

Outlook

Outlook for 2014

Sampo Group's business areas are expected to report good operating results for 2014. However, the market-to-market results are, particularly in life insurance, highly dependent on capital market developments. The continuing low interest rate level also creates a challenging environment for reinvestment in fixed

income instruments.

The P&C insurance operations are expected to reach their long-term combined ratio target of below 95 per cent in 2014 by a margin. 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 day-to-day business activities Sampo Group is exposed to various risks and uncertainties which it identifies and assesses regularly.

Major risks affecting the Group's profitability and its variation are market, credit and insurance risks that can be quantified by financial measurement techniques. Currently their quantified contributions to the Group's Economic Capital - used as an internal basis for capital needs - represent normal levels of 34

per cent, 45 per cent and 11 per cent, respectively.

Uncertainties in the form of major unforeseen events or structural changes in the business environment may have an immediate impact on the Group's profitability or long-term impact on how business shall be conducted. Identification of uncertainties is easier than estimation of their probabilities, timing and potential outcomes.