency II method the solvency ratio would exceed the level it was at the end of 2018.

## Solvency position in the subsidiaries

The insurance subsidiaries apply Solvency II rules in their regulatory solvency calculations. If Group companies use either partial internal models or standard model for calculation of their solo solvency position. Mandatum Life reports in accordance with standard formula for Solvency II. Topdanmark uses a partial internal model to report its stand-alone solvency position.

If Group has an A+ rating from S&P which will continue to require significantly more capital than the standard formula and therefore the use of standard formula has no practical implications on If Group's capital position. On 31 March 2019 If Group's pro forma Solvency II capital requirement under standard formula amounted to EUR 1,887 million (1,833) and own funds to EUR 3,825 million (3,599). Solvency ratio amounted to 203 per cent (196).

S&P A+ rating requirement for If Group amounted to EUR 3,056 million (2,949) on 31 March 2019 and the capital base was EUR 3,331 million (3,149). On 31 March 2019 If Group's internally assessed Solvency II capital requirement was EUR 1,411 million (1,305) and own funds EUR 3,825 million (3,599). Solvency ratio amounted to 271 per cent (276).

Topdanmark calculates most of its non-life and health risks and their respective solvency capital requirement by a partial internal model approved by the DFSA. Other risks are calculated by Solvency II SCR standard formula. Topdanmark's solvency ratio under the partial internal model was 174 per cent (196) at the end of March 2019.



On 31 March 2019 Topdanmark's Solvency II capital requirement under standard formula amounted to EUR 629 million and own funds to EUR 940 million. Solvency ratio amounted to 150 per cent (163).

Mandatum Life's solvency ratio after transitional measures amounted to 161 per cent (176) on 31 March 2019. Own funds was EUR 1,869 million (1,740) and Solvency Capital Requirement (SCR) was EUR 1,164 million (990). The increased requirement is explained by an increase in the symmetric adjustment and higher credit risk. Without transitional measures, own funds would have amounted to EUR 1,485 million (1,348) and the solvency capital requirement to EUR 1,202 million (1,030) leading to a solvency ratio of 124 per cent (131).

More information on Sampo Group's capital policy is available in the Risk Management Report 2018 at [www.sampo.com/year2018](http://www.sampo.com/year2018).

## Debt financing

Sampo plc's debt financing on 31 March 2019 amounted to EUR 4,023 million (4,067) and interest bearing assets to EUR 2,114 million (1,959). Interest bearing assets include bank accounts, fixed income instruments and EUR 503 million (489) of hybrid capital and subordinated debt instruments issued by the subsidiaries and associated companies. Altogether, excluding cash and equivalents, the fixed income instruments yield over 5 per cent.

At the end of the first quarter of 2019 the interest bearing net debt amounted to EUR 1,908 million (2,108). The net debt calculation takes into account interest bearing assets and liabilities. Gross debt to Sampo plc's equity was 46 per cent (52) and financial leverage 32 per cent (34).

On 31 March 2019 financial liabilities in Sampo plc's balance sheet consisted of issued senior bonds and notes of EUR 3,942 million (3,943) and EUR 80 million (124) of CPs issued. The average interest, net of interest rate swaps, on Sampo plc's debt as of 31 March 2019 was 0.87 per cent (0.81).

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



# Outlook

## Outlook for 2019

Sampo Group's business areas are expected to report good operating results for 2019.

However, the marked-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.

If is expected to reach a combined ratio of 85 – 88 per cent in 2019.

With regard to Topdanmark reference is made to the profit forecast model that the company publishes quarterly.

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

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

In its current day-to-day business activities Sampo Group is exposed to various risks and uncertainties mainly through its separately managed business areas including the parent company Sampo plc.

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

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

Other sources of uncertainty are unforeseen structural changes in the business environment and already identified trends and potential wide-impact events. These external drivers may also have a long-term impact on how business shall be conducted. Examples of already identified trends are technological development in areas such as artificial intelligence and digitalization, climate change, demographic changes and sustainability issues that may have profound effects on financial sector companies as well.

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



## For more information, please contact

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## Conference call

An English-language conference call for investors and analysts will be arranged on 8 May 2019 at 4 pm Finnish time (2 pm UK time). Please call tel. +44 (0)333 300 0804, +46 (0)8 5664 2651, +1 631 913 1422 or +358 (0)9 8171 0310. The conference code is 77854006#.

