



Pro forma accounts 2001 including Sampo P&C

February 27, 2002

If P&C Insurance is the leading property & casualty insurance company in the Nordic area with a Nordic market share of 24% and 8000 employees. After the completion of the merger with Sampo's P&C business on January 2, 2002, If has operations in Denmark, Finland, Norway, Sweden and in the Baltic Rim. The head office is located in Stockholm, Sweden.

To update the market on the new group financials, If has prepared 2001 full-year pro forma accounts including Sampo P&C.

The pro forma profit and loss statement is prepared on a consolidated Group level for 2001, assuming the merger took place in January 2001, and all transactions on January 2, 2002 relating to the merger are taken into account as of December 31, 2001 in the pro forma Balance sheet.

| Group pro forma highlights (MSEK), unaudited | If FY 2001 | Sampo FY 2001 | FY 2001 Consolidated |
|---|-------------------|----------------------|-----------------------------|
| Premiums written, gross | 25 520 | 9 211 | 34 731 |
| Premiums earned, net | 22 237 | 8 034 | 30 271 |
| Claims incurred, net | -20 531 | -6 877 | -27 409 |
| Operating expenses | -5 121 | -1 694 | -6 815 |
| Underwriting result | -3 415 | -537 | -3 953 |
| | | | |
| Investment result, normalised | 2 310 | 1 309 | 3 619 |
| Operating result | -1 549 | 301 | -1 248 |
| | | | |
| Claims ratio | 92.3% | 85.6% | 90.5% |
| Expense ratio | 23.0% | 21.1% | 22.5% |
| Combined ratio | 115.3% | 106.7% | 113.0% |
| | | | |
| Total assets | 60 908 | 31 674 | 93 783 |
| Investment assets | 42 080 | 23 496 | 65 576 |
| Net Asset Value | 7 433 | 9 464 | 18 098 |

The pro forma consolidated solvency ratio based on risk capital (net asset value + hybrid capital) as of year-end 2001 was 64%.

In the consolidation of the accounts, the Sampo P&C accounts have been converted into Swedish GAAP and If's accounting principles have been applied. A normalised investment return of 5.6% has been applied to the investment asset total, based on If's group investment policy for 2002. For 2002, the target asset allocation within live business is fixed-income 73%, equities 20%, real estate 3.5% and other 3.5%.

Further technical information can be found in the appendices. Please also see the Sampo 2001 year-end report, available at www.sampo.fi.

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Appendices

If P & C Insurance Holding Ltd (publ)

Group
Proforma 2001
MSEK

PROFIT AND LOSS ACCOUNT

| | If Jan-Dec | Sampo P&C Jan-Dec | Adjustments | Group Proforma |
|--|----------------|----------------------|-------------|-------------------|
| Technical account | | | | |
| Premiums earned, net of reinsurance | | | | |
| Premium income, gross | 25 520 | 9 211 | | 34 731 |
| Premium income, ceded | -2 378 | -1 248 | | -3 626 |
| Change in provision for unearned premiums and unexpired risks | -881 | 147 | | -734 |
| Reinsurers' share of change in provision for unearned premiums and unexpired risks | -24 | -76 | | -100 |
| | 22 237 | 8 034 | 0 | 30 271 |
| Allocated investment return transferred from the non-technical account | 1 638 | 344 | | 1 982 |
| Claims incurred, net of reinsurance | | | | |
| -Claims paid | | | | |
| Gross | -20 543 | -7 614 | | -28 157 |
| Reinsurers' share | 2 483 | 886 | | 3 369 |
| -Change in provision for claims outstanding | | | | |
| Gross | -1 725 | -598 | | -2 323 |
| Reinsurers' share | -746 | 448 | | -298 |
| | -20 531 | -6 877 | 0 | -27 409 |
| Operating expenses | -5 121 | -1 694 | | -6 815 |
| Technical result | -1 778 | -193 | 0 | -1 971 |
| Non-technical account | | | | |
| Normalised investment result *) | 2 310 | 1 309 | 0 | 3 619 |
| Allocated investment return transferred to the technical account | -1 755 | -694 | | -2 449 |
| Amortization goodwill | -58 | -89 | | -147 |
| Interest expense and result other businesses | -268 | -32 | | -300 |
| Operating result | -1 549 | 301 | 0 | -1 248 |
| Taxes | 459 | -87 | 0 | 372 |
| Minority interest | 0 | -2 | | -2 |
| Result for the year | -1 090 | 211 | 0 | -879 |

*) The normalised investment result for 2001 was calculated assuming an investment return of 5.6%. For If, the statutory investment result for 2001 was MSEK 1.106, and the total return MSEK 1.047, corresponding to 2.5%, and the operating result was MSEK -2.752. Assuming the same 2001 investment return of 2.5% would for Sampo P&C give an investment result of MSEK 585 and an operating result of MSEK -423, and for the Group an investment result of MSEK 1.692 and an operating result of MSEK -3.175. For Sampo P&C 2001 actuals, please see the Sampo year-end report. The Sampo P&C actual investment result 2001 was determined by the then applicable investment policy. Also, the Sampo P&C operations were legally reorganised during 2001.

