

## If P & C Insurance

Group  
2003  
MSEK

### PROFIT AND LOSS ACCOUNT

	2003 Jan-Mar	2002 Jan-Mar <sup>1)</sup>	2002 Jan-Dec	Moving annual
<b>Technical account</b>				
<b>Premiums earned, net of reinsurance</b>				
Premium income, gross <sup>2)</sup>	15 878	14 602	38 136	39 412
Premium income, ceded	-1 974	-2 523	-4 635	-4 086
Change in provision for unearned premiums and unexpired risks	-6 423	-5 711	- 846	-1 558
Reinsurers' share of change in provision for unearned premiums and unexpired risks	1 191	1 385	134	- 60
	<b>8 672</b>	<b>7 753</b>	<b>32 789</b>	<b>33 708</b>
Allocated investment return transferred from the non-technical account <sup>3)</sup>	589	560	2 332	2 361
<b>Claims incurred, net of reinsurance</b>				
Claims paid				
Gross	-7 479	-7 219	-28 124	-28 384
Reinsurers' share	910	1 222	3 673	3 361
Change in provision for claims outstanding				
Gross	- 168	- 583	-2 865	-2 450
Reinsurers' share	- 607	- 257	- 669	-1 019
	<b>-7 344</b>	<b>-6 837</b>	<b>-27 985</b>	<b>-28 492</b>
Operating expenses	-1 758	-1 794	-6 815	-6 779
<b>Technical result</b>	<b>159</b>	<b>- 318</b>	<b>321</b>	<b>798</b>
<b>Non-technical account</b>				
<b>Investment result</b>				
Investment income	1 365	884	3 994	4 475
Unrealised gains and losses on investments	279	279	-2 327	-2 327
Investment charges	- 707	- 539	- 977	-1 145
	<b>937</b>	<b>624</b>	<b>690</b>	<b>1 003</b>
Allocated investment return transferred to the technical account <sup>3)</sup>	- 716	- 677	-2 809	-2 848
Amortisation goodwill	- 40	- 43	- 169	- 166
Interest expense, subordinated notes	- 50	- 11	- 177	- 216
Result other businesses	- 6	10	-	- 16
Other financial income	0	-	64	64
Other financial expenses	-	- 43	-	43
<b>Operating result</b>	<b>284</b>	<b>- 458</b>	<b>-2 080</b>	<b>-1 338</b>
Tax on result for the period	4	119	399	284
Minority share	-	1	- 1	- 2
<b>Result for the period</b>	<b>288</b>	<b>- 338</b>	<b>-1 682</b>	<b>-1 056</b>

1) Quarterly comparison figures reported have been adjusted to reflect the change in consolidation method applied in the 2002 year end accounts, where the acquisition method was used for the consolidation of the Sampo acquisition.

2) Includes gross total premium portfolio entries/withdrawals.

3) The difference in allocated investment return is included in claims paid, gross, to offset write-up of discounted annuity reserves.

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### BALANCE SHEET

ASSETS	31-mar 2003	31-dec 2002
<b>Intangible assets</b>		
Goodwill	1 264	1 306
Other intangible assets	605	613
	<b>1 869</b>	<b>1 919</b>
<b>Investment assets</b>		
Land and buildings	2 455	2 439
Loan to affiliated companies	13	12
Participating interests	172	148
Other financial investments	68 082	66 253
Deposits with ceding undertakings	108	113
	<b>70 830</b>	<b>68 965</b>
<b>Reinsurers' share of technical provisions</b>		
Provision for unearned premiums and unexpired risks	1 825	652
Provision for claims outstanding	6 540	7 386
	<b>8 365</b>	<b>8 038</b>
<b>Deferred tax assets</b>	<b>2 870</b>	<b>2 999</b>
<b>Debtors</b>		
Debtors arising out of direct insurance operations	9 564	6 917
Debtors arising out of reinsurance operations	1 521	1 533
Other debtors	187	383
	<b>11 272</b>	<b>8 833</b>
<b>Other assets</b>		
Tangible assets	374	402
Cash at bank and in hand	2 549	1 543
Securities settlement claims	2 412	231
	<b>5 335</b>	<b>2 176</b>
<b>Prepayments and accrued income</b>		
Accrued interest and rent	556	496
Deferred acquisition costs	1 294	1 279
Other prepayments and accrued income	895	856
	<b>2 745</b>	<b>2 631</b>
<b>Total Assets</b>	<b>103 286</b>	<b>95 561</b>

