

# Sampo Group

Sampo Group's results for 2014 were good. P&C insurance achieved a best-ever combined ratio 87.7 per cent for the full year 2014. Nordea continued to deliver on the efficiency programs and reported its best ever profit before taxes. Life insurance also improved further its operational efficiency. Sampo Group's profit before taxes for 2014 amounted to EUR 1,759 million (1,668). Total comprehensive income for the period, taking changes in the market value of assets into account, decreased to EUR 1,179 million (1,425) largely as a result of weakened Swedish and Norwegian kronas.

Earnings per share were EUR 2.75 (2.59). Mark-to-market earnings per share were EUR 2.11 (2.54). The return on equity for the Group decreased to 10.9 per cent for 2014 (13.8) mainly due to the negative currency rate development. Net asset value per share at the end of 2014 increased to EUR 22.63 (22.15).

The Board proposes to the Annual General Meeting to be held on 16 April 2015 a dividend of EUR 1.95 per share (1.65) and an authorization to repurchase a maximum of 50 million Sampo A shares. The proposed dividend payment amounts in total to EUR 1,092 million (924).

The profit before taxes for the P&C insurance amounted to EUR 931 million (929). Combined ratio for the full year 2014 amounted to 87.7 per cent (88.1). Return on equity (RoE) decreased to 18.1 per cent (24.4). Adjusted for currency gross written premiums grew 1.7 per cent. The contribution of Topdanmark's net profit for 2014 amounted to EUR 53 million (52).

Sampo's share of Nordea's net profit for 2014 amounted to EUR 680 million (635). Nordea's RoE was

11.5 per cent (11.0) and core Tier 1 ratio (excluding transition rules) strengthened to 15.7 per cent (13.9). In segment reporting the share of Nordea's profit is included in the segment 'Holding'. Nordea's Board of Directors proposes to the AGM 2015 a dividend of EUR 0.62 per share (0.43). If the AGM approves the Board's dividend proposal, Sampo plc will receive a dividend of EUR 533 million from Nordea on 30 March 2015.

Life insurance operations reported for 2014 profit before taxes of EUR 163 million (153). Return on equity (RoE) amounted to 11.4 per cent (18.3). Premium income on own account increased 4 per cent to EUR 1,105 million (1,063) and premiums from unit-linked policies reached an all-time high EUR 961 million (909).

Sampo Group's total investment assets on 31 December 2014 amounted to EUR 19.2 billion (17.9), of which 78 per cent was invested in fixed income instruments (80), 16 per cent in equities (15) and 6 per cent in other assets (5). The growth was mainly due to the transfer of Suomi Mutual's group pension insurance portfolio to Mandatum Life on 30 December 2014.

The Group's equity as at 31 December 2014 amounted to EUR 10,924 million (10,643). Equity was strengthened mainly by the comprehensive income for the year of EUR 1,179 million and reduced by the EUR 924 million of dividends paid. Other changes were small.

Sampo Group's solvency capital exceeded the minimum solvency requirements at the end of 2014 by EUR 4,282 million (3,935) and the conglomerate solvency ratio stood at 187.4 per cent (184.4).

## Key Figures

Sampo Group, 2014

EURm	2014	2013	Change, %
Profit before taxes	1,759	1,668	6
P&C Insurance	931	929	0
Associate (Nordea)	680	635	7
Life Insurance	163	153	7
Holding (excl. Nordea)	-12	-45	-74
<b>Profit for the period</b>	<b>1,540</b>	<b>1,452</b>	<b>6</b>

	2014	2013	Change
Earnings per share, EUR	2.75	2.59	0.16
EPS (incl. change in FVR), EUR	2.11	2.54	-0.43
NAV per share, EUR	22.63	22.15	0.48
Average number of staff (FTE)	6,739	6,832	-93
Group solvency ratio, %	187.4	184.4	3.0
Return on Equity, %	10.9	13.8	-2.9

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

## Exchange Rates Used in Reporting

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