

# Q1

## **Supplementary Financial Information**

**JANUARY–MARCH 2017**

# Disclaimer

This presentation may contain forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Although Sampo believes that the expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.

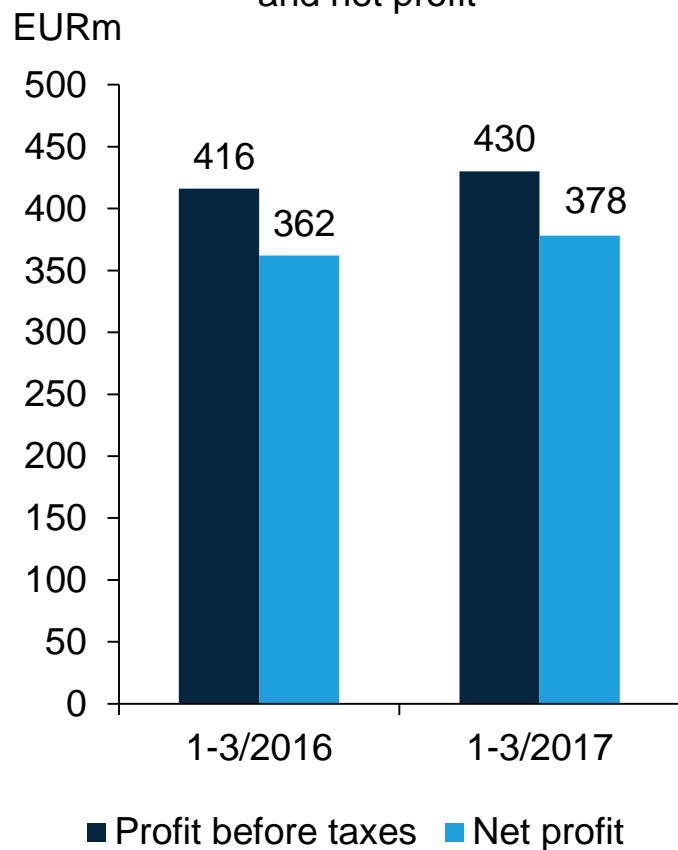
Important factors that may cause such a difference for Sampo include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate and (iii) developments in capital markets.

This presentation does not imply that Sampo has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.

