

# Oma Säästöpankki Local and close to you.

ANNUAL REPORT 2015



omasp

# CONTENTS

The CEO's review: The biggest savings bank in Finland – local and close to you	3
2015 was a strong year	4
Oma Säästöpankki's key figures	6
Best local banking services	8
Personal service online	10
<b>Corporate Governance</b>	
Management principles	14
Board of Directors	16
Management team	18
<b>Financial information</b>	
The Board of Directors' activity report	22
The bank's operations	23
Results	23
Balance sheet	24
Consolidated financial statements	28
Voluntary and statutory funds	29
Capital adequacy management	29
Risk management	30
Management and personnel	35
The most important outsourced functions	36
Social responsibility	36
Events after the financial statements	36
Business development in 2016	36
The Board's proposal for profit distribution	36
Financial statement	37
Income statement	37
Balance sheet	38
The cash flow statement	40
Accounting principles	41
Notes to the income statement	45
Notes to the balance sheet	49
Other notes	61
Signatures	85
Audit report	86
Calculation of key figures	87

## EXCELLENT RESULTS IN 2015

# The biggest savings bank in Finland - local and close to you



Last year, Oma Säästöpankki kept strengthening its position in the market. Our goal is clear - we want to become a more and more important player in the Finnish bank sector.

IN 2015, we kept investing in customer service. Successful development projects allowed our business to continue growing in a controlled manner. In September we made banking history when the business operations of Joroisten Osuuspankki and Pyhäselän Osuuspankki were transferred to Oma Säästöpankki. Our number of branch offices increased by five as well. Together with the online banking update at the start of the year and the opening of the OmaMobiili service, these changes allow us to be even closer to our customers – both physically and digitally.

Our hard work is also reflected in the bank's financial success. Its profitability is among the best in the entire industry. Our effective operations and strong customer relationships provide an excellent basis for a constantly developing, profitable business. Despite the challenges resulting from a

continuously changing operating environment, I believe that Oma Säästöpankki has a solid foundation.

One good example of the bank's positive development is the collaboration agreement with the Nordic Investment Bank regarding a 20 million euro loan

programme for SMEs and environmental projects. This is also an excellent opportunity to support our corporate customers better than before.

I want to present my warmest thanks to the Oma Säästöpankki customers, employees, owner foundations and partners. Thanks to energetic collaborations

and enthusiasm, the future for Finland's biggest savings bank looks bright.

**Pasi Sydänlammi**  
CEO

## A successful bank is an important creator of added value across its entire operating area.



2015 WAS A STRONG YEAR

# Oma Säästöpankki continues on its road to success

The biggest savings bank in Finland kept strengthening its position.  
We reached our goals and wrote a new chapter in the history of Finnish banking.

**DURING 2015**, the bank's operations continued in a stable and profitable manner. Thanks to the successfully implemented structural changes, Oma Säästöpankki has continued to grow and has turned out to be a very functional solution. Our customers value our independence and local approach.

## **We reached our goals**

Our business growth and result reached the goals set for 2015. Operating profit amounted to EUR 19.6 million, an increase of almost four per cent compared to the previous year. Our efficient operations and strong customer relationships allowed the business to remain

## Oma Säästöpankki has become an important player in the Finnish banking sector.

profitable even during financially challenging times. The bank's total assets increased by almost 20 per cent during the year, reaching 1,934.7 million euros by the end of the year. This spectacular growth was based on organic growth and restructuring.

During the accounting period a decision was made to change the company's official designation from limited company (Oy) to public limited company (Oyj), which enables e.g. functional secondary markets for the bonds issued by the bank.

### We made banking history

For the first time in Finnish banking history, the borders between cooperative banks and savings banks were crossed voluntarily as Joroisten Osuuspankki and Pyhäselän Paikallisosuuspankki handed their business operations over to Oma Säästöpankki Oyj. At the same time, Joroisten Oma Osuuskunta and Pyhäselän Oma Osuuskunta joined the owner group of Oma Säästöpankki Oyj. As a result, profitable and functional, strongly capitalised banking activities were added to Oma Säästöpankki, so the increasing volume will not put a strain on the bank's solvency.

### We strongly improved our digital services

We also want to be close to our customers on the digital front. Last year, we took important steps in developing our online customer service. The most important projects were launching the OmaMobiili application and opening the Oma Säästöpankki chat function on our website. The chat allows the customer to talk to a service advisor in real time. OmaMobiili is an easy-to-use mobile banking application. The service was much awaited and well received.

### The most important events in 2015

**JANUARY:** A letter of intent was signed with Pyhäselän Paikallisosuuspankki for the purpose of merging business operations.

**FEBRUARY:** Our online banking services were completely renewed and successfully launched. A chat function was opened on the website.

**MARCH:** OmaMobiili was launched. Bank offices opened

in Savonlinna and Vimpeli.

**APRIL:** A unanimous decision to add Joroisten Osuuspankki and Pyhäselän Paikallisosuuspankki to Oma Säästöpankki was made in the general meeting. The bank collected a bond of 100,000,000 euros from the Nordic capital markets.

**MAY:** The company's official designation changed from Oy to Oyj. Oma Säästöpankki was one of the top banks in Kauppalehti's extensive comparison of banks.

**SEPTEMBER:** The business operations of Joroisten Osuuspankki and Pyhäselän Osuuspankki were transferred to Oma Säästöpankki.

**OCTOBER:** Oma Säästöpankki concluded a refinancing agreement with the Nordic Investment Bank. The new organisational structure was implemented. An electronic, staff member-specific appointment booking service was launched on the bank's website.

**NOVEMBER:** The card business was transferred from Nets to Oma Säästöpankki during the autumn. 70,000 new cards were issued.

**DECEMBER:** The POP Pankki transfer project was completed.

### A strong bank on a strong foundation

Even though the times are financially challenging and the continuous tightening of regulations puts a strain on banks, Oma Säästöpankki's operations have a strong foundation. At the end of the accounting period, we had nearly 125,600 customers. At the end of 2015, there are now 45 bank offices. In addition to the regions of Etelä-Karjala, Kymenlaakso, Etelä-Savo, Etelä-Pohjanmaa, Pirkanmaa, Häme, and Satakunta, Oma Säästöpankki now also operates in Pohjois-Karjala.

### LOCALLY OWNED

OMA SÄÄSTÖPANKKI is owned by local savings bank foundations and cooperatives: The Hauho, Renko, Töysä, Kuortane, Parkano, Etelä-Karjala and Suodenniemi savings bank foundations, Joroisten Oma Osuuskunta and Pyhäselän Oma Osuuskunta.

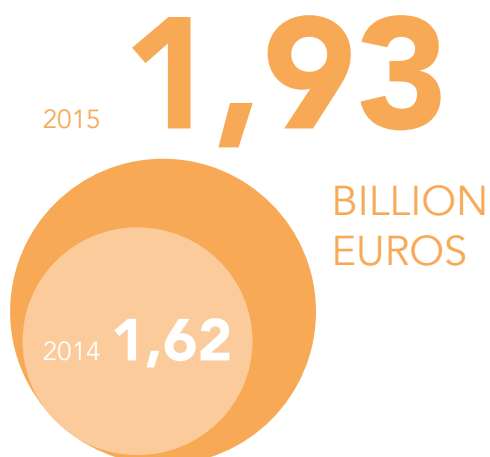




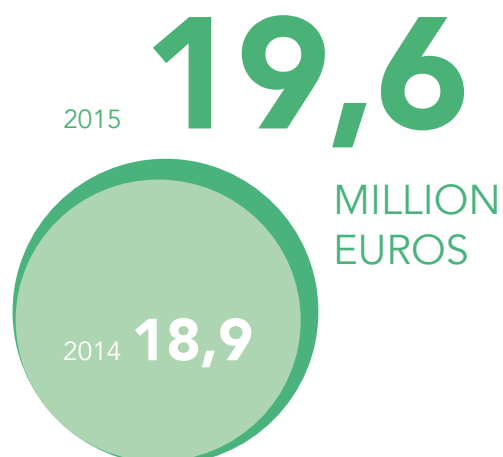
OMA SÄÄSTÖPANKKI'S

# Key figures 2015

## BALANCE SHEET TOTAL



## OPERATING PROFIT



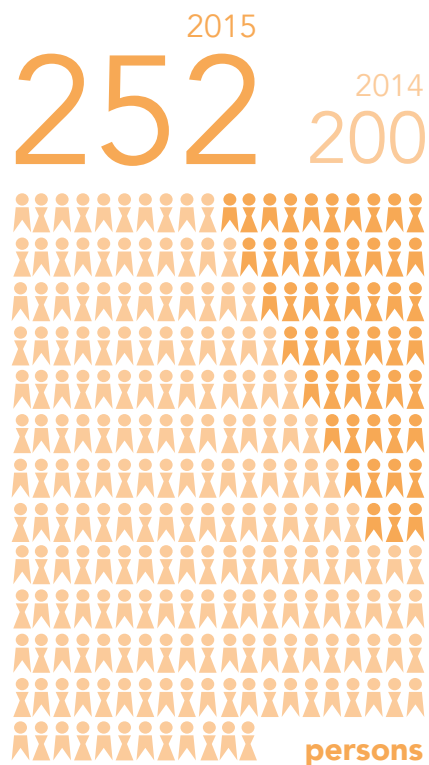


## BRANCH NETWORK

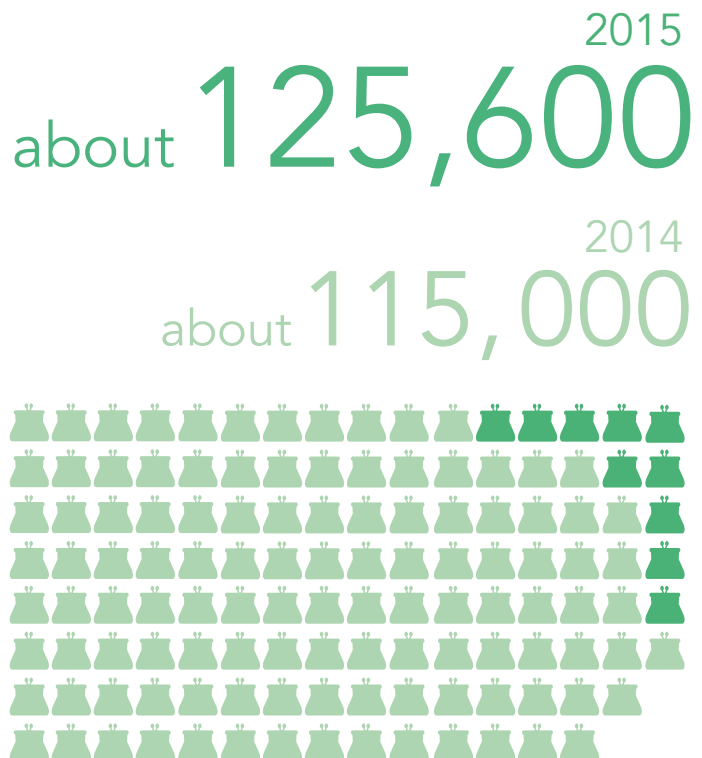


2015  
**45**  
2014  
38  
bank offices

## PERSONNEL



## CUSTOMERS







# Best local banking services

Our 250 employees serve our 125,000 customers in 45 offices.

OUR CUSTOMERS' economic success and wellbeing are our main goals. Our focus is on the key banking services that bring value to customers; our value-added

services are produced with selected partners. We are modern, close and local in terms of both physical and digital services.

---

In 2015, Oma Säästöpankki's office network expanded by seven offices.

---





## PRIVATE CUSTOMERS

### ACCOUNTS

- Current account
- Savings deposit account
- Term deposit
- OmaTuotto deposit
- ASP account

### CARDS

- Visa Credit/Debit
- Visa Credit
- Visa Debit
- Visa Electron

### LOANS

- Mortgage
- Consumer credit
- Flexible credit
- Student loan
- Loan insurance

### ONLINE SERVICES

- Online banking
- OmaMobiili mobile service
- E-invoices
- E-salary
- Chat service

### SAVINGS

- Fund saving
- Savings insurance
- Investing in stocks
- Retirement savings
- Asset management insurance



## BUSINESS CUSTOMERS

### ACCOUNTS AND CARDS

- Payment transaction account
- Savings deposit
- Visa Business Debit

### FINANCING

- Company account
- Bond loan
- Bank guarantee
- Loan insurance for companies

### PAYMENT TRANSACTIONS

- Corporate online banking
- Payment transaction programme
- E-invoicing service

### PARTNERS

- Our partners, e.g. Finnvera Oyj and Sp-Henkivakuutus Oy are available to support our corporate customers



OUR SERVICES ARE DEVELOPING

# Personal service online

Personal service is one of Oma Säästöpankki's competitive advantages. The bank serves its customers by being local and staying close to them. The digital services are developed following the same principles.

**THE BANKING** sector, like every other industry, is experiencing a digital revolution. We know that digitalisation will change all service operating models in every industry. In 2015, Oma Säästöpankki piloted and launched new digital service channels for its customers with great success. This work will be continued in the future

and the expectations are high, because the bank wants to ensure that its digital customer service is top-notch.

## **Complementary digital services**

The digital services are, now and in the future, complementary services alongside the face-to-face



## Digital channels support the availability of personal services.

office services. The digital services support the availability of the personal services and new services will be developed with this point of view in mind.

Oma Säästöpankki's customers have been very pleased with the digital services that have already been launched, including the chat function, OmaMobiili and the mobile certificate system within it. Using the mobile certificate system, the customer can, e.g., approve bills through OmaMobiili without needing to use key codes. The use of the mobile certificate system makes Oma Säästöpankki a frontrunner in the financial sector.

### Electronic contracts and meetings

Last year, the opportunity to sign contracts digitally was also introduced. The video conference service, which was piloted, will be continued in a new project. The goal is to make video conference

services available at all offices so the customer can work with their local bank advisor regardless of where they are.

In the future, Oma Säästöpankki will also expand its customer service to various social media channels. A strong personal approach is obvious across all channels.

### Mobile payment services

Oma Säästöpankki is active in developing new payment solutions. Various mobile payment methods are becoming more common and card payments are becoming digital. All of the bank's service development is customer-oriented and the services are only brought to the customers once they have been finalised. Oma Säästöpankki's goal is to offer all its customers a service experience that is as pleasant as possible.





The background of the entire page is a stylized illustration of a birch forest. It features several vertical, light gray birch tree trunks with dark gray, horizontal lenticels. Delicate, thin, light gray branches with small, pointed leaves are scattered throughout the scene. In the bottom left corner, there are dark, thick, horizontal lines representing tree trunks or branches, with some bright green, rounded shapes that look like leaves or moss.

# Oma Säästöpankki Local and close to you.

---

MANAGEMENT



OPERATION IN COMPLIANCE WITH  
ALL APPLICABLE REQUIREMENTS

# Oma Säästöpankki's management principles

## General meeting

Shareholders exercise their voting power at the general meeting, which is the bank's highest decision-making body. The bank's shares are owned by local savings bank foundations and cooperatives: The Hauho, Renko, Töysä, Kuortane, Parkano, Etelä-Karjala and Suodenniemi savings bank foundations, Joroisten Oma Osuuskunta and Pyhäselän Oma Osuuskunta.

Oma Säästöpankki's general meetings are held on a date determined by the Board of Directors each year. In accordance with the Companies Act, the

general meeting decides on matters such as financial statements, the actions indicated by the profit reported in the balance sheet and granting freedom from liability to the Board of Directors and the CEO. The general meeting elects the board members and auditors, and decides on their remuneration.

## Audit

According to the Articles of Association, the bank must have one or two auditors, who must be authorised auditors or audit firms, as well as a deputy auditor if only one auditor has been selected and this



## Each member of the management team has their own area of responsibility.

one auditor is not an auditing firm approved by the Central Chamber of Commerce. The auditors are elected annually at the general meeting until further notice. The APA organisation Ernst & Young was selected as the bank's auditor and APA Tatu Huhtala was selected as the main auditor.

### Internal control and risk management

The purpose of internal control is to ensure that the set goals are reached, that official regulations and internal instructions are followed and that reporting duties are performed reliably. Internal control tasks refer to all of the internal policies that are aimed at ensuring that these requirements are met. Internal control also involves making sure that risk management and ethical principles are applied correctly. Internal control and risk management are a part of the bank's everyday operations.

The bank seeks to conduct its operations with reasonable and carefully considered risks. A bank's profitability is dependent on the organisation's ability to identify, manage and price risks. The purpose of risk management is to reduce the probability of unforeseen losses and threats to the reputation of

the bank as well as contribute to higher profitability. A risk control evaluation function that is independent of the business operations ensures that risk-taking is carried out in accordance with the rules and principles defined by boards.