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

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

Sampo will publish the Half-Year Financial Report for January - June 2019 on 7 August 2019.

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## Group financial review >

Financial highlights				
GROUP			1-3/2019	1-3/2018
Profit before taxes	EURm		475	445
Return on equity (at fair value)	%		16.5	2.5
Return on assets (at fair value)	%		7.6	1.2
Equity/assets ratio	%		24.7	25.5
Group solvency <sup>1)</sup>	EURm		2,435	3,398
Group solvency ratio <sup>1)</sup>	%		130	146
Average number of staff			9,670	9,419
IF				
Premiums written before reinsurers' share	EURm		1,651	1,621
Premiums earned	EURm		1,071	1,052
Profit before taxes	EURm		198	193
Return on equity (at current value)	%		41.6	-0.9
Risk ratio <sup>2)</sup>	%		64.8	64.7
Cost ratio <sup>2)</sup>	%		21.7	21.8
Loss ratio <sup>2)</sup>	%		70.7	70.3
Expense ratio <sup>2)</sup>	%		15.7	16.2
Combined ratio <sup>2)</sup>	%		86.5	86.5
Average number of staff			6,732	6,461
TOPDANMARK				
Premiums written before reinsurers' share, life insurance	EURm		375	323
Premiums written before reinsurers' share, P&C insurance	EURm		582	565
Premiums earned, P&C insurance	EURm		291	284
Profit before taxes	EURm		92	60
Loss ratio <sup>2)</sup>	%		61.1	66.3
Expense ratio <sup>2)</sup>	%		17.1	17.4
Combined ratio	%		78.2	83.7
Average number of staff			2,334	2,369
MANDATUM				
Premiums written before reinsurers' share	EURm		239	244
Profit before taxes	EURm		72	73
Return on equity (at current value)	%		37.6	-5.8
Expense ratio	%		101.0	98.7
Average number of staff			545	530



## > Group financial review

HOLDING		1-3/2019	1-3/2018
Profit before taxes	EURm	113	119
Average number of staff		58	59
PER SHARE KEY FIGURES			
Earnings per share	EUR	0.64	0.63
Earnings per share, incl. other comprehensive income	EUR	0.94	0.15
Capital and reserves per share	EUR	23.14	23.20
Net asset value per share	EUR	22.03	24.27
Adjusted share price, high	EUR	43.38	48.92
Adjusted share price, low	EUR	37.92	44.05
Market capitalisation	EURm	22,442	25,135

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

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

The number of shares used at the balance sheet date and as the average number during the financial period was 555,351,850.

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

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

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



## Calculation of key figures

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Loss ratio + expense ratio

### Expense ratio for life insurance, %

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



## Per share key figures

### Earnings per share

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

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### Equity per share

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

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### Net asset value per share

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

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### Market capitalisation

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



## Group quarterly comprehensive income statement

EURm	1-3/2019	10-12/2018	7-9/2018	4-6/2018	1-3/2018
Insurance premiums written	2,680	1,891	1,561	1,858	2,598
Net income from investments	1,087	-779	439	330	-95
Other operating income	8	12	13	211	8
Claims incurred	-1,282	-1,223	-1,213	-1,264	-1,316
Change in liabilities for insurance and investment contracts	-1,780	808	-62	-271	-560
Staff costs	-229	-207	-213	-212	-222
Other operating expenses	-125	-177	-154	-166	-130
Finance costs	30	14	-21	-4	-7
Share of associates' profit/loss	85	112	140	226	169
<b>Profit for the period before taxes</b>	<b>475</b>	<b>451</b>	<b>490</b>	<b>708</b>	<b>445</b>
Taxes	-78	-70	-76	-101	-70
<b>Profit for the period</b>	<b>398</b>	<b>381</b>	<b>414</b>	<b>607</b>	<b>375</b>
<b>Other comprehensive income for the period</b>					
<b>Items reclassifiable to profit or loss</b>					
Exchange differences on translating foreign operations	-20	-15	30	-31	-81
Available-for-sale financial assets	264	-552	23	4	-214
Share of other comprehensive income of associates	-17	-35	-5	-2	-20
Taxes	-58	118	-5	0	46
<b>Total items reclassifiable to profit or loss, net of tax</b>	<b>170</b>	<b>-484</b>	<b>43</b>	<b>-29</b>	<b>-269</b>
<b>Items not reclassifiable to profit or loss</b>					
Actuarial gains and losses from defined pension plans	-8	-7	7	-8	2
Taxes	2	2	-2	2	0
<b>Total items not reclassifiable to profit or loss, net of tax</b>	<b>-6</b>	<b>-6</b>	<b>5</b>	<b>-6</b>	<b>1</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>561</b>	<b>-108</b>	<b>463</b>	<b>571</b>	<b>108</b>
<b>Profit attributable to</b>					
Owners of the parent	358	367	386	586	348
Non-controlling interests	40	14	28	21	27
<b>Total comprehensive income attributable to</b>					
Owners of the parent	521	-122	434	550	81
Non-controlling interests	40	14	28	21	27



