

Sampo Group's Funding

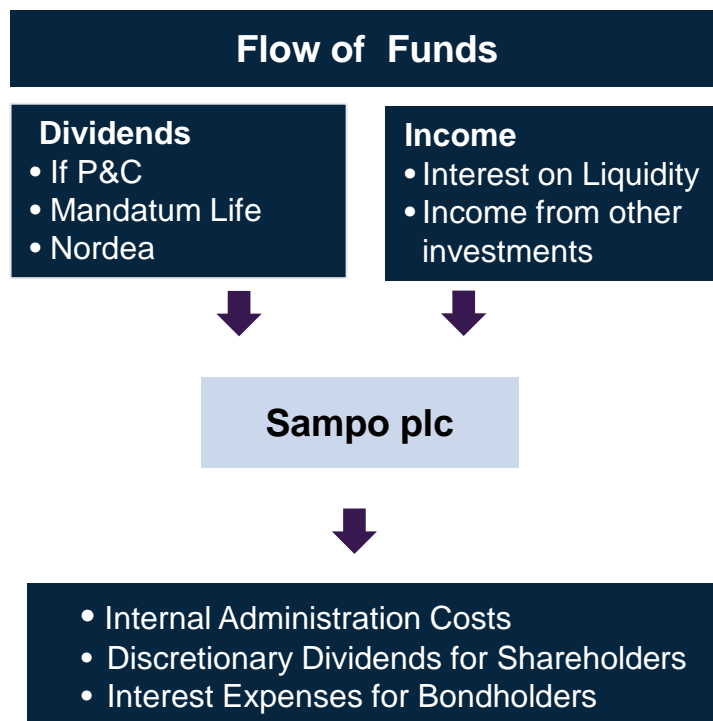
August 24th, 2016

Scope

- Subsidiaries issue Own Funds eligible instruments for **solvency** purposes and to have **efficient** structure of own funds
 - However, in Sweden insurance companies are not allowed to issue "debt"
- Parent Company issues senior debt for **funding** purposes and to have some **efficiency** in capital structure
- Parent Company's Funding is on the agenda today

Goals

- Availability of Funds
 - Leverage
 - Buffers
- Efficiency of Capital Structure (but not with the cost of availability)
 - Tax-deductibility of interests
 - Lower WACC
- Maturity and Investor Base diversification to mitigate risks
 - Refinancing risk within Sampo plc
 - Interest Rate and Currency Risks within Sampo Group