### Compliance with regulations and monitoring

Independent monitoring of the bank's compliance with regulations is performed by the bank's compliance function, risk management assessment function and credit risk evaluation function. The compliance function monitors the bank and ensures that the policies and instructions are in compliance with relevant legislation and that laws, official regulations and internal instructions are always complied with. The compliance function's findings are regularly reported to both the top level management and the effective management. Risk management assessments maintain the risk management policies and framework and promote a healthy risk culture by supporting the company in its risk management procedures. The credit risk evaluation function promotes the proactive and systematic management of credit risk.



# OMA SÄÄSTÖPANKKI OYJ'S Board of Directors

The Board of Directors shall represent the bank and direct its activities in accordance with the law and its Articles of Association.

**THE BOARD** of Directors is responsible for the bank's management and for ensuring that the activities are properly organised. The Board of Directors is also responsible for far-reaching operational and strategic policies and ensuring the adequacy of risk control and functionality of management systems. The board is also responsible for appointing the CEO. The Board of Directors shall constitute a quorum when more than half of its members are present.

The assessment of the board members' independence is carried out according to the Financial Supervisory Authority's regulations. When elected, and later on annually, the board members must provide a report of the communities in which they operate. In addition, the board members must provide a suitability and reliability report in accordance with the Financial Supervisory Authority's regulations when accepting the position.

## Board members as of November 30, 2014

Chairman of the Board  
Vice Chairman

Jarmo Partanen  
Jyrki Mäkyne

Member  
Member  
Member  
Member  
Member

Aki Jaskari  
Timo Kokkala  
Heli Korpinen  
Jarmo Salmi  
Ari Yli-Kaatiala

## Board members as of November 30, 2014



JARMO PARTANEN, BORN 1956

**Chairman of the Board**

Master of Arts, MBA  
Chairman of the Board, Oma Säästöpankki Oyj



JYRKI MÄKYNE, BORN 1964

**Vice Chairman of the Board**

Master of Science (Economics)  
Chairman of the Federation of Finnish Enterprises, entrepreneur, Oy HM Profiili Ab



AKI JASKARI, BORN 1961

**Board member**

Master of Economic Sciences  
CEO, Nerkoon Höyläämö Oy



TIMO KOKKALA, BORN 1960

**Board member**

Master of Agriculture and Forestry Sciences  
farmer



HELI KORPINEN, BORN 1965

**Board member**

Master of Social Sciences  
Training Manager, Saimaa University of Applied Science



JARMO SALMI, BORN 1963

**Board member**

Master of Laws  
CEO, Asianajotoimisto Jarmo Salmi Oy



ARI YLI-KAATIALA, BORN 1955

**Board member**

Machine Technician  
forest machine entrepreneur





# OMA SÄÄSTÖPANKKI OYJ'S CEO and the management teams

The Oma Säästöpankki Oyj management teams consist of seven people, including the CEO.

THE CEO is responsible for the bank's day-to-day administration and that it is managed in accordance with the law, the Articles of Association, official regulations and the board's instructions and regulations. In addition, the CEO is responsible for implementing the decisions of the Board of Directors. The CEO reports to the Board of Directors on a regular basis.

The assessment of the CEO's independence is carried out according to the Financial Supervisory

Authority's regulations. When elected, and later on annually, the CEO must provide a report of the communities in which he/she operates. In addition, the CEO must provide a suitability and reliability report in accordance with the Financial Supervisory Authority's regulations when accepting the position.

The management team's purpose is to assist the CEO in managing the operative business of the bank. Each member of the Oma Säästöpankki Oyj management teams has their own area of responsibility.



**PASI SYDÄNLAMMI, BORN 1974**

**CEO**, Master of Administrative Sciences, MBA

Sydänlammi has been the CEO of Oma Säästöpankki since 2007. Prior to this, he was the CEO of Lappajärven Osuuspankki.



**SARIANNA LIIRI, BORN 1981**

**Administrative Manager**, Master of Economic Sciences

Liiri has been Oma Säästöpankki's administrative manager since 2015. He has also worked in various expert and supervisory positions in Oma Säästöpankki and Etelä-Karjalan Säästöpankki.



**KARI-MIKAEL MARKKANEN, BORN 1973**

**Chief Information Officer**,  
eMBA, graduate engineer

Markkanen has been Oma Säästöpankki's chief information officer since 2014. He has worked as Kuntien Tiera Oy's customer relationship manager, in a managerial position in Suomen itsenäisyyden juhlarahasto and as a department manager in Oy Samlink Ab.



**JUSSI POHTO, BORN 1982**

**Regional Manager**, degree in Business Administration, JOKO

Pohto has worked as a regional manager in Oma Säästöpankki since 2014. Earlier in his career, he was the bank director and the deputy general manager in Lammin Osuuspankki.



**PEKKA RUOKONEN, BORN 1956**

**Bank director**, Master of Laws trained on the bench

Ruokonen has worked for the Etelä-Karjalan Säästöpankki, which merged with Oma Säästöpankki in 1986 – first as a bank lawyer and now as the General Counsel. Earlier he worked as a bank lawyer for Vuoksen Säästöpankki.



**PASI TURTIO, BORN 1974**

**Regional Manager, Bank Director**, Agrologist

Turtio has been the bank manager of Oma Säästöpankki since 2009. Previously, he has been the bank manager in Kuortaneen Säästöpankki and Lammin Osuuspankki.



**TEEMU TUUKKANEN, BORN 1979**

**Regional Manager**, Master of Economic Sciences

Tuukkanen has worked in a managerial position in Etelä-Karjalan Säästöpankki's office in Hamina since 2014. Before that, he worked as a supervisor and an expert in charge of corporate customers in the OP Group.





The background of the entire page is a stylized illustration of birch trees. The tree trunks are vertical, light gray, and feature dark gray, horizontal, oval-shaped lenticels. The branches are thin, dark gray, and curve upwards and outwards. The overall style is minimalist and modern.

# Oma Säästöpankki Local and close to you.

---

**FINANCIAL STATEMENTS**



# Report of the Board of Directors for the accounting period January 1 – December 31, 2015

OMA SÄÄSTÖPANKKI OYJ is an independent savings bank. The bank operates in a large part of Finland and its customership consists mostly of private customers and small companies.

Joroisten Osuuspankki and Pyhäselän Paikallisosuuspankki handed over their business operations to Oma Säästöpankki Oyj on September 30, 2015. At the same time, Joroisten Oma

Osuuskunta and Pyhäselän Oma Osuuskunta joined the owner group of Oma Säästöpankki Oyj.

At the end of the accounting period, the bank had nearly 125,600 customers. The bank has 45 offices in total. In addition to direct contact in branches, customers utilise online and mobile banking, ATMs and cash dispensers. The share of self service of all basic service transactions by customers was 94.2% in 2015.



The figures from 2014 are unofficial and have been calculated by combining the income statements of the banks merged in 2014 for the whole year. The figures of Pyhäselän Paikallisosuuspankki and Joroisten Osuuspankki, which merged in 2015, have been included starting 1.10.2015.

### The bank's operations

Oma Säästöpankki Oyj's operational growth and result reached the targets set for the accounting period in the business plan.

Oma Säästöpankki Oyj engages in basic bank operations and, in addition to offering its customers various bank services by way of its own balance, it also brokers products offered by its collaboration partners. The brokered products from our collaboration partners include credit, investment and insurance products.

Brokered credit products issued by collaboration partners comprise Aktia Hypoteekkipankki Oyj's mortgages, the amount of which totalled 145 million euros at the end of 2015. Aktia Hypoteekkipankki did not grant new home loans any longer, but new lending occurs by way of the bank's own balances instead. The bank has a refinancing obligation on the mortgages it brokers. The refinancing obligation

is implemented as a long-term non-collateral senior loan to Aktia Hypoteekkipankki. The amount of the loan is tied to the amount of brokered loans. The amount is revised twice per year.

Oma Säästöpankki Oyj operates as an independent issuer of Visa cards. The bank switched to the new card business model in the autumn of 2015 and the customers' Visa credit portfolio was transferred from Nets to Oma Säästöpankki on 30.11.2015.

In terms of investment products, the bank's product portfolio includes investments funds of its partners, for example Sp-Rahastoyhtiö Oy, Aktia Rahastoyhtiö Oy and SEB Varainhoito Suomi Oy. For security services, the bank's partner is FIM as well as Nooa Säästöpankki Oy, which act as the account operator. The pension and life insurance products brokered by the bank are offered by Sp-Henkivakuutus Oy, which is partially owned by the bank.

At the end of the year, the bank's customers owned investment and insurance savings worth 216.5 million euros, the products having been brokered by the bank.

For payment transfers, the bank uses the transfer and clearing services of the Central Bank of Savings Banks Finland PLC.

## Result

Oma Säästöpankki Oyj's operating profit totalled 19.6 million euros (18.9 million euros in 2014). Compared to the previous year, the operating profit increased by 0.7 million euros. As a percentage, the operating profit was 1.1% (1.2) of the balance sheet's annual average. Efficient operations and strong customer relationships make profitable business operations possible even during financially challenging times. The bank's cost-to-income ratio was 57.8 per cent (59.6).

The bank's net interest income was 31.7 million euros (29.2). The net interest income grew by 8.8 per cent compared to the previous accounting period. The net interest income was increased by the hedging effects of derivatives, whose share of the net interest income was 3.0 million euros (3.2).

The amount of interest income was 39.9 million euros (36.9), with a growth of 3 million euros over the previous year (8%). Interest expenses totalled 8.2 million euros (7.8). Interest expenses increased by 0.4 million euros compared to the previous accounting period.

During the 2015 accounting period, a change was made to the way the interests of interest rate swaps used as hedging instruments are recorded. Previously, the interest rate swap interests were entered as interest expenses, and after the change as interest income and interest expenses. After this change the interest from interest rate swaps is correctly entered as income for the bank. Due to this, interest income increased by 2.3 million while interest expenses also increased by 2.3 million, while the net interest income remained unchanged.

Net fee and commission income was 15.3 million euros (14.2). The share of fee and commission income of this amount was 17.5 million euros (15.9) and the share of fee and commission expenses was 2.2 million euros (1.8). Fee and commission income includes commissions gained from brokered products, totalling 3 million euros (2.6), of which the commissions derived from brokered loans from the mortgage bank totalled 0.1 million euros (0.6) and from other brokered products 2.9 million euros (2.4). Fees and commissions derived from brokered mortgages are included in the above mentioned figures as net amounts. Of the other fee and commission income, the most significant ones were fees and commissions derived from lending, worth 4.7 million euros (4.0), fees and commissions

from payment transactions, 8.0 million euros (7.4), fees and commissions from asset management and legal functions, 0.8 million euros (1.0) and guarantee premiums, 0.3 million euros (0.3).

The net income from financial assets available for sale was 4.5 million euros (2.7).

The other income includes income on equity-based investments, net income from investment properties and other operating income, totalling 3.6 million euros (5.2). Dividends received were 0.6 million euros (0.7), with a decrease of 0.2 million euros over the previous year. Net income from investment properties equalled 0.1 million euros (0.6). Other operating income decreased by 22.8 per cent to 3.0 million euros (3.8).

Personnel expenses consist of salary expenses as well as pensions and other long-term benefits. The total amount of these expenses was 11.8 million euros (12.6), which was 6.5 per cent less than the previous year. Personnel expenses decreased especially due to the decrease in the number of manager and supervisor-level personnel as well as changes in wage levels.

Other administrative expenses increased by 30.6 per cent, to 13.8 million euros (10.6). Administrative expenses increased due to one-off projects such as taking over the card business and transferring the POP Pankki business operations. Other expenses, 6.2 million euros (7.3), include depreciation, amortisation and impairment for tangible and intangible assets as well as other operating expenses. The amount of planned depreciations totalled 0.9 million euros (0.8). Other operating expenses decreased by 18.3 per cent, to 5.3 million euros (6.5).

The net impairment loss on loans and guarantees recognised in the result of the accounting period was 3.6 million euros (1.7), with an increase of 1.9 million euros over the previous year. The gross impairment loss was 4.5 million euros (2.5). Impairment reversals for 0.2 million euros (0.3) were recognised and funds for receivables previously considered as credit losses were recovered worth 0.7 million euros (0.5).

## Balance sheet

The bank's balance increased by 19.5 per cent in 2015 and was 1,934.7 million euros by the end of the year (1,618.5). Loans on the balance sheet totalled 1,530.7 million euros. The amount



**The bank's key income statement items have developed as follows compared to the two previous years:**

<i>in EUR '000</i>	<b>01-12/2015</b>	01-12/2014	<b>Change % 2015-2014</b>	01-12/2013	<b>Change % 2014-2013</b>
Net interest income	<b>31,714</b>	29,159	<b>8.8</b>	25,827	<b>12.9</b>
Net fee and commission income	<b>15,282</b>	14,150	<b>8.0</b>	13,773	<b>2.7</b>
Net income from securities trading and foreign currency trading	<b>-73</b>	41	<b>...</b>	83	<b>-50.3</b>
Net income from financial assets available for sale	<b>4,487</b>	2,658	<b>68.8</b>	1,545	<b>72.1</b>
Net income from hedge accounting	<b>-1</b>	18	<b>...</b>	-46	<b>...</b>
Other income	<b>3,636</b>	5,173	<b>-29.7</b>	4,780	<b>8.2</b>
Total income	<b>55,045</b>	51,198	<b>7.5</b>	45,962	<b>11.4</b>
Personnel expenses	<b>-11,822</b>	-12,647	<b>-6.5</b>	-11,401	<b>10.9</b>
Other administrative expenses	<b>-13,815</b>	-10,581	<b>30.6</b>	-11,120	<b>-4.8</b>
Other expenses	<b>-6,177</b>	-7,307	<b>-15.5</b>	-6,180	<b>18.2</b>
Total expenses	<b>-31,814</b>	-30,535	<b>4.2</b>	-28,700	<b>6.4</b>
Cost/income ratio	<b>57.80</b>	59.64		62.44	
Impairment losses on loans	<b>-3,594</b>	-1,743	<b>...</b>	-4,181	<b>-58.3</b>
Operating profit	<b>19,638</b>	18,921	<b>3.8</b>	13,080	<b>44.7</b>
Profit for the period	<b>7,061</b>	14,587	<b>-51.6</b>	8,760	<b>66.5</b>

*In the table, the figures from 2014 are based on unofficial consolidated calculations that include the whole year's figures for all the banks that merged in 2014. The 2015 figures include the figures from the merged POP Pankit starting from October 1, 2015.*

of deposits was 1,467.3 million euros. The balance growth was based on organic growth and restructuring.

### Lending

The total amount of lending provided by Oma Säästöpankki Oyj was 1,658.6 million euros (1,466.4) at the end of the period. Lending includes loans on the bank's balance sheet, worth 1,530.7 million euros (1,307.1), and mortgages from Aktia Hypoteekkipankki that are brokered by the bank but not included in the bank's balance sheet. The amount of brokered mortgages was 144.5 million euros (159.2) at the end of the year. Loans from government funds brokered by the bank are included in the bank's balance sheet in the Loans and advances to the public and general government section. They totalled 1.1 million euros (1.2) at the end of the year.

Including brokered mortgages, loans were withdrawn and refinanced for 562.5 million euros during the year. The net increase of lending was 192.3 million euros, or 13.1 per cent.

At the end of the year, non-performing receivables totalled 19.2 million euros (22.0). The way that non-performing receivables are calculated changed in 2015, and the figures from 2014 are presented so that they are comparable.

At the end of 2015, forbearances totalled 173.2 million euros. Receivables whose terms have been renegotiated due to the customer's reduced ability to pay are recorded as forbearances.

### Off-balance sheet commitments

Off-balance sheet commitments include commitments given in favour of a third party on behalf of a customer and irrevocable commitments given in favour of a customer.

Commitments given in favour of a third party on behalf of a customer, 16 million euros (31.9), are mainly bank guarantees and other guarantees. Other guarantees include absolute guarantees given by the bank to Aktia Hypoteekkipankki Oyj, relating to the reimbursement of any losses resulting from brokered mortgages.

Irrevocable commitments given in favour of customers, totalling 112.8 million euros (57.6) at the end of the period, consist mainly of granted but undrawn loans.

### Investments

The bank's investments consist mainly of deposits in other credit institutions, debt securities, shares and other equity as well as properties that are

included in the balance sheet item Tangible assets. Tangible assets are itemised in note 2.8.