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### BALANCE SHEET

	31-mar 2003	31-dec 2002
<b>SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES</b>		
<b>Shareholders' equity</b>		
Share capital	2 726	2 726
Statutory reserve in parent company	400	400
Other reserves	10 416	10 322
Profit and loss brought forward	1 874	3 643
Net result for the period	288	-1 682
	<b>15 704</b>	<b>15 409</b>
Minority shareholding	-	0
<b>Subordinated notes</b>	<b>2 415</b>	<b>2 386</b>
<b>Technical provisions, gross</b>		
Provisions for unearned premiums and unexpired risks	20 419	14 458
Provision for claims outstanding	54 253	54 895
	<b>74 672</b>	<b>69 353</b>
<b>Provisions for other risks and expenses</b>		
Provisions for deferred tax liabilities	1 715	1 831
Provisions for other risks and expenses	311	334
	<b>2 026</b>	<b>2 165</b>
<b>Deposits received from reinsurers</b>	<b>15</b>	<b>15</b>
<b>Creditors</b>		
Creditors arising out of direct insurance operations	1 748	1 551
Creditors arising out of reinsurance operations	1 135	967
Derivatives	189	539
Other creditors	3 732	1 762
	<b>6 804</b>	<b>4 819</b>
<b>Accruals and deferred income</b>		
Reinsurers' share of deferred acquisition costs	56	50
Other accruals and deferred income	1 594	1 364
	<b>1 650</b>	<b>1 414</b>
<b>Total Shareholders' equity, provisions and liabilities</b>	<b>103 286</b>	<b>95 561</b>

### MEMORANDUM ITEMS

Pledges and comparable collateral <sup>1)</sup>	1 488	2 309
Assets covered by policyholders' beneficiary rights	2 573	2 511
Contingent liabilities	460	487

<sup>1)</sup> Pledged cash assets account for MSEK 464, pledged securities for MSEK 916  
and deposits with ceding undertakings MSEK 108.

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### RESULT BY QUARTER, NET OF REINSURANCE<sup>1)</sup>

	2003 Q1	2002 Q4	2002 Q3	2002 Q2	2002 Q1
Premiums earned	8 672	8 337	8 435	8 264	7 753
Allocated investment return, transferred from the non-technical account <sup>2)</sup>	589	678	540	554	560
Claims incurred	-7 344	-7 207	-7 029	-6 912	-6 837
Operating expenses <sup>3)</sup>	-1 758	-1 591	-1 713	-1 717	-1 794
<b>Technical result</b>	<b>159</b>	<b>217</b>	<b>233</b>	<b>189</b>	<b>- 318</b>
<b>Investment result</b>	<b>937</b>	<b>1 222</b>	<b>- 607</b>	<b>- 549</b>	<b>624</b>
Allocated investment return, transferred to the technical account <sup>2)</sup>	- 716	- 802	- 659	- 671	- 677
Amortisation goodwill	- 40	- 40	- 43	- 43	- 43
Interest expense, subordinated notes	- 50	- 52	- 62	- 52	- 11
Result other businesses	- 6	-	-	-	-
Other financial income	0	59	26	12	- 33
Other financial expenses	-	-	-	-	-
<b>Operating result</b>	<b>284</b>	<b>604</b>	<b>-1 112</b>	<b>-1 114</b>	<b>- 458</b>

1) Quarterly comparison figures reported have been adjusted to reflect the change in consolidation method applied in the 2002 year end accounts, where the acquisition method was used for the consolidation of the Sampo acquisition.

2) The difference in allocated investment return is included in claims paid, gross, to offset write-up of discounted annuity reserves.

3) Operating expenses for Q1 2003 includes a provision related to Ifs incentive programme amounting to MSEK 15.