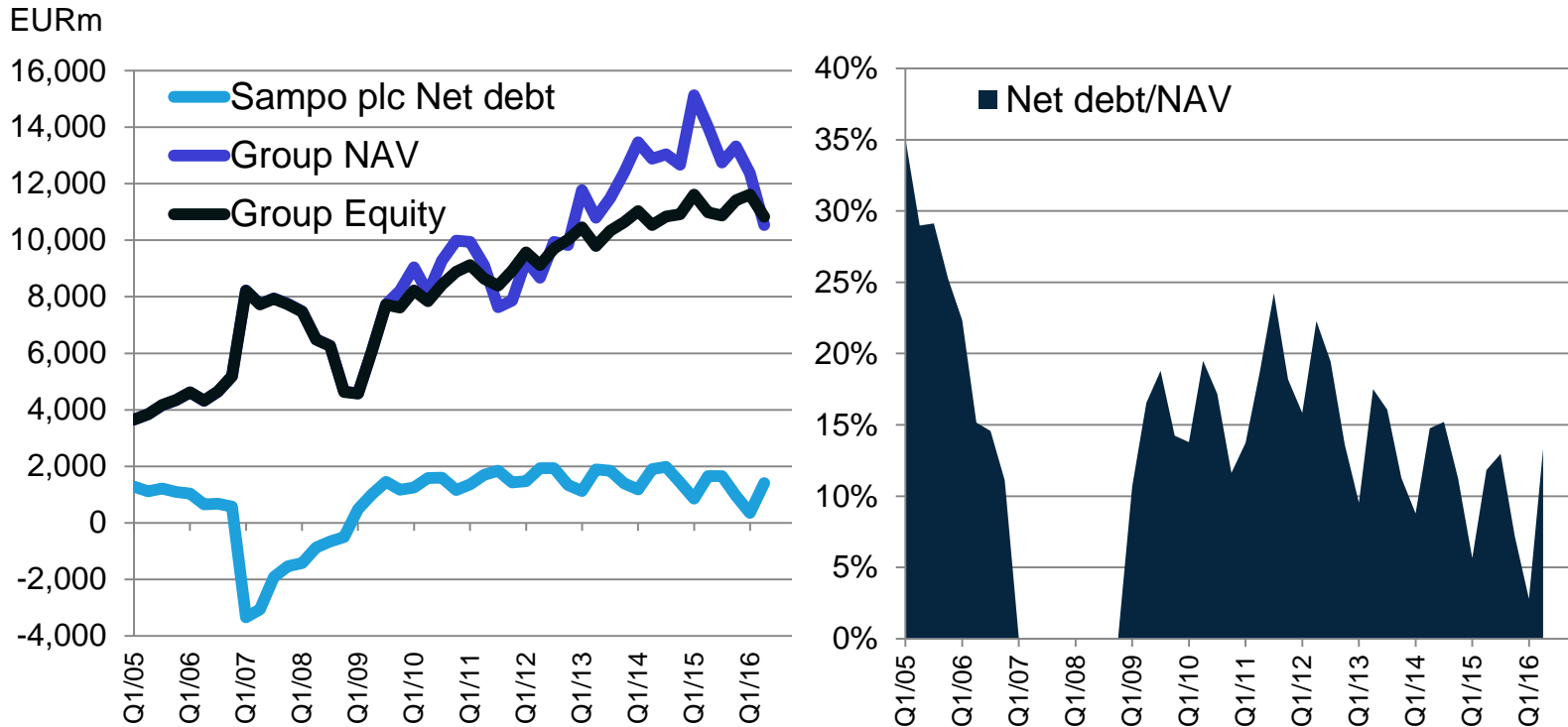
Balance Sheet

| Assets EURm | 9,179 | Liabilities EURm | 9,179 |
|--------------------------|-------|--------------------------|-------|
| Liquidity | 416 | CPs Issued | 305 |
| Investment assets | 167 | LT Senior Debt | 2,157 |
| -Real Estate | 2 | -Private Placements | 132 |
| -Fixed Income | 28 | -Bonds Issued | 2,025 |
| -Equity & Private Equity | 136 | -Pension Insurance Loans | |
| Subordinated Loans | 614 | Subordinated Debt | 0 |
| Equity Holdings | 7,928 | Capital | 6,625 |
| -Subsidiaries | 2,370 | -Undistributable | 98 |
| -Associated | 5,557 | -Distributable | 6,527 |
| Other Assets | 55 | Other Liabilities | 92 |

