

## 27 Financial liabilities

The segment financial liabilities include derivatives, debt securities and other financial liabilities.

If

EURm			2017	2016
<b>Derivative financial instruments (note 14)</b>			<b>11</b>	<b>67</b>
<b>Subordinated debt securities</b>				
Subordinated loans		<b>Maturity</b>	<b>Interest</b>	
	Preferred capital note, 2011 (nominal value EURm 110)	30 years	6.00%	110
	Preferred capital note, 2013 (nominal value EURm 90)	perpetual	4.70%	-
	Preferred capital note, 2016 (nominal value 1,500 MSEK)	30 years	3 month Stibor + 2.25%	152
	Preferred capital note, 2016 (nominal value 500 MSEK)	30 years	2.42%	51
<b>Total subordinated debt securities</b>			<b>312</b>	<b>407</b>
<b>If, total financial liabilities</b>			<b>322</b>	<b>474</b>

The loan 2011 was issued with fixed interest rates for the first ten years, after which it becomes subject to variable interest rates. The subordinated loan issued in 2013 has a fixed interest rate for the first 5.5 years after which it becomes subject to variable interest rates. At the point of change, there is the possibility of redemption for all the loans.

The loan 2013 was prematurely repaid in September 2017.

The loan of 1,500 MSEK issued in 2016 is issued with variable interest rate terms. After ten years the margin is increased by one percentage point. It includes terms stating the right of redemption after five years and at any interest payment date thereafter.

The loan of 500 MSEK issued in 2016 is issued with fixed interest rate terms for the first five years. After that period, the loan becomes subject to variable interest rate but it also includes terms stating the right of redemption at this point in time or at any interest payment date thereafter.

All the loans are listed on the Luxembourg Exchange.

The purpose of the loans is to secure the good financial standing. All loans and their terms are approved by supervisory authorities and they are utilised for solvency purposes.

Topdanmark

EURm			2017	2016
<b>Derivative financial instruments (note 14)</b>			<b>69</b>	<b>-</b>
<b>Subordinated debt securities</b>				
Subordinated loans		<b>Maturity</b>	<b>Interest</b>	
	Preferred capital note, 2017 (nominal value 400 MDKK)	bullet	3 month Cibor + 2.75%	53
	Preferred capital note, 2015 (nominal value 500 MDKK)	12/2025	2.92% until 2020	67
	Preferred capital note, 2015 (nominal value 850 MDKK)	06/2026	3 month Cibor +270 bp	114
<b>Total subordinated debt securities</b>			<b>234</b>	<b>-</b>
<b>Topdanmark, total financial liabilities</b>			<b>303</b>	<b>-</b>

Subordinated loans are wholly included in Topdanmark's own funds.

## Mandatum

EURm	2017	2016
<b>Derivative financial instruments (note 14)</b>	6	11
<b>Subordinated debt securities</b>		
Subordinated loans	100	100
<b>Mandatum, total financial liabilities</b>	<b>106</b>	<b>111</b>

Mandatum Life issued in 2002 EURm 100 Capital Notes. The loan is perpetual and pays floating rate interest. The interest is payable only from distributable capital. The loan is repayable only with the consent of the Insurance Supervisory Authority and at the earliest on 2012 or any interest payment date after that. The loans is wholly subscribed by Sampo Plc.

## Holding

EURm	2017	2016
<b>Derivative financial instruments (note 14)</b>	10	3
<b>Debt securities in issue</b>		
Commercial papers	293	671
Bonds <sup>*)</sup>	2,884	2,877
<b>Total</b>	<b>3,177</b>	<b>3,548</b>
<b>Holding, total financial liabilities</b>	<b>3,187</b>	<b>3,551</b>

<sup>\*)</sup> The determination and hierarchy of financial assets and liabilities at fair value is disclosed in note 17. Based on the principles of this determination, the bonds of the Holding Company fall under level 2.

Elimination items between segments	-269	-289
<b>EURm</b>		
<b>Group, total financial liabilities</b>	<b>3,649</b>	<b>3,847</b>

## Change in liabilities from financing activities

EURm	1.1.2017	Cash flows	Exchange differences	Other	31.12.2017
Commercial papers	671	-378	-	0	293
Bonds	2,877	25.1	-16	-2	2,884
<b>Total liabilities from financing activities</b>	<b>3,548</b>	<b>-353</b>	<b>-16</b>	<b>-2</b>	<b>3,177</b>

EURm	1.1.2016	Cash flows	Exchange differences	Other	31.12.2016
Commercial papers	305	366	-	0	671
Bonds	1,997	903	-21	-3	2,877
<b>Total liabilities from financing activities</b>	<b>2,302</b>	<b>1,269</b>	<b>-21</b>	<b>-2</b>	<b>3,548</b>