The bank had deposits in other credit institutions worth 139.5 million euros (116.5). The amount was 23.0 million euros more than the previous year. Investments in debt securities consisted of money market securities and bonds. They totalled 102.5 million euros (47.0) at the end of the period, which was 118.3 per cent more compared to the previous year.

Investments in shares and other equity totalled 104 million euros (93.2) at the end of the period. Shares and other equity necessary for operations were worth 25.8 million euros (25.8) and other shares and fund units totalled 78.2 million euros (67.4). The bank does not possess publicly quoted shares that it would use in active trading.

The value of the bank's property assets is listed as 31.1 million euros (30.9) on the balance sheet. Of this amount, the value of properties in the bank's own use is 17.7 million euros (14.6) and the value of investment properties is 13.4 million euros (16.3). The fair values of investment properties are listed in note 2.8.

During the accounting period, 1 million euros worth of basic improvements at properties were recognised on the balance sheet. During 2015 the bank sold its real estate communities' shares and properties for a sum of 0.5 million euros and bought new ones for 0.6 million euros.

### Derivative contracts

The bank utilises derivative contracts to hedge its interest risks. At the end of the period, the positive fair value of derivatives in the item Derivate Contracts on the Assets side of the Balance Sheet totalled 5.8 million euros (7.4), of which the share of derivatives hedging the fair value was 5.4 million euros (6.2) and the derivatives hedging the cash flow was 0.4 million euros (1.2). The bank utilised fair value hedging to protect the spot-based deposit portfolio. Interest rate swaps were utilised as the hedging instrument. The bank used cash flow hedging to protect the future interest rates on loans with variable interest rates, with interest options functioning as the hedging instrument.

Derivative contracts are itemised in note 2.5. In solvency calculations, derivatives are included in the solvency requirement of the credit and counterparty risk.

### Deposits from the public

The largest share of the bank's borrowing consisted of deposits from the public.

**The key items on Oma Säästöpankki Oyj's balance sheet have developed as follows over the two previous years:**

<i>in EUR '000</i>	<b>31.12.2015</b>	31.12.2014	<b>Change % 2015–2014</b>	31.12.2013	<b>Change % 2014–2013</b>
Loans and advances to the public and general government	<b>1,530,749</b>	1,307,169	<b>17.1</b>	1,267,087	<b>3.2</b>
Loans	<b>1,530,659</b>	1,307,133	<b>17.1</b>	1,267,057	<b>3.2</b>
Other receivables	<b>89</b>	36	<b>...</b>	30	<b>20.2</b>
Investments	<b>377,053</b>	287,581	<b>31.1</b>	326,704	<b>-12.0</b>
Loans and advances to credit institutions	<b>139,482</b>	116,532	<b>19.7</b>	145,129	<b>-19.7</b>
Debt securities	<b>102,498</b>	46,958	<b>...</b>	63,034	<b>-25.5</b>
Shares and other equity	<b>103,991</b>	93,167	<b>11.6</b>	91,635	<b>1.7</b>
Properties	<b>31,081</b>	30,924	<b>0.5</b>	26,906	<b>14.9</b>
Derivative contracts	<b>5,835</b>	7,446	<b>-21.6</b>	8,353	<b>-10.9</b>
Derivative contracts, assets	<b>5,835</b>	7,446	<b>-21.6</b>	8,381	<b>-11.2</b>
Derivative contracts, liabilities	<b>0</b>	0	<b>...</b>	-28	<b>...</b>
Deposits from the public *)	<b>1,467,282</b>	1,287,487	<b>14.0</b>	1,251,053	<b>2.9</b>
Liabilities to credit institutions	<b>36,916</b>	11,923	<b>...</b>	47,903	<b>-75.1</b>
Debt securities issued	<b>185,991</b>	101,495	<b>83.3</b>	74,366	<b>36.5</b>
Debt securities issued to the public *)	<b>161,503</b>	68,620	<b>...</b>	41,903	<b>63.8</b>
Subordinated liabilities	<b>24,488</b>	32,875	<b>-25.5</b>	32,463	<b>1.3</b>
Equity	<b>154,360</b>	139,132	<b>10.9</b>	168,868	<b>-17.6</b>
Appropriations	<b>63,111</b>	52,217	<b>20.9</b>	51,687	<b>1.0</b>
ROA %	<b>1.0</b>	0.9		0.6	
ROE %	<b>9.4</b>	7.8		8.0	
Equity ratio	<b>10.6</b>	11.2		12.8	
Solvency ratio	<b>20.15%</b>	21.19%		18.04%	

\*) The figure does not contain the hedge-induced change in fair value



The amount of deposits amounted to 1,467.3 million euros (1,287.5) at the end of the year. Deposits grew by 179.8 million euros, or 14 per cent, during the year.

Deposits on current and savings accounts increased by 124.8 million euros, or 12.5 per cent during the year and they totalled 1,123.9 million euros (999.1) at the turn of the year. The growth of investment accounts and state-subsidised housing loan accounts equalled 54.9 million euros, or 19 per cent, and they were worth 343.4 million euros (288.5) at the turn of the year.

### Other liabilities

Other liabilities comprise mainly debts to credit institutions and issued promissory notes, consisting of certificates of deposit, bonds and subordinated debentures, which are subordinated to the bank's other liabilities.

Debts to credit institutions totalled 36.9 million euros (11.9). This item includes deposits made in the bank by other credit institutions.

During the beginning of the year, the bank issued bonds worth 100.0 million euros. At the end of the accounting period, the amount of issued promissory notes on the balance sheet was

altogether 186 million euros (101.5), of which the amount of bonds was 161.5 million euros and the amount of debenture loans was 24.5 million euros.

Other liability items were mostly short-term payment transfer items and adjustments to items relating to the amortisation of income and expenses on the financial statements.

### Equity and appropriations

The sum of the bank's equity and appropriations was, in total, 217.5 million euros (191.3).

The bank's equity at the end of the accounting period was 154.4 million euros (139.1). Compared to the previous accounting period, there was an increase of 15.2 million euros. The amount of the fair value reserve, included in equity, was 4.4 million euros (6.1) when adjusted by deferred tax liabilities. The amount consisted of the change in the fair value of cash flow hedging derivatives, -0.2 million euros (0.4) and the change in the fair value of financial assets available for sale, 4.6 million euros (5.7).

Voluntary provisions are depreciation differences and appropriations whose total amount at the end of the period was 63.1 million euros (52.2), of which the amount of credit loss provision was





63.1 million euros (52.2). In 2015, the credit loss provision was increased by 10.9 million euros (an increase of 0.5 million euros), after which the amount of the provision in the financial statements was 4.3 per cent of receivables. 3.3 million euros of the provision have been transferred into share capital. A change in depreciation difference was not recorded during the accounting period.

### Consolidated Financial Statements

Oma Säästöpankki Oyj is a group of companies consisting of the parent bank and its subsidiaries: Kantapankin Kiinteistövälitys Oy, As Oy Akaan Ketoneilikka, Koy Kuortaneen Säästötalo, Koy Töysän Säästökeskus, Koy Tervalapikas, Seinäjoen Oma Koti Oy, Koy Oma Säästöpankin Talo, Koy Ilmajoen Säästöpankin talo, As Oy Parkanon Säästötalo, Eksp-Kiinteistövälitys Oy, Koy Lappeenrannan Säästökeskus, Lappeenrannan Keskustalo Oy, Koy Savitaipaleen Säästökulma Oy and Lappeenrannan Foorumi Oy. The bank's subsidiaries are excluded from the consolidated financial statements because they are small subsidiaries as defined in Section 12, Article 10 of the Credit Institution Act. Small subsidiaries have only a minor effect on the group's result and equity.

### Voluntary and statutory reserves

Oma Säästöpankki Oyj has been a member of Savings Banks' Guarantee Fund. The Delegation of the Guarantee Fund decided on October 16, 2014 to dismantle the fund and return the funds to the member banks. The operations of the Guarantee Fund ceased when the Delegation of the Fund approved the final dismantling accounts in March 2015. Oma Säästöpankki Oyj's share of the funds to be returned is approximately 1.4 million euros, which is recorded in the section Other operating income.

Additionally, the bank belongs to a deposit guarantee fund that protects the deposit maker's receivables from the bank for any amount up to a hundred thousand euros. The bank's contribution to the fund was 1.1 million euros.

Oma Säästöpankki Oyj also belongs to an investors' compensation fund that covers all non-professional investors.

### Solvency management

Oma Säästöpankki Oyj has introduced a solvency management process, whose objective is to secure the bank's risk-bearing capacity relative to all substantial operational risks. To reach this

objective, the bank comprehensively identifies and evaluates operational risks and matches its risk-bearing capacity to the combined extent of risks to the bank. To secure its solvency, the bank sets risk-based equity objectives and creates an equity plan to reach those objectives. The objective of the solvency management process is also to maintain and develop high-quality risk management operations.

In retail bank operations, the bank operates according to its strategy. By restricting its operations to this sector alone, the bank is able to keep its risks on a manageable level and small in terms of operational quality. The bank's Board of Directors is responsible for managing the bank's solvency. The board also defines the operational levels of risks. Once a year, the Board of Directors reviews the bank's solvency management risks, the capital plan as well as levels of its risks.

During the solvency management process, the bank creates forecasts on for example profit, growth and solvency. Based on these forecasts, the bank determines the necessary procedures to maintain a solvency level required by the business strategy.

In its solvency calculations, the bank applies the standard method for credit risks and the basic method for operative risks. In the standard method, exposures are divided into exposure classes and the minimum limits for credit spreading are determined in the retail receivables class. Oma Säästöpankki Oyj publishes the essential information of its solvency calculations once a year as a part of its report and notes to the financial statements. Key solvency information is included in the interim report, published semi-annually.

Oma Säästöpankki Oyj's own funds (TC) totalled 208.8 million euros (191.4), when the minimum requirement for the bank's own funds was set at 82.9 million euros (72.2). Tier 1 capital (T1) was 200.6 million euros, of which the share of core capital (CET1) was 200.6 million euros. Tier 2 capital (T2) equalled 8.2 million euros (19.5).

Oma Säästöpankki Oyj's solvency ratio remained good even though it decreased by 1.04 per cent and was 20.15 per cent at the end of the year. The ratio of Tier 1 capital and the risk-weighted items was 19.36 % (19.03 %).

The European Union's regulation and directive on solvency was decreed on June 27, 2013. The

new regulation became effective on January 1, 2014, and it was based on recommendations given by the Basel Committee on Banking Supervision in 2010, or the so-called Basel III framework. The member states are directly bound by the new solvency regulation, due to which a large portion of the Financial Supervisory Authority's standards on solvency calculations were repealed. The European Banking Authority (EBA) provides standards that elaborate on the regulation and that are just as binding as the regulation.

Basel III solvency reporting based on the new regulation began on March 31, 2014. As such, banks' equity requirements were tightened via the conditions set on equity instruments as well as additional capital buffers. New requirements are set for liquidity and a new key ratio, the minimum equity ratio, will be implemented to monitor indebtedness.

The solvency of local banks is also expected to meet the required minimum level of 8% in the future. In addition to the minimum solvency requirement, a fixed additional capital requirement of 2.5% went into effect on January 1, 2015, together with a variable additional capital requirement that authorities can set at 0–2.5%, if needed. The Board of the Financial Supervisory Authority did not give banks a variable additional capital requirement in 2015. The binding application of the liquidity coverage ratio, LCR, began at the level of 60% on October 1, 2015, after which it will be gradually increased to 100% by January 1, 2018. After the monitoring period, the EU will decide on the content and the extent to which the permanent borrowing requirement (NSFR) and the minimum equity ratio will be binding. Based on the information currently available, these will not become binding requirements until 2018 at the earliest.

## Risk Management

### The objective of risk management

The objective of risk management is to ensure that the risks stemming from the bank's operations have been identified, evaluated and scaled to an acceptable level, that the risks are monitored and that they are commensurate with the bank's ability to bear risk. The essential areas of risk management are credit risks, market risks including

## The main items in the solvency calculation

in EUR '000

	2015	2014
<b>Own funds</b>		
Core capital before regulatory adjustments	203,567	180,213
Regulatory adjustments to be applied on core capital	-2,957	-8,349
<b>Core capital (CET1), total</b>	<b>200,610</b>	<b>171,864</b>
Additional Tier 1 capital before regulatory adjustments	0	0
Regulatory adjustments to be applied on additional Tier 1 capital	0	0
<b>Additional Tier 1 capital (AT1)</b>	<b>0</b>	<b>0</b>
<b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>200,610</b>	<b>171,864</b>
Tier 2 capital before regulatory adjustments	8,230	13,308
Regulatory adjustments to be applied on Tier 2 capital	0	6,194
<b>Tier 2 capital (T2), total</b>	<b>8,230</b>	<b>19,502</b>
<b>Own funds total (TC = T1 + T2)</b>	<b>208,840</b>	<b>191,366</b>
<b>Risk-weighted items, total</b>	<b>1,036,219</b>	<b>903,007</b>
of which the share of credit risk and counterparty risk	930,278	806,945
of which the adjustment risk of liability (CVA)	5,823	6,669
of which the share of market risk (exchange rate risk)	20,892	16,207
of which the share of operational risk	79,227	73,186
Core capital (CET1) relative to risk-weighted items (%)	19.36%	19.03%
Tier 1 capital (T1) relative to risk-weighted items (%)	19.36%	19.03%
Own funds, total (TC) relative to risk-weighted items (%)	20.15%	21.19%
<b>Leverage ratio</b>	<b>2015</b>	<b>2014</b>
Tier 1 capital (T1)	200,610	178,255
Liabilities total	2,062,329	1,707,015
Leverage ratio, %	9.73%	10.44%

interest rate and price risks, financing risks, property risks as well as strategic and operational risks. The bank monitors the interdependence of various risks on a risk map.

### Principles and organisation

Oma Säästöpankki Oyj's risk management strategy is based on the objective and business strategy, risk management instructions, authorisation system, and a risk and deviation report of the most essential business sectors, all of which are confirmed by the board to the bank.

In accordance with its strategy, the bank operates in the low-risk area of retail banking activities. In terms of its financial bearing capacity, the bank does not have oversized customer or investment risk concentrations and, as per its strategy, the bank will not take such risks either.

The bank maintains its solvency at a safe level. The bank's solvency and risk bearing ability are fortified with profitable operations. In its financial statements, the bank takes into consideration the threat of loss created by credit risk and other risks by means of sufficiently recognising impairment and other losses.

The board is regularly provided information about the various risks to the bank as well as an assessment of the level of each risk. The board also accepts authorisations and frameworks for risk-taking by determining the approved levels of credit and market risks. Within the limits of authorisation, the responsibility for the daily risk monitoring and surveillance belongs to management. Management utilises system-produced reports on the various areas of risk. Systems and policies intended for risk reporting and monitoring meet the requirements set for risk management, taking into consideration the character and extent of the bank's operations.

### Risk management and compliance arrangements

Risk and compliance monitoring is performed by the risk management assessment function, the credit risk evaluation function and the bank's compliance function. The risk management assessment function maintains the risk management policies and framework and promotes a healthy risk culture by supporting the company in its risk management processes. The credit risk evaluation function promotes the proactive and systematic management of credit risk. The compliance function is responsible for ensuring compliance with regulations. The compliance function monitors the bank and ensures that

the policies and instructions are in compliance with relevant legislation, and ensures perpetual compliance with laws, official regulations and internal instructions. The credit risk evaluation function promotes the proactive and systematic management of credit risk.

### Selection of management members: the diversification-oriented approach and its goals

The bank's instructions emphasise the diversity of the Board of Directors. A credit institution's Board of Directors must have sufficient and versatile expertise and experience regarding the credit institution's business and the relevant operational risks.

### Credit risks

The objective of credit risk management is to restrict the profit and solvency effects of risks stemming from customer responsibilities so that these risks remain at acceptable levels. The business strategy and loan issuance instructions approved by the Board of Directors determine the maximum amounts for risk concentrations and guide the direction of loan issuance by the customer sector, industry and credit ratings.

The bank's key customer groups are private customers, agricultural entrepreneurs and small businesses. The majority of the bank's borrowing is granted as loans to the bank's customers. Households' and entrepreneurs' combined share of loans on the bank's balance sheet is approximately 67.5% (67.7%). Agricultural entrepreneurs' share of the loans on the bank's balance sheet is 7.7% (7.1%) and others' 24.8% (25.2%). The majority, 72.2% (73.7%), of the bank's loans were granted as home collateral loans.