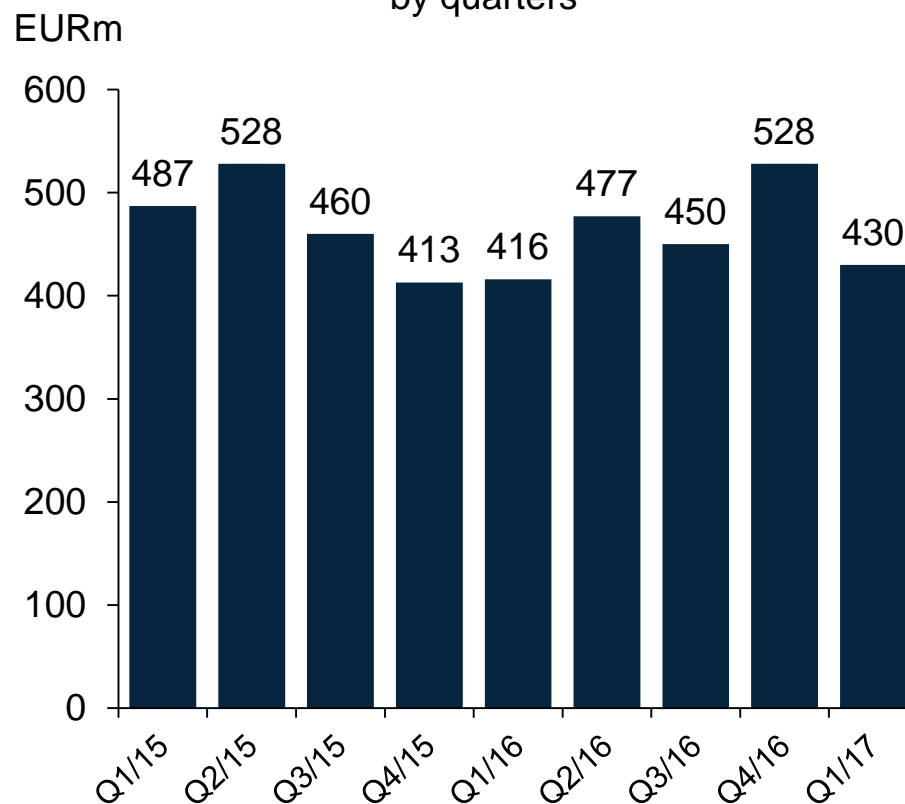
# Key Financial Figures

# Sampo Group results

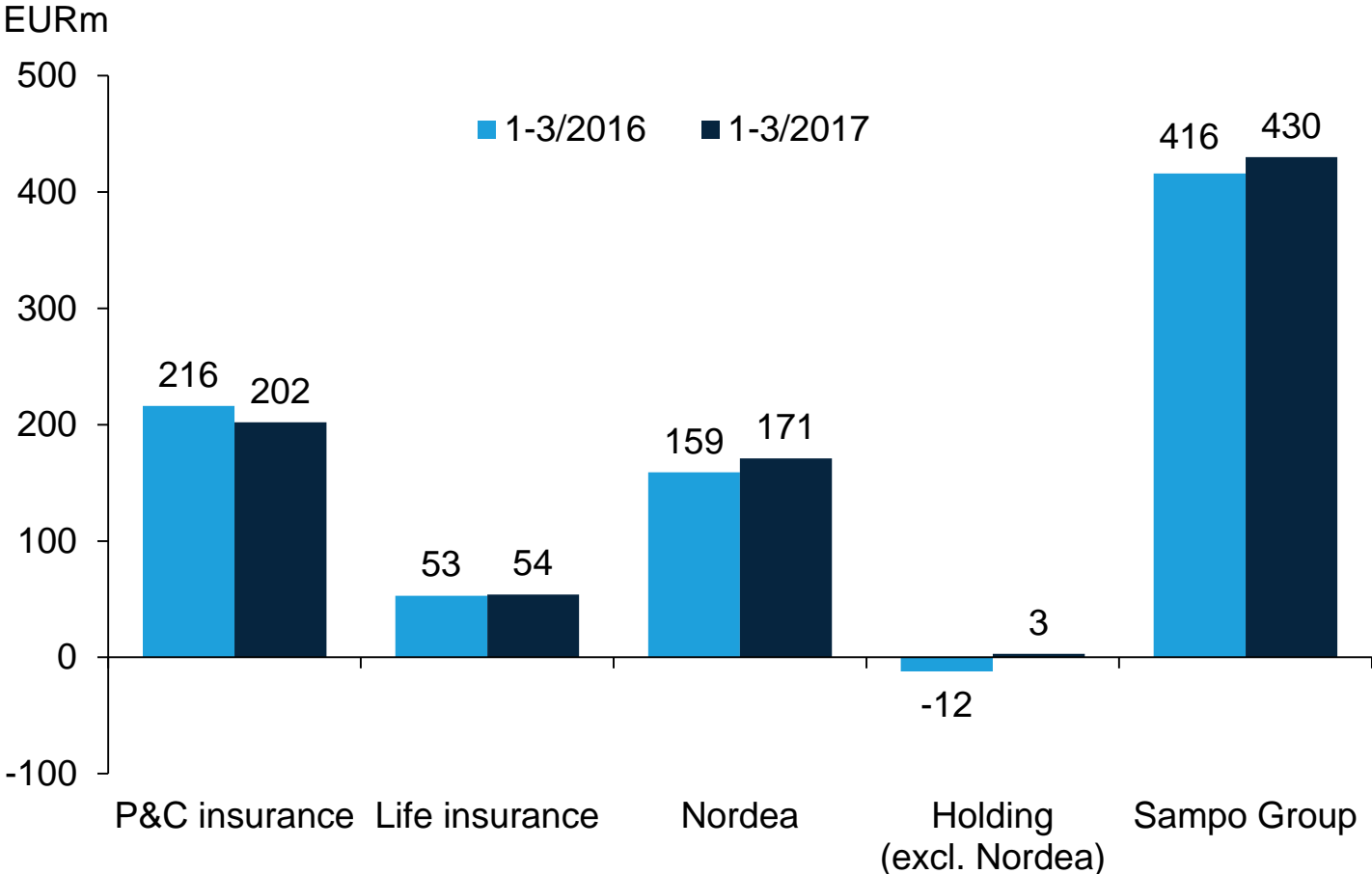
Profit before taxes and net profit



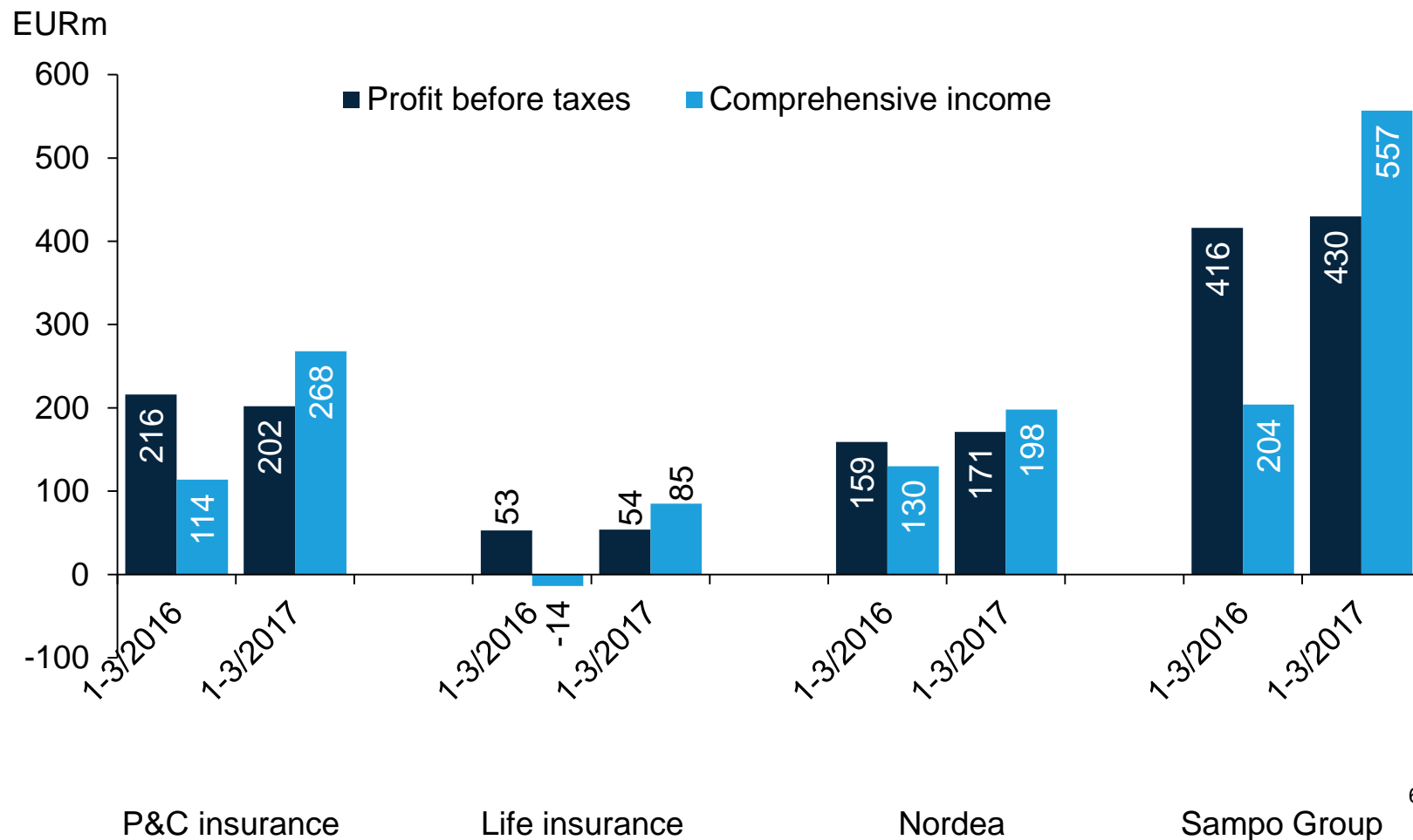
Profit before taxes by quarters



# Sampo Group profit before taxes

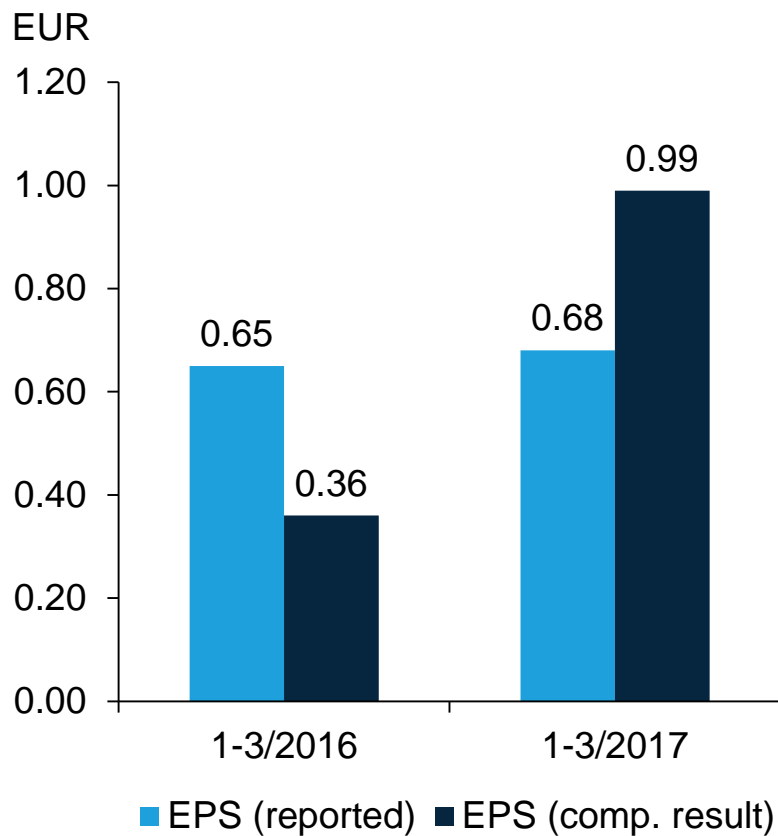


# Profit before taxes and comprehensive income

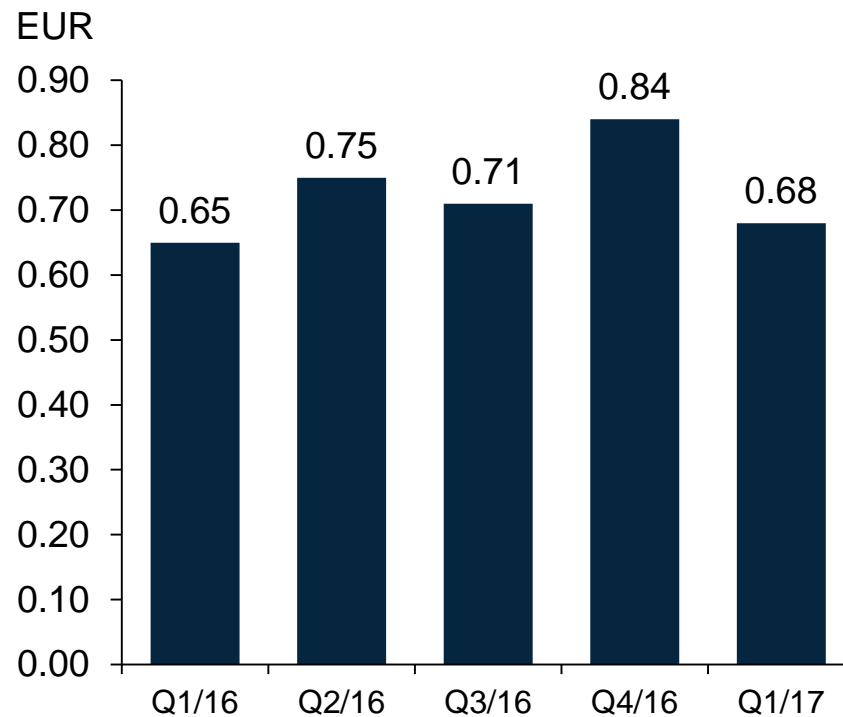


# Earnings per share

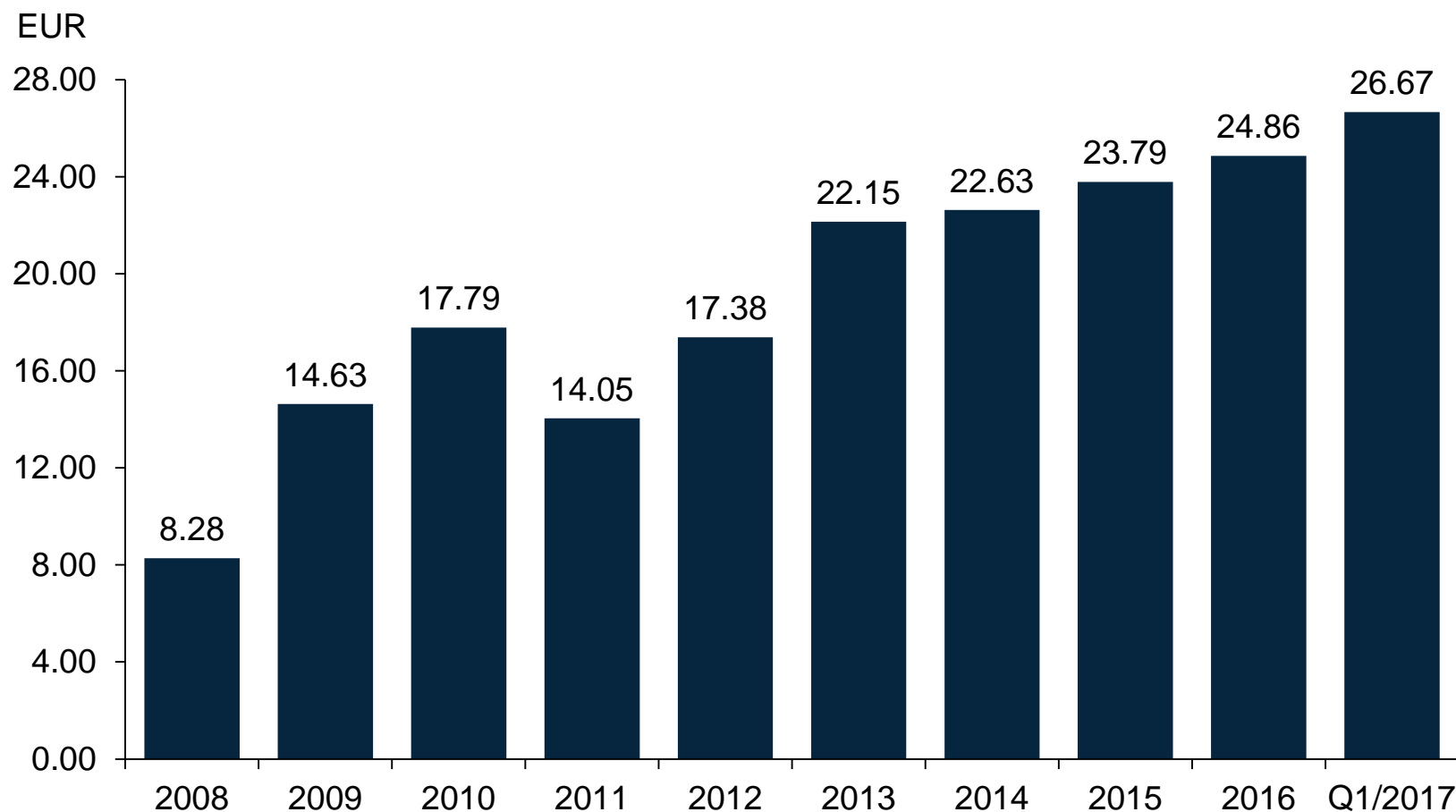
EPS and Comprehensive result EPS



Reported EPS by quarter

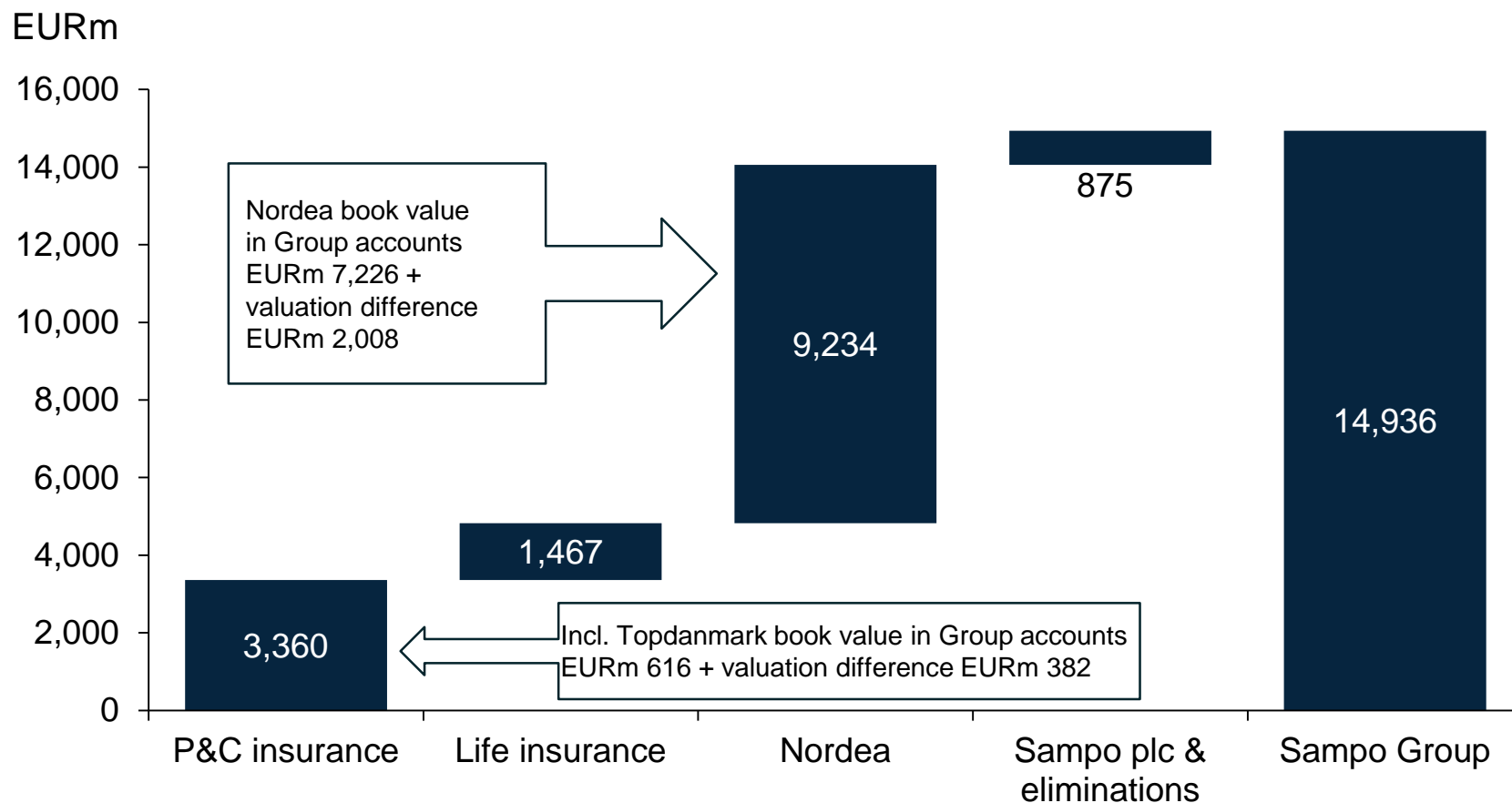


# Sampo Group net asset value per share

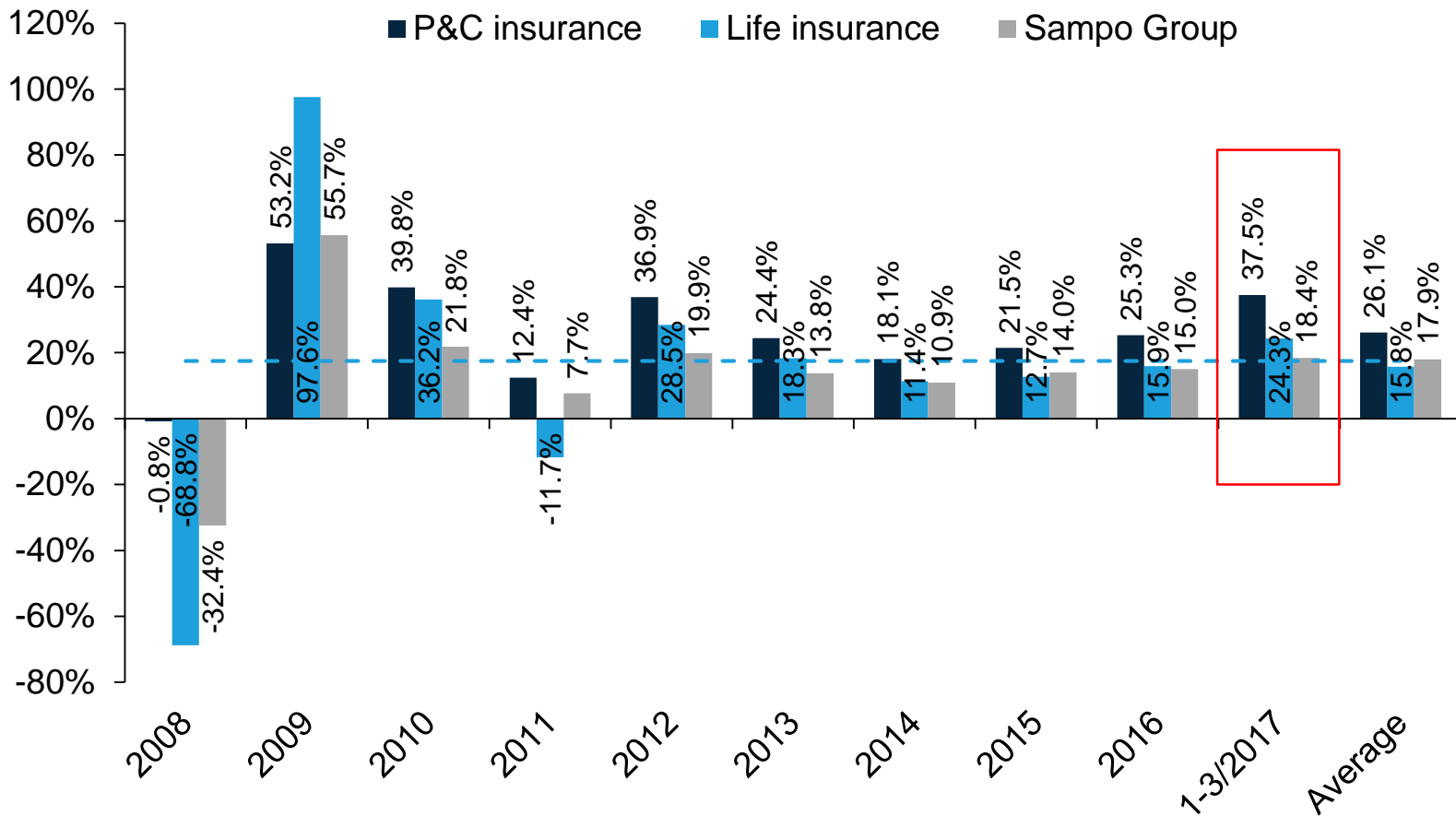




# Net asset value per segment, 31 March 2017



# Return on equity in Sampo Group's business areas



## Fair value reserve development by segment

EURm	3/2017	12/2016	12/2015	12/2014
P&C insurance	584.1	484.0	391.0	507.3
Life insurance	636.3 <sup>**</sup> )	595.7 <sup>**</sup> )	532.1 <sup>**</sup> )	508.2
Holding	32.4	27.7	8.2	6.9
Sampo Group <sup>*)</sup>	1,253.5 <sup>**</sup> )	1,108.1 <sup>**</sup> )	931.9 <sup>**</sup> )	1,016.7

<sup>\*)</sup> Eliminations included and figures after tax

<sup>\*\*</sup>) Excluding the segregated portfolio

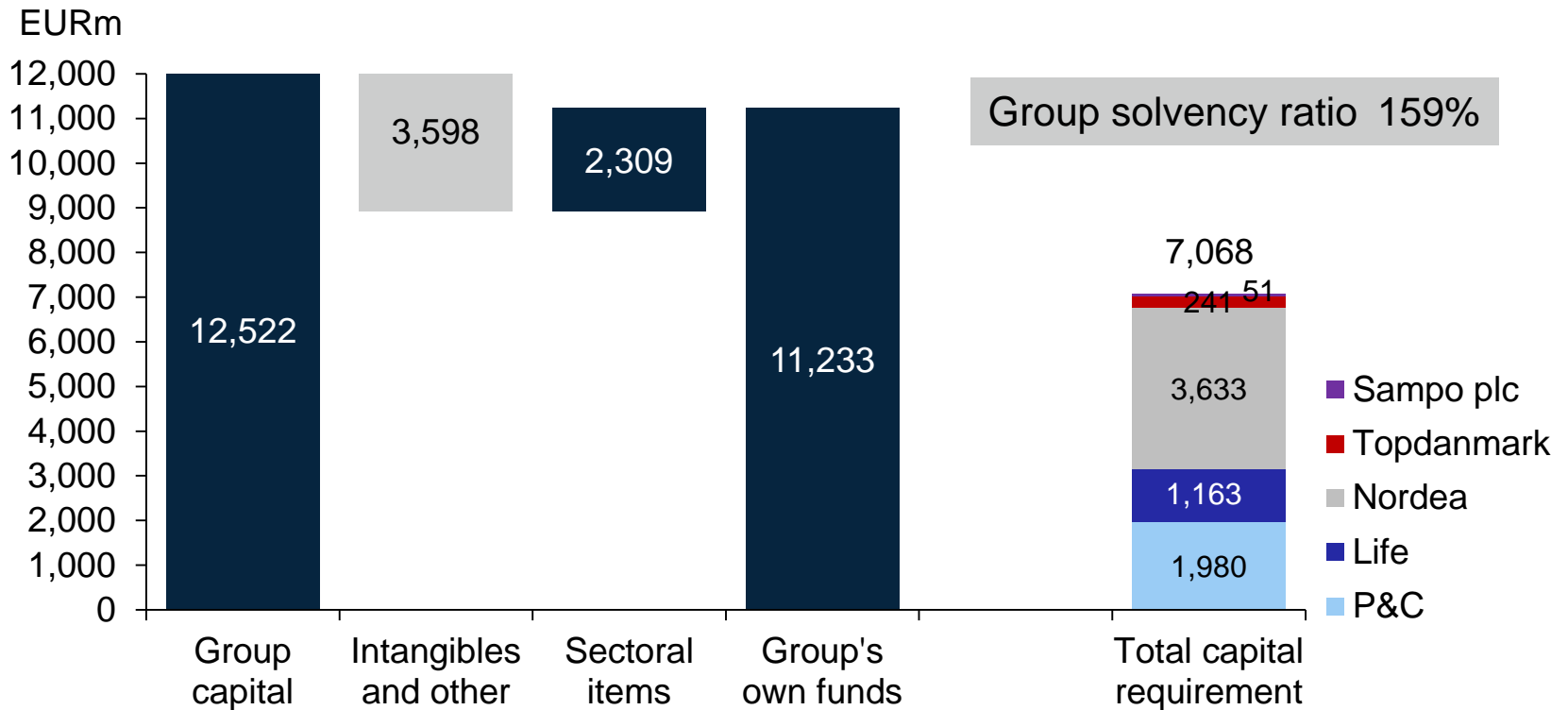
## Fair value reserve by segment and asset class, 31 March 2017

EURm	Fixed income	Equity	Deferred taxes	The share transferred to the segregated portfolio	FVR net
P&C insurance	46.5	699.7	-162.0		584.1
Life insurance	54.7	770.2	-165.0	-23.6	636.3
Holding	19.3	21.2	-8.1		32.4
Sampo Group <sup>*)</sup>	120.5	1,492.0	-335.3	-23.6	1,253.5

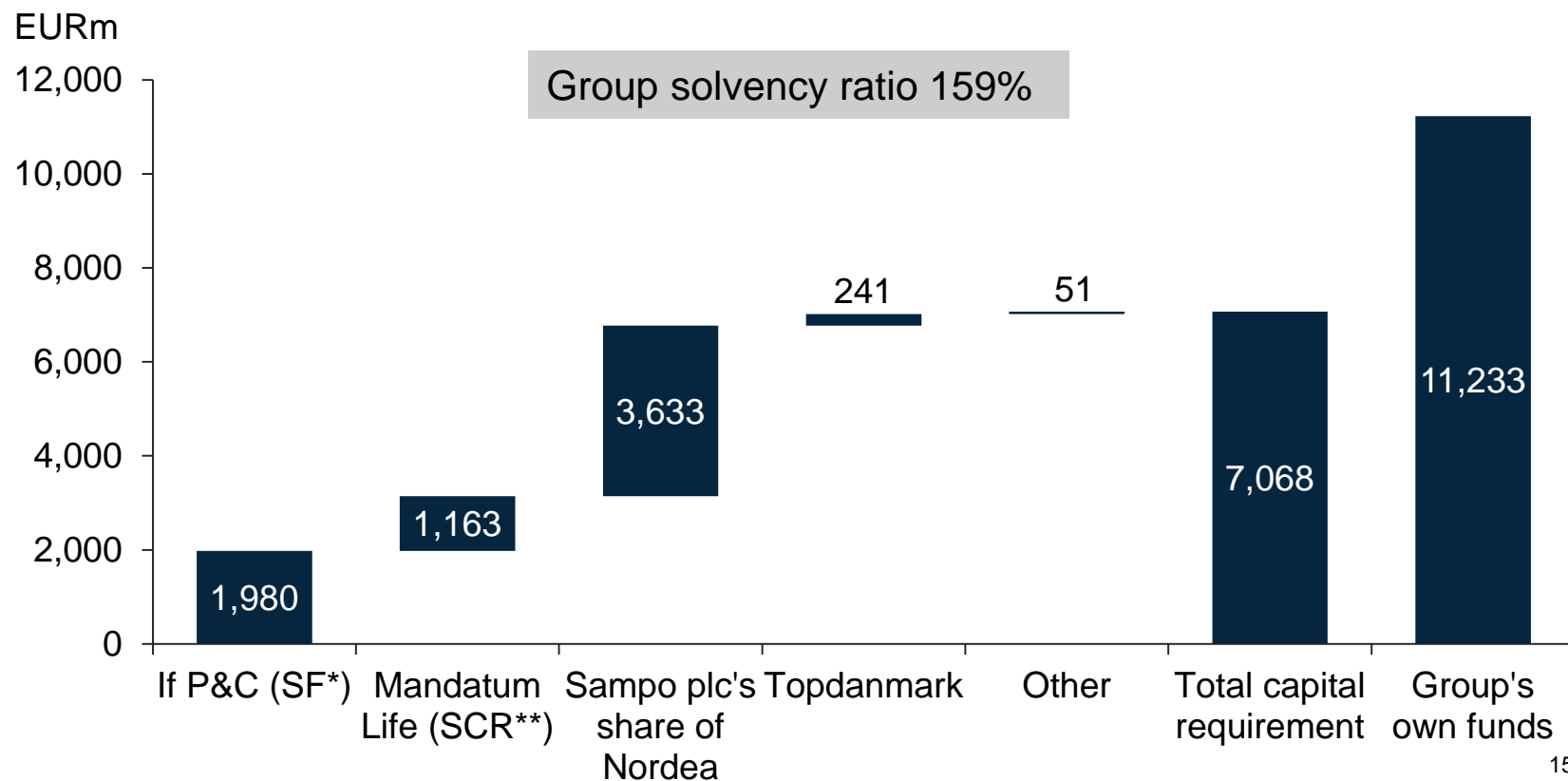
<sup>\*)</sup> Eliminations included and figures after tax

# Capital Position

# Group capital and minimum requirement, Solvency II applied to insurance co's, 31 March 2017



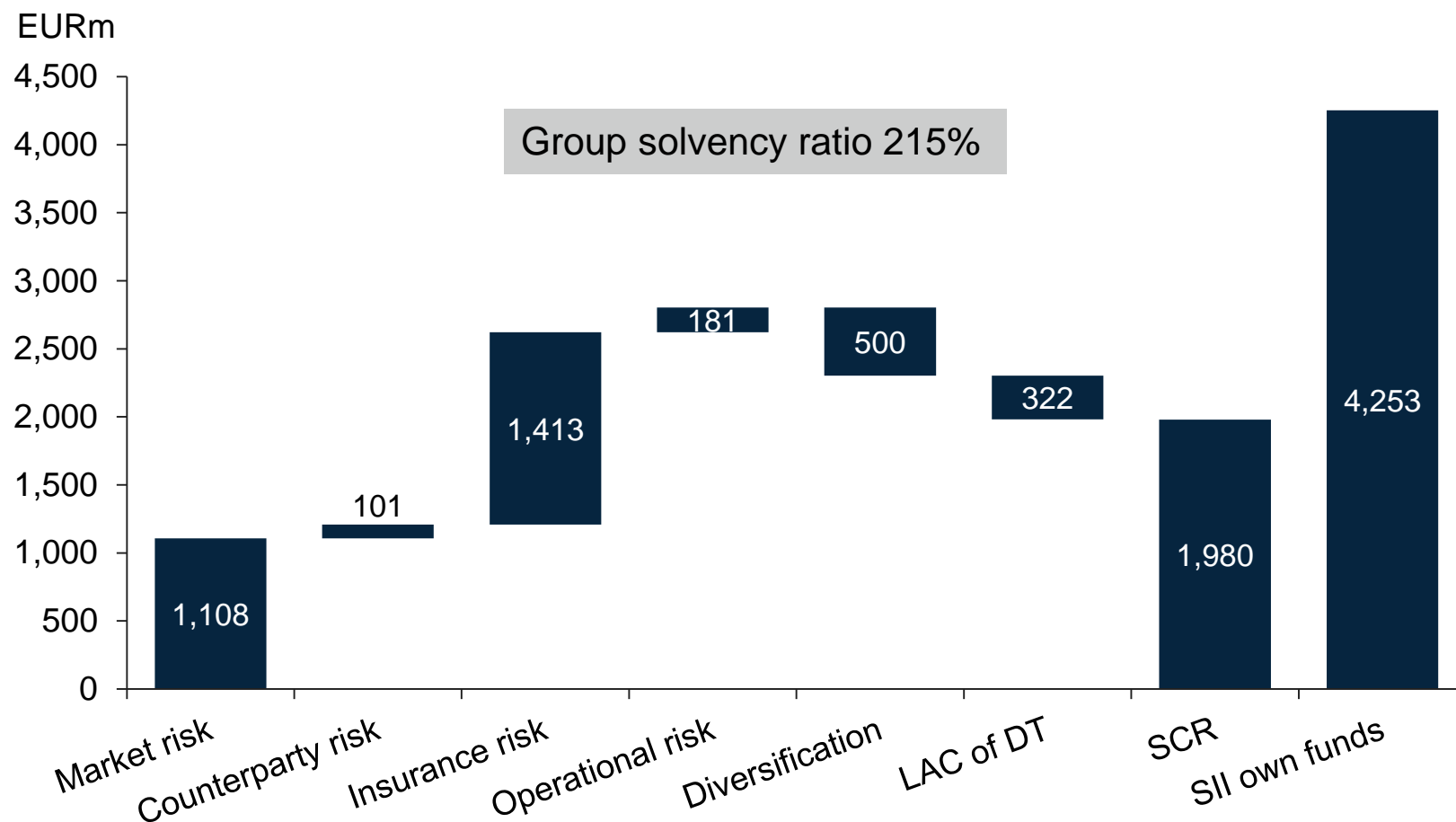
# Group capital and minimum requirement, Solvency II applied to insurance co's, 31 March 2017