## Statement of profit and other comprehensive income, IFRS

EURm	Note	1-3/2019	1-3/2018
Insurance premiums written		2,680	2,598
Net income from investments	1	1,087	-95
Other operating income		8	8
Claims incurred		-1,282	-1,316
Change in liabilities for insurance and investment contracts		-1,780	-560
Staff costs		-229	-222
Other operating expenses		-125	-130
Finance costs		30	-7
Share of associates' profit/loss		85	169
<b>Profit before taxes</b>		<b>475</b>	<b>445</b>
Taxes		-78	-70
<b>Profit for the period</b>		<b>398</b>	<b>375</b>
<b>Other comprehensive income for the period</b>			
<b>Items reclassifiable to profit or loss</b>			
Exchange differences		-20	-81
Available-for-sale financial assets		264	-214
Share of other comprehensive income of associates		-17	-20
Taxes		-58	46
<b>Total items reclassifiable to profit or loss, net of tax</b>		<b>170</b>	<b>-269</b>
<b>Items not reclassifiable to profit or loss</b>			
Actuarial gains and losses from defined pension plans		-8	2
Taxes		2	0
<b>Total items not reclassifiable to profit or loss, net of tax</b>		<b>-6</b>	<b>1</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>561</b>	<b>108</b>
<b>Profit attributable to</b>			
Owners of the parent		358	348
Non-controlling interests		40	27
<b>Total comprehensive income attributable to</b>			
Owners of the parent		521	81
Non-controlling interests		40	27
<b>Basic earnings per share (EUR)</b>		<b>0.64</b>	<b>0.63</b>



## Consolidated balance sheet, IFRS

EURm	Note	3/2019	12/2018
<b>Assets</b>			
Property, plant and equipment		298	162
Investment property		630	665
Intangible assets		2,138	2,143
Investments in associates		7,453	8,065
Financial assets	2	23,293	22,693
Investments related to unit-linked insurance contracts		11,660	10,671
Tax assets		18	24
Reinsurers' share of insurance liabilities		391	294
Other assets		3,184	2,263
Cash and cash equivalents		3,123	2,361
<b>Total assets</b>		<b>52,189</b>	<b>49,340</b>
<b>Liabilities</b>			
Liabilities for insurance and investment contracts		19,222	18,415
Liabilities for unit-linked insurance and investment contracts		12,450	11,390
Financial liabilities		4,691	4,711
Tax liabilities		540	487
Provisions		15	18
Employee benefits		57	51
Other liabilities		1,697	1,254
<b>Total liabilities</b>		<b>38,671</b>	<b>36,326</b>
<b>Equity</b>			
Share capital		98	98
Reserves		1,530	1,530
Retained earnings		11,208	10,944
Other components of equity		13	-186
<b>Equity attributable to parent company's equity holders</b>		<b>12,850</b>	<b>12,386</b>
Non-controlling interests		668	628
<b>Total equity</b>		<b>13,518</b>	<b>13,014</b>
<b>Total equity and liabilities</b>		<b>52,189</b>	<b>49,340</b>