The management of credit risks in the enterprise and agricultural sectors is based on customer monitoring and internal credit ratings performed by key account managers. The evaluation of private customers' credit rating utilises the bank's good knowledge of its customers, based on which an evaluation is made on the customer's financial standing.

The bank's Board of Directors makes the most significant loan decisions. The Board has delegated loan authorisations to the bank's two loan groups and other designated staff members. Loan decisions are made in accordance with the loan issuance instructions approved by the Board of Directors. The main rule is the principle of a minimum of two decision makers. Loan decisions



are based on the customer's creditworthiness and financial standing as well as the fulfilment of other criteria, such as the collateral requirement. Loans are mainly granted with security collaterals. Forms of collateral are carefully valued to a fair value and their fair values are regularly monitored by utilising statistics and thorough knowledge of the industry. The bank's Board of Directors has approved instructions on the valuation of different types of collateral and their collateral values, against which loans can be granted.

Credit risks are continuously monitored by keeping an eye on repayment delays and non-performing loans. Key account managers continuously monitor payment behaviour and customers' actions to keep track of the amounts of customer-specific liabilities and forms of collateral. The board receives an annual report on the 15 largest customer entities and a monthly report on the total amount of non-performing loans. The reports contain, for example, the amount and development of risks by customer entity, industry and credit rating.

The bank aims to prevent its private customers' from excessive indebtedness by calculating a customer's credit rating every time they are granted a new loan. The credit rating is affected by arrears, past payment behaviour with the bank and repayment capacity. To ensure that the credit rating is correct, the customer's liabilities with other financial institutions are also included in the calculations. If the credit rating is poor, particular attention will be paid to whether the loan can be granted, or the loan may not be granted at all.

The bank does not have any customer entities whose liabilities exceed the limit set by the Credit Institution Act, namely 10 per cent of the bank's own funds (so-called high customer risks). Based on completed reports, the risks associated with the bank's loans are low in terms of the annual income level and risk-bearing capacity.

### Financial risk

Financial risks are risks related to the availability and price of refinancing. This risk emerges when the maturities of receivables and debts differ. Financial risks arise also when receivables and debts are too greatly concentrated on individual counterparts. Financial risks are evaluated by maturity bands based on the difference of the receivables and debts in each band. Financial risks are managed, for example, by keeping a sufficient amount of liquid funds to guarantee liquidity on hand. Financial risks are monitored by providing

the board with reports on the bank's financial position and liquidity.

Oma Säästöpankki Oyj acquires the refinancing in needs through deposits from its operating area and through other practical means such as bond issues. As per the terms and conditions on deposit accounts, a significant portion of refinancing is spot-based, being distributed to over 110,500 deposit customers. The bank's goal is to extend the maturity of its refinancing and maintain a large financial basis.

The bank maintains a good level of liquidity by investing its liquid funds mainly in marketable financial instruments and short-term deposits in other financial institutions. 11.8% (12.7%) of the loans on the bank's balance sheet have durations exceeding 20 years. The bank's financial standing remained stable in 2015.

### Interest rate risk

Interest rate risks mean the effects of any interest rate changes on the bank's profit and solvency. The reasons for interest rate risks are the differing bases of interest on receivables and debts as well as the different interest adjustment dates or maturity dates. The bank's Board of Directors has granted the management the authority to use hedging derivatives. In order to minimise its interest rate risk, the bank utilises hedging derivative contracts, with more details provided under Derivative Contracts.

The bank's interest rate risk is regularly communicated to the Board of Directors that has provided the maximum amounts for interest rate risks in its approved instructions.

The bank uses balance sheet analysis to measure the interest rate risk. It measures how a change of one and two percentage points in the forward interest affects the forecast of the net interest income during the next 1-60 months. The forecast is calculated at the time of reporting for the next five years with the forward rate available in the market. The amount of the open interest rate risk is measured by interest rate sensitivity, which takes into account the previously mentioned effect of interest rate shocks on net interest income in the coming years.

### Derivative contracts

The bank protects its interest-bearing loans against interest rate fluctuations with derivatives and applies hedge accounting regulations in addition to regularly following the effectiveness of such hedging. On a monthly basis, the bank monitors

risks related to derivatives, such as changes in fair values of derivatives compared to changes in the interest curve as well as changes in the bank's balance position and the sensitivity of net interest income to changes in interest rates.

### Market risk

Market risks means the effects of changes in interest rates and market prices on the bank's profit and own funds. In trading, interest rate changes create a market risk that presents itself as a change in the market value of securities. Equity risk means, for example, the effect on profits caused by exchange rate changes of publicly quoted shares and fund units. The bank's objective in securities investments is to obtain a competitive profit on the invested capital in terms of the profit-to-risk ratio.

The bank only invests in securities if the effect of changes in exchange rates will not jeopardise the bank's solvency or profitability. At the end of the year, the bank's result contained unrealised changes in value recognised on securities, with a net worth of -0.1 million euros (0.1). Additionally, unrealised changes in value are included in the fair value reserve, with an amount of 4.4 million euros (6.1), of which the change in value for cash flow hedge derivatives was -0.2 million euros (0.4) and the changes in value for financial assets available for sale was 4.6 million euros (5.7). The effect of unrealised changes in the value of securities on the bank's own funds was 4.3 million euros (4.9 which equals (2.5%)) of the bank's own funds at the end of the accounting period. The bank does not have a securities-related minimum solvency requirement created by the settlement risk of all operations.

The diversification of investments decreases the concentration risk caused by individual investments. The bank monitors the market values of securities acquired for investment purposes and the cash flows related to their transactions on a monthly basis. The board receives regular reports on the contents and balance of the securities portfolio. The market risk associated with the securities portfolio is evaluated relative to the bank's profit and own funds.

### Property risk

Property risk means risks related to impairment, revenue or damage to the property assets. Property investments are not a part of the bank's core business. Properties owned by the bank are mainly insured for their full values.

The bank's investment properties have been evaluated with the purchase price allocation method, with which they have also been valued in the financial statements.

The value of the investment property is low compared to the bank's balance and the bank's equities. Further, there are no such impairment pressures toward the property asset values that would have a strong impact on the bank's profit and solvency in the next few years. The bookkeeping values and fair values of the investment properties are listed in note 2.8 (excluding the capitalisation recognised in Intangible assets).

The equity tied to properties in the bank's own use and to property companies' shares was 17.7 million euros (14.6) at the end of the year. Equity tied to investment property assets increased over the previous accounting period and it was 13.4 (16.4) million euros, or 0.7 per cent of the bank's ending balance.

### Strategic and operational risks

Strategic risk refers to losses caused by any incorrectly chosen business strategies in terms of the development of the bank's operational environment. Efforts are made to minimise strategic risks by regularly updating the strategic and annual plans.

Operational risks are losses that can be caused by internal deficiencies in systems, processes and the staff's actions, or external factors that impact operations.

Efforts are made to minimise the occurrence of operational risks via continuous training of staff and an extensive code of conduct as well as procedures of internal controls, for example by separating preparation, decision-making, implementation and controls whenever possible.

The bank has acquired specific insurance in preparation for potential operational risks in its banking operations and any potential losses caused by such risks. The widely used standard contract terms work to decrease the occurrence of legal risks. Continuity planning is in place to prepare for any risks related to malfunctions in information systems.

Operational risks are monitored by gathering information about financial losses and any abuse suffered by the bank. Management utilises reports on compliance generated by internal controls as well as information on any changes in the operational environment.

### Internal audit

The Board of Directors has implemented an internal audit process at the bank and approved a review plan and reporting principles for the internal audit.

The purpose of the internal audit is to evaluate the extent and sufficiency of the internal control within the bank's operational organisation as well as the monitoring and evaluation of the functionality of the risk management systems. The internal audit reports its observations to the CEO and the board. The Board of Directors discusses the review summaries created by the internal audit.

### Internal control

The purpose of the bank's internal control is to ensure that the bank has set goals for the various levels and that the objectives are achieved by following the agreed upon and finalised internal control instructions. Internal control means the self-observation of the management bodies and the organisation, conducted within the bank itself and it is mainly used to observe the status, quality and results of operations. Internal control is performed by the Board of Directors, CEO, managers and staff members. Additionally, all staff members are obligated to notify the upper organisational level of any discrepancies and illegal activities.

### Administration and personnel

The savings bank's Annual General Meeting took place on April 11, 2015. The 2014 financial statements were approved at the Annual General Meeting and the members of the Board of Directors as well as the CEO were granted exemption from liability. Out of the bank's funds eligible for profit distribution, 111,038,655.29 euros, 693,000.00 euros were used in profit distribution. The APA organisation Ernst & Young was selected as the bank's auditor and APA Tatu Huhtala was selected as the main auditor.

Oma Säästöpankki Oyj's Board of Directors consists of seven members. Jarmo Partanen has served as the chairman and Jyrki Mäkinen has served as the vice chairman. Pasi Sydänlammi has been the managing director and Hannu Valkeapää has been the deputy managing director. The board convened 13 times during the year.

The bank employed 252 people at the end of the year. The amount of personnel increased during the year due to the mergers.

Audit Partners Oy served as the internal reviewer for the bank.

### The bank's administration and control system

At the limited savings bank's Annual General Meeting, the previous year's financial statements, dividends and the exemption from liability are discussed and members of the Board of Directors are elected. The bank's Board of Directors makes decisions on the bank's business operations and strategic matters. Additionally, it's the Board of Director's responsibility to make decisions on the most significant matters related to the bank's operations and select the bank's CEO. The board's activities are based on approved instructions. The bank's CEO is in charge of the day-to-day management in accordance with the instructions received from the Board of Directors.

The regulations issued by the Financial Supervisory Authority and its predecessor, Financial Supervision (Rahoitustarkastus), are complied with when determining the independence of the members of the Board of Directors and the CEO. When elected, and subsequently on an annual basis, the board members and the CEO must provide a report on the communities in which they operate. In addition, the Board members must provide a suitability and reliability report in accordance with the Financial Supervisory Authority's regulations when accepting the position.

### Reward schemes

The decision process used to determine the reward scheme: The bank's board of directors is responsible for the general reward system principles applied to both the effective management and all of the personnel.

The bank has not established a rewards committee nominated by or consisting of the members of the Board of Directors for the purpose of managing the reward scheme. This was not deemed necessary considering the limited scope of the bank's operations.

The Board of Directors supervises compliance with the reward scheme and regularly evaluates its functionality.

### The reward–result relationship

The reward system works in accordance with the bank's business strategy, objectives and values, while also corresponding to the bank's long-term interests. The reward system is in harmony with the bank's good and efficient risk management and risk bearing capability and it promotes these policies.

### Performance assessment criteria and risk-based reward changes, postponement practices and payment scale

When paying the recipient any separation payments and other similar compensation that is payable if the employment contract ends prematurely, the above mentioned principles are taken into consideration and the grounds for payment are assessed so that the compensation does not lead to rewarding failed performance.

### The relationship between the fixed and variable components

According to the bank's reward system, the variable rewards may not exceed 100% of the fixed annual salary.

### Determining variable rewards and other employee benefits: key parameters and grounds

The following principles are applied to the bank's variable rewards:

1. The reward is based on a total evaluation of the recipient's and the particular business unit's performance as well as the bank's total result and its development. When evaluating performance, the financial and other factors as well as how the performance or result has materialised in the long term are taken into account.
2. In terms of the reward amount, the known risks at the time of evaluation, the equity expenses and the necessary liquidity, among other factors, are taken into account.

### The most important outsourced functions

The bank's essential information systems are outsourced to Oy Samlink Ab, of which Oma Säästöpankki Oyj owns approximately 16%. The bank's bookkeeping is handled at Paikallispankkien PP-Laskenta Oy, wholly owned by Samlink. For payment transfers, the bank uses Säästöpankkien Keskuspankki Suomi Oy's payment transfer and clearing services, and for the maintenance of currency supply, the supply system provided by Automatia Pankkiautomaatit Oy. Oma Säästöpankki's credit card issuing, management and processing services are provided by Nets Oy.

### Social responsibility

Oma Säästöpankki Oyj's social responsibility means that the bank is responsible for the impact of its

business operations on the society in which it operates as well as the company's stakeholders. As a local bank, it is important to Oma Säästöpankki Oyj to manage its share of the responsibility for the surrounding society. Oma Säästöpankki Oyj complies with its employer obligations. In 2015, the bank paid corporate income tax on its profit, amounting to 1.7 million euros.

### Events after the financial statements

The bank's Board of Directors is not aware of any matters that would significantly impact the bank's financial standing after the financial statements were completed.

### Development of business operations in 2016

The restructuring performed over the recent years improved the bank's competitiveness and viability considerably for the 2016 financial year. Thus, despite the challenging operating environment, the bank's business operations are expected to develop in a positive manner during the course of 2016.

The bank's performance is expected to remain on the same level with the previous accounting period. If interest rates increase slightly, it will have a positive effect on the bank's result. An extensive increase in the interest rates could, however, lead to an increased amount of impairment losses. If the competitive environment remains strained, the margins obtained by the bank may decrease, which may have a slight negative effect on the bank's results.

### The Board's proposal for profit distribution

Oma Säästöpankki Oyj's funds eligible for profit distribution amount to 125,944,754.28 euros, of which profit for the period is 7,060,928.99 euros.

The Board of Directors proposes to the Annual General Meeting that the profit for the accounting period will be managed as follows:

- distributed as dividends	EUR 1,478,400.00
- added to equity	EUR 5,582,528.99
Total	EUR 7,060,928.99

There have not been significant changes in the bank's financial standing after the accounting period ended. The bank's solvency is at a good level and it is the Board of Directors' view that the proposed distribution of profits will not jeopardise the bank's solvency.



# Financial Statements

## OMA SÄÄSTÖPANKKI OYJ'S INCOME STATEMENT

	January 1 – December 31, 2015 EUR	January 1 – December 31, 2014 EUR	
Interest income	39,892,878.27	23,736,983.40	Note 1.1
Interest expenses	-8,179,365.64	-5,906,421.85	Note 1.1
<b>NET INTEREST INCOME</b>	<b>31,713,512.63</b>	17,830,561.55	
Income from equity investments	592,169.96	242,648.94	Note 1.2
Fee and commission income	17,481,332.22	10,030,610.26	Note 1.3
Fee and commission expenses	-2,199,559.84	-942,201.27	Note 1.3
Net income from securities trading and foreign currency trading	-73,062.05	59,510.74	Note 1.4
Net income from financial assets available for sale	4,487,208.22	-224,449.30	Note 1.5
Net income from hedge accounting	-828.76	13,626.48	Note 1.6
Net income from investment properties	77,179.15	130,685.33	Note 1.7
Other operating income	2,967,044.60	3,683,634.16	Note 1.8
Administrative expenses	-25,636,828.98	-13,922,360.45	
Personnel expenses	-11,821,759.48	-7,514,486.10	Note 1.9
Other administrative expenses	-13,815,069.50	-6,407,874.35	Note 1.10
Depreciation, amortisation and impairment losses on tangible and intangible assets	-881,645.07	-622,066.86	Note 1.11
Other operating expenses	-5,295,105.15	-4,100,609.23	Note 1.8
Impairment losses on loans and other receivables	-3,593,783.57	-1,531,043.90	Note 1.12
<b>OPERATING PROFIT</b>	<b>19,637,633.36</b>	10,648,546.45	
Appropriations	-10,894,026.60	-1,785,232.06	
Income taxes	-1,682,677.77	-1,890,160.27	
<b>POST-TAX PROFIT (LOSS) FROM ORDINARY ACTIVITIES</b>	<b>7,060,928.99</b>	6,973,154.12	
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>7,060,928.99</b>	6,973,154.12	

## OMA SÄÄSTÖPANKKI OYJ'S BALANCE SHEET

	31.12.2015 EUR	31.12.2014 EUR	
<b>ASSETS</b>			
Cash and cash equivalents	7,984,760.26	6,608,345.60	
Debt securities eligible for refinancing with central banks	63,377,972.44	6,634,908.70	
Loans and advances to credit institutions	139,482,226.47	116,532,169.12	Note 2.1
Loans and advances to the public and general government	1,530,748,769.31	1,307,168,953.31	Note 2.2
Debt securities	39,120,241.20	40,323,203.76	Note 2.3
From others	39,120,241.20	40,323,203.76	
Shares and other equity	103,991,152.61	93,166,762.48	Note 2.4
Derivative contracts	5,835,250.76	7,445,773.21	Note 2.5
Intangible assets	2,956,959.31	1,573,740.36	Note 2.7
Tangible assets	31,604,563.53	31,518,865.42	
Investment property and shares and interests in investment property	12,919,599.27	15,994,908.88	Note 2.8
Other property and shares and interests in property companies	17,099,461.47	14,068,206.14	Note 2.8
Other tangible assets	1,585,502.79	1,455,750.40	
Other assets	1,361,994.03	284,038.39	Note 2.10
Accrued income and prepayments	7,475,280.93	6,788,251.99	Note 2.11
Deferred tax assets	725,134.15	437,183.26	Note 2.18
<b>ASSETS, TOTAL</b>	<b>1,934,664,305.00</b>	1,618,482,195.60	