Key Credit Metrics well in Single A range

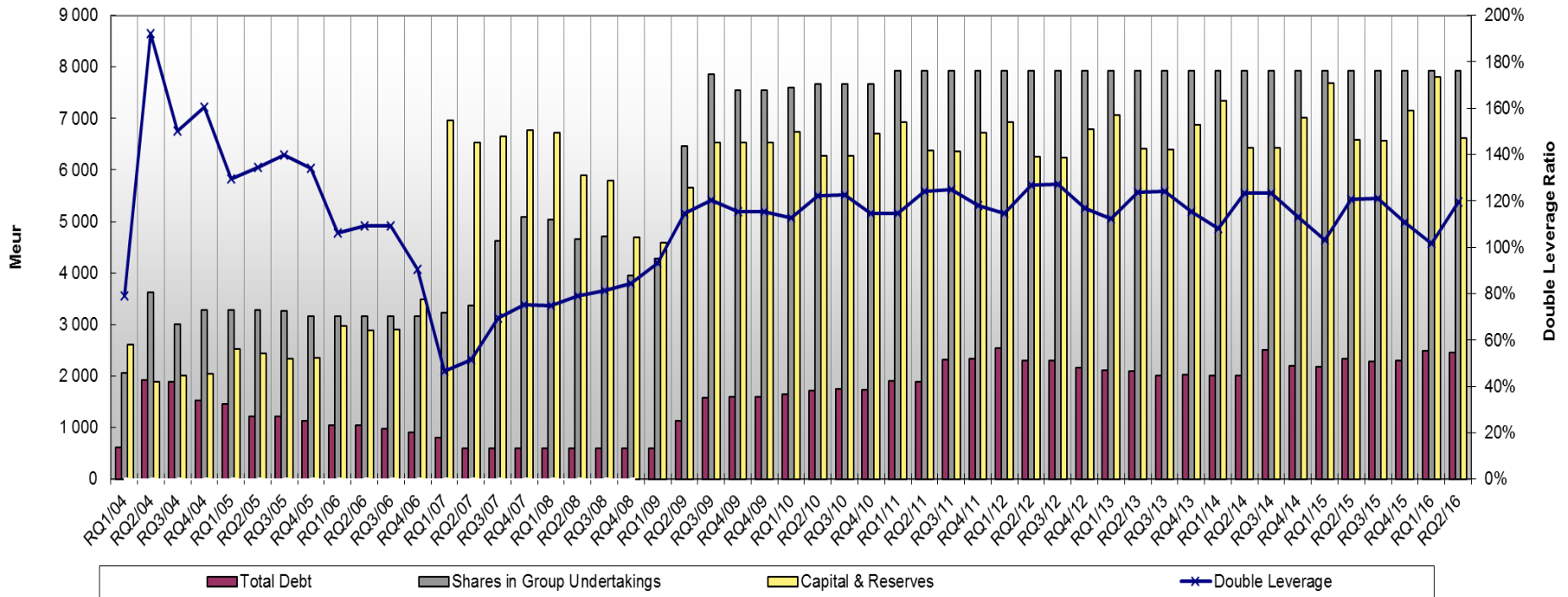
| Sampo plc | 30.6.2016 | Sampo Group, EURm | Q2/2016 | Q4/2015 |
|--|--------------|----------------------|--------------|--------------|
| Gross Debt, EURm | 2,461 | Shareholders' Equity | 10,830 | 11,411 |
| Gross Debt to Capital | 37% | Hybrid Bonds | 12 | 10 |
| Financial Leverage (=Debt/(Debt+Capital)) | 27% | Senior Debt | 2,329 | 2,143 |
| Net Debt | 1,403 | Financial Leverage | 21.5% | 18.8% |
| Financial "Net" Leverage | 17,5% | | | |