## Statement of changes in equity, IFRS

EURm	Share capital	Legal reserve	Invested unrestricted equity	Retained earnings 1)	Translation of foreign operations 2)	Available- for-sale financial assets 3)	Total	Non- controlling interest	Total
<b>Equity at 1 Jan. 2018</b>	<b>98</b>	<b>4</b>	<b>1,527</b>	<b>10,692</b>	<b>-656</b>	<b>1,184</b>	<b>12,848</b>	<b>660</b>	<b>13,508</b>
<b>Changes in equity</b>									
Share of associate's other changes in equity				-49			<b>-49</b>		<b>-49</b>
Share-based payments				5			<b>5</b>		<b>5</b>
Profit for the period				348			<b>348</b>	27	<b>375</b>
Other comprehensive income for the period				-4	-167	-97	<b>-267</b>		<b>-267</b>
<b>Equity at 31 March 2018</b>	<b>98</b>	<b>4</b>	<b>1,527</b>	<b>10,993</b>	<b>-824</b>	<b>1,087</b>	<b>12,885</b>	<b>686</b>	<b>13,571</b>
<b>Equity at 1 Jan. 2019</b>	<b>98</b>	<b>4</b>	<b>1,527</b>	<b>10,944</b>	<b>-780</b>	<b>594</b>	<b>12,386</b>	<b>628</b>	<b>13,014</b>
Share-based payments				4			<b>4</b>		<b>4</b>
Share of associate's other changes in equity				-60			<b>-60</b>		<b>-60</b>
Other changes in equity				-2			<b>-2</b>		<b>-2</b>
Profit for the period				358			<b>358</b>	40	<b>398</b>
Other comprehensive income for the period				-35	-14	213	<b>164</b>		<b>164</b>
<b>Equity at 31 March 2019</b>	<b>98</b>	<b>4</b>	<b>1,527</b>	<b>11,208</b>	<b>-794</b>	<b>807</b>	<b>12,850</b>	<b>668</b>	<b>13,518</b>

1) IAS 19 Pension benefits had a net effect of EURm -14 (-5) on retained earnings.

2) The total comprehensive income includes also the share of the associate Nordea's other comprehensive income, in accordance with the Group's share holding. The retained earnings thus include EURm -29 (-6) of Nordea's items not reclassifiable to profit or loss. The exchange differences include the share of Nordea's exchange differences EURm 5 (-15). Respectively, available-for-sale financial assets include EURm 7 (4) of Nordea's valuation differences on assets at fair value through p/l. Nordea adopted the new IFRS 9 Financial instruments standard from 1 January 2018 on.

3) The amount recognised in equity from available-for-sale financial assets for the period totalled EURm 264 (-103). The amount transferred to p/l amounted to EURm -43 (-72). EURm -15 (-2) was transferred to the Segregated Suomi portfolio.

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



## Statement of cash flows, IFRS

EURm	1-3/2019	1-3/2018
<b>Cash and cash equivalent at the beginning of the period</b>	<b>2,361</b>	<b>2,734</b>
Cash flow from/used in operating activities	370	290
Cash flow from/used in investing activities	434	412
Cash flow from/used in financing activities	-42	435
Increase of liabilities	2	522
Decrease of liabilities	-44	-87
<b>Cash and cash equivalent at the end of the period</b>	<b>3,123</b>	<b>3,870</b>

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



# Notes

## Accounting policies

Sampo Group's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU. The interim financial statements are not presented in accordance with IAS 34 standard as Sampo applies the statutes of security markets act (1278/2015), regarding the regular disclosure requirements. The same accounting policies and methods of computation are applied as in the financial statements for 2018.

From January 2019 on, Sampo has applied the new standard IFRS 16 Leases. The standard superseded IAS 17 according to which *leases* were recognised either in the balance sheet as finance leases, or as other leases in which case the related liability was disclosed in the notes. The new standard requires to start with all the leases to be recognised in the balance sheet. The related interest expenses and amortisations are recognised in the income statement.

In the transition, the modified retrospective approach was applied meaning that the comparison years were not restated. In addition, the Group applied the exemption, allowed by the standard, of not recognising short-term leases and leases of low-value assets in the balance sheet. The adoption of the standard has no material impact on the Group's financial result. The Group's assets increased by 141 million euro and liabilities by 137 million euro.

The applied standards and interpretations are described in Sampo's accounting policies for the financial year 2018. The financial statements are available on Sampo's website at [www.sampo.com/year2018](http://www.sampo.com/year2018).