## OMA SÄÄSTÖPANKKI OYJ'S BALANCE SHEET

	31.12.2015 EUR	31.12.2014 EUR	
<b>LIABILITIES</b>			
<b>LIABILITIES</b>			
<b>Liabilities to credit institutions</b>	<b>36,915,744.16</b>	11,922,931.47	Note 2.12
<b>Liabilities to the public and general government</b>	<b>1,472,939,835.42</b>	1,294,486,903.60	Note 2.13
Deposits	<b>1,471,877,686.13</b>	1,293,481,716.60	
Other liabilities	<b>1,062,149.29</b>	1,005,187.00	
<b>Debt securities issued to the public</b>	<b>161,503,107.80</b>	68,620,010.80	Note 2.14
<b>Other liabilities</b>	<b>12,575,648.48</b>	10,302,055.31	Note 2.15
<b>Accrued expenses and deferred income</b>	<b>7,208,160.42</b>	7,231,563.90	Note 2.16
<b>Subordinated liabilities</b>	<b>24,487,600.00</b>	32,875,200.00	Note 2.17
<b>Deferred tax liabilities</b>	<b>1,562,405.50</b>	1,693,934.27	Note 2.18
<b>LIABILITIES, TOTAL</b>	<b>1,717,192,501.78</b>	1,427,132,599.35	
<b>APPROPRIATIONS</b>			
<b>Voluntary provisions</b>	<b>63,111,405.93</b>	52,217,379.33	
<b>APPROPRIATIONS, TOTAL</b>	<b>63,111,405.93</b>	52,217,379.33	
<b>EQUITY</b>			Note 2.22
<b>Share capital</b>	<b>24,000,000.00</b>	22,000,000.00	
<b>Other restricted reserves</b>	<b>4,415,643.01</b>	6,093,561.63	
Fair value reserve	<b>4,415,643.01</b>	6,093,561.63	
<b>Non-restricted reserves</b>	<b>104,067,028.16</b>	95,528,858.16	
Reserve for invested non-restricted equity	<b>103,509,546.63</b>	94,971,376.63	
Other reserves	<b>557,481.53</b>	557,481.53	
<b>Retained earnings</b>	<b>14,816,797.13</b>	8,536,643.01	
<b>Profit for the period</b>	<b>7,060,928.99</b>	6,973,154.12	
<b>EQUITY, TOTAL</b>	<b>154,360,397.29</b>	139,132,216.92	
<b>LIABILITIES, TOTAL</b>	<b>1,934,664,305.00</b>	1,618,482,195.60	
<b>OFF-BALANCE SHEET COMMITMENTS</b>			
<b>Commitments given to a third party on behalf of a customer</b>	<b>15,996,222.52</b>	31,852,102.91	
Guarantees and pledges	<b>15,121,194.32</b>	30,915,229.07	
Others	<b>875,028.20</b>	936,873.84	
<b>Irrevocable commitments given in favour of a customer</b>	<b>112,832,172.52</b>	57,648,345.72	
Others	<b>112,832,172.52</b>	57,648,345.72	

## OMA SÄÄSTÖPANKKI OYJ'S CASH FLOW STATEMENT

	January 1 – December 31, 2015 EUR	January 1 – December 31, 2014 EUR
<b>Cash flow from operating activities</b>		
Operating income after taxes	7,060,928.99	6,973,154.12
End-of-period adjustments	-5,794,024.05	-7,606,763.53
<b>Increase (-) or decrease (+) in business funds</b>	<b>-107,554,826.91</b>	<b>-41,632,456.28</b>
Debt securities	-55,526,663.96	-1,178,877.96
Loans and advances to credit institutions	61,826,222.02	-20,724,757.44
Loans and advances to the public and general government	-99,643,846.52	-28,913,118.23
Shares and other equity	-12,209,315.37	-14,398,865.35
Other assets	-2,001,223.08	23,583,162.70
<b>Increase (+) or decrease (-) in business debts</b>	<b>146,831,065.99</b>	<b>19,544,147.89</b>
Liabilities to credit institutions	24,646,023.38	-35,394,995.02
Liabilities to the public and general government	28,024,486.21	26,201,026.46
Debt securities issued to the public	92,883,097.00	26,716,618.39
Other liabilities	1,277,459.40	2,021,498.06
Paid income taxes	-1,738,980.22	-1,976,656.65
<b>Cash flow, total</b>	<b>38,804,163.80</b>	<b>-24,698,574.45</b>
<b>Cash flow from investments</b>		
Held-to-maturity financial assets, decreases	2,000,000.00	2,000,000.00
Investments in shares and other equity, decreases	0	1,271,838.88
Investments in tangible and intangible assets	-3,050,251.57	-4,268,546.67
Transfers of tangible and intangible assets	503,000.00	0
<b>Cash flow from investments, total</b>	<b>-547,251.57</b>	<b>-996,707.79</b>
<b>Cash flow from financing activities</b>		
Subordinated liabilities, increases	18,662,800.00	17,900,000.00
Subordinated liabilities, decreases	-9,587,600.00	-5,058,800.00
Paid dividends and other profit distribution	-693,000.00	-252,000.00
<b>Cash flow from financing activities, total</b>	<b>8,382,200.00</b>	<b>12,589,200.00</b>
<b>Net change in cash and cash equivalents</b>	<b>46,639,112.23</b>	<b>-13,106,082.24</b>
Cash and cash equivalents at the beginning of the period	49,950,769.57	38,009,892.55
Cash and cash equivalents at the end of the period	129,902,436.69	49,950,769.57
– Cash and cash equivalents transferred with business operations	-33,312,554.89	-25,046,959.26
Cash and cash equivalents at the end of the period without cash and cash equivalents transferred with business operations	96,589,881.80	24,903,810.31
<b>Cash and cash equivalents are formed from the following balance sheet items:</b>		
Cash and cash equivalents	7,984,760.26	6,608,345.60
Receivables from credit institutions repayable on demand	121,917,676.43	43,342,423.97
<b>Total</b>	<b>129,902,436.69</b>	<b>49,950,769.57</b>



# Notes to the financial statements

## Accounting principles

The bank's financial statements have been compiled in accordance with the regulations in the Bookkeeping and Credit Institutions Act, the Decree of the Ministry of Finance on Credit Institutions' Financial Statements and Consolidated Statements (698/2014), and Financial Supervisory Authority's Regulations and Instructions 1/2013 Financial Sector's Accounting, Financial Statements and Annual Report.

## Consolidated Financial Statements

The bank has subsidiaries and associate companies. The bank does not have any joint ventures. As per Section 10, Article 12 in the Credit Institutions Act, subsidiaries, associated companies and joint ventures, whose final balance amount is less than one per cent of the parent bank's balance amount and less than 10 million euros, can be excluded from the consolidated financial statements. Subsidiaries do not have a substantial impact on the group's result nor balance sheet, so the bank's financial statement provides an accurate and sufficient account of the group's results and financial standing.

The bank owns approximately 22% of Nooa Säästöpankki Oy. This was not included in the consolidated financial statements because the bank does not have real influence on Nooa Säästöpankki's operations. This is because the member organisations of the Savings Banks Association Cooperative own the qualified majority (approximately 78%) of Nooa Säästöpankki Oy's shares and, on the other hand, the Act on the Cooperatives of Deposit Banks contains strict regulations on authority over organisations belonging to the cooperative.

## Items denominated in foreign currencies

Assets and liabilities tied to items denominated in foreign currencies outside of the Eurozone have been converted to euros as per the European Central Bank's average rate on the last day of the accounting period.

In the income statement, foreign exchange differences emerged during valuation have been

recognised in net gains or net losses on trading in foreign currencies.

## Financial instruments

### Classification

In the financial statements, financial assets have been classified in four categories as per the Financial Supervisory Authority's Regulations and Instructions 1/2013 The Financial Sector's Accounting, Financial Statements and Annual Report:

- Financial assets at fair value
- Financial assets available for sale
- Investments held to maturity
- Loans and other receivables.

The category of financial assets at fair value through profit or loss includes combination instruments that contain the embedded derivative that has not been separated from the main contract, as well as other financial assets at fair value through profit or loss.

The category of held-to-maturity investments includes debt securities with payments that are fixed or determinable, that mature on a certain date, and that the bank strictly intends to hold and is capable of holding until the maturity date.

The category of loans and other receivables includes receivables with payments that are fixed or determinable, and that are not quoted in active markets.

The category of financial assets available for sale includes financial assets that have not been included in the above-mentioned valuation categories.

Sales and purchases of financial assets are recognised in the statements as per the transaction date and they are included in the balance sheet items Debt Securities and Shares and Other Equity.

Financial liabilities are classified in two categories:

- Financial liabilities held for trading
- Other financial liabilities.

The bank does not have any financial liabilities held for trading. As such, all financial liabilities are classified under Other financial liabilities.

## Valuation

Financial assets are measured on the balance sheet either at the fair value or amortisation. Excluding derivative contracts, financial liabilities have been measured on the balance sheet at amortisation.

Items classified as financial assets recognised at fair value through profit or loss have been recognised directly in the income statement, under the item Net income from securities trading.

Financial assets available for sale have been valued at their fair value. The changes of their fair values adjusted by deferred taxes have been recognised in the fair value reserve, created in equity. Exchange rate profits and losses derived from items in foreign currency denominations are not recognised in the fair value reserve, but directly in the result. The change of value accrued in the fair value reserve is recognised in the result, when the asset belonging to financial assets available for sale is sold or otherwise removed from the balance.

The fair value of publicly quoted shares is considered to be the last bid price of the year. The fair value of non-publicly quoted shares is considered to be their acquisition cost when it has not been possible to reliably determine the fair value. The fair value of debt securities is considered to be the last bid price of the year if the debt securities have been publicly quoted or, barring that, the current value discounted by the market interest rate of the receivable capital and interest payments, or a value that has been calculated using another generally accepted valuation model or method.

Investments held to maturity as well as loans and other receivables have been valued to amortisation or acquisition cost less impairment losses if there is objective evidence of impairment.

Shares and other equity in subsidiaries and associated companies are recognised at acquisition cost or acquisition cost less impairment loss if impairment has been determined to be significant or long-running.

## Derivative contracts and hedge accounting

Derivative contracts have been valued at the fair value in the financial statements and changes in value have been recognised on the balance sheet and the income statement.

The bank uses share options to hedge the risk associated with share deposits against changes

in fair value, and applies fair value hedging on them. The subject of hedging is the return on share deposits. The bank hedges its interest risk against changes in fair value and in the cash flow and applies hedge accounting on them. The subject of fair value hedging is fixed-rate borrowing and the subject of cash flow hedging are the future interest payments of variable-rate lending.

The change in the fair value of derivatives that hedge the fair value has been recognised in the financial statements under Net result of hedge accounting. When hedging the fair value, also the subject of hedging has been valued at the fair value during the hedging, although it would otherwise be valued at amortisation. The change in the fair value of the hedged subject has been recognised on the balance sheet as an adjustment of that particular balance sheet item and in the income statement under the item Net result of hedge accounting. The interest expenses of hedge derivatives are presented under interest expenses and the income under interest income.

The effective portion of the change in the value of derivatives that hedge the cash flow is recognised in the fair value reserve in equity, adjusted by deferred taxes. The ineffective portion of the change in fair value is recognised directly under the item Net income from securities trading on the income statement. The change in the time value of money from interest options, used as hedge instruments, is also recognised under Net income from securities trading, because time value is not a part of the hedging instrument. The interest expenses of hedge derivatives are presented under interest expenses and the income under interest income.

The change of value due to the valuation of hedging derivatives accrued in the fair value reserve is recognised in the result as adjustment in hedged cash flow as and when the hedged cash flow is entered as income. In cash flow hedging, the hedged subject is not valued at fair value.

## Tangible and intangible assets

Properties and shares in property companies have been divided into properties in the bank's own use and investment properties, based on the purpose of use. The basic premise for the division was the used square metres.

Properties have been recognised in the balance sheet at acquisition cost less planned depreciation. Shares and other equity in investment properties are recognised on the balance sheet at acquisition cost. The bank does not apply the option provided

in Section 12, Article 8 of the Credit Institution Act, which allows the valuation of investment properties at fair value.

The balance sheet values of properties in the bank's own use and shares and other equity in property companies are based on the value of the assets relative to the expected income of core business operations.

The difference between the bookkeeping value of investment properties and shares and other equity in property companies, and the permanently lower likely transfer price, if it is significant, is an impairment loss recognised as an expense under Net income of investment properties. Any reversals of impairment are recognised as adjustments in the same item.

Appreciations have been applied to some properties and property community shares during earlier years, based on experts' evaluations and approved by the financial Supervisory Authority. If the value of revaluated property has decreased below the bookkeeping value or if a part of the property has been transferred or destroyed, the corresponding revaluations have been cancelled. Appreciations are non-depreciable. Deferred tax liabilities have not been recorded for appreciations. If the deferred tax liability is significant, it is reported as an attachment.

## Appropriations

### Depreciation difference and voluntary provisions

The difference between actual and planned depreciations is recognised in the depreciation difference.

Voluntary provisions, such as credit loss provisions, are used in the planning of the bank's financial statements and taxes. As such, the amounts of voluntary provisions and their changes do not depict the risks faced by the bank.

In the bank's financial statements, appropriations are listed without deducting the associated tax liability.

### Off-balance sheet commitments

Off-balance commitments are commitments given to a third party on behalf of a customer and irrevocable commitments given in favour of a customer.

Commitments given to a third party on behalf of a customer are, for example, guarantees and guarantee commitments equated to them.

Commitments are listed at the maximum amounts of the guarantees or guarantee commitments at the end of the year.

Irrevocable commitments given in favour of a customer are, for example, binding loan commitments, granted undrawn loans as well as unused credit limits. Commitments are listed at the maximum amounts that could be payable at the end of the accounting period.

## Interest income and expenses

All interest income and expenses derived from interest-bearing assets and liabilities are recognised in Interest income and expenses. Interest is recognised on an accrual basis excluding interest for late payments, which are recognised when payments are received. Interest amounts are amortised based on the effective interest method.

Also recognised as interest income or expense is the difference between the acquisition cost and nominal value of receivables and liabilities, which is amortised on the maturity period of the receivable or the liability using the effective interest method. The counterpart is recognised as a change in receivable or liability.

Interest income has also been accrued on the bookkeeping of impaired receivables on the remaining balance at the original effective interest rate in the contract.

## Financial resources' impairment losses

### Loans and other receivables

Impairment on loans and other receivables is recognised in impairment losses when there has been objective evidence that there will be no payments on the principal or the interest of the loan or the other receivable and the collateral on the receivable is not sufficient to cover for the loan or the other receivable. The evaluation of objective evidence is based on the evaluation of the sufficiency of the customer's insolvency and collateral. When recognising impairment, the collateral is valued to the amount that could be expected to be recovered at the time of realisation. The amount of impairment loss is determined as the difference between the bookkeeping value of the receivable and the estimated current value of future cash flows accrued from the receivable, taking the collateral's fair value into account. The original effective interest rate of the receivable is used as the discounted rate of interest.

Loans and other receivables are classified in categories, whose need for impairment losses is evaluated by category. The categories for receivables are classified based on similar credit risk characteristics in order to evaluate the category-specific need for impairment of those receivables, for which receivable-specific reasons for impairment have not been identified.

### Investments held to maturity

If, at the end of the accounting period, there is objective evidence that the value of debt securities classified as investments held to maturity may have decreased, an impairment review is performed on the debt security.

If the review determines that the value has decreased, for example, due to the issuer's increased credit risk, the impairment of value is recognised through profit or loss in the item Impairment losses on other financial assets. The amount of impairment losses is determined as the difference between the bookkeeping value of the receivable and the estimated current value of future cash flows accrued from the receivable. The original effective interest rate of the receivable is used as the discounted rate of interest.