\*) Standard formula

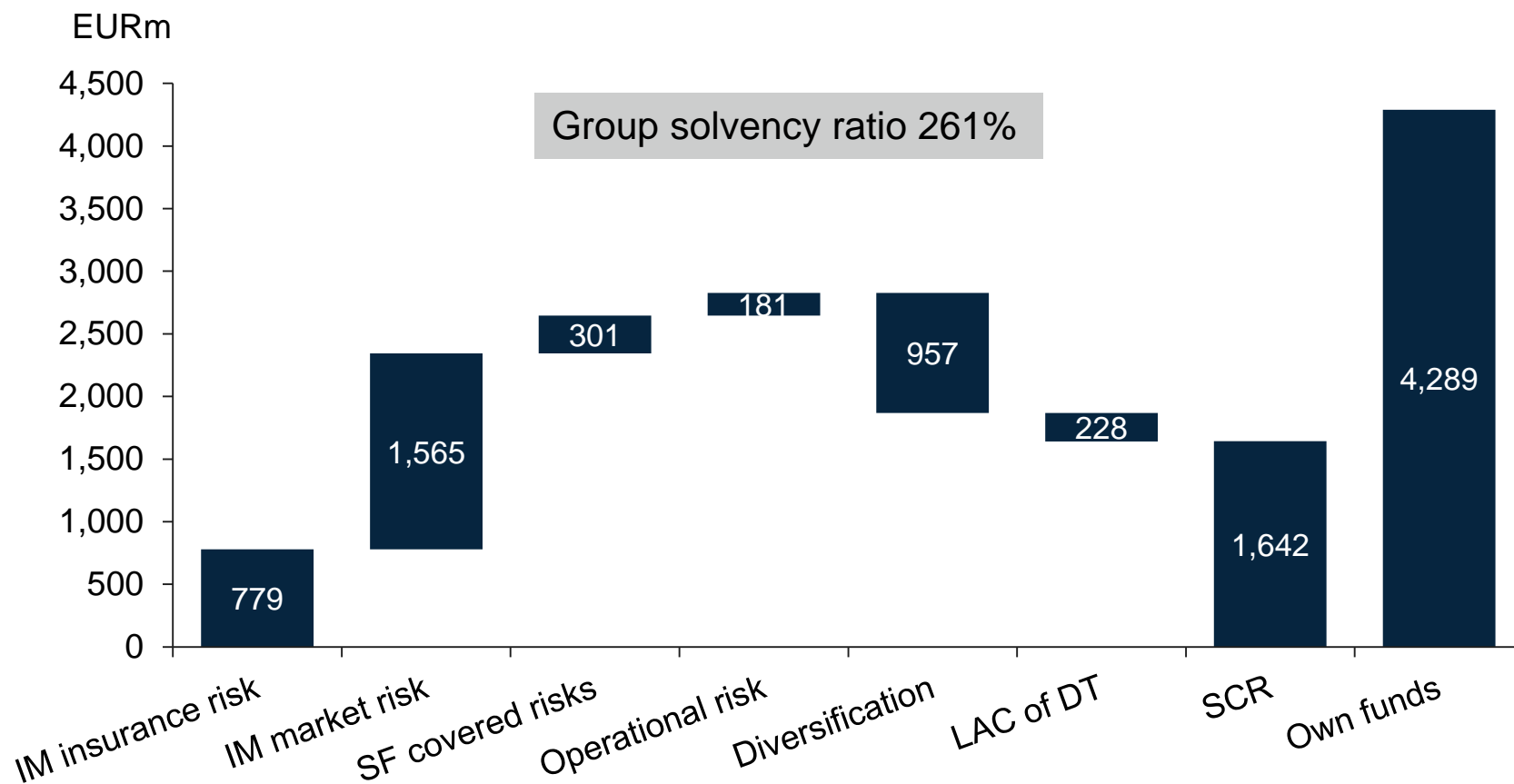
\*\*\*) SCR with transition rules

# If P&C, Solvency Capital Requirement (SCR), Standard Formula (SF), 31 March 2017

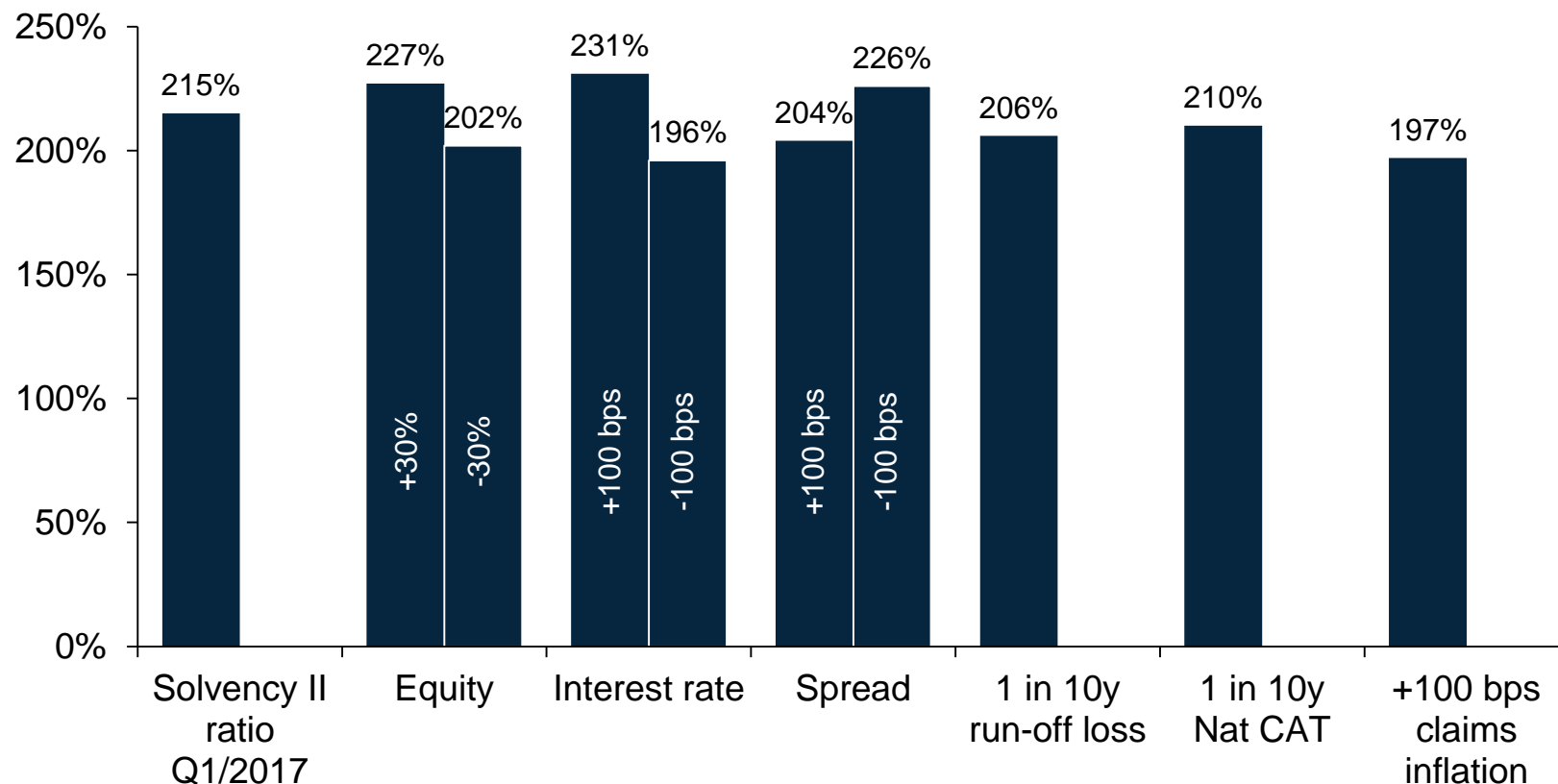




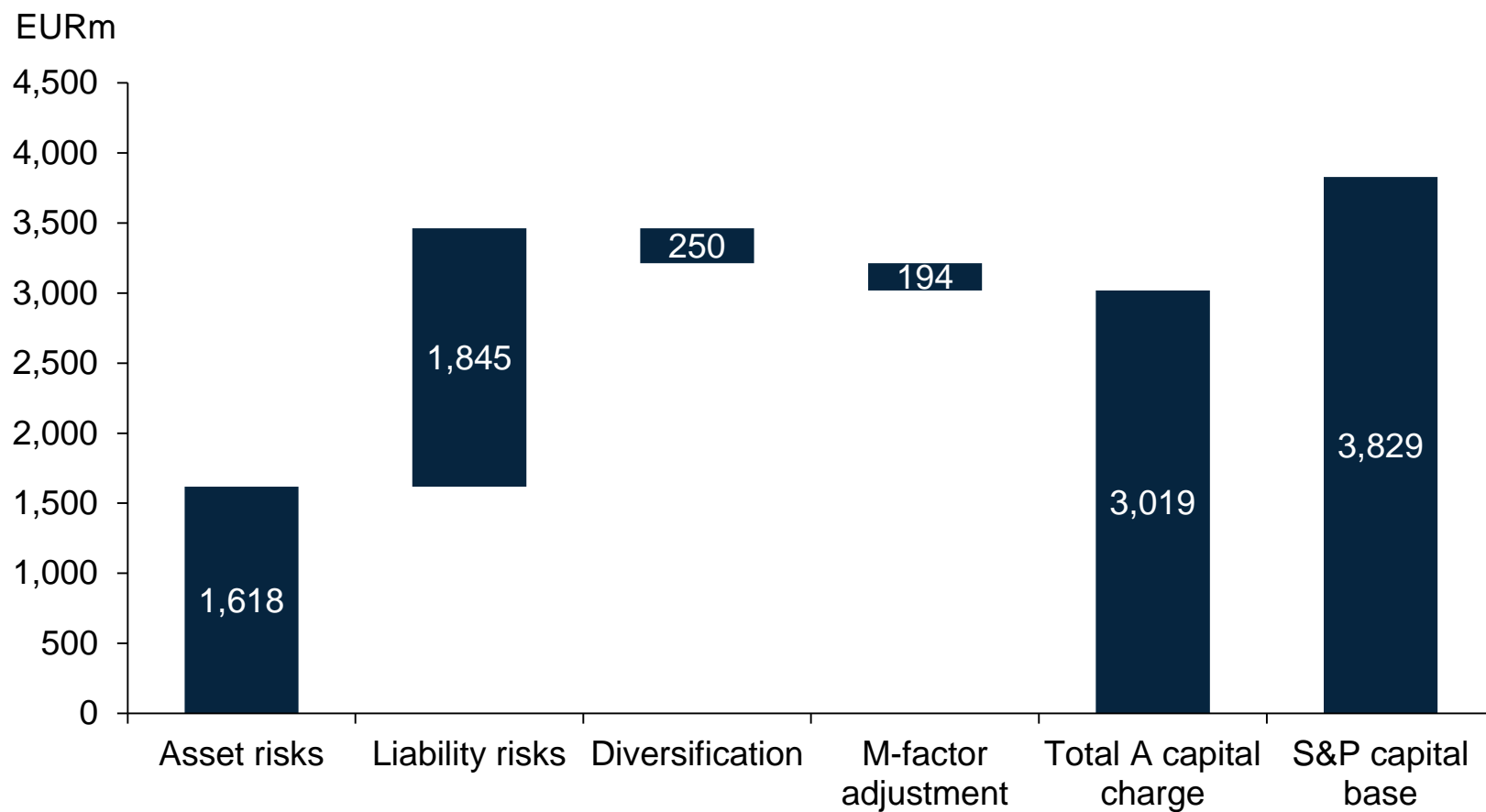
# If P&C, Solvency Capital Requirement (SCR), Partial Internal Model (PIM), 31 March 2017



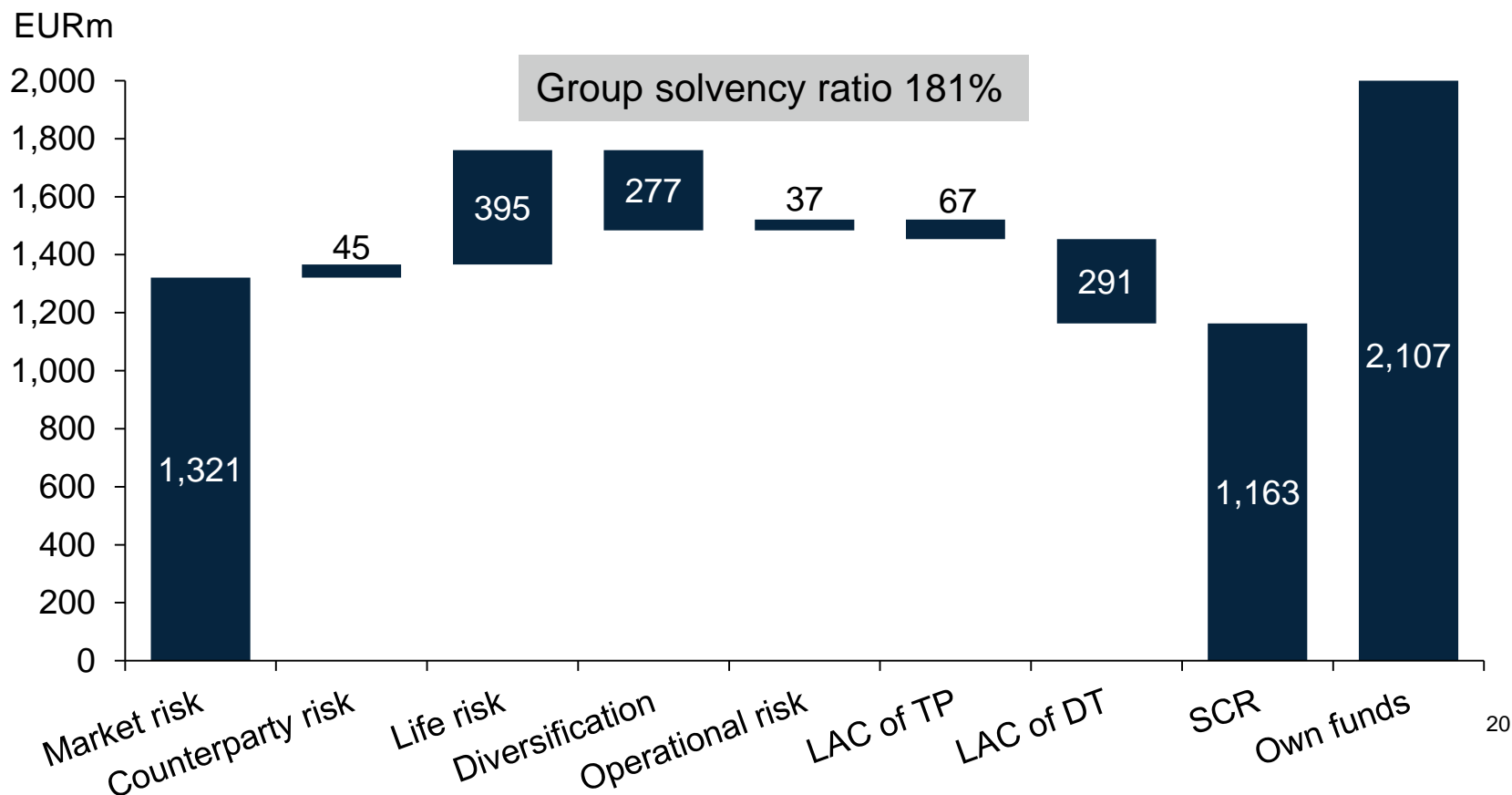
# If P&C, Solvency II stresses, Test on Standard Formula Solvency II EOF ratio with transitional Equity Measures



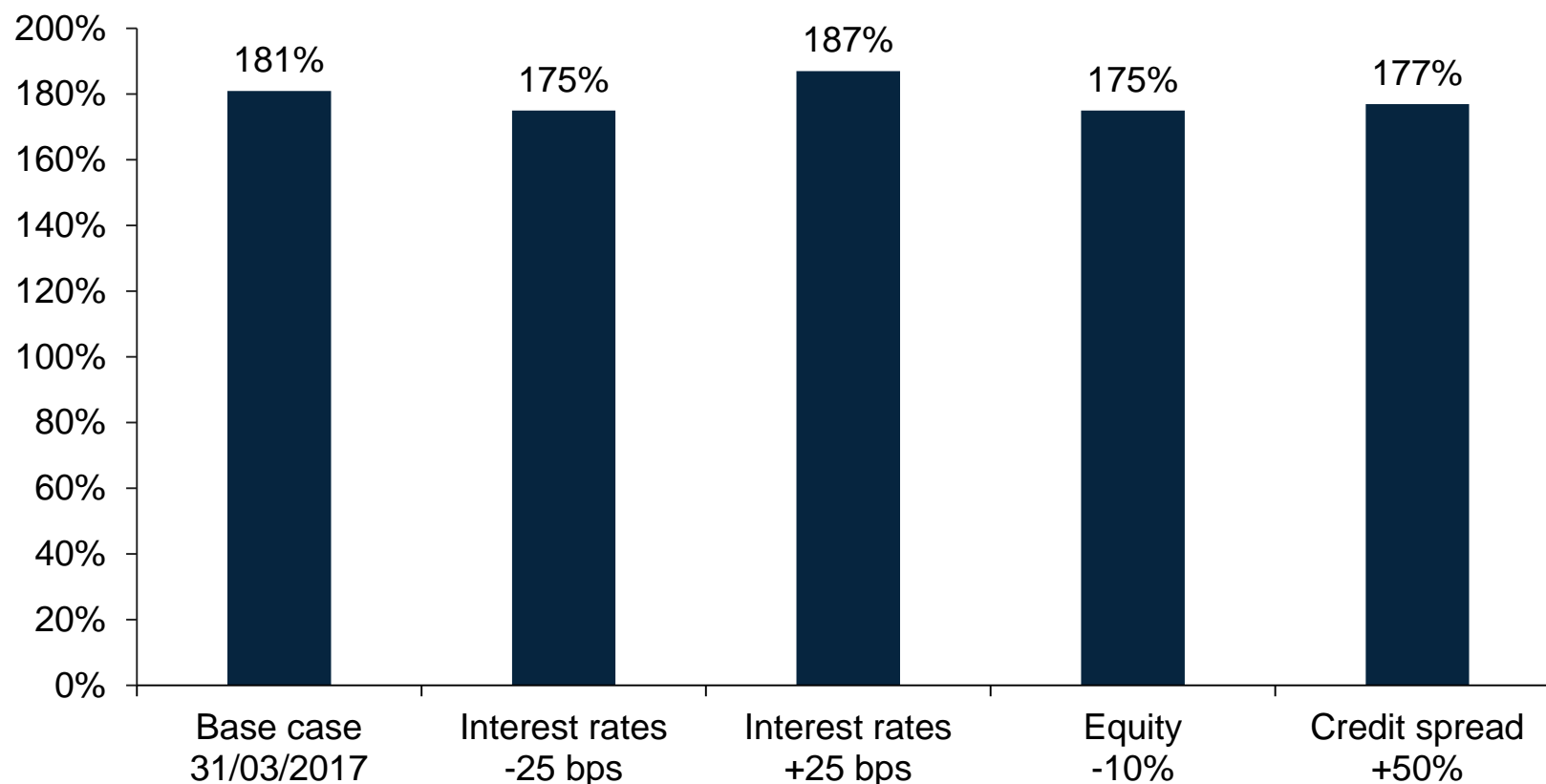
# If P&C, rating capital requirement, 31 March 2017



# Mandatum Life, Solvency II Capital Requirements with transitional measures, 31 March 2017



## Mandatum Life, SCR Coverage Ratio, Estimated sensitivities, 31 March 2017

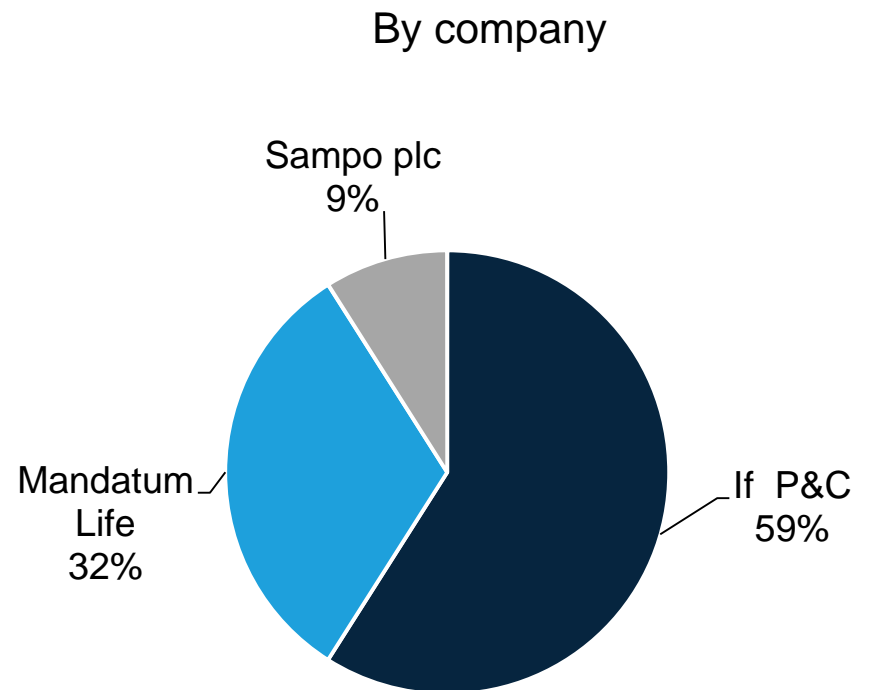
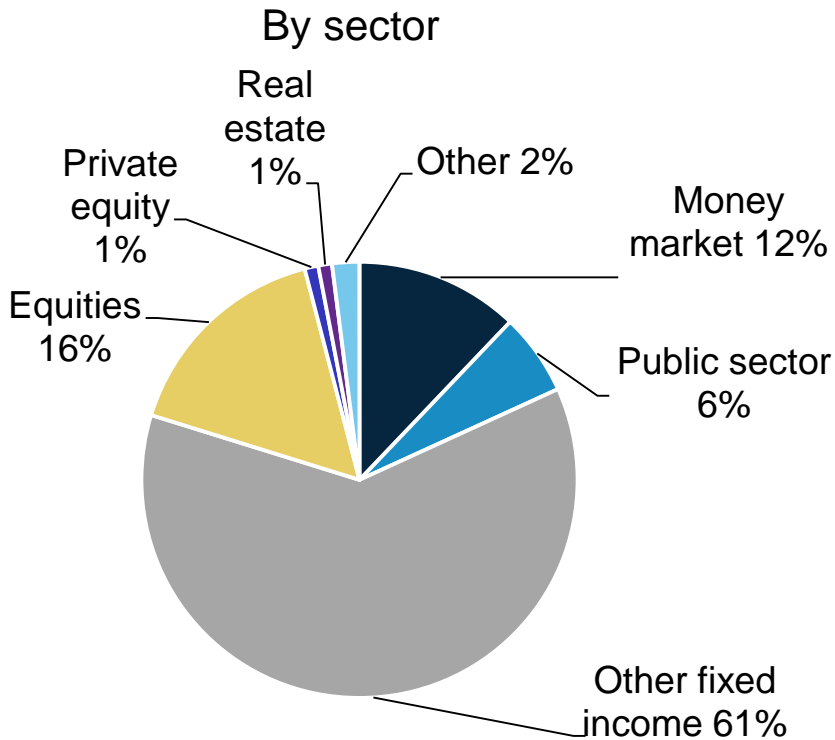


# Investments

# Investment allocation

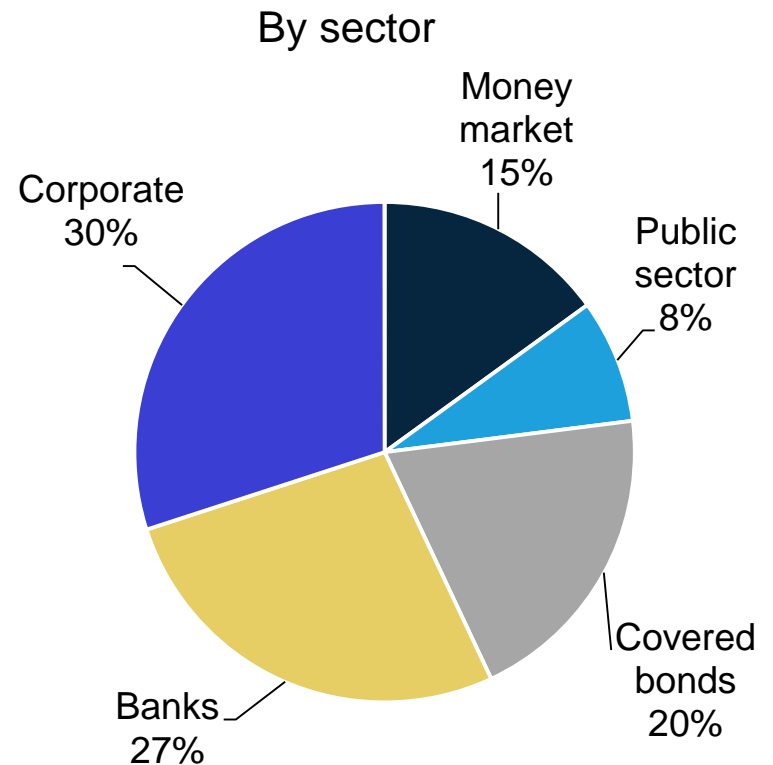
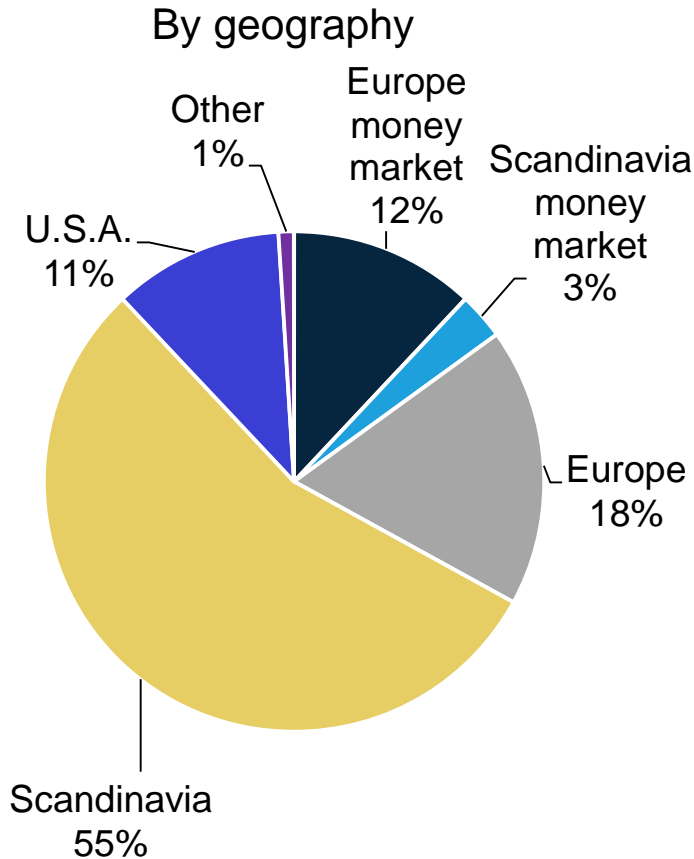
## Sampo Group, 31 March 2017

**Total EUR 20.8 billion**



# Fixed income investment allocation Sampo Group, 31 March 2017

**Total EUR 16.4 billion**





## Fixed income investments in public sector Sampo Group, 31 March 2017

EURm	Government	Government guaranteed	Public sector, other	Total
Sweden	100		680	780
Norway			250	250
Finland		79	87	166
Germany		67		67
United States	18	23		41
Japan			19	19
Denmark		11		11
<b>Total</b>	<b>118</b>	<b>179</b>	<b>1,036</b>	<b>1,334</b>

