

## Business acquisitions

### Year 2017

Sampo Group has since May 2011 consolidated Danish insurer Topdanmark A/S as an associated company by reporting in the P&C Insurance segment the share of Topdanmark's profit corresponding to Sampo's holding. From 30 September 2017 on, Topdanmark has been consolidated as a subsidiary in the financial reporting of the Group.

The 30 September 2017 became the consolidatation date due to Sampo carrying out assessment on relevant facts and circumstances required by IFRS standards and concluding that the threshold for control in Topdanmark was exceeded, even if Sampo's share of outstanding shares was a little under 50%.

The acquisition price in the Group was determined as EURm 1,398 which was the fair value of Topdanmark's shares on the acquisition date, 30 September 2017. The carrying amount of Topdanmark's shares at the same time was EURm 692. The difference EURm 706 was recognised through p/l as an increase of the carrying amount.

At the acquisition date, the total number of shares was 95,000,000 of which Sampo held 41,977,070 shares. Taking into consideration the treasury shares held by Topdanmark, Sampo's share of voting rights was 49.1%. The 50.9% non-controlling interest included in the balance sheet of Topdanmark has been determined as a proportionate share of the net assets.

Topdanmark's balance sheet on 30 September 2017 was fully consolidated line-by-line. The share of Topdanmark's profit for Jan-Sep 2017 corresponding to Sampo's holding is reported as share of associate's profit/loss and the above-mentioned gain from fair valuation of former associated company is recognised as a separate line item. Topdanmark is reported as a separate segment in all segment reporting. As of 1 October 2017, Topdanmark's p/l items have been recognized line-by-line in the Group's consolidated financial statements.

Topdanmark is the second largest insurance company in Denmark, and is primarily engaged in providing life and non-life insurance products. The company has over one million personal customers and a large amount of farms and corporate clients. Jan - Sep 2017, the premiums earned in P&C business totalled EURm 906. In life insurance, the premiums earned were EURm 815. The company's shares are listed on OMX Nasdaq.

The fair values of consolidated assets and liabilities as of 30 September 2017 are disclosed below.

EURm	Fair value
<b>Assets</b>	
Property, plant and equipment	130
Investment property	492
Intangible assets	704
Investments in associates	169
Financial assets	6,261
Investments related to unit-linked insurance contracts	3,249
Tax assets	2
Reinsurers' share of insurance liabilities	98
Other assets	241
Cash and cash equivalents	45
<b>Total assets</b>	<b>11,390</b>
<b>Liabilities</b>	
Liabilities for insurance and investment contracts	5,531
Liabilities for unit-linked insurance and investment contracts	3,749
Financial liabilities	278
Tax liabilities	200
Other liabilities	382
<b>Total liabilities</b>	<b>10,139</b>
<b>Non-controlling interests</b>	<b>636</b>
<b>Net assets total</b>	<b>615</b>
<b>Acquisition cost</b>	<b>1,398</b>
<b>Goodwill</b>	<b>783</b>