### Financial assets available for sale

If, at the end of the accounting period, there is objective evidence that the value of a security classified as a financial asset available for sale may have decreased, an impairment review is performed on the security. If the review determines that the value has decreased, for example, if the issuer's credit risk has increased or the value of the share has decreased significantly or in the long term below the acquisition cost, and the bank does not expect to recover the invested funds, then the loss accrued in the fair value reserve is recognised through profit or loss in the item Net income of financial assets available for sale.

For debt securities, the amount of impairment loss is determined as the difference between the bookkeeping value of the receivable and the estimated current value of future cash flows accrued on the receivable. The original effective interest rate of the receivable is used as the discounted rate of interest. The reversal of impairment loss on debt securities is recognised through profit or loss. The amount of impairment loss on shares and other equity is estimated as the difference between their bookkeeping value and

the value that the bank expects not to recover. The impairment loss on shares and other equity cannot be reversed through profit or loss, but the change in value is recognised in the fair value reserve.

### Depreciation principles

The acquisition costs of buildings and other wearable tangible and intangible assets are depreciated based on the financial holding time in equal instalments and in accordance with a previously created depreciation plan. The depreciation time is 10–40 years for buildings and 5–8 years for machinery and equipment.

Depreciations are not performed for land.

Development expenses and licences of computer software are added under Intangible rights and depreciated within 3–5 years. Long-term expenses are depreciated during their useful life of 5–10 years.

### Income and expenses from other than ordinary activities and statutory provisions

Items under Income and expenses from other than ordinary activities have no direct connection to the bank's ordinary activities and cannot be expected to reoccur but are significant in relation to the size of the bank. If the exact sum of a future loss or cost is not known, it must be entered as a statutory provision in the bank's balance sheet.

### Taxes

Income taxes are recognised in the bank's financial statements based on the calculations of taxable income. Of the positive change in value included in the fair value reserve, deferred tax liabilities are recognised on the balance sheet, and of the negative change in value, deferred tax assets are recognised on the balance sheet. Additionally, of the negative change in value transferred from the fair value reserve to the result, deferred tax assets are recognised. Other deferred taxes have been recognised due to the depreciation of shares that are essential to the bank's operation.

### Financial assets

Financial assets on the cash flow statement comprise cash and cash equivalents as well as receivables from credit institutions, repayable on demand. The cash flow statement has been prepared using the indirect method.



## Other notes

### 1. NOTES TO THE FINANCIAL STATEMENTS

	2015	2014
<b>1.1 Interest income and expense</b>		
<b>Interest income</b>		
Receivables from credit institutions	316,238.66	394,795.95
Receivables from the public and general government	34,101,767.23	21,729,537.52
On debt securities	2,045,632.11	1,270,914.84
Derivate contracts	3,012,229.68	100,543.34
Other interest income	417,010.59	241,191.75
<b>Total</b>	<b>39,892,878.27</b>	<b>23,736,983.40</b>
Interest income accrued on impaired loans and other receivables	167,566.20	220,912.31
<b>Interest expenses</b>		
Liabilities to credit institutions	-273,860.13	-268,635.53
Liabilities to the public and general government	-5,500,090.12	-5,532,724.40
Debt securities issued to the public	-1,611,754.98	-1,075,455.84
Derivative contracts and liabilities held for trading	-39,575.56	1,819,298.56
Subordinated liabilities	-738,179.31	-835,881.19
Other interest expenses	-15,905.54	-13,023.45
<b>Total</b>	<b>-8,179,365.64</b>	<b>-5,906,421.85</b>
<b>1.2 Income from equity investments</b>		
Financial assets available for sale	592,169.96	242,648.94
<b>Total</b>	<b>592,169.96</b>	<b>242,648.94</b>
<b>1.3 Fee and commission income and expense</b>		
<b>Fee and commission income</b>		
Lending	4,702,176.89	2,678,787.90
Borrowing	271,615.05	160,411.78
Payment transactions	8,004,041.65	4,471,969.62
Asset management	956,155.54	685,383.47
Brokered products	2,959,749.82	1,655,805.15
Granting of guarantees	304,863.17	255,690.26
Other fee and commission income	282,730.10	122,562.08
<b>Total</b>	<b>17,481,332.22</b>	<b>10,030,610.26</b>
<b>Fee and commission expenses</b>		
Paid delivery fees	-987,201.16	-130,328.91
Others	-1,212,358.68	-811,872.36
<b>Total</b>	<b>-2,199,559.84</b>	<b>-942,201.27</b>

### 1.4 Net gains on trading in securities and foreign currencies

	2015		
	Capital gain and loss (net)	Changes in fair value (net)	Total
On debt securities	0	-104,925.00	-104,925.00
Net gains on trading in securities, total	0	-104,925.00	-104,925.00
Net gains on trading in foreign currencies	31,862.95	0	31,862.95
<b>Profit and loss item, total</b>	<b>31,862.95</b>	<b>-104,925.00</b>	<b>-73,062.05</b>

	2014		
	Capital gain and loss (net)	Changes in fair value (net)	Total
On debt securities	14,810.00	100,590.00	115,400.00
Others	0	-52,463.37	-52,463.37
Net gains on trading in securities, total	14,810.00	48,126.63	62,936.63
Net gains on trading in foreign currencies	-3,425.89	0	-3,425.89
<b>Profit and loss item, total</b>	<b>11,384.11</b>	<b>48,126.63</b>	<b>59,510.74</b>

### 1.5 Net income from financial assets available for sale

	2015			
	Capital gain and loss (net)	Impairment	Transfers from the fair value reserve	Total
On debt securities	2,432.40	0	172,503.71	174,936.11
Shares and other equity	-190,545.64	0	4,502,817.75	4,312,272.11
<b>Total</b>	<b>-188,113.24</b>	<b>0</b>	<b>4,675,321.46</b>	<b>4,487,208.22</b>

	2014			
	Capital gain and loss (net)	Impairment	Transfers from the fair value reserve	Total
On debt securities	4,393.34	0	103,989.24	108,382.58
Shares and other equity	52,917.53	-1,333,197.02	947,447.61	-332,831.88
<b>Total</b>	<b>57,310.87</b>	<b>-1,333,197.02</b>	<b>1,051,436.85</b>	<b>-224,449.30</b>

	2015	2014
<b>1.6 Net result of hedge accounting</b>		
Changes in fair value of hedge derivatives (net)	-1,756,984.64	269,398.37
Change in the fair value of hedged objects (net)	1,756,155.88	-255,771.89
<b>Total</b>	<b>-828.76</b>	<b>13,626.48</b>
<b>1.7 Net income from investment properties</b>		
Rent income	1,331,167.95	475,964.06
Rent expenses	-5,132.30	-2,160.00
Planned depreciations	-182,906.91	-54,545.21
Capital gain and loss (net)	-11,560.00	0
Other income	9,165.67	2,685.49
Other expenses	-1,063,555.26	-291,259.01
<b>Total</b>	<b>77,179.15</b>	<b>130,685.33</b>
<b>1.8 Other operating income and expenses</b>		
<b>Other operating income</b>		
Rent income from properties in own use	62,045.05	23,133.50
Gains on properties in own use	22,380.12	0
Other income	2,882,619.43	3,660,500.66
<b>Total</b>	<b>2,967,044.60</b>	<b>3,683,634.16</b>
<b>Other operating expenses</b>		
Rent expenses	-686,756.89	-371,149.58
Expenses on properties in own use	-1,315,138.95	-719,721.51
Capital losses from properties used by the bank	-8,725.04	0
Other expenses	-3,284,484.27	-3,009,738.14
<b>Total</b>	<b>-5,295,105.15</b>	<b>-4,100,609.23</b>
<b>1.9 Personnel expenses</b>		
Salaries and rewards	-9,640,867.16	-5,436,104.35
Long-term benefits	-2,180,892.32	-2,078,381.75
Pensions	-1,719,221.28	-1,837,540.54
Other long-term benefits	-461,671.04	-240,841.21
<b>Total</b>	<b>-11,821,759.48</b>	<b>-7,514,486.10</b>
<b>1.10 Other administrative expenses</b>		
Other personnel expenses	-942,448.31	-469,499.04
Office expenses	-1,531,895.18	-624,625.90
IT expenses	-8,736,526.84	-4,025,026.33
Telephony expenses	-1,097,168.26	-427,368.85
Representation and marketing expenses	-1,507,030.91	-861,354.23
<b>Total</b>	<b>-13,815,069.50</b>	<b>-6,407,874.35</b>

	2015	2014
<b>1.11 Depreciation, amortisation and impairment on tangible and intangible assets</b>		
<b>Planned depreciations</b>	<b>-881,645.07</b>	-622,066.86
Tangible assets	<b>-556,458.01</b>	-410,887.25
Intangible assets	<b>-325,187.06</b>	-211,179.61
<b>Total</b>	<b>-881,645.07</b>	-622,066.86
<b>1.12 Impairment losses on loans and other receivables as well as other financial assets</b>		
<b>Impairment losses on loans and other receivables</b>		
<b>Receivables from the public and general government</b>	<b>-3,592,767.55</b>	-1,537,043.90
Contract-specific impairment losses	<b>-4,465,479.28</b>	-1,913,027.79
Impairment reversals and refunds (-)	<b>872,711.73</b>	375,983.89
<b>Guarantees and other off-balance sheet items</b>	<b>-1,016.02</b>	6,000.00
Contract-specific impairment losses	<b>-1,016.02</b>	0
Impairment reversals and refunds (-)	<b>0</b>	6,000.00
<b>Impairment losses on loans and other receivables, total</b>	<b>-3,593,783.57</b>	-1,531,043.90
<b>Impairment losses on financial assets, total</b>	<b>-3,593,783.57</b>	-1,531,043.90
<b>1.13 Income by area of operations and market</b>		
Revenue from banking operations	<b>57,244,555.97</b>	31,766,828.16

The distribution of revenue, operating profit, assets and liabilities by area of business has not been listed because the distribution is not particularly significant.  
The bank performs operations only in Finland.  
Profit is presented as noneliminated.



## 2. NOTES TO THE BALANCE SHEET

	2015	2014
<b>2.1 Loans and advances to credit institutions</b>		
<b>Repayable on demand</b>	<b>121,917,676.43</b>	43,342,423.97
From domestic credit institutions	121,917,676.43	43,342,423.97
<b>Others</b>	<b>17,564,550.04</b>	73,189,745.15
From domestic credit institutions	17,564,550.04	73,189,745.15
<b>Total</b>	<b>139,482,226.47</b>	116,532,169.12
<b>2.2 Loans and advances to the public and general government</b>		
Companies and housing associations	329,873,294.63	281,012,244.89
Financial and insurance institutions	1,339,835.65	1,175,402.11
Public bodies	79,267.45	99,754.45
Households	1,193,639,065.13	1,019,386,344.28
Non-profit organisations serving households	5,817,306.45	5,495,207.58
<b>Total</b>	<b>1,530,748,769.31</b>	1,307,168,953.31
- of which subordinated receivables	281,000.00	281,000.00
<b>Impairment losses recognised during the accounting period</b>		
Impairment losses at the beginning of the accounting period	7,995,522.92	4,010,101.21
+ loan-specific impairment losses recognised during the accounting period	4,465,479.28	4,857,277.93
+ group-specific impairment losses recognised during the accounting period	0	226,279.09
- loan-specific impairment losses reversed during the accounting period	-827,883.74	-370,247.55
- credit losses recognised during the accounting period, on which loan-specific impairment loss has been recognised previously	-5,222,125.89	-727,887.76
<b>Impairment losses at the end of the accounting period</b>	<b>6,410,992.57</b>	7,995,522.92

## 2.3 Debt securities

	2015		2014	
	Total	Of which central bank funding entitling debt securities	Total	Of which central bank funding entitling debt securities
<b>Debt securities held for trading</b> <b>pidettävät saamistodistukset</b>	<b>1,858,495.00</b>	<b>0</b>	2,063,420.00	0
Publicly quoted	243,875.00	0	247,900.00	0
Others	1,614,620.00	0	1,815,520.00	0
<b>Debt securities available for sale</b>	<b>98,653,140.20</b>	<b>61,391,394.00</b>	42,909,215.76	4,649,432.00
Publicly quoted	93,716,683.70	61,391,394.00	36,250,510.76	4,649,432.00
Others	4,936,456.50	0	6,658,705.00	0
<b>To be held to maturity, debt securities</b>	<b>1,986,578.44</b>	<b>1,986,578.44</b>	1,985,476.70	1,985,476.70
Publicly quoted	1,986,578.44	1,986,578.44	1,985,476.70	1,985,476.70
<b>Total</b>	<b>102,498,213.64</b>	<b>63,377,972.44</b>	46,958,112.46	6,634,908.70
- of which subordinated receivables	2,586,672.50	0	2,625,239.50	0

## 2.4 Shares and other equity

	2015	2014
<b>Shares and other equity available for sale</b>	<b>103,652,655.21</b>	92,828,265.08
Publicly quoted	77,527,174.34	66,715,585.81
Others	26,125,480.87	26,112,679.27
<b>Shares and other equity, total</b>	<b>103,652,655.21</b>	92,828,265.08
- of which in credit institutions	20,739,295.55	20,612,437.87
<b>Shares and other equity in the Groups other companies</b>		
In other companies	338,497.40	338,497.40
<b>Total</b>	<b>338,497.40</b>	338,497.40

Assets have been measured at acquisition cost.

## 2.5 Derivative contracts

2015				
Nominal values of derivative contracts	less than 1 year	1–5 years	over 5 years	Total
Residual maturity				
Hedging derivative contracts	69,635,200.00	89,080,800.00	0	158,716,000.00
Fair value hedge	49,635,200.00	89,080,800.00	0	138,716,000.00
Interest rate derivatives	30,000,000.00	50,000,000.00	0	80,000,000.00
Interest rate swaps	30,000,000.00	50,000,000.00	0	80,000,000.00
Stock derivatives	19,635,200.00	39,080,800.00	0	58,716,000.00
Cash flow hedge	20,000,000.00	0	0	20,000,000.00
Interest rate derivatives	20,000,000.00	0	0	20,000,000.00
Option contracts	20,000,000.00	0	0	20,000,000.00
Purchased	20,000,000.00	0	0	20,000,000.00
Set	0	0	0	0

2014				
Residual maturity	less than 1 year	1–5 years	over 5 years	Total
Hedging derivative contracts	23,553,300.00	89,635,200.00	15,000,000.00	128,188,500.00
Fair value hedge	3,553,300.00	69,635,200.00	15,000,000.00	88,188,500.00
Interest rate derivatives	0	50,000,000.00	15,000,000.00	65,000,000.00
Interest rate swaps	0	50,000,000.00	15,000,000.00	65,000,000.00
Stock derivatives	3,553,300.00	19,635,200.00	0	23,188,500.00
Cash flow hedge	20,000,000.00	20,000,000.00	0	40,000,000.00
Interest rate derivatives	20,000,000.00	20,000,000.00	0	40,000,000.00
Option contracts	20,000,000.00	20,000,000.00	0	40,000,000.00
Purchased	0	20,000,000.00	0	20,000,000.00
Set	20,000,000.00	0	0	20,000,000.00

#### Fair values of derivative contracts

	2015		2014	
	Receivables	Liabilities	Receivables	Liabilities
Hedging derivative contracts	5,835,250.76	0	7,445,773.21	0
Fair value hedge	5,398,425.55	0	6,226,288.37	0
Interest rate derivatives	4,686,371.67	0	5,993,906.35	0
Interest rate swaps	4,686,371.67	0	5,993,906.35	0
Stock derivatives	712,053.88	0	232,382.02	0
Cash flow hedge	436,825.21	0	1,219,484.84	0
Interest rate derivatives	436,825.21	0	1,219,484.84	0
Option contracts	436,825.21	0	1,219,484.84	0
Purchased	436,825.21	0	0	0
Set	0	0	1,219,484.84	0
<b>Total</b>	<b>5,835,250.76</b>	<b>0</b>	<b>7,445,773.21</b>	<b>0</b>

## 2.6 Related parties

Information on related parties is given in notes to personnel and management. Note 4.4.

	2015	2014
<b>2.7 Intangible assets</b>		
Other intangible assets	2,956,959.31	1,573,740.36
<b>Total</b>	<b>2,956,959.31</b>	<b>1,573,740.36</b>

	2015	
<b>2.8 Tangible assets</b>	<b>Bookkeeping value</b>	<b>Fair value</b>
<b>Land and water</b>		
In own use	400,829.00	
Used for investments	612,194.90	612,194.90
<b>Total</b>	<b>1,013,023.90</b>	
<b>Buildings</b>		
In own use	898,034.60	
Used for investments	845,675.67	845,675.67
<b>Total</b>	<b>1,743,710.27</b>	
<b>Shares and other equity in property companies</b>		
In own use	15,800,597.87	
Used for investments	11,461,728.70	11,461,728.70
<b>Total</b>	<b>27,262,326.57</b>	
<b>Other tangible assets</b>	<b>1,585,502.79</b>	
<b>Tangible assets, total</b>	<b>31,604,563.53</b>	

Investment properties have been measured at acquisition cost.