# Financial sector fixed income investments by country and investment class

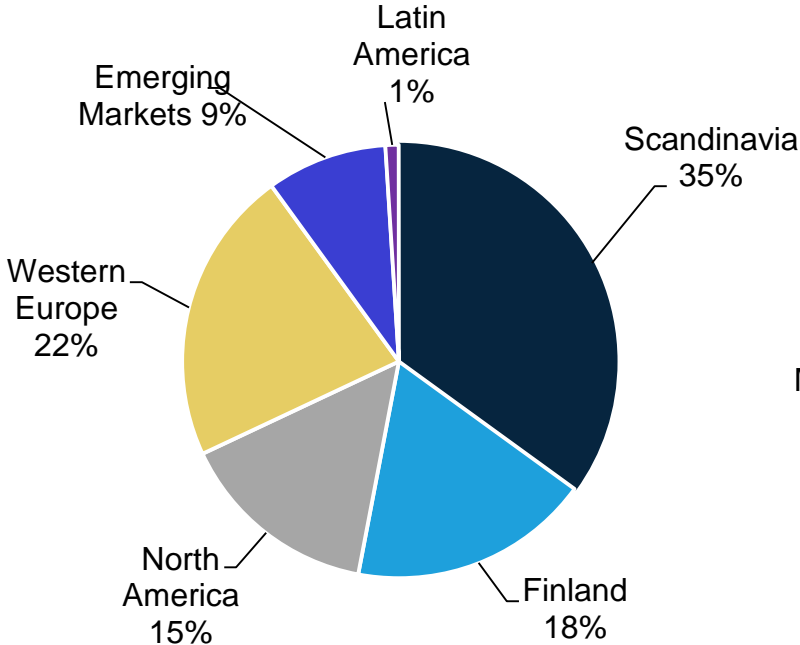
## Sampo Group, 31 March 2017

	Covered bonds	Money market	Long-term senior debt	Long-term subord. debt	Total	%
Sweden	2,002	353	819	460	3,634	37%
Finland	134	1,546	251	6	1,937	20%
Norway	652		399	223	1,275	13%
Denmark	207	7	324	71	610	6%
United States		5	572		577	6%
United Kingdom	12	462	67	2	543	6%
France	22	195	39	14	270	3%
Canada	89		137		226	2%
Netherlands		0	207		207	2%
Switzerland			189	11	200	2%
Iceland			90		90	1%
Other	49	34	134	0	217	2%
<b>Total</b>	<b>3,168</b>	<b>2,602</b>	<b>3,229</b>	<b>788</b>	<b>9,786</b>	<b>100%</b>

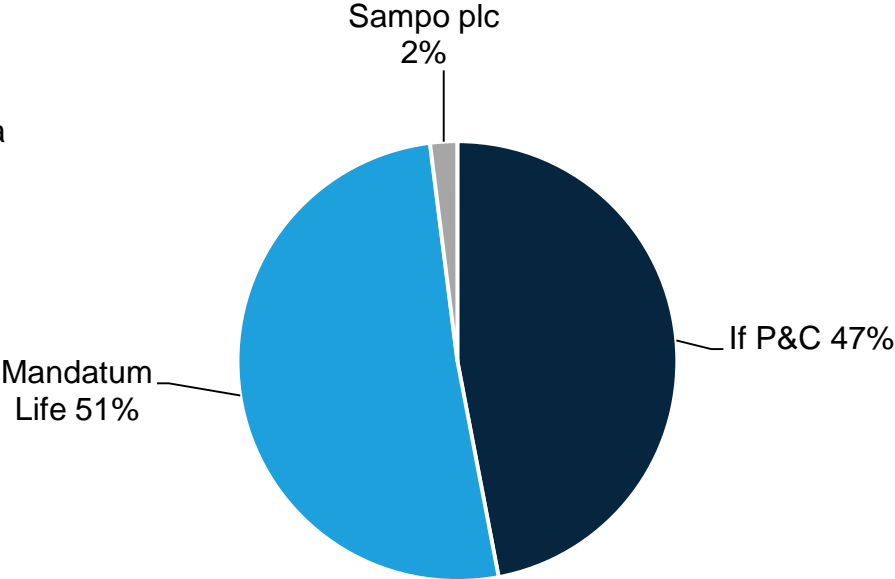
# Equity investment allocation Sampo Group, 31 March 2017

Total EUR 3.4 billion

By geography



By company



## Investment returns, January–March 2017

	Yield, %			EURm		
	ML*)	If	Group	ML*)	If	Group
Fixed income	0.9	0.8	0.8	34 (3)	85 (0)	130
Equities	6.2	7.9	6.9	105 (55)	119 (28)	226
Other (incl. FX net result)	1.3	-60.6	0.0	12 (0)	-16	0
<b>Total</b>	<b>2.3</b>	<b>1.5</b>	<b>1.7</b>	<b>152</b>	<b>188</b>	<b>356</b>

Realized sales gains and losses in parenthesis

\*) Including the segregated portfolio

## Sensitivity of Group investments to market risks, 31 March 2017

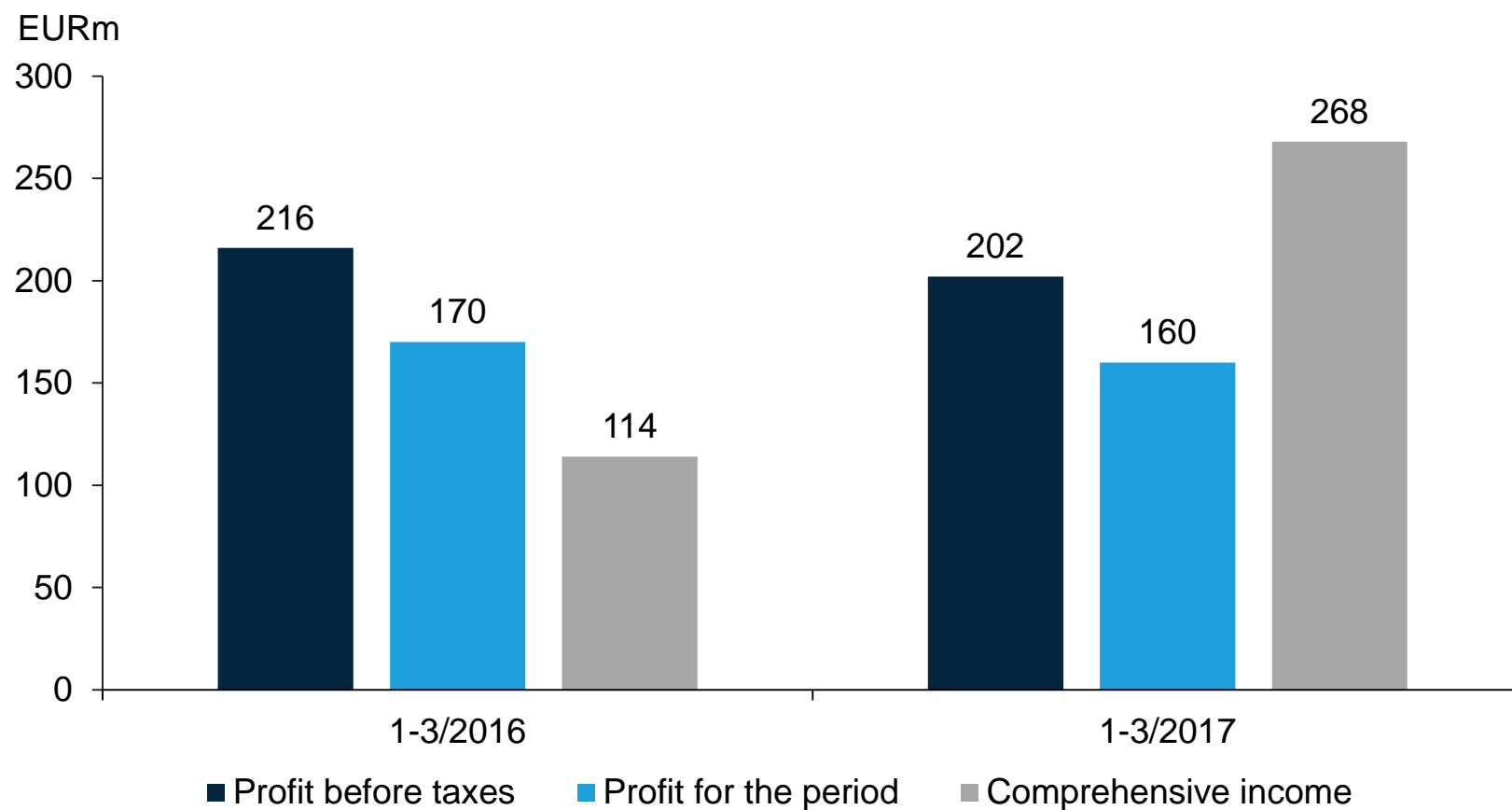
EURm		If P&C	Mandatum Life*)	Sampo plc	Sampo Group
Equities	-10%	-160	-174	-8	-342
	+10%	160	174	8	342
Interest rates	-100 bps	180	99	16	288
	+100 bps	-173	-91	-15	-273
Other	-10%	-5	-91	-6	-98
	+10%	5	91	6	98
Local currency	-5%	-2	47	49	
	+5%	2	-47	-49	-

The changes of interest rates have a strong effect on the reinvestment risk of the insurance companies. The sensitivities include the effects of derivative positions, but do not capture indirect effects, like the impact of the changes of the discount rates in the value in force. All sensitivities are before taxes. The scenario definitions assume an uniform movement of the whole underlying market.

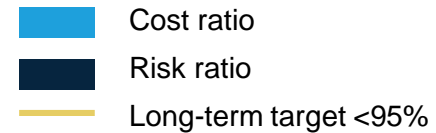
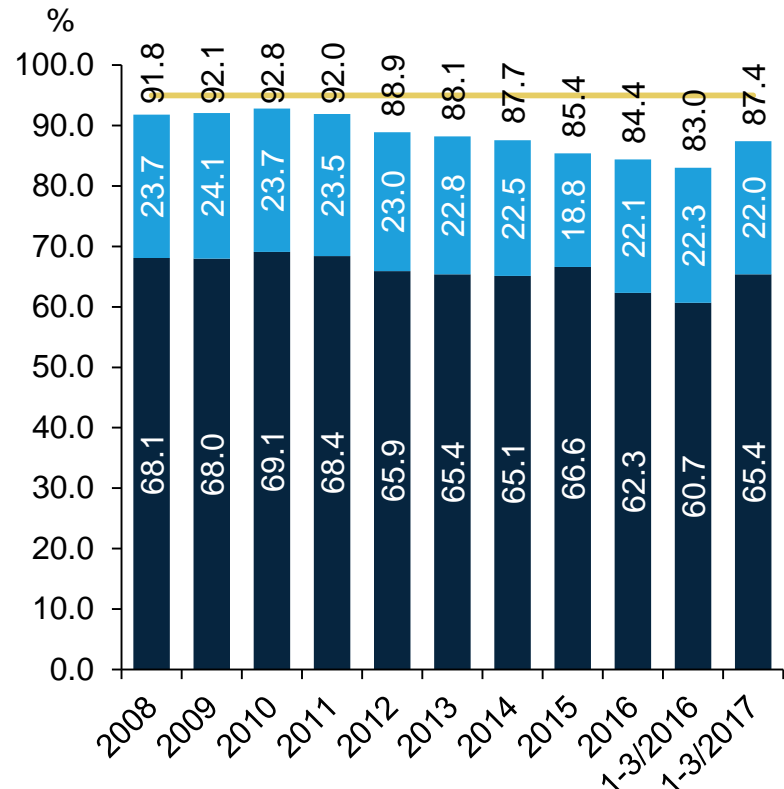
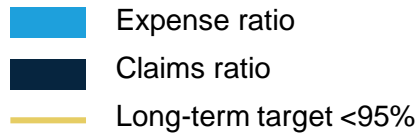
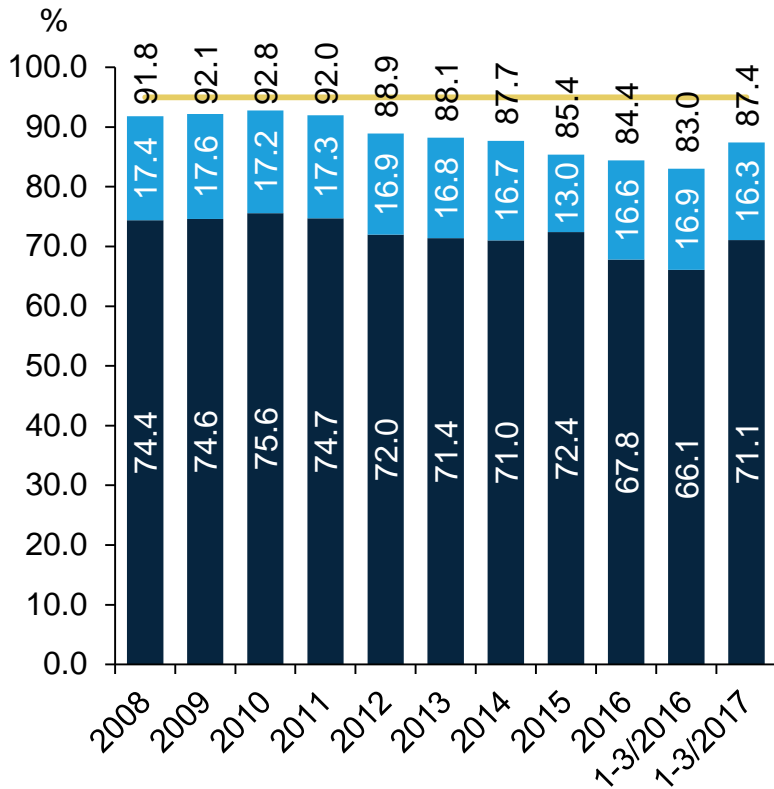
\*) Including the segregated portfolio

