

35 Assets and liabilities related to assets held for sale

In October 2016, Mandatum Life Insurance Company announced that it will not continue the distribution agreement of insurance policies with Danske Bank Plc after 31 December 2016 and that it will use its right to sell the insurance portfolio acquired via Danske Bank to Danske Bank A/S. As a result of the valuation process the value of the insurance portfolio as at the 31 December 2016 is EUR 334 million. The theoretical result from the beginning of 2017 until the date of the transfer as determined in the valuation process will be deducted from the final sales price. This theoretical result for year 2017 is determined to be EUR 18.1 million and for year 2018 EUR 18.6 million. The actual result produced by the portfolio until the transfer remains with Mandatum Life. After the transfer has been completed the transaction is expected to have a negative impact of EUR 20 - 25 million on Mandatum Life's annual profit before taxes. As a result of the transaction rises a gross sales gain equalling the value of the insurance portfolio adjusted with the items above. In Sampo Group's consolidated accounts the goodwill of approximately EUR 75 million related to assets held for sale will be deducted from the sales gain. The transfer of the portfolio is expected to take place during 2018.

The insurance portfolio targeted in the agreement is mainly included in the "Unit-linked contracts" segment. Assets and liabilities are valued at book value. The effect of the with profit insurance portfolio on the investment result in the "Other contracts" segment is deemed insignificant. The insurance risk result in the "Other contracts" segment also consists mainly of other insurance portfolio than that targeted in the agreement. The effect of the transfer of the insurance portfolio is expected to weaken the result significantly and this will mainly show in the "Unit-linked contract" segment. The premium income of the insurance portfolio in 2017 was EUR 204 and claims cost EUR 252.

Assets and liabilities of the portfolio at 31 December 2017

Assets	
Financial assets	198
Investments related to unit-linked insurance contracts	3,100
Goodwill	75
Total	3,374
Liabilities	
Liabilities for insurance and investment contracts	198
Liabilities for unit-linked insurance and investment contracts	3,100
Total	3,299