	2015
<b>2.9 Tangible and intangible assets, changes during the accounting period</b>	
<b>Intangible assets</b>	
Acquisition cost January 1st	7,402,193.62
+ increases during the accounting period	1,907,778.06
- decreases during the accounting period	-260,256.97
+/- transfers between items	
Acquisition cost December 31st	9,049,714.71
Accrued depreciation, amortisation and impairment January 1st	-5,828,453.26
- depreciation during the accounting period	-264,302.14
Accrued depreciation, amortisation and impairment December 31st	-6,092,755.40
<b>Bookkeeping value December 31</b>	<b>2,956,959.31</b>
Bookkeeping value January 1st	1,573,740.36



2015

<b>Tangible assets</b>	<b>Investment properties and investment property shares</b>	<b>Other properties and property shares</b>	<b>Other tangible assets</b>	<b>Total</b>
Acquisition cost January 1st	18,278,251.24	15,978,474.12	7,819,698.54	42,076,423.90
+ increases during the accounting period	358,205.26	291,064.80	1,328,714.41	1,977,984.47
- decreases during the accounting period	-66,560.00	-407,344.92	-45,588.20	-519,493.12
+/- transfers between items	-3,271,447.52	3,271,447.52	0	0
Acquisition cost December 31st	15,298,448.98	19,133,641.52	9,102,824.75	43,534,915.25
Accrued depreciation, amortisation and impairment January 1st	-2,283,342.36	-1,914,472.67	-6,363,948.14	-10,561,763.17
+/- decreases and transfers, accrued depreciation	0	0	45,588.20	45,588.20
- depreciation during the accounting period	-95,507.35	-123,912.07	-1,198,962.02	-1,418,381.44
Accrued depreciation, amortisation and impairment December 31st	-2,378,849.71	-2,038,384.74	-7,517,321.96	-11,934,556.41
Accrued appreciations January 1st	0	4,204.69	0	4,204.69
Accrued appreciations December 31st	0	4,204.69	0	4,204.69
<b>Bookkeeping value December 31</b>	<b>12,919,599.27</b>	<b>17,099,461.47</b>	<b>1,585,502.79</b>	<b>31,604,563.53</b>
Bookkeeping value January 1st	15,994,908.88	14,068,206.14	1,455,750.40	31,518,865.42

	2015	2014
<b>2.10 Other assets</b>		
Receivables on payment transfers	1,060,373.98	74,805.79
Others	301,620.05	209,232.60
<b>Total</b>	<b>1,361,994.03</b>	<b>284,038.39</b>
<b>2.11 Accrued income and prepayments</b>		
Interest	5,923,336.95	4,921,267.72
Others	1,551,943.98	1,866,984.27
<b>Total</b>	<b>7,475,280.93</b>	<b>6,788,251.99</b>
<b>2.12 Liabilities to credit institutions</b>		
To credit institutions	36,915,744.16	11,922,931.47
Repayable on demand	14,918,425.60	7,419,067.81
Others	21,997,318.56	4,503,863.66
<b>Total</b>	<b>36,915,744.16</b>	<b>11,922,931.47</b>
<b>2.13 Liabilities to the public and the general government</b>		
Deposits	1,471,877,686.13	1,293,481,716.60
Repayable on demand	1,128,605,799.24	1,005,121,536.61
Others	343,271,886.89	288,360,179.99
Other liabilities	1,062,149.29	1,005,187.00
Others	1,062,149.29	1,005,187.00
<b>Total</b>	<b>1,472,939,835.42</b>	<b>1,294,486,903.60</b>

## 2.14 Debt securities issued to the public

	2015		2014	
	Bookkeeping value	Nominal value	Bookkeeping value	Nominal value
Bonds	161,503,107.80	167,700,000.00	68,620,010.80	68,700,000.00
<b>Total</b>	<b>161,503,107.80</b>	<b>167,700,000.00</b>	68,620,010.80	68,700,000.00

Bonds include 18,250,869.66 euros' worth of own bonds held by the bank.

	2015	2014
<b>2.15 Other liabilities</b>		
Liabilities on payment transfers	12,406,883.80	10,212,427.40
Others	168,764.68	89,627.91
<b>Total</b>	<b>12,575,648.48</b>	10,302,055.31

## 2.16 Accrued expenses and deferred income

Interest	2,235,537.17	2,384,030.77
Others	4,972,623.25	4,847,533.13
<b>Total</b>	<b>7,208,160.42</b>	7,231,563.90

## 2.17 Subordinated liabilities

	2015		
<b>1) Subordinated liabilities whose bookkeeping value exceeds 10% of the total amount of liabilities</b>			
<b>Identifying details of the liability</b>	<b>Bookkeeping value</b>	<b>Interest %</b>	<b>Due date</b>
Savings Banks' debenture loan I/2012	4,000,000.00	2.85	7.5.2017
Savings Banks' debenture loan I/2013	8,400,000.00	2.35	15.5.2018
Oma Sp debenture loan I/2014	10,000,000.00	2.65	20.5.2019
<b>Total</b>	<b>22,400,000.00</b>		
	<b>Own funds, amount included</b>		
Savings Banks' debenture loan I/2011	1,461,320.00		
Oma Sp debenture loan I/2014	6,768,893.77		
<b>Total</b>	<b>8,230,213.77</b>		

All listed loans are denominated in euro. In the solvency calculation, the listed loans are included in the credit institution's lower Tier 2 capital.

Terms and conditions of prepayment:

The bank retains on all loans the right to claim the loan either partially or in full before the due date. However, prepayment is only possible if permitted by the Financial Supervisory Authority, excluding minor claims that the bank will resell shortly after claiming.

Regulations on loan priorities and potential exchanging of loans for shares:

Loans have been issued as a debenture loan in accordance with Article 34 of the Promissory Notes Act (622/47). These loans are subordinated to the issuer's other loans.

## 2) Other than the above-mentioned loans that are subordinated to the credit institution's other loans

Total amount of loans

**Debenture loans**  
**2,087,600.00**

## 2.18 Deferred tax liabilities and tax assets

Deferred tax liabilities and tax assets are recognised in the fair value reserve through the changes in recognised fair value of cash flow hedging derivatives and financial assets available for sale, and the deferred tax liabilities from the depreciation of necessary shares. Other deferred tax liabilities and tax assets have not been recognised on the bank's balance sheet.

### Deferred tax liabilities and tax assets

Deferred tax assets due to valuation	725,134.15
Deferred tax liabilities due to valuation	1,562,405.50

## 2.19 Maturity distribution of financial assets and liabilities

2015			
Financial assets	less than 3 months	3–12 months	1–5 years
Eligibility for refinancing with central banks debt securities	0	2,073,452.00	21,400,372.00
Loans and advances to credit institutions	121,917,676.43	17,564,550.04	0
Loans and advances to the public and general government	37,186,864.53	194,766,278.05	518,719,381.84
Debt securities	0	3,359,980.50	30,870,927.20
<b>Total</b>	<b>159,104,540.96</b>	<b>217,764,260.59</b>	<b>570,990,681.04</b>

2015			
	5–10 years	over 10 years	Total
Eligibility for refinancing with central banks debt securities	39,904,148.44	0	63,377,972.44
Loans and advances to credit institutions	0	0	139,482,226.47
Loans and advances to the public and general government	401,618,740.92	378,457,503.97	1,530,748,769.31
Debt securities	3,125,201.00	1,764,132.50	39,120,241.20
<b>Total</b>	<b>444,648,090.36</b>	<b>380,221,636.47</b>	<b>1,772,729,209.42</b>

2014			
	less than 3 months	3–12 months	1–5 years
Eligibility for refinancing with central banks debt securities	0	0	3,888,962.00
Loans and advances to credit institutions	43,342,423.97	50,740,645.15	0
Loans and advances to the public and general government	35,495,344.21	158,889,612.40	457,031,436.05
Debt securities	0	3,100,944.96	29,636,153.30
<b>Total</b>	<b>78,837,768.18</b>	<b>212,731,202.51</b>	<b>490,556,551.35</b>

2014			
	5–10 years	over 10 years	Total
Eligibility for refinancing with central banks debt securities	760,470.00	1,985,476.70	6,634,908.70
Loans and advances to credit institutions	0	22,449,100.00	116,532,169.12
Loans and advances to the public and general government	342,552,596.62	313,199,964.03	1,307,168,953.31
Debt securities	6,264,638.00	1,321,467.50	40,323,203.76
<b>Total</b>	<b>349,577,704.62</b>	<b>338,956,008.23</b>	<b>1,470,659,234.89</b>

Financial liabilities	2015		
	less than 3 months	3–12 months	1–5 years
Liabilities to credit institutions and central banks	14,923,039.04	88,095.90	11,924,305.11
Liabilities to the public and general government	1,165,272,087.75	237,156,782.95	69,448,815.43
Debt securities issued to the public	0	11,701,147.08	149,801,960.72
Subordinated debts	0	6,887,600.00	17,600,000.00
<b>Total</b>	<b>1,180,195,126.79</b>	<b>255,833,625.93</b>	<b>248,775,081.26</b>

	2015		
	5–10 years	over 10 years	Total
Liabilities to credit institutions and central banks	9,980,304.08	0	36,915,744.13
Liabilities to the public and general government	1,062,149.29	0	1,472,939,835.42
Debt securities issued to the public	0	0	161,503,107.80
Subordinated debts	0	0	24,487,600.00
<b>Total</b>	<b>11,042,453.37</b>	<b>0</b>	<b>1,695,846,287.35</b>

	2014		
	less than 3 months	3–12 months	1–5 years
Liabilities to credit institutions and central banks	7,423,681.25	2,495,897.00	2,003,353.22
Liabilities to the public and general government	1,038,849,660.19	204,854,146.11	49,777,912.43
Debt securities issued to the public	0	0	68,620,010.80
Subordinated debts	0	8,387,600.00	24,487,600.00
<b>Total</b>	<b>1,046,273,341.44</b>	<b>215,737,643.11</b>	<b>144,888,876.45</b>

	2014		
	5–10 years	over 10 years	Total
Liabilities to credit institutions and central banks	0	0	11,922,931.47
Liabilities to the public and general government	1,005,187.00	0	1,294,486,905.73
Debt securities issued to the public	0	0	68,620,010.80
Subordinated debts	0	0	32,875,200.00
<b>Total</b>	<b>1,005,187.00</b>	<b>0</b>	<b>1,407,905,048.00</b>

Loans and advances to the public and general government, repayable on demand.  
Other than fixed-term deposits and overdraft accounts are listed in the category of less than 3 months.

## 2.20 Itemisation of assets and liabilities in domestic and foreign denominations as well as from members of the same group

	2015		2014	
<b>Assets</b>	<b>Domestic currency</b>	<b>Foreign currency</b>	Domestic currency	Foreign currency
Debt securities eligible for refinancing with central banks	63,377,972.44	0	6,634,908.70	0
Loans and advances to credit institutions	139,482,226.47	0	116,532,169.12	0
Loans and advances to the public and general government	1,530,748,769.31	0	1,307,168,953.31	0
Debt securities	39,120,241.20	0	40,323,203.76	0
Derivative contracts	5,835,250.76	0	7,445,773.21	0
Other assets	155,330,153.62	769,691.20	140,372,984.93	4,202.57
<b>Total</b>	<b>1,933,894,613.80</b>	<b>769,691.20</b>	<b>1,618,477,993.03</b>	<b>4,202.57</b>
<b>Liabilities</b>	<b>Domestic currency</b>	<b>Foreign currency</b>	Domestic currency	Foreign currency
Liabilities to credit institutions and central banks	36,915,744.16	0	11,922,931.47	0
Liabilities to the public and general government	1,472,939,835.42	0	1,294,486,903.60	0
Debt securities issued to the public	161,503,107.80	0	68,620,010.80	0
Subordinated liabilities	24,487,600.00	0	32,875,200.00	0
Other liabilities	14,138,053.98	0	11,995,989.58	0
Accrued expenses and deferred income	7,208,160.42	0	7,231,563.90	0
<b>Total</b>	<b>1,717,192,501.78</b>	<b>0</b>	<b>1,427,132,599.35</b>	<b>0</b>



## 2.21 Fair values of financial assets and liabilities

	2015		2014	
Financial assets	Bookkeeping value	Fair value	Bookkeeping value	Fair value
Cash and cash equivalents	7,984,760.26	7,984,760.26	6,608,345.60	6,608,345.60
Loans and advances to credit institutions	139,482,226.47	139,482,226.47	116,532,169.12	116,532,169.12
Loans and advances to the public and general government	1,530,748,769.31	1,530,748,769.31	1,307,168,953.31	1,307,168,953.31
Debt securities	102,498,213.64	103,090,235.20	46,958,112.46	46,958,112.46
Shares and other equity	103,652,655.21	105,018,154.15	92,828,265.08	92,828,265.08
Shares and other equity in the Group's other companies	338,497.40	338,497.40	338,497.40	338,497.40
Derivative contracts	5,835,250.76	5,835,250.76	7,445,773.21	7,445,773.21
<b>Total</b>	<b>1,890,540,373.05</b>	<b>1,892,497,893.55</b>	<b>1,577,880,116.18</b>	<b>1,577,880,116.18</b>

Financial liabilities	Bookkeeping value	Fair value	Bookkeeping value	Fair value
Liabilities to credit institutions	36,915,744.16	36,915,744.16	11,922,931.47	11,922,931.47
Liabilities to the public and general government	1,472,939,835.42	1,472,939,835.42	1,294,486,903.60	1,294,486,903.60
Debt securities issued to the public	161,503,107.80	161,503,107.80	68,620,010.80	68,620,010.80
Subordinated liabilities	24,487,600.00	24,487,600.00	32,875,200.00	32,875,200.00
<b>Total</b>	<b>1,695,846,287.38</b>	<b>1,695,846,287.38</b>	<b>1,407,905,045.87</b>	<b>1,407,905,045.87</b>

The fair values of financial assets have been determined primarily on the basis of the quoted market prices. If a quoted market price was not available, the current value discounted by the market interest rate or another generally accepted valuation model or method was used in the valuation. The bookkeeping value was used as the fair value for other financial assets. The bookkeeping value was used as the fair value for financial liabilities.

### Financial instruments measured at fair value on the balance sheet

Fair value on the balance sheet		2015	
Financial instruments	Level 1	Level 2	Level 3
	170,803,672.54	0	7,235,137.00
Unrealised during the accounting period, gains and losses			-3,925.00
			178,038,809.54

	2014			
	Level 1	Level 2	Level 3	Total
	97,839,600.11	0	13,848,621.46	111,688,221.57
Unrealised during the accounting period, gains and losses			96,380.00	

### Essential financial assets that are measured at acquisition cost instead of fair value

Shares and other equity in companies necessary for operations are measured at acquisition cost. These are detailed in note 5.2. Shares and other equity necessary for operations are intended to be retained permanently. The fair value of these assets cannot be reliably determined.