# P&C Insurance

# P&C insurance profit before taxes and comprehensive income

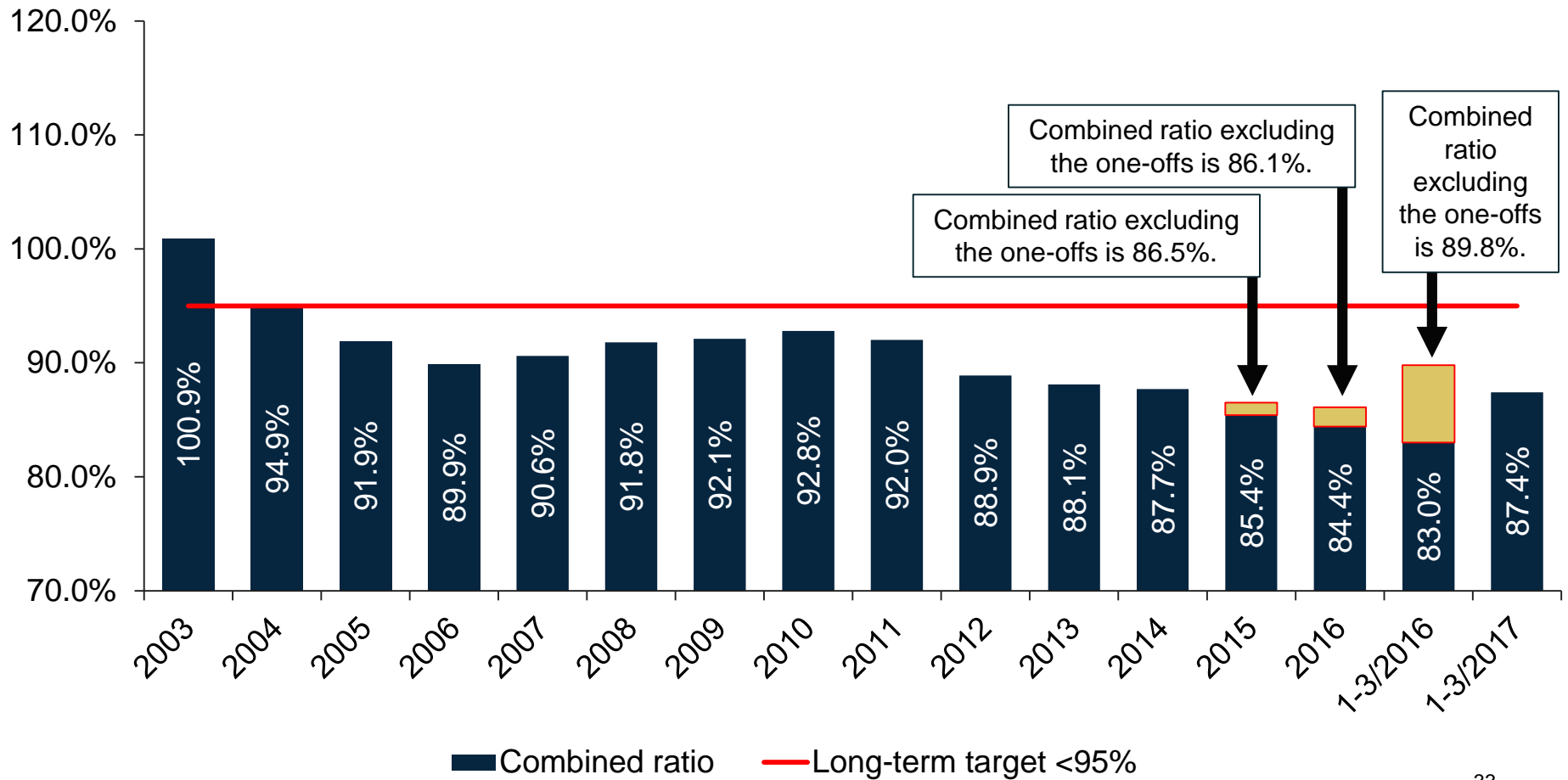


# P&C insurance combined ratio development

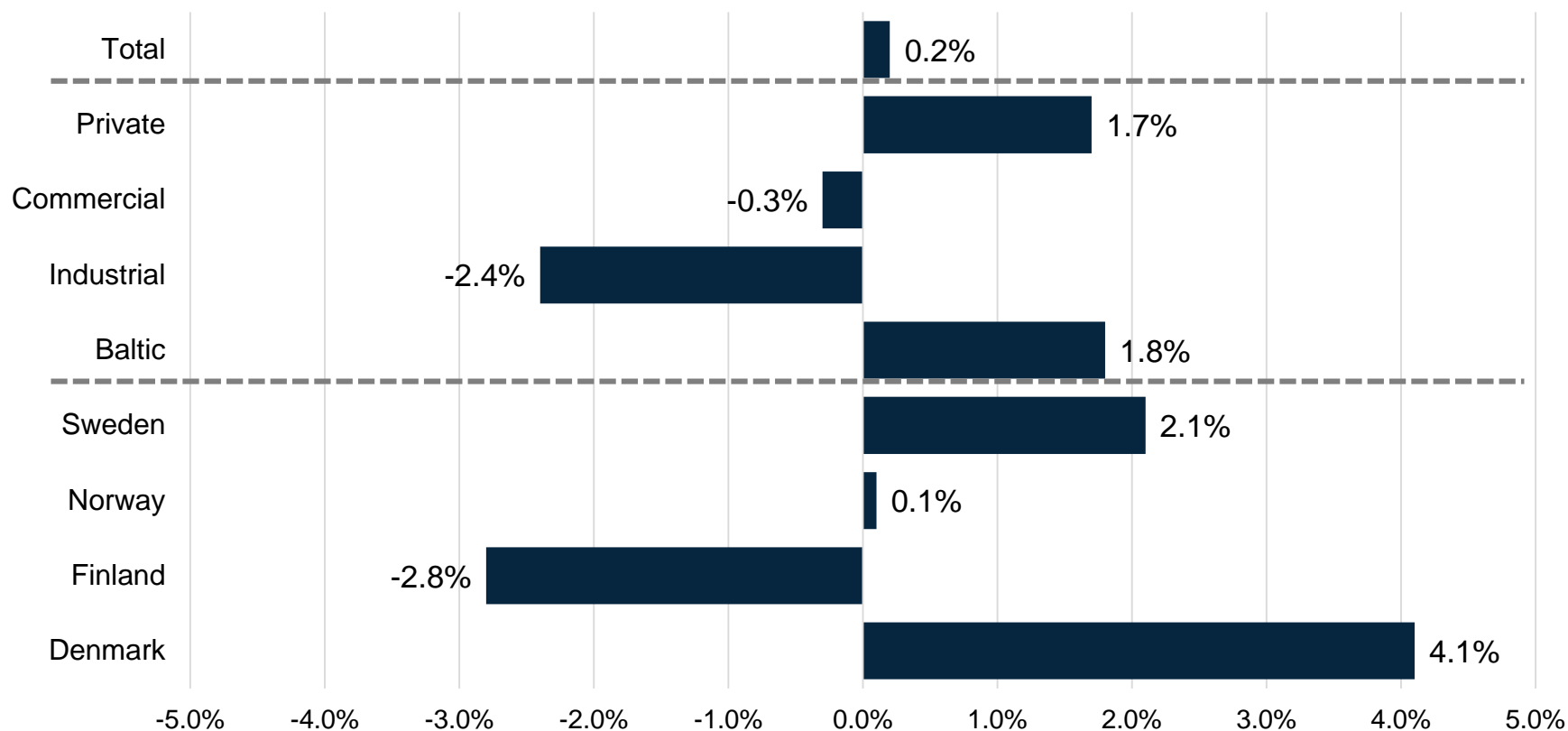




# P&C insurance combined ratio development

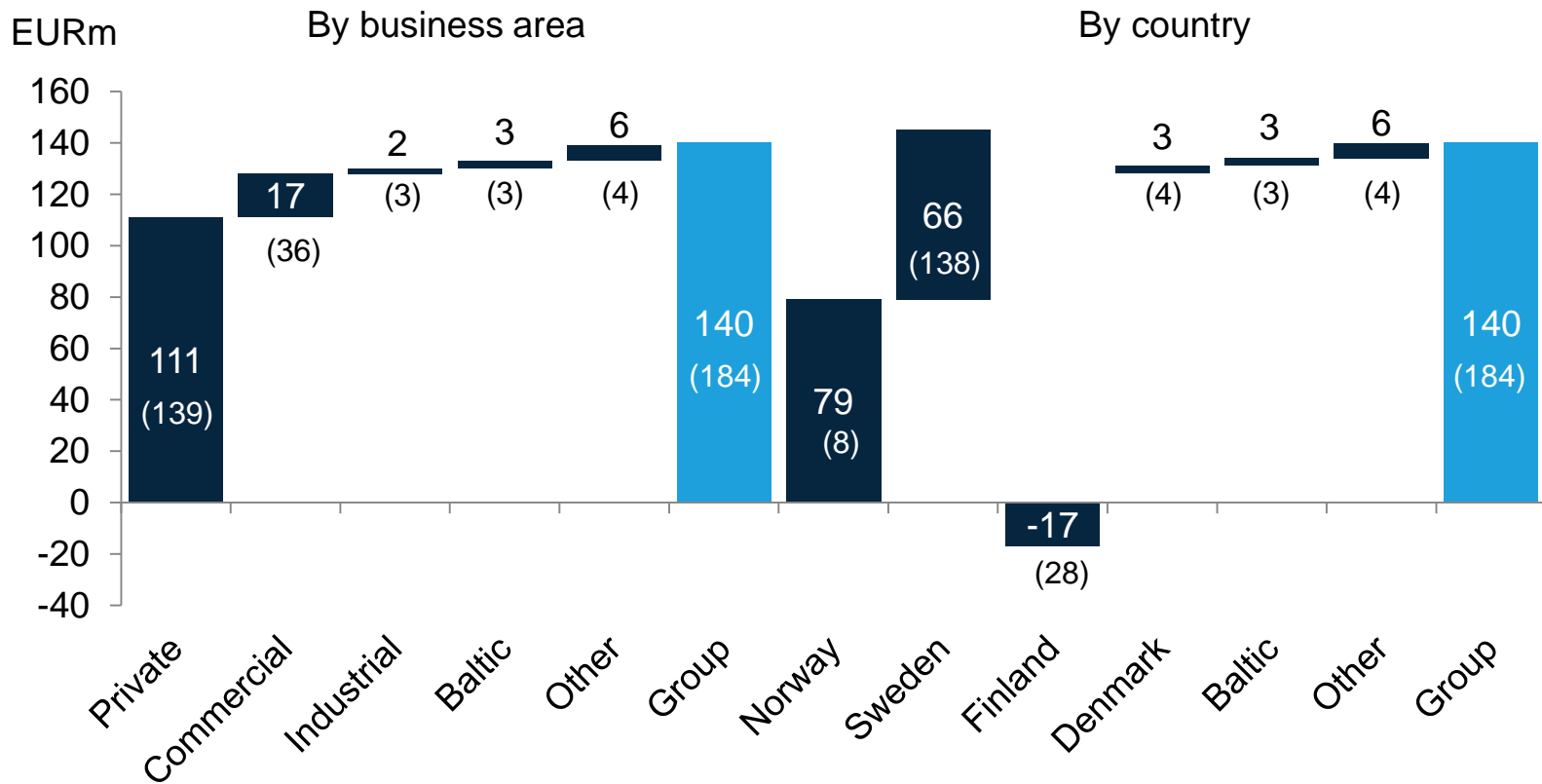


# P&C insurance GWP growth by business area and by country\*, 1-3/2017 vs. 1-3/2016

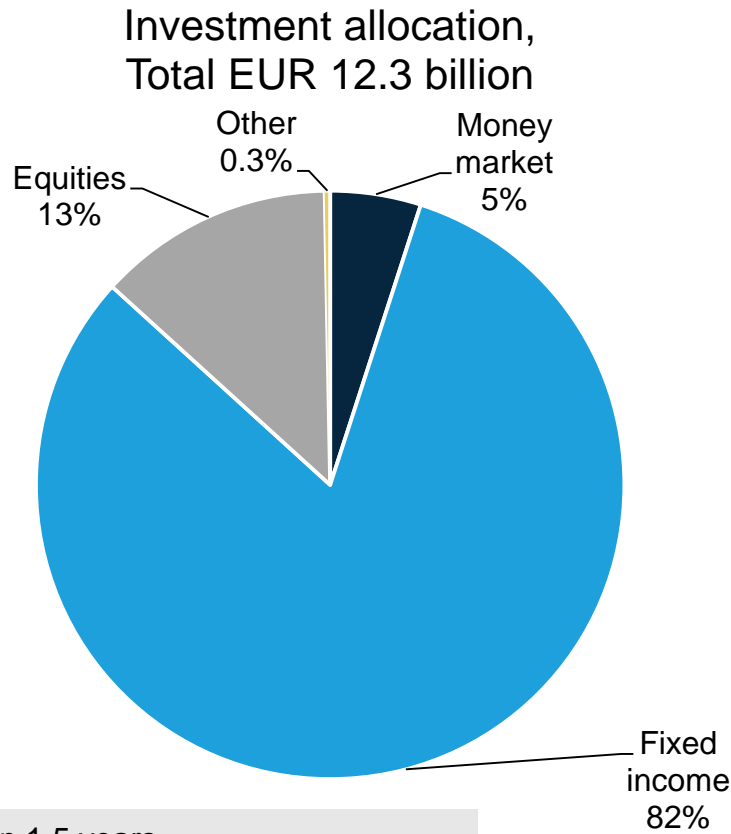


\*excluding currency effects

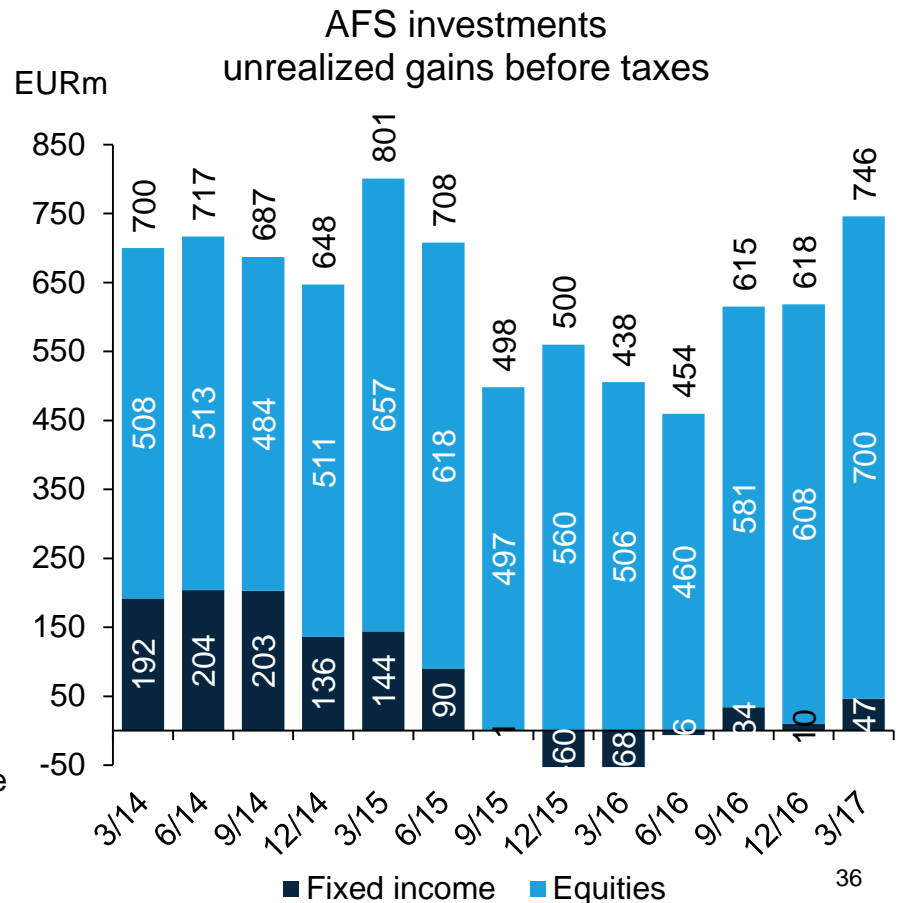
# P&C insurance technical result by business area and by country, 1-3/2017 vs. 1-3/2016



# If P&C investments, 31 March 2017

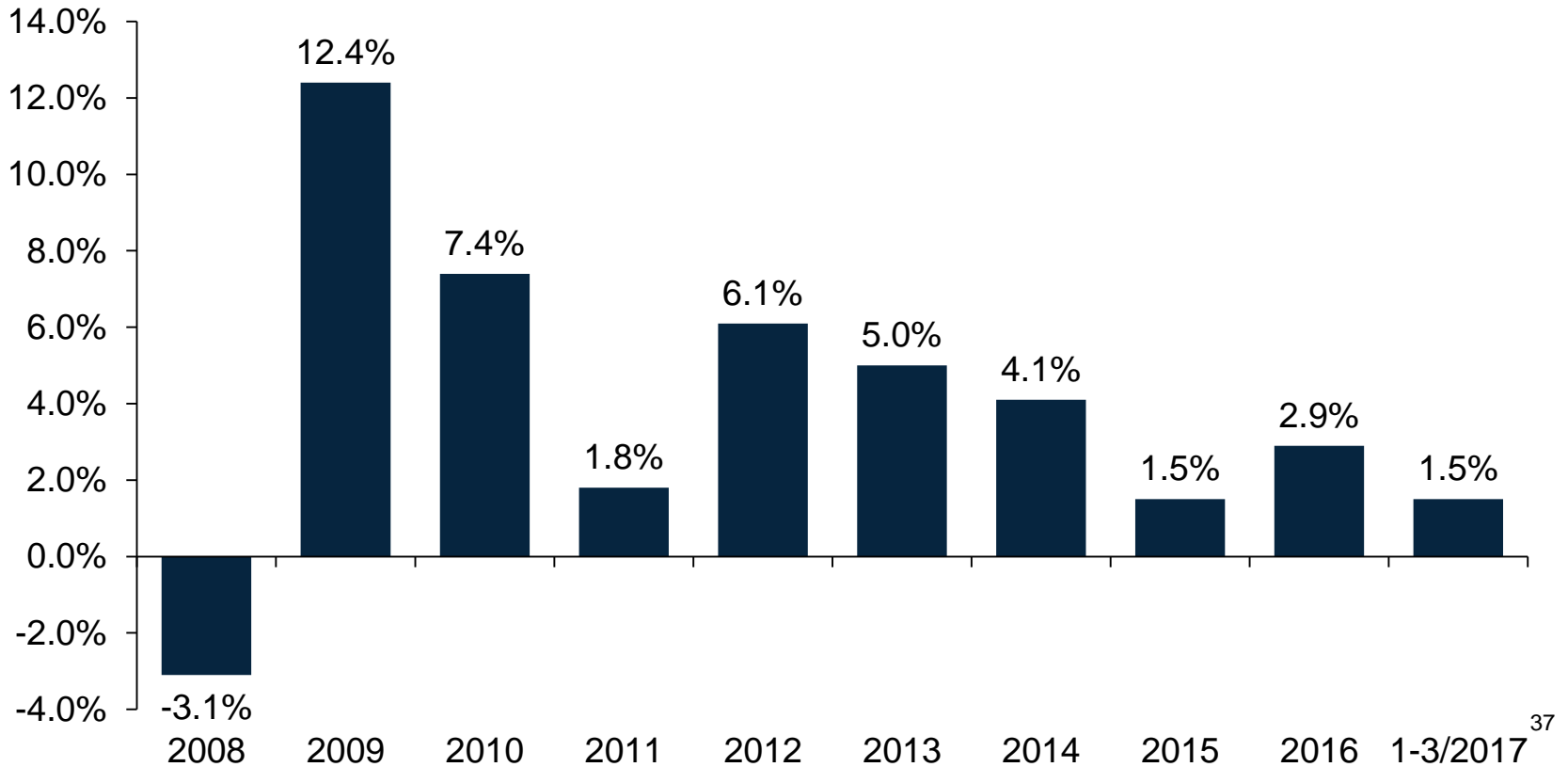


Duration 1.5 years  
 Average maturity 3.0 years  
 Fixed income running yield 1.7%



# If P&C mark-to-market investment returns

Fixed income running yield %	Q2/15	Q3/15	Q4/15	Q1/16	Q2/16	Q3/16	Q4/16	Q1/17
	2.0	1.8	1.8	1.8	1.7	1.6	1.7	1.7



## P&C insurance results by quarter

EURm	Q1/17	Q4/16	Q3/16	Q2/16	Q1/16
Premiums earned	1,069	1,074	1,080	1,073	1,059
Claims incurred	-760	-740	-738	-727	-700
Operating expenses	-174	-180	-175	-180	-179
Other technical income and expenses	-2	-4	-1	-2	-1
Allocated investment return transferred from the non-technical account	7	-7	-3	3	5
<b>Technical result</b>	<b>139</b>	<b>144</b>	<b>162</b>	<b>168</b>	<b>184</b>
Investment result	57	56	44	48	40
Allocated investment return transferred to the technical account	-16	1	-3	-10	-13
Other income and expenses	21	23	21	14	4
<b>Operating result</b>	<b>202</b>	<b>223</b>	<b>224</b>	<b>220</b>	<b>216</b>

## P&C insurance key figures by quarter

	<b>Q1/17</b>	<b>Q4/16</b>	<b>Q3/16</b>	<b>Q2/16</b>	<b>Q1/16</b>
Risk ratio, %	65.4	63.2	62.8	62.4	60.7
Cost ratio, %	22.0	22.3	21.8	22.1	22.3
Expense ratio, %	16.3	16.7	16.3	16.7	16.9
Combined ratio, %	87.4	85.6	84.6	84.5	83.0
Insurance margin, %	13.2	13.8	15.1	15.8	17.5

## P&C insurance key figures by business area, Q1/2017 (Q1/2016)

	<b>Private</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Baltic</b>
GWP, EURm	675 (657)	652 (640)	279 (282)	37 (36)
NPE, EURm	644 (635)	291 (289)	101 (100)	32 (33)
Technical result, EURm	111 (139)	17 (36)	2 (3)	3 (3)
Risk ratio, %	60.9 (56.5)	71.9 (64.7)	76.4 (75.5)	62.4 (63.3)
Cost ratio, %	22.1 (22.2)	22.9 (23.0)	22.1 (22.0)	27.4 (27.6)
Combined ratio, %	83.0 (78.7)	94.7 (87.7)	98.4 (97.5)	89.8 (90.9)
Insurance margin, %	17.5 (22.0)	6.0 (12.5)	2.4 (2.7)	10.2 (9.3)

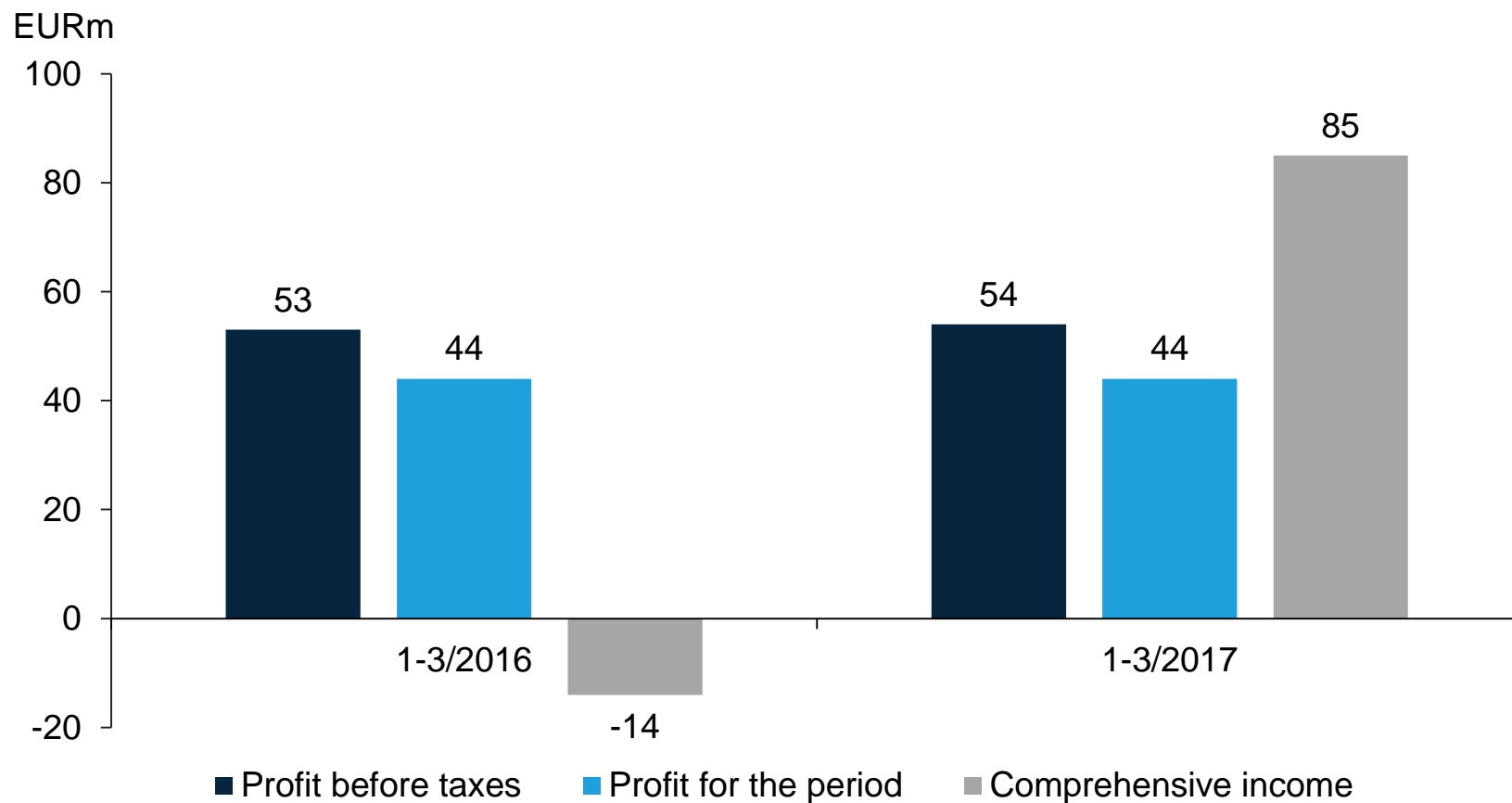


## P&C insurance key figures by country, Q1/2017 (Q1/2016)

	<b>Norway</b>	<b>Sweden</b>	<b>Finland</b>	<b>Denmark</b>
GWP, EURm	491 (461)	468 (466)	491 (503)	157 (150)
NPE, EURm	334 (322)	367 (358)	240 (249)	96 (95)
Technical result, EURm	79 (8)	66 (138)	-17 (28)	3 (4)
Risk ratio, %	54.5 (75.4)	61.7 (42.1)	85.5 (65.0)	68.3 (69.3)
Cost ratio, %	23.2 (23.6)	20.5 (20.7)	21.5 (22.0)	28.4 (26.1)
Combined ratio, %	77.7 (99.1)	82.2 (62.8)	107.0 (86.9)	96.7 (95.5)
Insurance margin, %	23.7 (2.3)	18.4 (38.7)	-7.0 (11.1)	3.3 (4.7)

# Life Insurance

# Life insurance profit before taxes and comprehensive income



## Life insurance profit by components

EURm	1-3/2017	1-3/2016
Net investment income	309.4	-65.0
- Transferred to expense result	-6.9	-6.1
- Return on unit-linked policies	-212.5	143.3
- Return on with-profit policies*	-46.7	-27.6
<b>INVESTMENT RESULT</b>	<b>43.4</b>	<b>44.6</b>
<b>EXPENSE RESULT**</b>	<b>7.5</b>	<b>2.8</b>
<b>RISK RESULT</b>	<b>7.7</b>	<b>4.9</b>
<b>OTHERS</b>	<b>-4.5</b>	<b>0.4</b>
<b>PROFIT BEFORE TAXES</b>	<b>54.2</b>	<b>52.7</b>
Change in the market value of investments	51.3	-71.6
<b>PROFIT AT MARKET VALUES</b>	<b>105.4</b>	<b>-18.9</b>

## Mandatum Life Group, expense ratio

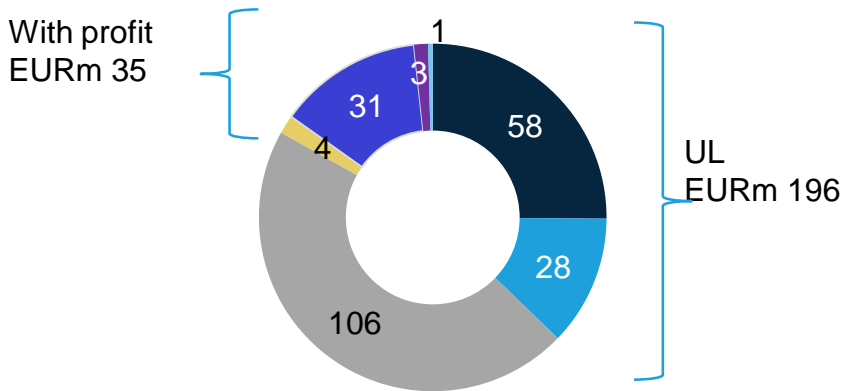
Total expense ratio, %	96.8	110.6
Incl. kick backs, %	76.9	90.6

\*Includes guaranteed interest, bonuses and change in the reserves of the above items

\*\*Result of unit-linked business EURm 10.2

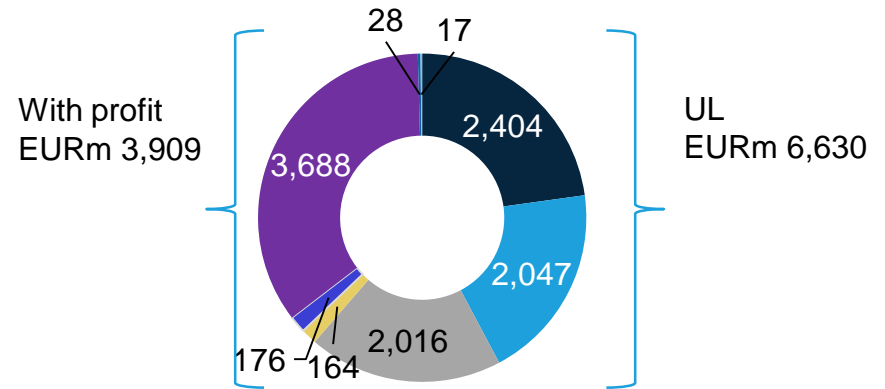
# Mandatum Life breakdown of unit-linked and with profit business

