

# Debt Financing

Sampo plc's debt financing on 31 December 2014 amounted to EUR 2,192 million (2,027) and interest bearing assets to EUR 1,233 million (980). Interest bearing assets include bank accounts, money market instruments and EUR 465 million of hybrid instruments issued by the subsidiaries and associates. During 2014 the net debt decreased EUR 88 million to EUR 960 million (1,048). Gross debt to Sampo plc's equity was 31 per cent (29).

As at 31 December 2014 financial liabilities in Sampo plc's balance sheet consisted of issued senior bonds

and notes of EUR 1,888 million (1,720) and EUR 305 million (308) of outstanding CPs issued. The average interest on Sampo plc's debt as of 31 December 2014 was 1.74 per cent (2.26).

In September 2014 Sampo plc issued a 7-year senior bond of EUR 500 million with a coupon of 1.50 per cent under the Euro Medium Term Note Programme. The proceeds were partly used to refinance a EUR 300 million senior bond that matured in early October 2014.

## Outstanding Debt Instruments

Sampo plc, 31 December 2014

Issued Debt Instruments	Coupon	Swap	Effective Rate	Maturity Date
Senior Bond 2,000 SEKm (EMTN)	Stibor3M + 0.75%	-	1.0210%	28.5.2015
Senior Bond 300 EURm (EMTN)	4.2500%	Euribor3M + 1.4727%	1.5537%	22.2.2016
Senior Bond 500 EURm (EMTN)	4.2500%	Euribor3M + 2.7910%	2.8720%	27.2.2017
Senior Bond 2,000 SEKm (EMTN)	Stibor3M + 1.45%	-	1.7210%	29.5.2018
Senior Bond 500 EURm (EMTN)	1.50%	-	1.5920%	16.9.2021
CP's issued 305 EURm	Euribor + Margin		0.5900%	Average 3M
<b>Public debt 2,023 EURm</b>			<b>1.7042%</b>	
Private placements 169 EURm			2.1053%	
<b>Total 2,192 EURm</b>			<b>1.7351%</b>	

To balance the risks on the Group level Sampo plc's debt is mainly tied to short-term interest rates and issued in euro or Swedish krona. Interest rate swaps are used to obtain the desired characteristics for the debt portfolio. These derivatives are valued at fair value in the profit and loss account although economically they are related to the underlying bonds. As a result Sampo plc maintains the flexibility to adjust derivative position if needed but this comes at the cost of increased volatility in the Holding segment's net finance costs.

The underlying objective of Sampo plc is to maintain a well-diversified debt structure, relatively low leverage and strong liquidity in order for the company to be able to arrange financing for strategic projects if needed. Strong liquidity and the ability to acquire financing are essential factors in maintaining Sampo Group's strategic flexibility.

More information on Sampo Group's outstanding debt issues is available at [www.sampo.com/debtfinancing](http://www.sampo.com/debtfinancing).