

Sampo Group's Annual Report 2013

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15 Financial assets 15 Financial assets

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Group's financial assets comprise investments in derivatives, financial assets designated as at fair value through p/l, loans and receivables, available-for-sale financial assets and investments in subsidiaries. The Holding segment includes also investments in subsidiaries.

The Group uses derivative instruments for trading and for hedging purposes. The derivatives used are foreign exchange, interest rate and equity derivatives. In P&C insurance business, fair value hedging has been applied during the financial year. In Life insurance, both fair value and cash flow hedging have been applied.

EURm	2013	2012
P&C insurance		
Derivative financial instruments	5	49
Financial assets designated as at fair value through p/l	2	22
Loans and receivables	246	85
Financial assets available-for-sale	11,012	11,045
P&C insurance, total	11,265	11,200
Life insurance		
Derivative financial instruments	33	60
Financial assets designated as at fair value through p/l	48	48
Loans and receivables	19	23
Financial assets available-for-sale	5,023	5,138
Life insurance, total	5,122	5,269
Holding		
Derivative financial instruments	41	59
Loans and receivables	1	1
Financial assets available-for-sale	737	599
Investments in subsidiaries	2,370	2,370
Holding, total	3,148	3,028
Elimination items between segments	-2,712	-2,641
Group, total	16,824	16,857

P&C insurance

Derivative financial instruments

EURm	2013			2012		
	Contract/ notional amount	Fair value Assets	Fair value Liabilities	Contract/ notional amount	Fair value Assets	Fair value Liabilities
Derivatives held for trading						
Interest rate derivatives						
OTC derivatives						
Interest rate swaps	1,165	-	4	50	0	1
Exchange traded derivatives						

Interest rate futures	85	1	1	163	2	-
Total interest rate derivatives	1,250	1	5	213	2	1
Foreign exchange derivatives						
OTC derivatives						
Currency forwards	2,147	4	20	2,173	37	36
Currency options, bought and sold	42	0	-	-	-	-
Total foreign exchange derivatives	2,189	4	20	2,173	37	36
Equity derivatives						
OTC derivatives						
Equity and equity index options	0	0	-	0	0	-
Total derivatives held for trading	3,439	5	25	2,386	40	37
Derivatives held for hedging						
Fair value hedges						
Currency forwards	-	-	-	372	9	1
Total derivatives	3,439	5	25	2,759	49	38
Other financial assets						
EURm					2013	2012
Financial assets designated as at fair value through p/l						
Debt securities						
Issued by public bodies					-	3
Certificates of deposit issued by banks					-	16
Other debt securities					0	1
Total debt securities					0	19
Equity securities						
Other than listed					2	2
Total financial assets designated as at fair value through p/l					2	22
Loans and receivables						
Deposits with ceding undertakings					1	1
Other					245	83
Total loans and receivables					246	85
Financial assets available-for-sale						
Debt securities						
Issued by public bodies					1,327	152
Certificates of deposit issued by banks					2,741	3,729
Other debt securities					5,462	5,794
Total debt securities					9,531	9,675
Equity securities						
Listed					1,277	1,240
Unlisted					205	130
Total					1,481	1,370
Total financial assets available-for-sale					11,012	11,045
Financial assets available-for-sale for P&C insurance include impairment losses EURm 242 (323).						
P&C insurance, total financial assets					11,265	11,200
Life insurance						
Derivative financial instruments						
					2013	2012

EURm	Contract/Fair value			Contract/Fair value		
	notional amount	Assets	Liabilities	notional amount	Assets	Liabilities
Derivatives held for trading						
Interest rate derivatives						
OTC derivatives						
Interest rate swaps	5,978	25	7	778	19	2
Credit risk swaps	508	0	2	531	0	2
Total	6,486	25	10	1,309	19	3
Foreign exchange derivatives						
OTC derivatives						
Currency forwards	955	7	1	1,149	17	2
Currency options, bought and sold	0	0	0	99	1	0
Total foreign exchange derivatives	955	7	1	1,248	17	2
Equity derivatives						
OTC derivatives						
Equity and equity index options	1	0	0	-	-	-
Total derivatives held for trading	7,441	32	11	2,556	37	5
Derivatives held for hedging						
Fair value hedges						
Currency forwards	501	1	0	575	23	-
Interest rate swaps	0	0	0	-	-	-
Total	501	1	-	575	23	0
Cash flow hedges						
Interest rate swaps	0	-	-	9	0	-
Total derivatives held for hedging	501	1	-	584	23	0
Total derivatives	7,943	33	11	3,141	60	5

Fair value hedges

Fair value hedging is used to hedge a proportion of foreign exchange and interest risk in available-for-sale financial assets. The interest elements of forward contracts have been excluded from hedging relationships in foreign exchange hedges.

Net result from exchange derivatives designated as fair value hedges amounted to EURm 18 (12). Net result from hedged risks in fair value hedges of available for sale financial assets amounted to EURm -18 (-11).

Cash flow hedges

The interest rate derivatives hedging cash flows fell due during the financial year and no new cash flow hedges were started.

Other financial assets

EURm	2013	2012
Financial assets designated as at fair value through p/l		
Debt securities		
Issued by public bodies	11	12
Certificates of deposit issued by banks	35	35
Total debt securities	46	47
Listed equity securities	2	1
Total financial assets designated as at fair value through p/l	48	48
Loans and receivables		
Deposits with ceding undertakings	1	1

Loans	18	22
Total loans and receivables	19	23
Financial assets available-for-sale		
Debt securities		
Issued by public bodies	727	12
Issued by banks	632	1,066
Other debt securities	1,548	1,708
Total debt securities	2,907	2,786
Equity securities		
Listed	1,379	1,561
Unlisted	737	792
Total	2,116	2,353
Total financial assets available-for-sale	5,023	5,138

Financial assets available-for-sale for life insurance include impairment losses EURm 33 (29).

Life insurance, total financial assets 5,122 5,269

Financial assets available for sale / debt securities: Debt securities available for sale include EURm 2,553 (2,381) investments in bonds and EURm 354 (405) investments in money market instruments.

Financial assets available for sale /shares and participations: Listed equity securities include EURm 641 (589) listed equities. Unlisted equity securities include EURm 640 (752) investments in capital trusts.

Holding

Derivative financial instruments

EURm	2013			2012		
	Contract/Fair value notional amount	Assets	Liabilities	Contract/Fair value notional amount	Assets	Liabilities
Derivatives held for trading						
Interest derivatives						
OTC-derivatives						
Interest rate swaps	800	26	-	800	42	-
Credit risk swaps	20	0	-	20	1	-
Total interest derivatives	820	26	0	820	43	-
Foreign exchange derivatives						
OTC-derivatives						
Currency forwards	21	0	1	284	0	0
Equity derivatives						
Exchange traded derivatives						
Equity and equity index options	88	14	16	90	16	19
Total derivatives	930	41	18	1,194	59	19

Other financial assets

EURm	2013	2012
Loans and receivables		
Deposits	0	1
Financial assets available-for-sale		
Debt securities		
Certificates of deposit issued by banks	350	100
Other debt securities	360	475
Total debt securities	709	575

Equity securities		
Listed	7	1
Unlisted	21	24
Total	28	24
Total financial assets available-for-sale	737	599
Financial assets available-for-sale for Holding business include impairment losses EURm 0 (0).		
Investments in subsidiaries	2,370	2,370
Holding, total financial assets	3,148	3,028
Elimination items between segments	-2,712	-2,641
EURm	2013	2012
Group, total	16,824	16,856