**Premiums written, total EURm 231**



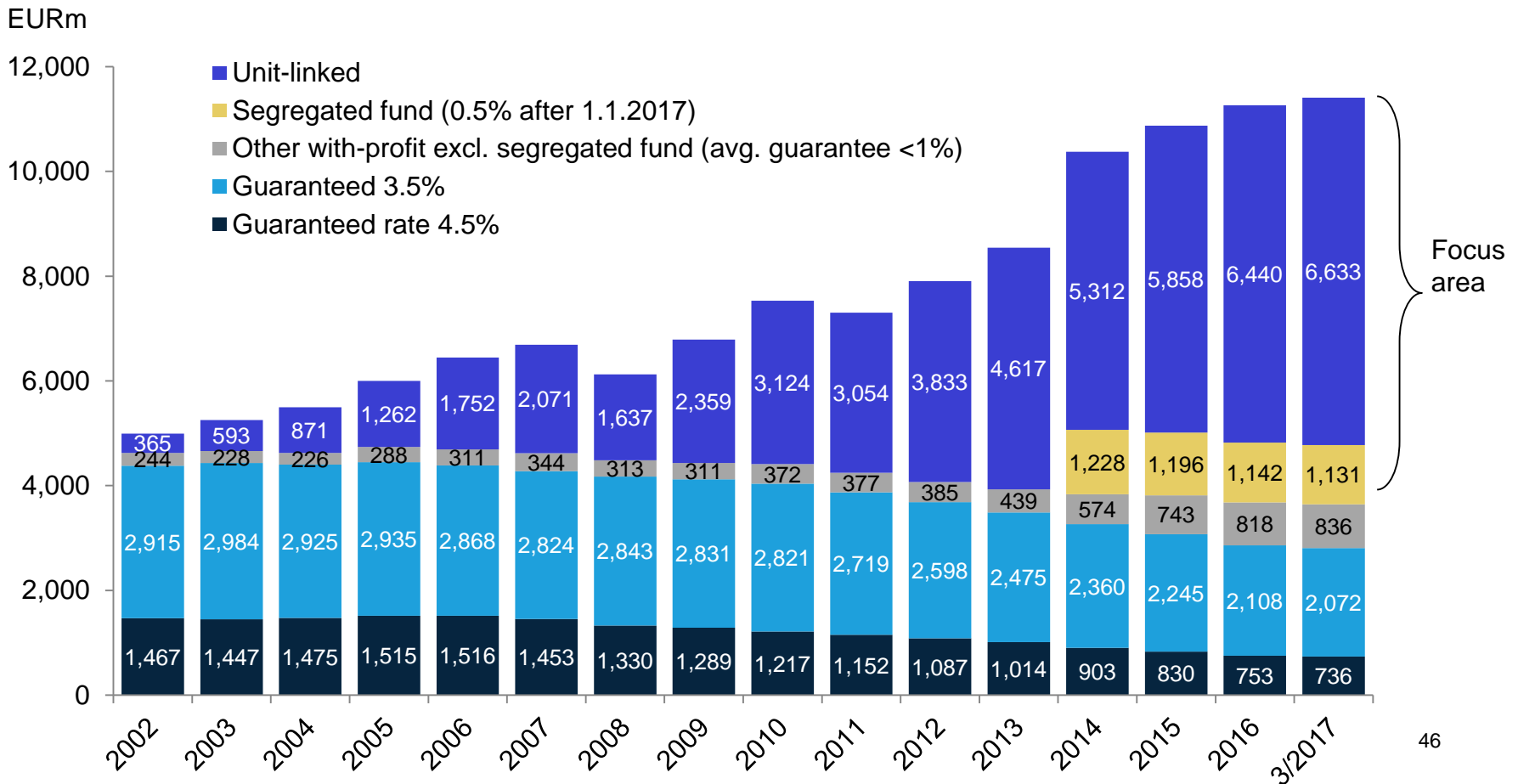
- Unit-linked life
- Unit-linked pension
- Unit-linked capital redemption
- Unit-linked Baltic
- Other life
- Other pension
- Other Baltic

**Insurance savings, total EURm 10,539**

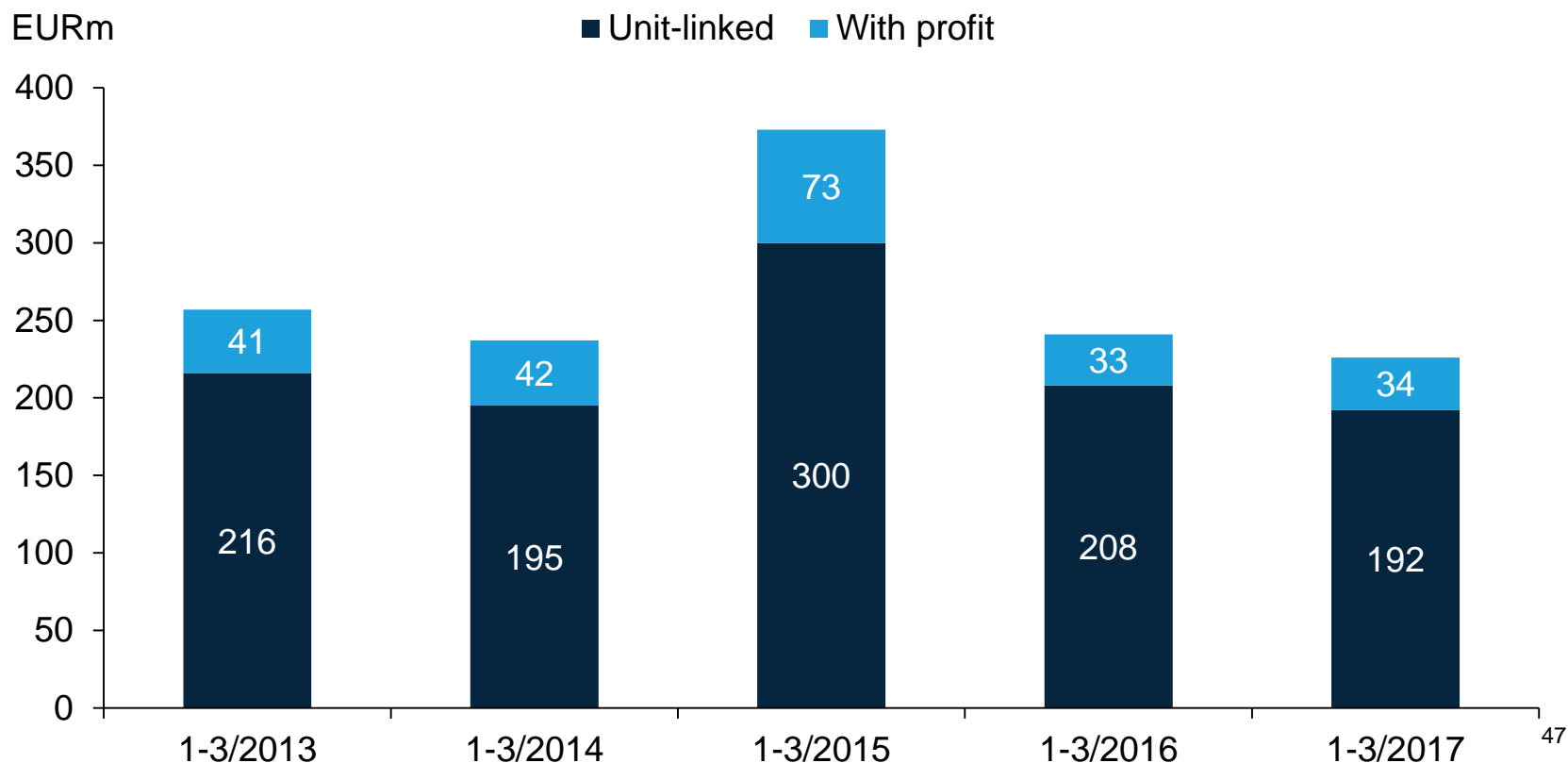


- Unit-linked life
  - Unit-linked pension
  - Unit-linked capital redemption
  - Unit-linked Baltic
  - Other life
  - Other pension
  - Other Baltic
- Note: excluding segregated assets

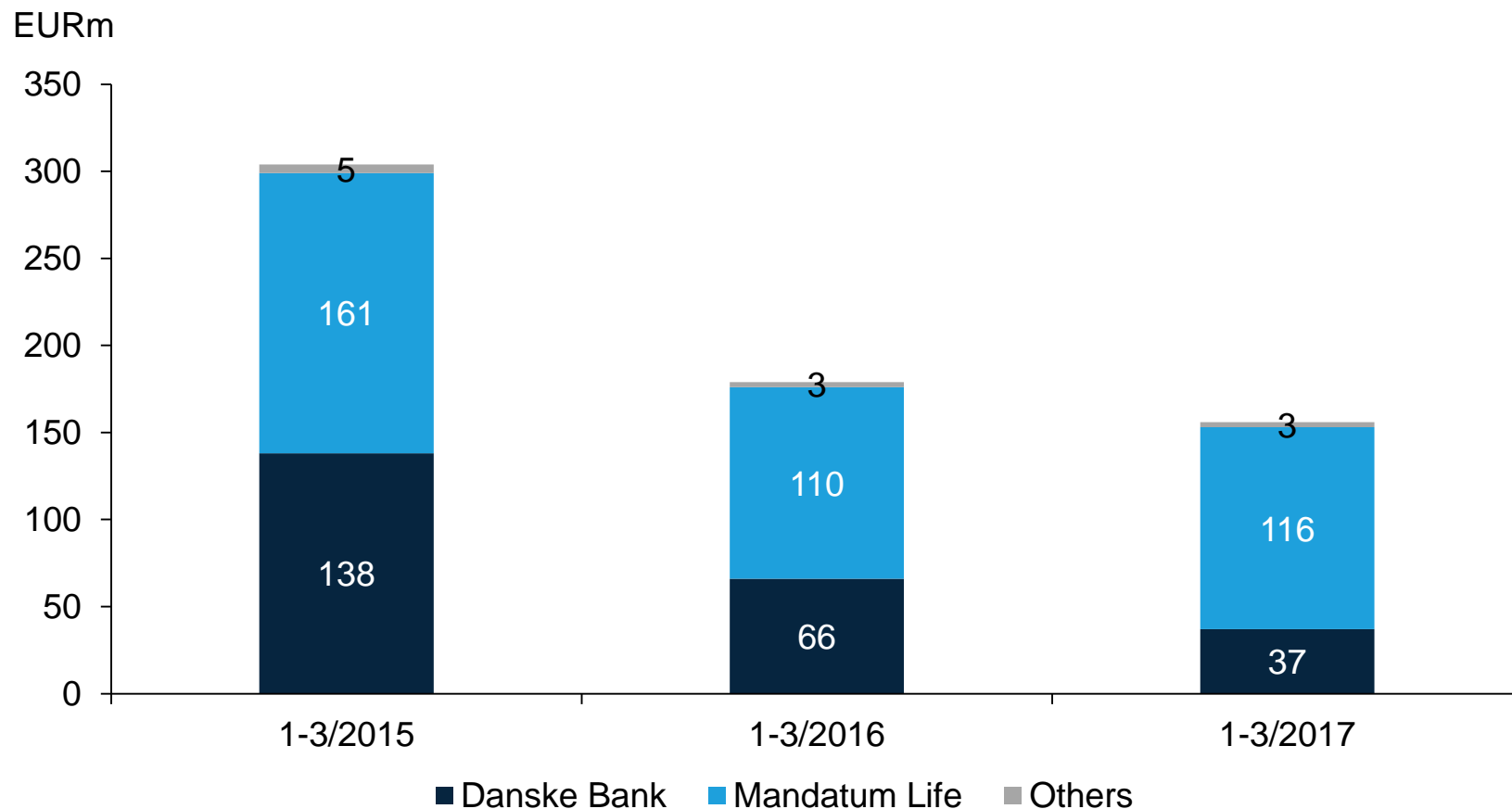
# Mandatum Life technical reserves



# Mandatum Life's gross written premiums by policy type in Finland

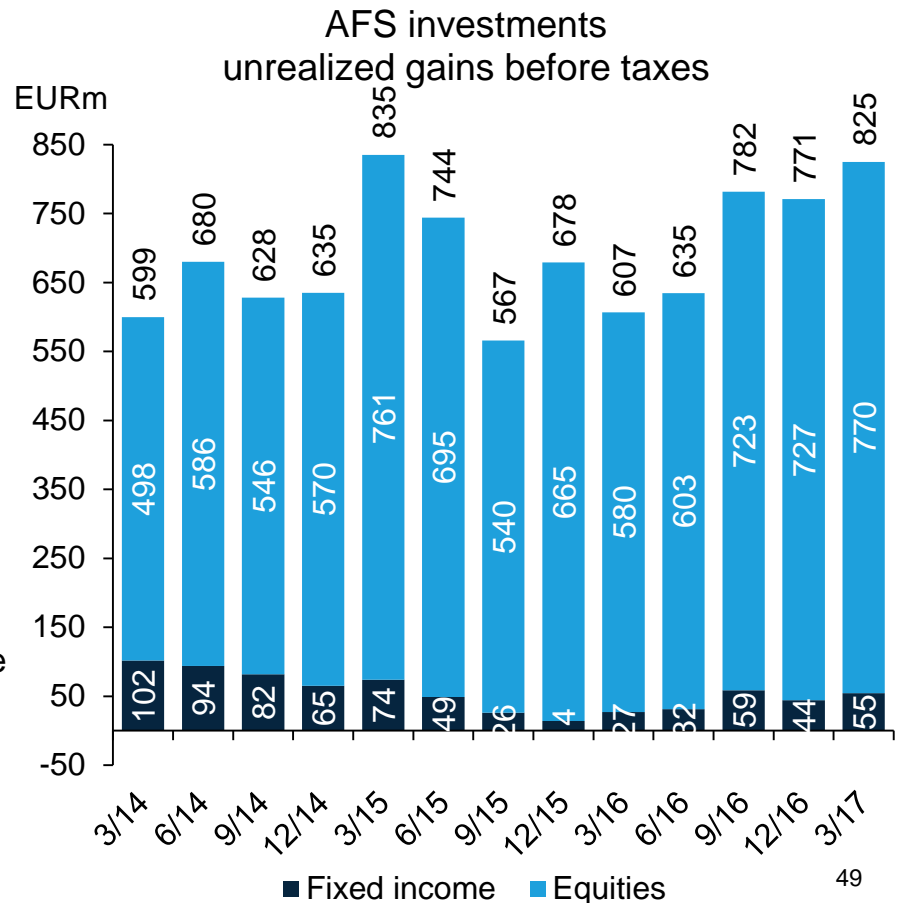
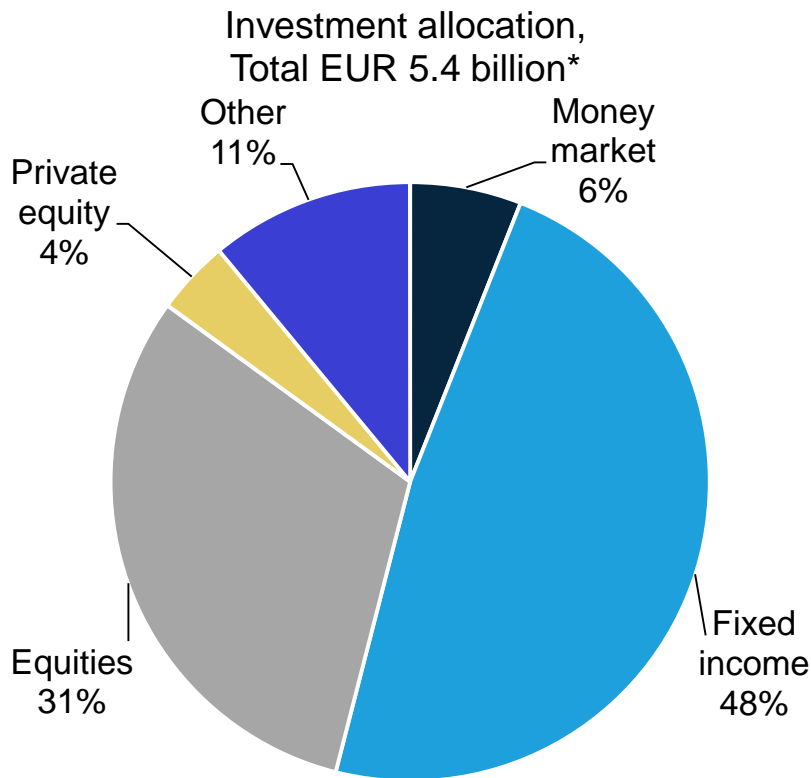


# Mandatum Life's new premiums written by distribution channel in Finland





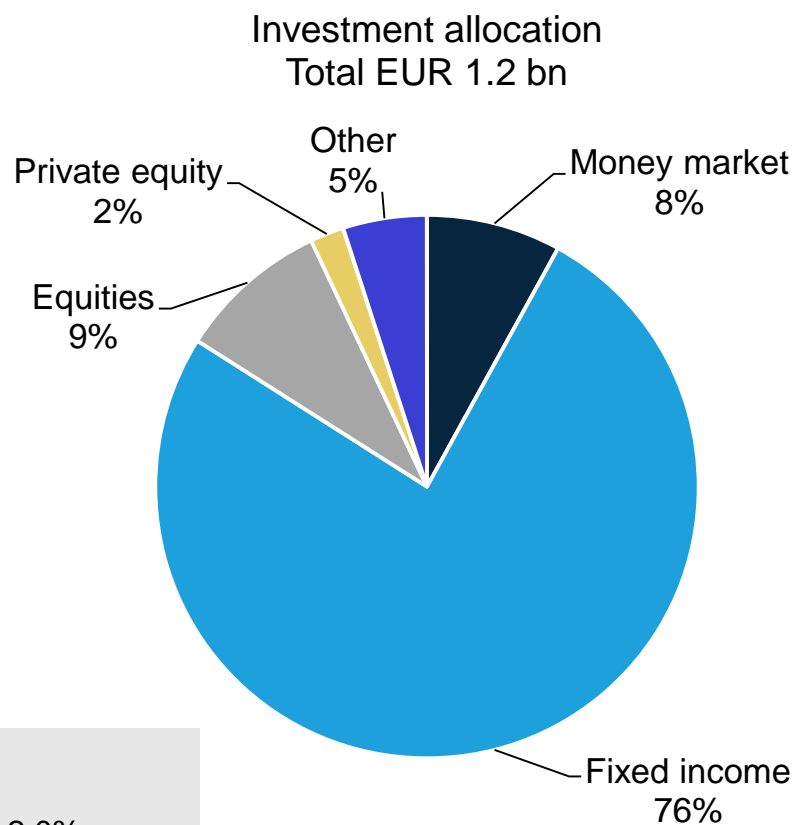
# Mandatum Life investments, 31 March 2017



Duration 2.5 years  
 Average maturity 2.8 years  
 Fixed income running yield 3.3%

\* Excluding the segregated fund

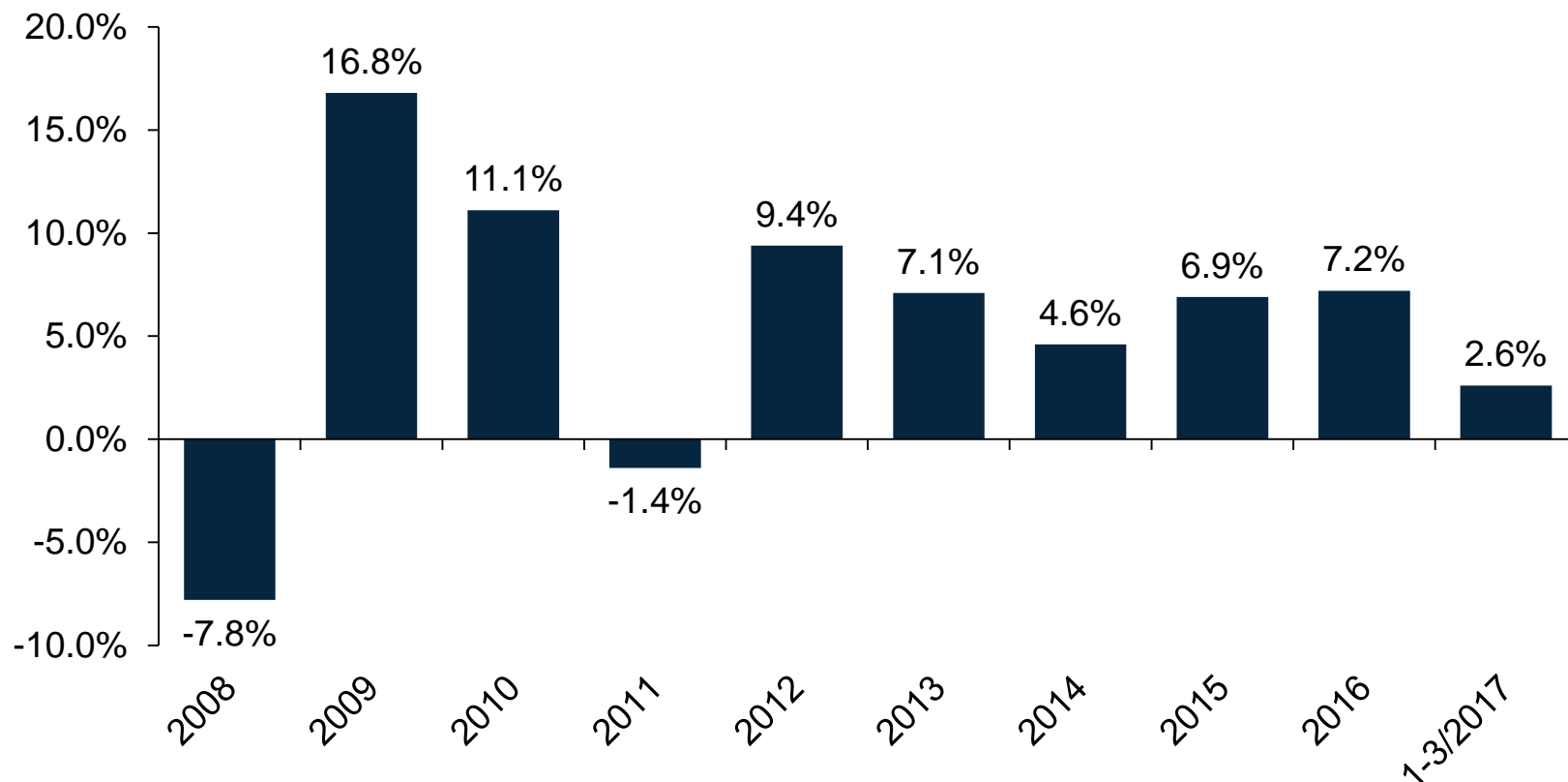
# Allocation of investments of the segregated assets, 31 March 2017



Duration 2.7 years  
Average maturity 3.6 years  
Fixed income running yield 2.0%