### KEY RATIOS

	2003 Q1	2002 Q4	2002 Q3	2002 Q2	2002 Q1
Risk ratio	77,6%	78,6%	76,7%	75,4%	80,4%
Cost ratio	27,4%	26,9%	26,9%	29,0%	30,9%
Combined ratio	105,0%	105,5%	103,6%	104,4%	111,3%
Claims ratio	84,7%	86,4%	83,3%	83,6%	88,2%
Expense ratio	20,3%	19,1%	20,3%	20,8%	23,1%
Insurance margin	1,8%	2,6%	2,8%	2,3%	-4,1%

	2003 31-mar	2002 31-dec
Regulatory capital	18 411	18 428
Regulatory solvency margin	6 065	5 493
Solvency capital	17 410	17 348
Solvency ratio	49,2%	51,7%

### KEY RATIO DEFINITIONS

**Risk ratio** - Claims incurred excluding claims handling costs in relation to net earned premiums.

**Cost ratio** - Operating expenses and claims handling costs in relation to net earned premiums.

**Combined ratio** - Claims incurred and operating expenses in relation to net earned premiums.

**Claims ratio** - Ratio between claims incurred and net earned premiums.

**Expense ratio** - Ratio between operating expenses and net earned premiums.

**Insurance margin** - Technical result in relation to net earned premiums.

**Regulatory capital** - Shareholders' equity minus intangible assets, plus deferred tax liability, subordinated loans and unrealised gains and losses on interest-bearing securities, entered at accrued acquisition value. The regulatory capital should at least cover the regulatory solvency margin.

**Regulatory solvency margin** - The regulatory capital required for the operation calculated as the higher of a risk assessment based on historical claims incurred or gross premiums written.

**Solvency capital** - Shareholders' equity minus deferred tax asset, plus deferred tax liability, subordinated loans and unrealised gains and losses on interest-bearing securities, entered at accrued acquisition value.

**Solvency ratio** - Key ratio representing the relative size of the solvency capital. The solvency ratio is calculated as the solvency

capital in relation to net written premiums, excluding portfolio premiums.

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## If P & C Insurance

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### SHAREHOLDERS' EQUITY

Shareholders' equity at year end 2002	15 409
Translation differences	7
Result for the period	288
Shareholders' equity at 31 <sup>st</sup> March 2003	15 704

### NET ASSET VALUE

	2003 31-mar	2002 31-dec
Shareholders' equity	15 704	15 409
Deferred tax liability	1 715	1 831
Deficit/surplus values (interest-bearing securities)	446	721
Net asset value	17 865	17 961

### INVESTMENTS

Book value, statutory	Assets 2003 31-mar	Return 2003 Jan-Mar
Real estate	2 455	38
Fixed income	62 829	1 118
Equities	4 953	- 184
Other <sup>1)</sup>	3 142	- 35
	73 379	937 <sup>2)</sup>

<sup>1)</sup> Including cash at bank and in hand

<sup>2)</sup> Return measured at current value amounts to MSEK 688. Difference relate to change in unrealised surplus in interest-bearing instruments.

### CASH FLOW STATEMENT

	2003 Jan-Mar
<b>From insurance operations (net items)</b>	
Premium payments direct business	13 012
Claims payments direct business	-7 359
Reinsurance payments	- 913
Operating expenses paid	-1 495
	3 245
<b>From investment operations (net)</b>	
Direct investment income	637
<b>From other financial operations (net)</b>	228
<b>Change in cash at bank and in hand</b>	1 006
<b>Increased investments</b>	3 104