If P & C Insurance Holding Ltd (publ)

Group
Proforma 2001
MSEK

BALANCE SHEET

| | If 31.des | Sampo P&C 31.des | Adjustments | Group Proforma |
|---|---------------|---------------------|--------------|-------------------|
| ASSETS | | | | |
| Intangible assets | | | | |
| Goodwill | 506 | 175 | | 680 |
| Other intangible assets | 66 | 671 | | 737 |
| | 571 | 845 | 0 | 1 417 |
| Investment assets | | | | |
| Land and buildings | 105 | 3 852 | | 3 957 |
| Other financial investments | 41 975 | 19 644 | | 61 619 |
| | 42 080 | 23 496 | 0 | 65 576 |
| Reinsurers' share of technical provisions | | | | |
| Provision for unearned premiums and unexpired risks | 475 | 76 | | 551 |
| Provision for claims outstanding | 6 475 | 1 978 | | 8 453 |
| | 6 950 | 2 054 | 0 | 9 004 |
| Deferred tax assets | | | | |
| | 2 566 | 38 | 0 | 2 604 |
| Debtors | | | | |
| Debtors arising out of insurance operations | 4 715 | 2 940 | | 7 655 |
| Other debtors | 385 | 706 | | 1 090 |
| | 5 099 | 3 645 | 0 | 8 745 |
| Other assets | | | | |
| Tangible assets | 152 | 196 | | 349 |
| Cash at bank and in hand | 1 471 | 298 | 1 201 | 2 970 |
| | 1 624 | 495 | 1 201 | 3 319 |
| Prepayments and accrued income | | | | |
| Deferred acquisition costs | 1 195 | 167 | | 1 362 |
| Other prepayments and accrued income | 824 | 934 | | 1 758 |
| | 2 018 | 1 101 | 0 | 3 119 |
| Total Assets | 60 908 | 31 674 | 1 201 | 93 783 |

If P & C Insurance Holding Ltd (publ)

Group
Proforma 2001
MSEK

BALANCE SHEET

| | If 31.des | Sampo P&C 31.des | Adjustments | Group Proforma |
|---|---------------|---------------------|--------------|-------------------|
| SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES | | | | |
| Shareholders' equity | | | | |
| Share capital and reserves | 7 755 | 7 529 | 1 201 | 16 485 |
| Net result for the year | -1 090 | 211 | 0 | -879 |
| | 6 665 | 7 740 | 1 201 | 15 606 |
| Minority interest | 0 | 1 | | 1 |
| Subordinated notes | 1 823 | 0 | | 1 823 |
| Technical provisions, gross | | | | |
| Provisions for unearned premiums and unexpired risks | 10 998 | 2 700 | | 13 698 |
| Provision for claims outstanding | 36 190 | 17 188 | | 53 378 |
| | 47 188 | 19 888 | 0 | 67 076 |
| Provisions for other risks and expenses | | | | |
| Provisions for deferred tax liabilities | 771 | 1 674 | | 2 445 |
| Provisions for other risks and expenses | 281 | 0 | | 281 |
| | 1 052 | 1 674 | 0 | 2 726 |
| Deposits received from reinsurers | 17 | 0 | | 17 |
| Creditors | | | | |
| Creditors arising out of insurance operations | 1 720 | 674 | | 2 394 |
| Other creditors | 1 488 | 483 | | 1 971 |
| | 3 208 | 1 157 | 0 | 4 365 |
| Accruals and deferred income | | | | |
| Other accruals and deferred income | 955 | 1 214 | 0 | 2 170 |
| | 955 | 1 214 | 0 | 2 170 |
| Total Shareholders' equity, provisions and liabilities | 60 908 | 31 674 | 1 201 | 93 783 |

NET ASSET VALUE

| | If 31.des | Sampo P&C 31.des | Adjustments | Group Proforma |
|--|--------------|---------------------|--------------|-------------------|
| Shareholders' equity | 6 665 | 7 740 | 1 201 | 15 606 |
| Deferred tax liability | 771 | 1 674 | | 2 445 |
| Deficit/surplus values (interest bearing securities) | -3 | 50 | | 47 |
| Net asset value | 7 433 | 9 464 | 1 201 | 18 098 |

Technical comments regarding the pro forma 2001 If/Sampo

The merger between If P&C Insurance and Sampo's P&C insurance business was completed on January 2, 2002.

On completion, If acquired Sampo's P&C business, mainly through a share swap but also for cash. At the same time, the owners made capital contributions, as previously announced.

When consolidating the accounts of Sampo, Swedish GAAP has been used, as applied in If. The changes mainly refer to adjustments of unrealised changes in value of investment assets and derivatives, deferred acquisition costs, unearned premium reserve and allocated investment return transferred to the technical account.

For recalculation of the P&L, the 2001 average exchange rate was used at 1,5623 SEK/FIM. For recalculation of the Balance sheet, the exchange rate as of December 31, 2001 was used at 1,5684 SEK/FIM.

The above completion transactions were included as of December 31, 2001, and are reflected in the stated net asset value.

During 2001, the asset management in the Finnish companies was subject to Sampo's policy, which differed from the investment policy of If. For clarity, recalculation of the the pro forma according to If's policy has not been made. Instead, a normalised return on the new Group's weighted investment assets has been calculated. This has been done using a normalised return of 5.6%.

In the investment return, included in the pro forma P&L for 2001, the net cash effects of the above completion transactions have not been taken into account.

Tax has been calculated using local tax rates, 29% for the Finnish companies and 28% for the old If. Unrealised surpluses, which have been added to Shareholders' Equity in the acquired companies, have been charged with deferred tax.