# Mandatum Life mark-to-market investment returns\*

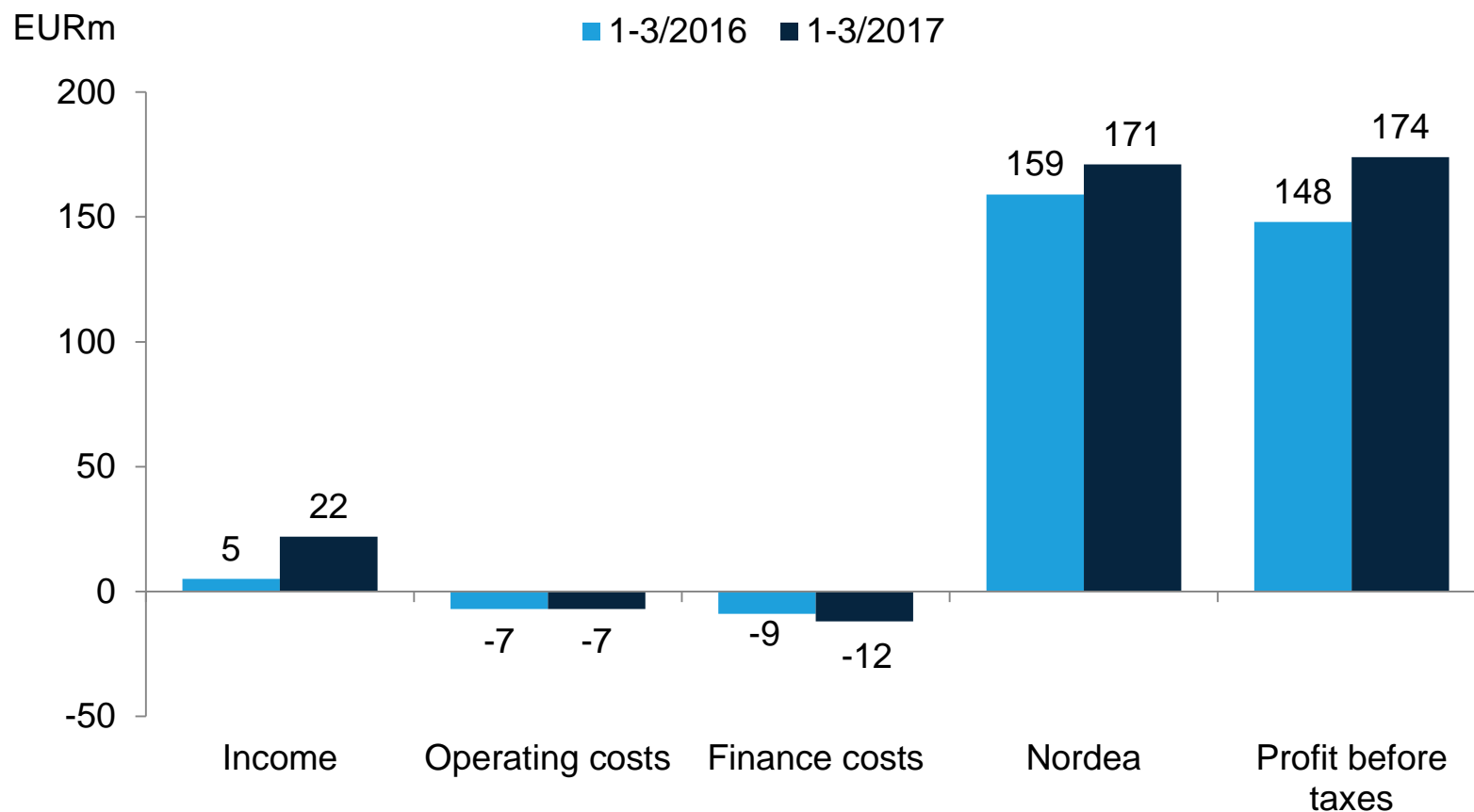
Fixed income running yield %	Q2/15	Q3/15	Q4/15	Q1/16	Q2/16	Q3/16	Q4/16	Q1/17
	2.9	3.2	3.2	3.5	3.1	3.1	2.9	3.3



\* Excluding unit-linked and segregated fund assets

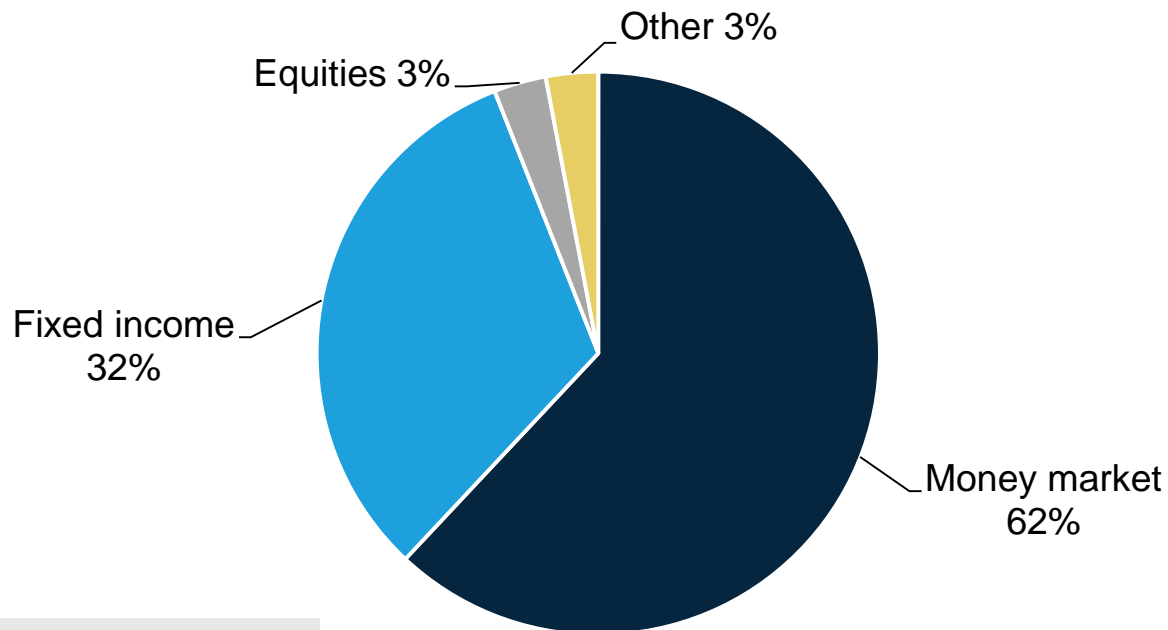
# Holding

# Holding segment profit before taxes



# Sampo plc investments, 31 March 2017

Investment allocation (unconsolidated)  
Total EUR 2.3 bn



Duration 0.8 years  
Average maturity 2.5 years  
Fixed income running yield 1.7%

## Sampo plc balance sheet, 31 March 2017

<b>Assets total, EURm</b>	<b>11,261</b>	<b>Liabilities total, EURm</b>	<b>11,261</b>
Liquidity	1,418	CPs issued	534
Investment assets	196	LT senior debt	2,399
<i>Real estate</i>	2	<i>Private placements</i>	131
<i>Fixed income</i>	53	<i>Bonds issued</i>	2,267
<i>Equity and private equity</i>	141	<i>Pension insurance loans</i>	
Subordinated loans	640	Subordinated debt	0
Equity holdings	8,958	Capital	8,241
<i>Subsidiaries (If, ML)</i>	2,370	<i>Undistributable capital</i>	98
<i>Associates (Nordea, Topdanmark)</i>	6,588	<i>Distributable capital</i>	8,143
Other assets	48	Other liabilities	88

# Net debt in Sampo plc

EURm	2017	2016				2015			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>+ Gross debt</b>	<b>2,932</b>	<b>3,548</b>	<b>2,845</b>	<b>2,461</b>	<b>2,483</b>	<b>2,302</b>	<b>2,284</b>	<b>2,332</b>	<b>2,171</b>
Bonds & notes	2,399	2,877	2,142	2,157	2,183	1,997	1,984	1,994	1,873
Domestic CP's	534	671	702	305	300	305	300	338	298
<b>– Interest bearing assets</b>	<b>2,112</b>	<b>2,104</b>	<b>992</b>	<b>1,058</b>	<b>2,137</b>	<b>1,343</b>	<b>630</b>	<b>675</b>	<b>1,837</b>
Liquidity buffer + fixed income	1,471	1,467	369	444	1,528	764	127	198	1,336
Subordinated loans	640	637	623	614	609	579	503	477	501
<b>Net debt</b>	<b>820</b>	<b>1,443</b>	<b>1,853</b>	<b>1,403</b>	<b>346</b>	<b>959</b>	<b>1,654</b>	<b>1,657</b>	<b>334</b> <sup>56</sup>

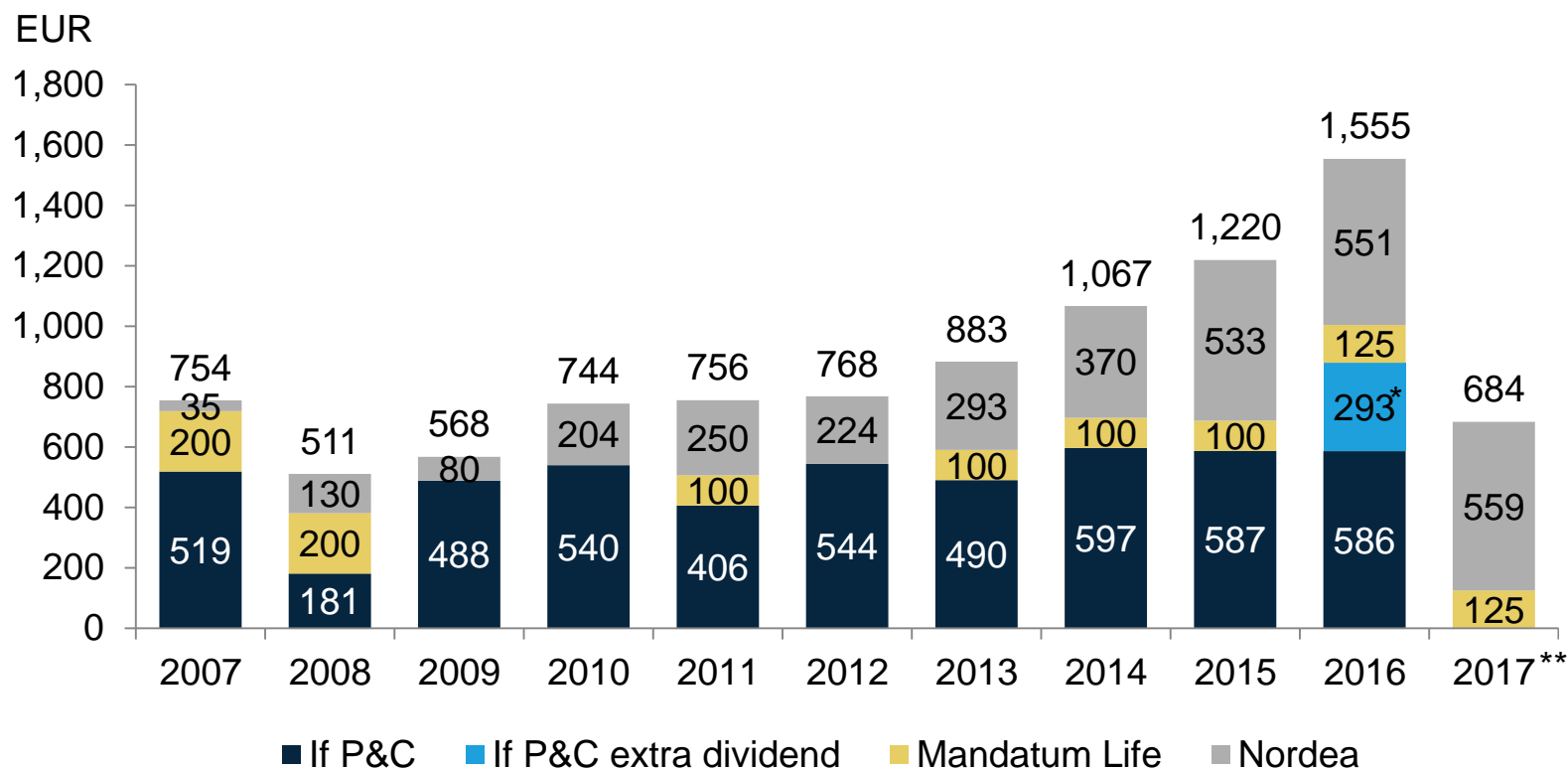


# Sampo plc debt instruments, 31 March 2017

Instrument & Principal	Coupon	Swap	Effective Rate	Maturity
CP's issued 534 EURm	Euribor + Margin		0.2500%	Average 3M
Senior Bond 2,000 SEKm	Stibor3M + 1.45%	Euribor3M + 1.375%	1.0460%	29.05.2018
Senior Bond 500 EURm	1.1250%	-	1.1640%	24.05.2019
Senior Bond 2,000 SEKm	Stibor3M + 0.77%	Euribor3M + 0.586125%	0.2571%	28.05.2020
Senior Bond 1,000 SEKm	1.2500%	EUR 1.007%	1.0070%	28.05.2020
Senior Bond 500 EURm	1.5000%	-	1.5920%	16.09.2021
Senior Bond 750 EURm	1.0000%	-	1.0060%	18.09.2023
<b>Public debt 2,801 EURm</b>			0.9411%	
<b>Private placements 131 EURm</b>			1.3215%	
<b>Total 2,932 EURm</b>			0.9581%	

Key Credit Metrics	
Net debt, EURm	820
Equity, EURm	8,241
Gross Debt to Equity	36%
Financial Leverage	26%

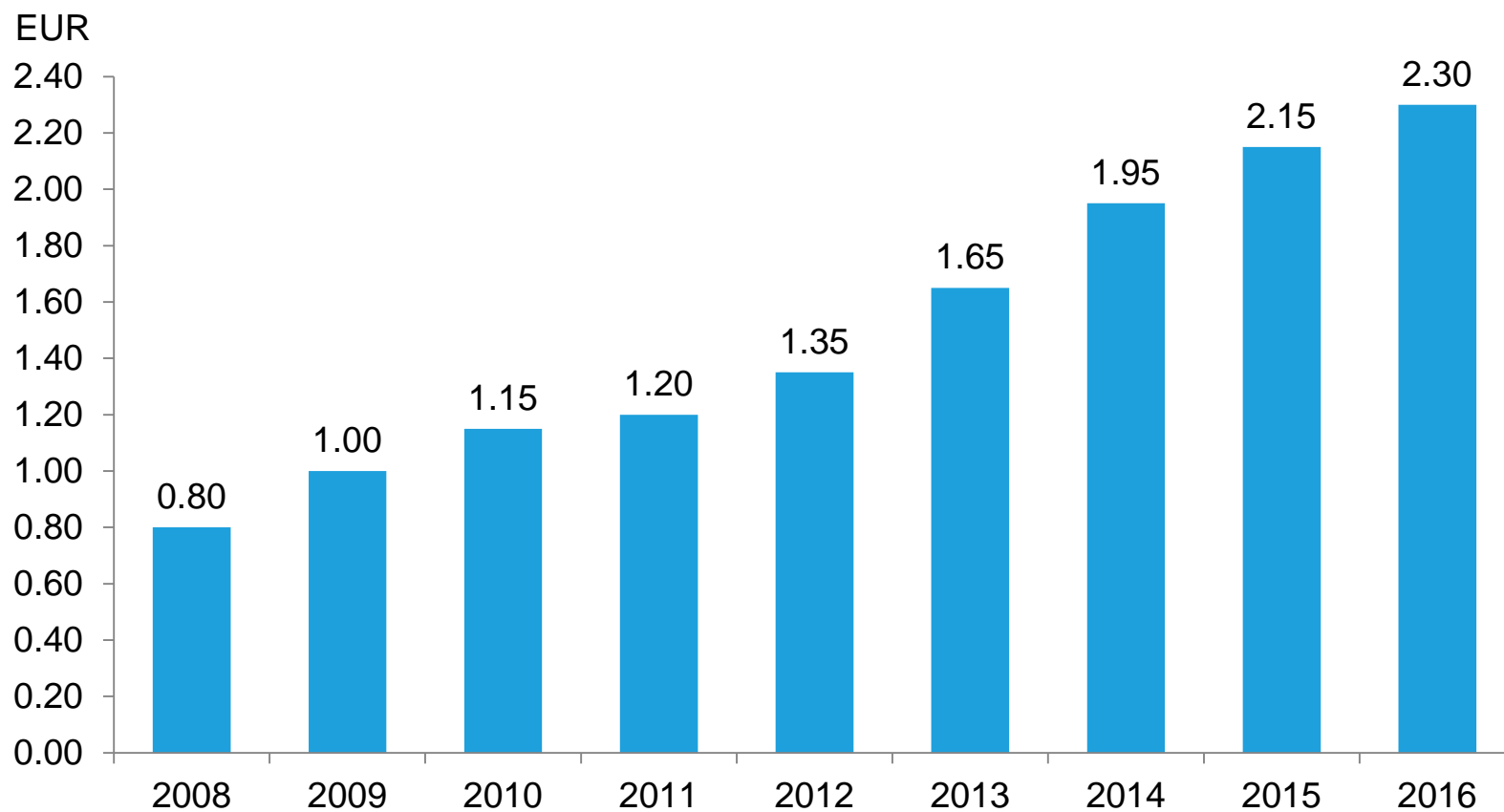
# Dividends received by Sampo plc



\* If P&C made a sales gain in connection to the mandatory offer on Topdanmark shares and paid an extra SEK 2.8 billion (EUR 293 million) dividend to Sampo plc on 22 September 2016. In December 2016 If P&C paid a normal dividend of SEK 5.8 billion to Sampo plc.

\*\* If P&C normally pays its dividend towards the end of the calendar year.

## Sampo plc dividend per share

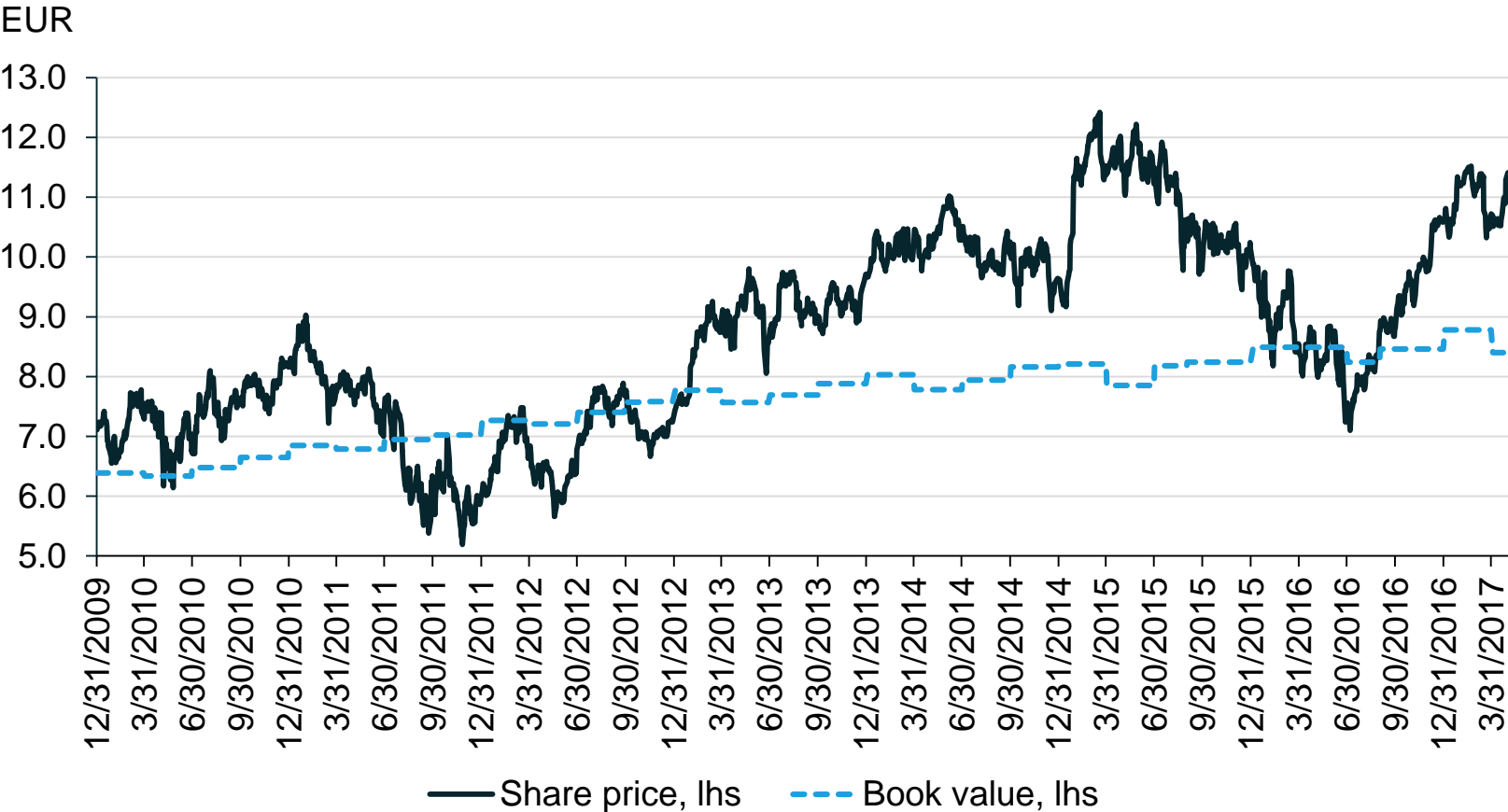


# Nordea

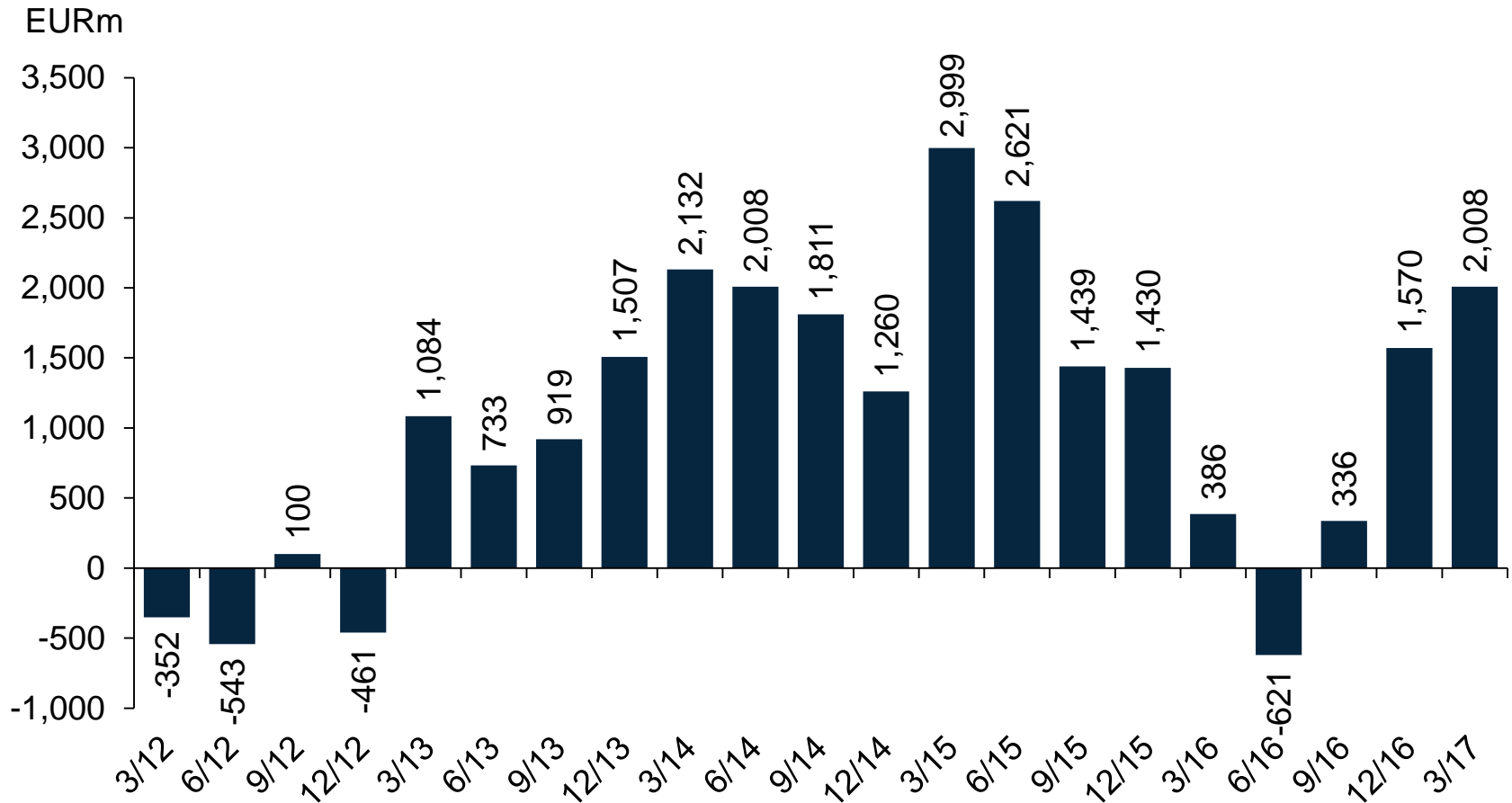
## Nordea's book value on Sampo Group consolidated balance sheet, 31 March 2017