## If P & C Insurance

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<b>BUSINESS AREA INFORMATION</b>	<b>2003 Q1</b>	<b>2002 Q1</b>	<b>2002 Jan-Dec</b>	<b>Moving annual</b>
<b>Private</b>				
Premiums written, gross	4 447	4 153	16 241	16 535
Premiums earned, net	3 989	3 739	15 549	15 799
Technical result	67	- 254	112	433
Claims result prior years <sup>1)</sup>	- 50	- 179	- 421	n/a
Risk ratio	76,3%	81,6%	76,0%	74,7%
Cost ratio	28,2%	31,5%	29,5%	28,7%
Combined ratio	104,5%	113,1%	105,5%	103,4%
Insurance margin	1,7%	-6,8%	0,7%	2,7%
Technical provisions, gross	26 717	24 725	26 425	
Technical provisions, net	26 350	24 344	26 112	
<b>Commercial</b>				
Premiums written, gross	5 830	5 261	10 880	11 449
Premiums earned, net	2 695	2 449	10 195	10 441
Technical result	41	24	170	187
Claims result prior years <sup>1)</sup>	- 8	- 36	- 78	n/a
Risk ratio	77,6%	76,5%	76,0%	76,3%
Cost ratio	27,5%	28,7%	28,6%	28,3%
Combined ratio	105,1%	105,2%	104,6%	104,6%
Insurance margin	1,5%	1,0%	1,7%	1,8%
Technical provisions, gross	23 134	22 002	20 394	
Technical provisions, net	21 131	19 584	18 322	
<b>Industrial</b>				
Premiums written, gross	4 533	4 081	8 038	8 490
Premiums earned, net	1 410	1 027	4 918	5 302
Technical result	28	- 106	- 143	- 9
Claims result prior years <sup>1)</sup>	- 55	3	- 21	n/a
Risk ratio	79,9%	87,3%	84,8%	83,0%
Cost ratio	24,9%	31,1%	24,9%	23,7%
Combined ratio	104,8%	118,4%	109,7%	106,7%
Insurance margin	2,0%	-10,3%	-2,9%	-0,2%
Technical provisions, gross	16 945	16 125	14 615	
Technical provisions, net	12 981	11 394	10 923	
<b>Marine &amp; Energy</b>				
Premiums written, gross	903	973	2 509	2 439
Premiums earned, net	478	464	1 857	1 871
Technical result	51	37	- 63	- 49
Claims result prior years <sup>1)</sup>	94	59	147	n/a
Risk ratio	78,7%	78,2%	91,2%	91,2%
Cost ratio	20,3%	23,5%	20,4%	19,6%
Combined ratio	99,0%	101,7%	111,6%	110,8%
Insurance margin	10,6%	8,0%	-3,4%	-2,6%
Technical provisions, gross	5 007	5 255	5 051	
Technical provisions, net	3 545	3 460	3 656	

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	2003 Q1	2002 Q1	2002 Jan-Dec	Moving annual
<b>Baltics and Poland</b>				
Premiums written, gross	170	136	522	556
Premiums earned, net	111	105	462	468
Technical result	7	6	28	29
Risk ratio	58,1%	45,6%	52,6%	55,4%
Cost ratio	39,3%	48,7%	43,7%	41,6%
Combined ratio	97,4%	94,3%	96,3%	97,0%
Insurance margin	6,5%	5,7%	6,1%	6,2%
Technical provisions, gross	377	302	294	
Technical provisions, net	315	264	269	
<b>Run-Off</b>				
Premiums written, gross	0	1	2	1
Premiums earned, net	0	1	- 7	- 8
Technical result	- 17	8	162	137
Technical provisions, gross	2 500	3 758	2 556	
Technical provisions, net	2 055	3 229	2 110	
<b>Other</b>				
Premiums written, gross	- 6	- 3	- 56	- 59
Premiums earned, net	- 10	- 31	- 185	- 164
Technical result	- 18	- 34	55	71
<b>If Total</b>				
Premiums written, gross	15 878	14 602	38 136	39 412
Premiums earned, net	8 672	7 753	32 789	33 708
Technical result	159	- 318	321	798
Claims result prior years <sup>1)</sup>	- 50	- 156	- 248	n/a
Risk ratio	77,6%	80,4%	77,8%	77,1%
Cost ratio	27,4%	30,9%	28,3%	27,5%
Combined ratio	105,0%	111,3%	106,1%	104,6%
Claims ratio	84,7%	88,2%	85,3%	84,5%
Expense ratio	20,3%	23,1%	20,8%	20,1%
Insurance margin	1,8%	-4,1%	1,0%	2,4%
Technical provisions, gross	74 673	72 167	69 353	
Technical provisions, net	66 307	62 224	61 315	

<sup>1)</sup> Finnish figures not applicable for 2002. Hence, 2002 figures apply to If Scandinavia.