## Comprehensive income statement by segment for three months ended 31 March 2019

EURm	If	Top-danmark	Mandatum	Holding	Elimination	Group
Insurance premium written	1,537	906	238	-	0	2,680
Net income from investments	59	482	553	-3	-4	1,087
Other operating income	8	1	2	4	-6	8
Claims incurred	-694	-320	-268	-	-	-1,282
Change in liabilities for insurance and investment contracts	-466	-896	-419	-	1	-1,780
Staff costs	-138	-75	-12	-4	-	-229
Other operating expenses	-104	-5	-19	-3	6	-125
Finance costs	-4	-3	-2	35	3	30
Share of associates' profit/loss	0	2	0	83	-	85
<b>Profit before taxes</b>	<b>198</b>	<b>92</b>	<b>72</b>	<b>113</b>	<b>0</b>	<b>475</b>
Taxes	-43	-20	-14	0	-	-78
<b>Profit for the period</b>	<b>155</b>	<b>72</b>	<b>58</b>	<b>113</b>	<b>0</b>	<b>398</b>
<b>Other comprehensive income for the period</b>						
<b>Items reclassifiable to profit or loss</b>						
Exchange differences	-16	0	-	-3	-	-20
Available-for-sale financial assets	162	-	73	30	-	264
Share of other comprehensive income of associates	-	-	-	-17	-	-17
Taxes	-35	-	-18	-6	-	-58
<b>Total items reclassifiable to profit or loss, net of tax</b>	<b>111</b>	<b>0</b>	<b>55</b>	<b>4</b>	<b>-</b>	<b>170</b>
<b>Items not reclassifiable to profit or loss</b>						
Actuarial gains and losses from defined pension plans	-8	-	-	-	-	-8
Taxes	2	-	-	-	-	2
<b>Total items not reclassifiable to profit or loss, net of tax</b>	<b>-6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-6</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>259</b>	<b>72</b>	<b>113</b>	<b>116</b>	<b>0</b>	<b>561</b>
<b>Profit attributable to</b>						
Owners of the parent						358
Non-controlling interests						40
<b>Total comprehensive income attributable to</b>						
Owners of the parent						521
Non-controlling interests						40



## Comprehensive income statement by segment for three months ended 31 March 2018

EURm	If	Top- danmark	Mandatum	Holding	Elimination	Group
Insurance premium written	1,518	837	243	-	0	2,598
Net income from investments	53	-86	-19	-41	-2	-95
Other operating income	7	1	2	4	-6	8
Claims incurred	-681	-305	-345	-	15	-1,316
Change in liabilities for insurance and investment contracts	-466	-302	223	-	-15	-560
Staff costs	-132	-75	-12	-3	-	-222
Other operating expenses	-106	-9	-18	-4	6	-130
Finance costs	-3	-3	-2	-2	3	-7
Share of associates' profit/loss	2	2	0	165	-	169
<b>Profit before taxes</b>	<b>193</b>	<b>60</b>	<b>73</b>	<b>119</b>	<b>0</b>	<b>445</b>
Taxes	-43	-13	-14	-	-	-70
<b>Profit for the period</b>	<b>150</b>	<b>47</b>	<b>59</b>	<b>119</b>	<b>0</b>	<b>375</b>
<b>Other comprehensive income for the period</b>						
<b>Items reclassifiable to profit or loss</b>						
Exchange differences	-79	-2	-	-	-	-81
Available-for-sale financial assets	-101	-	-99	-14	-	-214
Share of other comprehensive income of associates	-	-	-	-20	-	-20
Taxes	22	-	21	3	-	46
<b>Total items reclassifiable to profit or loss, net of tax</b>	<b>-158</b>	<b>-2</b>	<b>-78</b>	<b>-31</b>		<b>-269</b>
<b>Items not reclassifiable to profit or loss</b>						
Actuarial gains and losses from defined pension plans	2	-	-	-	-	2
Taxes	0	-	-	-	-	0
<b>Total items not reclassifiable to profit or loss, net of tax</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>-6</b>	<b>45</b>	<b>-19</b>	<b>88</b>	<b>0</b>	<b>108</b>
<b>Profit attributable to</b>						
Owners of the parent						348
Non-controlling interests						27
<b>Total comprehensive income attributable to</b>						
Owners of the parent						81
Non-controlling interests						27