Nordea in Sampo Group's B/S	EURm
Acquisition price	5,557.3
Retained earnings	2,044.8
Accumulated other changes in Nordea's equity	-47.8
Share of Nordea's net profit	178.3
Amortisation	-8.8
Deferred tax	1.9
Dividends	-559.3
Share of Nordea's other comprehensive income	27.0
Share of Nordea's other changes in equity	33.3
Share of Nordea's goodwill change	-0.90
<b>Total</b>	<b>7,225.9</b>
Shares 860,440,497	8.40

# Nordea share price and book value



# Sampo's Nordea holding valuation differences



# Outlook



## Sampo Group's outlook for 2017

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





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

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

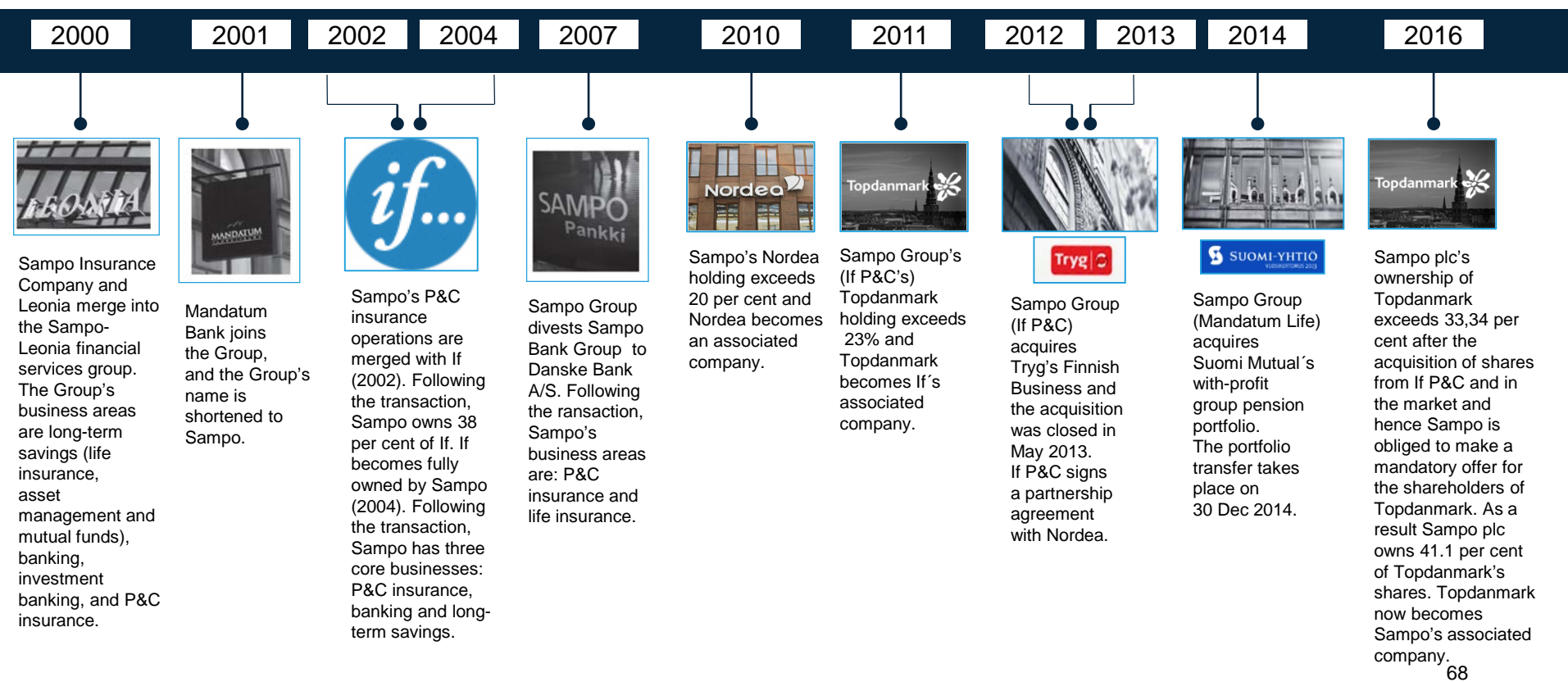
Nordea's contribution to the Group's profit is expected to be significant.

# Appendix

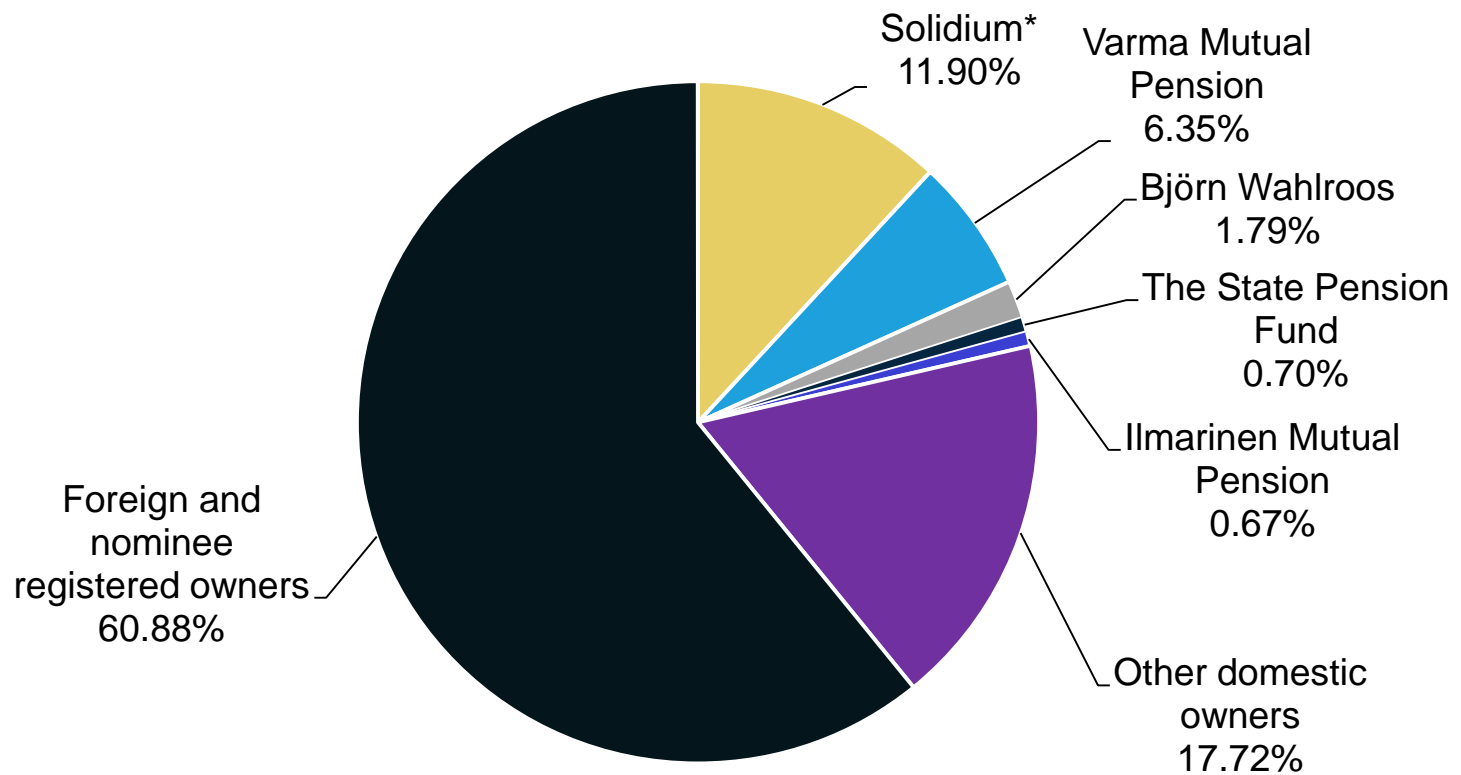
# Sampo Group structure

	<ul style="list-style-type: none"> <li>Listed company Sampo plc</li> <li>Long-term investor</li> <li>Manager of capital structure and liquidity</li> <li>Pay-out ratio <math>\geq 50\%</math></li> </ul>			
	> 45% 	100% 	100% 	21.2% 
MARKET POSITION	<ul style="list-style-type: none"> <li>The second largest P&amp;C insurer in Denmark</li> </ul>	<ul style="list-style-type: none"> <li>The largest Pan-Nordic P&amp;C insurer</li> </ul>	<ul style="list-style-type: none"> <li>TOP3 company in life &amp; pension in Finland with Baltic operations</li> </ul>	<ul style="list-style-type: none"> <li>The largest Pan-Nordic financial services group</li> </ul>
STRATEGY	<ul style="list-style-type: none"> <li>Economies of scale</li> <li>Expenses, risk management</li> </ul>	<ul style="list-style-type: none"> <li>Underwriting focus</li> <li>Pan-Nordic synergies</li> </ul>	<ul style="list-style-type: none"> <li>Unit-linked products and wealth management</li> </ul>	<ul style="list-style-type: none"> <li>Profit oriented</li> <li>Cost, risk and capital</li> </ul>
INVESTMENT ASSETS	~ EUR 2.5bn	~ EUR 12.3bn	~ EUR 6.6bn	~ EUR 650 bn B/S
RETURN / PROFIT TARGET	<ul style="list-style-type: none"> <li>Profit margin of 10%</li> <li>CR% 91%</li> </ul>	<ul style="list-style-type: none"> <li>RoE above 17.5%</li> <li>CR% below 95%</li> </ul>	<ul style="list-style-type: none"> <li>RoE above 17.5%</li> </ul>	<ul style="list-style-type: none"> <li>To reach a ROE of 13% at the required CET1 ratio (taking prevailing low interest rates into account) <sup>67</sup></li> </ul>

# Structural changes of Sampo Group to the position as the leading Nordic financial group



# Sampo plc's ownership structure, 30 April 2017



\* Entirely owned by the Finnish state

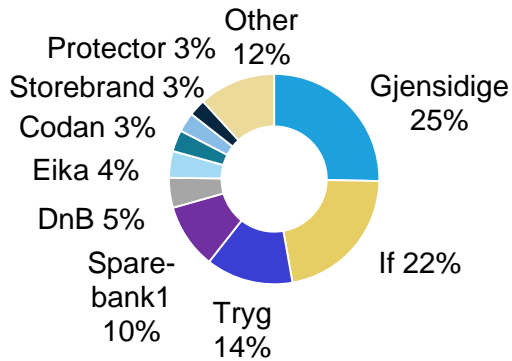
## Sampo Group staff

<b>Sampo Group staff (FTE)</b>	<b>31 March 2017</b>	<b>31 December 2016</b>
<b>P&amp;C Insurance</b>	<b>6,297</b>	<b>6,200</b>
Finland	1,715	1,663
Sweden	1,894	1,867
Norway	1,346	1,348
Denmark	552	547
Baltic and other countries	791	774
<b>Life Insurance</b>	<b>529</b>	<b>542</b>
Finland	435	443
Baltic countries	94	99
<b>Holding</b>	<b>57</b>	<b>57</b>
<b>Sampo Group, total</b>	<b>6,883</b>	<b>6,799</b>

# P&C insurance – Market shares by country, %

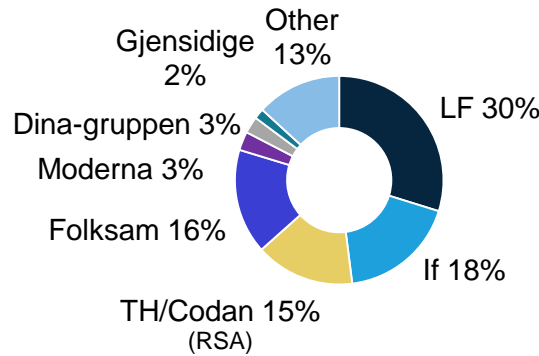
## Norway 2015

Total premiums EUR 6.1 bn



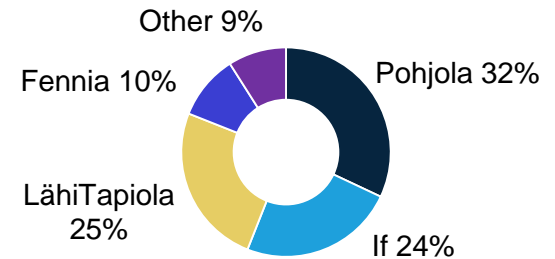
## Sweden 2015

Total premiums EUR 7.8 bn



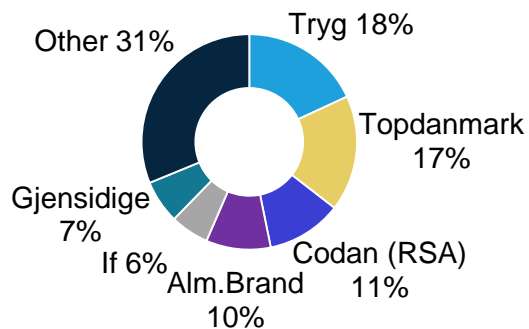
## Finland 2015

Total premiums EUR 4.3 bn

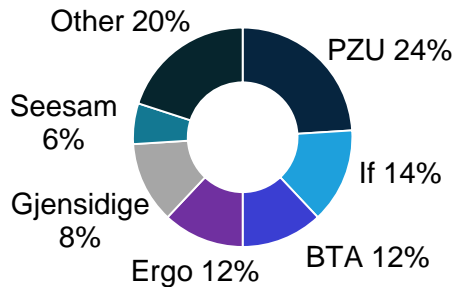


## Denmark 2015

Total GPE EUR 7.0 bn

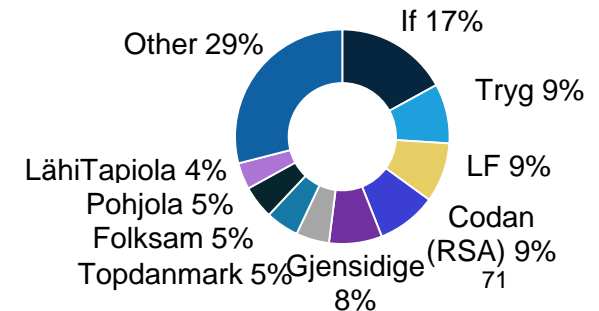


## Baltics 2015



## Nordics 2015

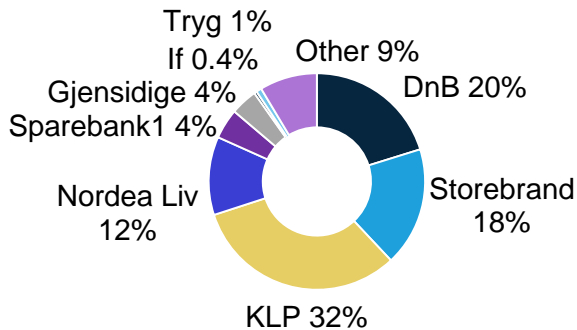
Total GPE EUR 25bn



# Life insurance – Market shares by country, %

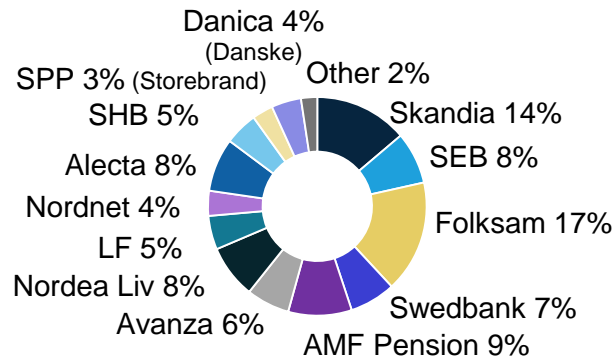
## Norway 2015

Total premiums EUR 7.5 bn



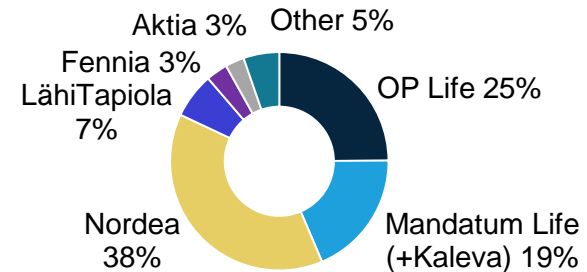
## Sweden 2015

Total premiums EUR 22 bn



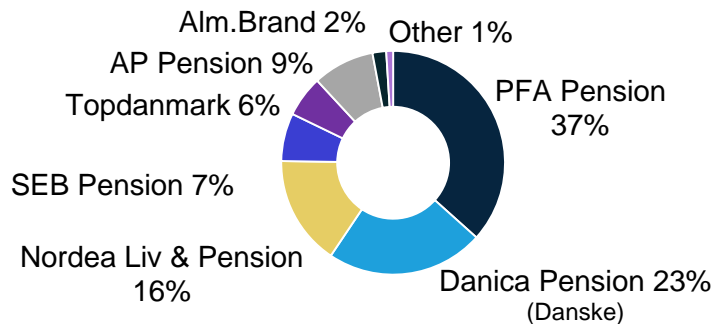
## Finland 2015

Total premiums EUR 6.3 bn

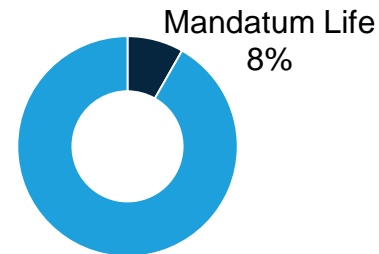


## Denmark 2014

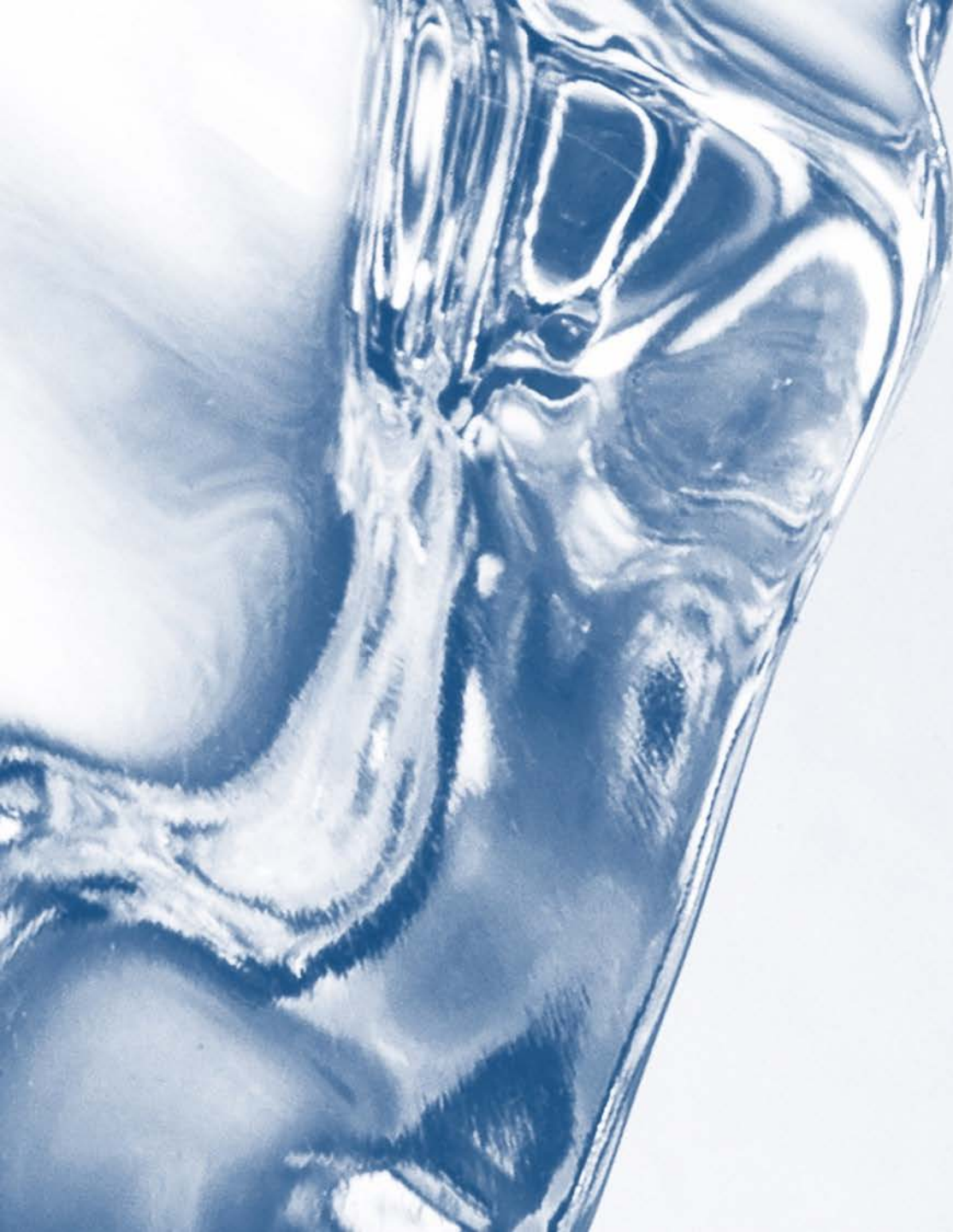
Total premiums EUR 14bn



## Baltics 2015







**SAMPO**  **GROUP**

Sampo plc  
Fabianinkatu 27  
00100 Helsinki, Finland

Phone: +358 10 516 0100  
Business ID: 0142213-3

 [www.sampo.com](http://www.sampo.com)  
 @Sampo\_plc  
 sampo-plc