## If P & C Insurance

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<b>RESULT PER COUNTRY, EXCLUDING INDUSTRIAL AND MARINE &amp; ENERGY BUSINESS</b>	<b>2003 Q1</b>	<b>2002 Q1</b>	<b>2002 Jan-Dec</b>	<b>Moving annual</b>
<b>Norway</b>				
Premiums written, gross	4 117	3 773	11 311	11 655
Premiums earned, net	2 696	2 515	10 743	10 924
Technical result	17	0	589	607
Risk ratio	79,4%	75,8%	74,6%	75,5%
Cost ratio	26,4%	29,9%	25,9%	25,1%
Combined ratio	105,8%	105,7%	100,5%	100,6%
Insurance margin	0,6%	0,0%	5,5%	5,6%
Technical provisions, gross	15 148	14 439	14 880	
Technical provisions, net	13 225	12 421	12 945	
<b>Sweden</b>				
Premiums written, gross	2 350	2 020	8 294	8 624
Premiums earned, net	2 067	1 821	7 678	7 924
Technical result	89	- 130	141	361
Risk ratio	80,2%	91,6%	83,0%	80,3%
Cost ratio	24,2%	24,9%	24,2%	24,1%
Combined ratio	104,4%	116,5%	107,2%	104,4%
Insurance margin	4,3%	-7,2%	1,8%	4,6%
Technical provisions, gross	18 221	16 819	17 712	
Technical provisions, net	17 851	16 477	17 425	
<b>Finland</b>				
Premiums written, gross	2 999	2 912	5 789	5 876
Premiums earned, net	1 479	1 469	5 701	5 711
Technical result	16	40	81	58
Risk ratio	69,9%	69,0%	66,6%	66,8%
Cost ratio	32,2%	32,4%	35,7%	35,6%
Combined ratio	102,1%	101,4%	102,3%	102,4%
Insurance margin	1,1%	2,7%	1,4%	1,0%
Technical provisions, gross	13 689	21 972	11 869	
Technical provisions, net	13 596	19 476	11 728	
<b>Denmark</b>				
Premiums written, gross	812	704	1 727	1 835
Premiums earned, net	441	379	1 622	1 684
Technical result	19	- 75	- 224	- 129
Risk ratio	72,8%	88,4%	85,1%	81,1%
Cost ratio	27,8%	36,0%	32,9%	30,9%
Combined ratio	100,6%	124,4%	118,0%	112,0%
Insurance margin	4,4%	-19,9%	-13,8%	-7,7%
Technical provisions, gross	2 793	2 457	2 392	
Technical provisions, net	2 750	2 380	2 364	

## If P & C Insurance Holding

### Parent company

2003

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#### PROFIT AND LOSS ACCOUNT

	2003 Jan-Mar	2002 Jan-Dec
Other operating income	17	77
Depreciation intangibles	-17	-67
<b>Operating result</b>	<b>0</b>	<b>10</b>
<b>Result from financial investments</b>		
Interest expense and similar profit/loss items	181	169
<b>Result after financial items</b>	<b>181</b>	<b>179</b>
Tax on result for the period	0	- 51
<b>Result for the period</b>	<b>181</b>	<b>128</b>

#### BALANCE SHEET

	2003 31-mar	2002 31-dec
<b>ASSETS</b>		
<b>Intangible assets</b>		
Licences	117	134
<b>Financial assets</b>		
Participations in group companies	23 306	24 218
Participating interest	16	16
Other securities	36	57
	<b>23 358</b>	<b>24 291</b>
<b>Deferred tax asset</b>	<b>7</b>	<b>6</b>
<b>Current receivables</b>		
Receivables from group companies	3 240	2 326
<b>Cash and bank balances</b>	<b>170</b>	<b>-</b>
<b>Total Assets</b>	<b>26 892</b>	<b>26 757</b>

#### EQUITY AND LIABILITIES

<b>Equity</b>		
Share capital	2 726	2 726
Statutory reserve	400	400
Other restricted reserves	10 142	10 142
Profit and loss brought forward	13 095	12 967
Net result for the period	181	128
	<b>26 544</b>	<b>26 363</b>
<b>Current liabilities</b>		
Liabilities to group companies	293	394
Other liabilities	3	-
Accrued expenses and deferred income	52	-
	<b>348</b>	<b>394</b>
<b>Total equity and liabilities</b>	<b>26 892</b>	<b>26 757</b>

#### MEMORANDUM ITEMS

Contingent liabilities <sup>1)</sup>	176	184
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<sup>1)</sup>On behalf of group companies MSEK 34.