## Consolidated balance sheet by segment at 31 March 2019

EURm	If	Topdanmark	Mandatum	Holding	Elimination	Group
<b>Assets</b>						
Property, plant and equipment	147	129	15	7	-	298
Investment property	-5	492	143	-	-	630
Intangible assets	509	1,468	161	0	-	2,138
Investments in associates	13	206	0	7,233	-	7,453
Financial assets	10,966	6,628	4,607	5,151	-4,059	23,293
Investments related to unit-linked insurance contracts	-	4,271	7,414	-	-25	11,660
Tax assets	11	2	-	9	-4	18
Reinsurers' share of insurance liabilities	272	117	1	-	-	391
Other assets	2,026	297	166	706	-11	3,184
Cash and cash equivalents	595	44	896	1,588	-	3,123
<b>Total assets</b>	<b>14,536</b>	<b>13,656</b>	<b>13,404</b>	<b>14,693</b>	<b>-4,099</b>	<b>52,189</b>
<b>Liabilities</b>						
Liabilities for insurance and investment contracts	9,422	5,617	4,183	-	-	19,222
Liabilities for unit-linked insurance and investment contracts	-	5,081	7,394	-	-25	12,450
Financial liabilities	418	347	127	4,071	-271	4,691
Tax liabilities	249	188	107	-	-4	540
Provisions	15	-	-	-	-	15
Employee benefits	57	-	-	-	-	57
Other liabilities	992	317	266	134	-11	1,697
<b>Total liabilities</b>	<b>11,152</b>	<b>11,550</b>	<b>12,076</b>	<b>4,204</b>	<b>-312</b>	<b>38,671</b>
<b>Equity</b>						
Share capital						98
Reserves						1,530
Retained earnings						11,208
Other components of equity						13
<b>Equity attributable to parent company's equity holders</b>						<b>12,850</b>
Non-controlling interests						668
<b>Total equity</b>						<b>13,518</b>
<b>Total equity and liabilities</b>						<b>52,189</b>



## Consolidated balance sheet by segment at 31 December 2018

EURm	If	Topdanmark	Mandatum	Holding	Elimination	Group
<b>Assets</b>						
Property, plant and equipment	24	130	5	3	-	162
Investment property	4	513	148	-	-	665
Intangible assets	512	1,472	158	0	-	2,143
Investments in associates	14	225	3	7,823	-	8,065
Financial assets	10,753	6,028	4,902	5,069	-4,058	22,693
Investments related to unit-linked insurance contracts	-	3,735	6,960	-	-24	10,671
Tax assets	11	2	-	15	-4	24
Reinsurers' share of insurance liabilities	208	85	1	-	-	294
Other assets	1,704	279	182	107	-8	2,263
Cash and cash equivalents	294	34	586	1,448	-	2,361
<b>Total assets</b>	<b>13,525</b>	<b>12,502</b>	<b>12,944</b>	<b>14,465</b>	<b>-4,095</b>	<b>49,340</b>
<b>Liabilities</b>						
Liabilities for insurance and investment contracts	8,934	5,259	4,221	-	-	18,415
Liabilities for unit-linked insurance and investment contracts	-	4,460	6,955	-	-24	11,390
Financial liabilities	405	339	133	4,104	-271	4,711
Tax liabilities	207	188	96	-	-4	487
Provisions	18	-	-	-	-	18
Employee benefits	51	-	-	-	-	51
Other liabilities	785	227	173	78	-9	1,254
<b>Total liabilities</b>	<b>10,401</b>	<b>10,473</b>	<b>11,578</b>	<b>4,182</b>	<b>-308</b>	<b>36,326</b>
<b>Equity</b>						
Share capital						98
Reserves						1,530
Retained earnings						10,944
Other components of equity						-186
<b>Equity attributable to parent company's equity holders</b>						<b>12,386</b>
Non-controlling interests						628
<b>Total equity</b>						<b>13,014</b>
<b>Total equity and liabilities</b>						<b>49,340</b>



# Other notes, EURm

## 1 Net income from investments >

If	1-3/2019	1-3/2018
<b>Financial assets</b>		
Derivative financial instruments	-1	-9
Loans and receivables	2	2
Financial asset available-for-sale		
Debt securities	43	36
Equity securities	27	37
Total	69	73
<b>Total financial assets</b>	<b>70</b>	<b>66</b>
Fee and commission expense	-5	-5
Income from other investments	1	0
Effect of discounting annuities	-8	-8
<b>If, total</b>	<b>59</b>	<b>53</b>