Sampo Group – Conservative Leverage



- "Loan-To-Values" based on above figures are **low**

Leverage by Moody's Double Leverage



Liquid Investments as Buffer

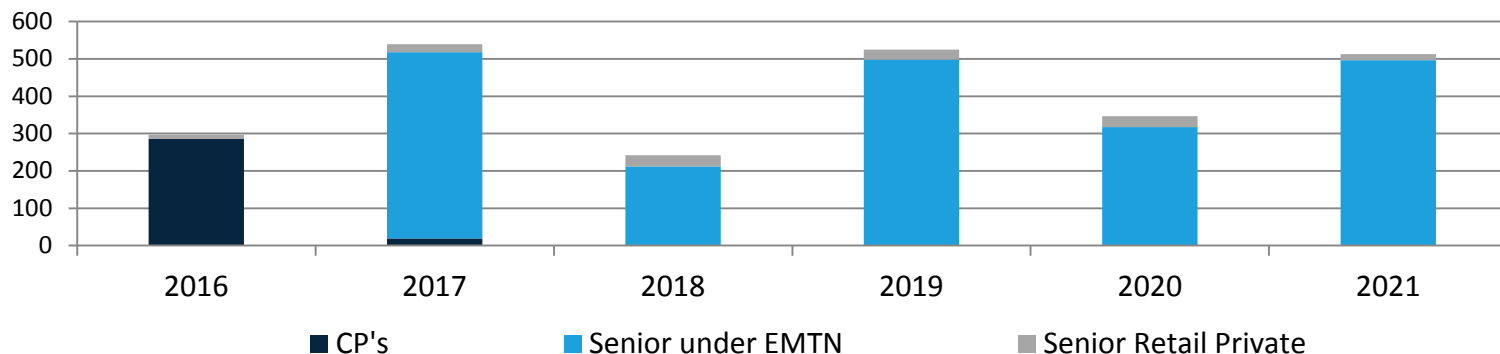
| Instrument & Principal | | Running Yield | Call/ Maturity |
|--------------------------|-----------------|----------------|----------------|
| Mandatum Capital Loan | 100 m€ | 4.57% | Every year |
| IF 30NC6.5 | 90 m€ | 4.71% | 26.11.2018 |
| IF 30NC10 | 99 m€ | 6.07% | 08.12.2021 |
| Nordea AT1 PerpNC5 | 171 m\$ | 5.95% | 23.9.2019 |
| Nordea AT1 PerpNC5 | 98 m\$ | 6.48% | 13.9.2021 |
| Topdanmark Tier1 | 33 m€ | 5.96% | 15.9.2017 |
| Topdanmark 10NC5 | 135 mDKK | 2.92% | 11.12.2020 |
| Topdanmark 10NC5.5 | 270 mDKK | 2.56% | 11.6.2021 |
| Hybrids (MV) | 614 m€ | ≈ 5.30% | |
| Cash / Other FI | 444 m€ | | |
| Other Investments | 138 m€ | | |
| TOTAL * | 1,196 m€ | | |

- In case subordinated loans are sold, both liquidity and Own Funds are generated
- This buffer of liquidity and Own Funds comes with positive interest margin

Sampo plc Debt Instruments, 30 June 2016

| Instrument & Principal | Coupon | Swap | Effective Rate | Maturity |
|------------------------------------|------------------|---------------------|----------------|------------|
| Senior Bond 500 EURm (EMTN) | 4.2500% | Euribor3M + 2,7910% | 2.5330% | 27.02.2017 |
| Senior Bond 2,000 SEKm (EMTN) | Stibor3M + 1.45% | --- | 0.9660% | 29.05.2018 |
| Senior Bond 500 EURm (EMTN) | 1.1250% | --- | 1.1640% | 24.05.2019 |
| Senior Bond 2,000 SEKm (EMTN) | Stibor3M + 0.77% | --- | 0.2860% | 28.05.2020 |
| Senior Bond 1,000 SEKm (EMTN) | 1.2500% | --- | 1.2950% | 28.05.2020 |
| Senior Bond 500 EURm (EMTN) | 1.5000% | --- | 1.5920% | 16.9.2021 |
| CP's issued 300 EURm | Euribor + Margin | | 0.2500% | Average 3M |
| Public debt 2,329 EURm | | | 1.3372% | |
| Private placements 132 EURm | | | 1.5634% | |
| Total 2,461 EURm | | | 1.3494% | |

If refinanced today with 5Y bond, average running cost would be below 1%



Summary

- Liquidity is strong, most of investment assets can be sold over time and leverage is modest
- Material part of Sampo's Debt (5,000 mioSEK) is in SEK to mitigate the FX-risk related to IF's SEK dividends and translation risk at Sampo Group level. Duration of Sampo Plc's debt is short and average cost of debt has further decreased to 1.35% level



=> Parent Company's funds generating capacity is almost two billion Euros and it is stabilizing P/L development at the group level



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