Topdanmark	1-3/2019	1-3/2018
<b>Financial assets</b>		
Derivative financial instruments	7	3
Financial assets for trading		
Debt securities	63	11
Equity securities	84	-24
Total	147	-14
Investments related to unit-linked contracts		
Debt securities	18	5
Equity securities	324	-85
Derivatives	35	-7
Other financial assets	27	8
Total	404	-79
Loans and receivables	2	0
<b>Total financial assets</b>	<b>560</b>	<b>-90</b>
Net income from investment property	8	12
Pension tax return	-30	-3
Effect of discounting, insurance liabilities	-56	-2
Other expenses related to investments	-1	-3
<b>Topdanmark, total</b>	<b>482</b>	<b>-86</b>



## &gt; 1 Net income from investments

Mandatum	1-3/2019	1-3/2018
<b>Financial assets</b>		
Derivative financial instruments	-39	31
Investments related to unit-linked contracts		
Debt securities	45	-10
Equity securities	390	-95
Loans and receivables	0	5
Other financial assets	-9	9
Total	426	-90
Loans and receivables	3	-2
Financial assets available-for-sale		
Debt securities	32	-16
Equity securities	129	54
Total	161	38
<b>Total income from financial assets</b>	<b>553</b>	<b>-23</b>
Other assets	0	1
Fee and commission income, net	0	4
<b>Mandatum, total</b>	<b>553</b>	<b>-19</b>

Holding	1-3/2019	1-3/2018
<b>Financial assets</b>		
Derivative financial instruments	-9	-29
Loans and receivables	-8	-25
Financial assets available-for-sale		
Debt securities	12	1
Equity securities	2	12
Total	14	13
<b>Holding, total</b>	<b>-3</b>	<b>-41</b>
Elimination items between segments	-4	-2
<b>Group investment income, total</b>	<b>1,087</b>	<b>-95</b>



## 2 Financial assets

	3/2019	12/2018
Derivative financial instruments	119	72
Financial assets at fair value through p/l		
Debt securities	5,116	4,432
Equity securities	802	726
Total	5,918	5,158
Loans and receivables	524	685
Financial assets available-for-sale		
Debt securities	12,709	12,888
Equity securities	4,024	3,889
Total	16,733	16,777
<b>Group financial assets, total</b>	<b>23,293</b>	<b>22,693</b>



### 3 Result analysis of If

	1-3/2019	1-3/2018
Premiums earned	1,071	1,052
Claims incurred	-758	-739
Operating expenses	-169	-171
Other technical income and expenses	-2	-2
Allocated investment return transferred from the non-technical account	4	3
<b>Technical result</b>	<b>147</b>	<b>143</b>
Investment result	63	58
Allocated investment return transferred to the technical account	-11	-11
Other income and expenses	-1	2
<b>Operating result</b>	<b>198</b>	<b>193</b>



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




INCOME STATEMENT	1-3/2019	1-3/2018
Other operating income	4	4
Staff expenses	-4	-3
Depreciation and impairment	0	0
Other operating expenses	-3	-4
<b>Operating profit</b>	<b>-3</b>	<b>-3</b>
Finance income and expenses	776	692
<b>Profit before appropriations and income taxes</b>	<b>773</b>	<b>689</b>
BALANCE SHEET	3/2019	12/2018
<b>ASSETS</b>		
Property, plant and equipment	3	3
Investments		
Shares in Group companies	3,401	3,401
Receivables from Group companies	266	261
Shares in participating undertakings	5,799	5,799
Receivables from participating undertakings	237	227
Other shares and participations	762	745
Other receivables	24	23
Receivables	809	166
Cash and cash equivalents	1,587	1,447
<b>TOTAL ASSETS</b>	<b>12,888</b>	<b>12,073</b>
<b>LIABILITIES</b>		
<b>Equity</b>		
Share capital	98	98
Fair value reserve	20	-3
Invested unrestricted equity	1,527	1,527
Other reserves	273	273
Retained earnings	5,996	4,328
Profit for the year	773	1,669
<b>Total equity</b>	<b>8,687</b>	<b>7,890</b>
<b>Liabilities</b>		
Long-term	3,942	3,943
Short-term	259	240
<b>Total liabilities</b>	<b>4,201</b>	<b>4,182</b>
<b>TOTAL LIABILITIES</b>	<b>12,888</b>	<b>12,073</b>



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