## 2.22 Increases and decreases of equity and transfers between items during the accounting period

	At the beginning of the accounting period	Increases	Decreases	At the end of the accounting period
Share capital	18,699,554.63	2,000,000.00	0	20,699,554.63
Credit loss provisions transferred to share capital	3,300,445.37	0	0	3,300,445.37
Other restricted reserves	6,093,561.63	17,663,715.79	-19,341,634.41	4,415,643.01
Fair value reserve	6,093,561.63	17,663,715.79	-19,341,634.41	4,415,643.01
Cash flow hedge	384,301.31	144,961.71	-724,808.52	-195,545.50
Measured at fair value	5,709,260.32	17,518,754.08	-18,616,825.89	4,611,188.51
Non-restricted reserves	95,528,858.16	8,538,170.00	0	104,067,028.16
Reserve for invested non-restricted equity	94,971,376.63	8,538,170.00	0	103,509,546.63
Other reserves	557,481.53	0	0	557,481.53
Retained earnings	8,536,643.01	6,973,154.12	-693,000.00	14,816,797.13
Profit for the period	6,973,154.12	7,060,928.99	-6,973,154.12	7,060,928.99
<b>Equity, total</b>	<b>139,132,216.92</b>	<b>42,235,968.90</b>	<b>-27,007,788.53</b>	<b>154,360,397.29</b>

	At the beginning of the accounting period	Increases	Decreases	At the end of the accounting period
Cash flow hedge	384,301.31	144,961.71	-724,808.52	-195,545.50
of which deferred taxes	-96,075.33	144,961.71		48,886.38
Equity-based instruments	4,393,192.32	14,285,980.21	-15,393,920.41	3,285,252.12
of which deferred taxes	-1,098,298.07	276,985.04		-821,313.03
Debt securities	1,316,068.00	3,232,773.86	-3,222,905.47	1,325,936.39
of which deferred taxes	-329,017.01		-2,467.09	-331,484.10
<b>Fair value reserve, total</b>	<b>6,093,561.63</b>	<b>17,663,715.78</b>	<b>-19,341,634.40</b>	<b>4,415,643.01</b>

## 2.23 Share capital

The number of Oma Säästöpankki Oyj's shares is 490,960, of which Töysän Säästöpankkisäätiö owns 60,000, Kuortaneen Säästöpankkisäätiö 40,000, Parkanon Säästöpankkisäätiö 68,000, Hauhon Säästöpankkisäätiö 33,600, Rengon Säästöpankkisäätiö 22,400, Suodenniemen Säästöpankkisäätiö 16,000, Etelä-Karjalan Säästöpankkisäätiö 222,000, Pyhäselän Oma Osuuskunta 15,177 and Joroisten Oma Osuuskunta 13,783.

### 3. NOTES TO GRANTED GUARANTEES AND CONTINGENT LIABILITIES AS WELL AS OFF-BALANCE SHEET ARRANGEMENTS

#### 3.1 Pension liabilities

Personnel's retirement provisions are arranged with pension insurance company Elo and there are no uncovered pension liabilities.

#### 3.2 Leasing and other rent liabilities

Minimum rent payable based on irrevocable rent agreements

	2015	2014
Less than 1 year	89,870.40	212,463.86
Over 1 year < 5 years	215,421.30	448,726.09
Over 5 years	1,206,300.72	0

#### 3.3 Off-balance sheet commitments

Commitments given to a third party on behalf of a customer

Guarantees	15,121,194.32	30,915,229.07
Other commitments given to a third party on behalf of a customer	875,028.20	936,873.84
Irrevocable commitments given in favour of a customer	112,832,172.52	57,648,345.72
<b>Off-balance sheet commitments, total</b>	<b>128,828,395.04</b>	<b>89,500,448.63</b>

The bank has given an absolute guarantee to Aktia Pankki Oyj regarding compensation for any losses on brokered mortgages to Aktia Hypoteekkipankki Oyj. The amount of the guarantee liability is limited.

#### 3.4 Other off-balance sheet arrangements

The bank belongs to Oy Samlink Ab's value added tax obligation group.

	2015	2014
The joint liability amount related to the group registration of value added tax	69,715.06	984,440.27

## 4. NOTES TO PERSONNEL AND MANAGEMENT

### 4.1 Number of employees December 31st

	2015	2014
Permanent full-time employees	207	170
Permanent part-time employees	10	13
Temporary employees	35	15
<b>Total</b>	<b>252</b>	<b>198</b>

### 4.2 Management's salaries and rewards

Board of Directors, members and deputy members and the CEO and their deputy	778,522.33	454,885.53
<b>Total</b>	<b>778,522.33</b>	<b>454,885.53</b>

### 4.3 Loans and guarantees granted to the management

	2015		2014	
	Loans	Guarantees	Loans	Guarantees
Board of Directors, members and deputy members and the CEO and their deputy	309,707.57	50,000.00	438,054.13	50,884.00
<b>Total</b>	<b>309,707.57</b>	<b>50,000.00</b>	<b>438,054.13</b>	<b>50,884.00</b>
Increases	608.99			
Decreases	128,955.55			

#### Loan terms

Loans and guarantees have been granted with conditions that are applied to similar loans and guarantees granted to customers.

## 4.4 Related parties

2015				
Definition of a related party	Loans and advances to the public and general government	Investments	Other receivables	Guarantees/collateral
Management *)	0.00	0.00	0.00	0.00
Management of the owner community	0.00	0.00	0.00	0.00
Family relationship	183,199.14	0.00	0.00	75,000.00
Authority	3,242,794.66	0.00	0.00	150,000.00
<b>Total</b>	<b>3,425,993.80</b>	<b>0.00</b>	<b>0.00</b>	<b>225,000.00</b>

2014				
Definition of a related party	Loans and advances to the public and general government	Investments	Other receivables	Guarantees/collateral
Management *)	0.00	0.00	0.00	0.00
Management of the owner community	0.00	0.00	0.00	0.00
Family relationship	195,826.90	0.00	0.00	65,000.00
Authority	2,354,506.07	0.00	0.00	293,000.00
<b>Total</b>	<b>2,550,332.97</b>	<b>0.00</b>	<b>0.00</b>	<b>358,000.00</b>

\*) Loans and guarantees to the management are listed in note 4.3.

## 5. OWNERSHIPS IN OTHER COMPANIES

### 5.1 Small subsidiaries and associated companies excluded from the consolidated financial statements

Subsidiaries	Number	Bookkeeping values
Housing and property companies	11	14,699,213.14
Others	3	242,909.40
Associated companies	Number	Bookkeeping values
Housing and property companies	17	6,275,858.30
Others	2	7,965,481.45



## 5.2 Ownerships in other companies

Company's name and registered office	Share of ownership, %	Equity*	Profit for the accounting period*
Aktia Hypoteekkipankki Oy, Helsinki	5.60	136,223,528.24	5,170,144.09
Sp-Henkivakuutus Oy, Espoo	18.78	29,559,932.48	153,024.98
Nooa Säästöpankki Oy, Helsinki	21.90	40,350,980.63	2,596,225.86
Sp-Rahastoyhtiö Oy, Helsinki	7.43	2,811,348.85	695,833.29
Säästöpankkien Holding Oy, Espoo	19.90	1,495,976.05	11,052.74
Oy Samlink Ab, Espoo	15.45	14,113,120.32	2,598,942.51
Central Bank of Savings Banks Finland PLC, Espoo	5.27	46,305,917.30	79,715.23
<b>Total</b>		<b>270,860,803.87</b>	<b>11,304,938.70</b>

\* Equity and profit for accounting period 2014

## 6. OTHER NOTES

### 6.1 Notary operations performed by the credit institution

Asset management services offered by the credit institution

The bank offers transmission and execution of orders in accordance with Article 11 of the Investment Act, trading on its own account, asset management, investment advisory services, custody and management of financial assets as well as safety deposits and related services. The bank does not offer so-called full-service asset management.

### 6.2 Auditor's fees

Auditor's fees by assignment group:

	2015
Audit	35,508.53
Assignments as per Article 1, Item 2 under Clause 1 of the Auditing Act	10,775.60
Tax advice	1,041.60
Other services	3,881.20
<b>Total</b>	<b>51,206.93</b>

### 6.3 Long-term saving

	2015	
	Eur	Number
Saved assets, total	210,821.85	17
Deposits, total	151,435.67	17
PS accounts	121,796.96	16
PS deposits	29,638.71	1
Customers' assets, total	59,386.18	
Shares	30,931.11	
Reserves	28,455.07	

## 7. NOTES REGARDING OMA SÄÄSTÖPANKKI OYJ'S SOLVENCY (PILLAR III)

### 7.1 Own funds by item

	(A) AMOUNT ON THE PUBLICATION DATE BANK	(B) REGULATION (EU) NO. 575/2013'S ARTICLE, BEING REFERRED TO	(C) AMOUNTS SUBJECT TO AS BEFORE REGULATION (EU) NO. 575/2013 OR THE AMOUNT PROVIDED IN REGULATION (EU) NO. 575/2013
<b>Core capital (CET1): instruments and funds</b>			
1 Capital instruments and related share premium accounts	24,000,000.00	Article 26(1) Articles 27, 28 and 29, EBA's list Article 26(3)	
of which: capital stock	24,000,000.00		
2 Retained earnings	14,816,797.13	Article 26(1)(c)	
3 Other accumulated comprehensive income (and other funds, including unrealised profits and losses based on the applicable accounting standards)	108,678,216.67	Article 26(1)	
3a Fund for general banking risks	50,489,124.74	Article 26(1)(f)	
4 The number of items and related share premium accounts, within the meaning of Article 484(3), that will be gradually phased out from CET1	0	Article 483(2)	
Public sector capital injections, which are allowed to continue until January 1, 2018		Article 483(2)	
5 Minority interests (amount that can be included in consolidated core capital (CET1))		Articles 84, 479 and 480	
5a Interim profits verified by an independent body, with all foreseeable costs of dividends deducted	5,582,528.99	Article 26(2)	
<b>6 Core capital (CET1) before regulatory adjustments</b>	<b>203,566,667.53</b>		<b>0</b>
<b>Core capital (CET1): regulatory adjustments</b>			
7 Other value adjustments (negative amount)	0	Article 34, Article 105	
8 Immaterial goods (with related tax liabilities deducted) (negative amount)	-2,956,959.31	Article 36(1)(b) Article 37 Article 472(4)	
10 Deferred tax assets dependent on future taxable profits, excluding those resulting from temporary differences (with the related tax liabilities deducted if the conditions of Article 38(3) are met) (negative amount)		Article 36(1)(c) Article 38 Article 472(5)	

	(A) AMOUNT ON THE PUBLICATION DATE BANK	(B) REGULATION (EU) NO. 575/2013'S ARTICLE, BEING REFERRED TO	(C) AMOUNTS SUBJECT TO AS BEFORE REGULATION (EU) NO. 575/2013 OR THE AMOUNT PROVIDED IN REGULATION (EU) NO. 575/2013
11 Items included in the fair value reserve and related to profits or losses from cash flow hedging		Article 33(1)(a)	
12 The negative amounts resulting from expected loss calculations		Article 36(1)(d) Articles 40 and 159, Article 427(6)	
13 All increases in equity that result from securitised assets (negative amount)		Article 32(1)	
14 Profits or losses measured at fair value, resulting from changes in the institution's own credit rating		Article 33(b)	
15 Defined benefit retirement fund's funds (negative amount)		Article 36(1)(e) Article 41 Article 472(7)	
16 The institution's direct and indirect shares in its own core capital (CET1) instruments (negative amount)		Article 36(1)(f), Article 42, Article 472(8)	
17 Shares in financial entities' core capital (CET1) instruments when the entities have a mutual cross-shareholding arrangement intended to artificially increase the institution's own funds (negative amount)		Article 36(1)(g) Article 44 Article 472(9)	
18 Direct and indirect shares that the institution has in financial entities' core capital (CET1) instruments in cases where the institution does not have a significant investment in these entities (amount exceeding the 10 per cent limit, with acceptable short term positions deducted) (negative amount)	0	Article 36(1)(h) Articles 43, 45 and 46, Article 49(2) and 49(3), Article 79, Article 472(10)	
19 Direct, indirect and synthetic shares that the institution has in financial entities' core capital (CET1) instruments in cases where the institution has a significant investment in these entities (amount exceeding the 10 per cent limit, with acceptable short term positions deducted) (negative amount)	0	Article 36(1)(i), Articles 43, 45 and 47, Article 48(1)(b), Article 48(1-3), Articles 79 and 470, Article 472(11)	
21 Deferred tax assets resulting from temporary differences (amount exceeding the 10 per cent limit, with related tax liabilities deducted if the conditions of Article 38(3) are met) (negative amount)		Article 36(1)(c) Article 38, Article 48(1)(a), Article 470, Article 472(5)	

	(A) AMOUNT ON THE PUBLICATION DATE BANK	(B) REGULATION (EU) NO. 575/2013'S ARTICLE, BEING REFERRED TO	(C) AMOUNTS SUBJECT TO AS BEFORE REGULATION (EU) NO. 575/2013 OR THE AMOUNT PROVIDED IN REGULATION (EU) NO. 575/2013
22 The amount exceeding 15 per cent (negative amount)		Article 48(1)	
23 of which: direct and indirect shares that the institution has in financial entities' core capital (CET1) instruments when the institution has a significant investment in these entities		Article 36(1)(i) Article 48(1)(b), Article 470, Article 472(11)	
26 Regulatory adjustments to core capital (CET1) relating to the amount subject to treatment as before the Capital Requirements Regulations			
26a Regulatory adjustments related to unrealised profits and losses in compliance with Articles 467 and 468	0		
of which: ...unrealised loss filter 1		Article 467	
of which: ...unrealised profit filter 1	0	Article 468	
26b The amount to be deducted from or added to the core capital (CET1) due to additional filters and reductions that were required before the Capital Requirements Regulations		Article 481	
27 Deductions from additional tier 1 capital (AT1) that exceed the institution's additional tier 1 capital (AT1) (negative amount)	0	Article 36(1)(j)	
28 <b>Regulatory adjustments to core capital (CET1), total</b>	<b>-2,956,959.31</b>		<b>0</b>
29 <b>Core capital (CET1)</b>	<b>200,609,708.22</b>		<b>0</b>
<b>Additional Tier 1 capital (AT1): instruments</b>			
30 Capital instruments and related share premium accounts		Article 51, Article 52	
31 of which: classified as equity according to the applicable accounting standards			
32 of which: classified as debt according to the applicable accounting standards			
33 The number of items and related share premium accounts, within the meaning of Article 484(4), that will be gradually phased out from AT1	0	Article 486(3)	
Public sector capital injections, which are allowed to continue until January 1, 2018		Article 486(3)	

	(A) AMOUNT ON THE PUBLICATION DATE BANK	(B) REGULATION (EU) NO. 575/2013'S ARTICLE, BEING REFERRED TO	(C) AMOUNTS SUBJECT TO AS BEFORE REGULATION (EU) NO. 575/2013 OR THE AMOUNT PROVIDED IN REGULATION (EU) NO. 575/2013
34 Tier 1 capital issued by subsidiaries and held by third parties that meets the requirements and is included in consolidated additional tier 1 capital (AT1) (incl. minority interests not included on line 5)		Articles 85, 86 and 480	
35 of which: instruments issued by subsidiaries that will be gradually phased out		Article 486(3)	
36 <b>Additional Tier 1 capital (AT1) before regulatory adjustments:</b>	<b>0</b>		<b>0</b>
<b>Additional Tier 1 capital (AT1): regulatory adjustments</b>			
37 The institution's direct and indirect shares in its own additional tier 1 capital (AT1) instruments (negative amount)		Article 52(1)(b) Article 52(a), Article 57, Article 475(2)	
38 Shares in financial entities' additional tier 1 capital (AT1) instruments when the entities have a mutual cross-shareholding arrangement intended to artificially increase the institution's own funds (negative amount)		Article 56(b), Article 58, Article 475(3)	
39 Direct and indirect shares that the institution has in financial entities' additional tier 1 capital (AT1) instruments in cases where the institution does not have a significant investment in these entities (amount exceeding the 10 per cent limit, with acceptable short term positions deducted) (negative amount)		Article 56(c), Articles 59, 60 and 79, Article 475(4)	
40 Direct and indirect shares that the institution has in financial entities' additional tier 1 capital (AT1) instruments in cases where the institution has a significant investment in these entities (amount exceeding the 10 per cent limit, with acceptable short term positions deducted) (negative amount)		Article 56(d), Articles 59, 60 and 79, Article 475(4)	
41 Regulatory adjustments to additional tier 1 capital (AT1) regarding the amounts subject to treatment as before the Capital Requirements Regulations and to the transitional period treatment until they are disposed of according to Regulation (EU) No. 575/2013 (aka remaining amounts according to the Capital Requirements Regulations)			

	(A) AMOUNT ON THE PUBLICATION DATE BANK	(B) REGULATION (EU) NO. 575/2013'S ARTICLE, BEING REFERRED TO	(C) AMOUNTS SUBJECT TO AS BEFORE REGULATION (EU) NO. 575/2013 OR THE AMOUNT PROVIDED IN REGULATION (EU) NO. 575/2013
41a Remaining amounts to be deducted from additional tier 1 capital (AT1), related to the deductions that will be made from core capital during the transition period according to Regulation (EU) No. 575/2013 Article 472		Article 472, Article 472(3)(a), Article 472(4 and 6), 472(8)(a), 472(9), 472(10)(a), 472(11)(a)	
of which items to be specified in rows, e.g. interim net losses, intangible assets, incomplete provisions for expected losses etc.			
41b Remaining amounts to be deducted from additional tier 1 capital (AT1), related to the deductions that will be made from tier 2 capital (T2) during the transition period according to Regulation (EU) No. 575/2013 Article 475	0	Article 477, Article 477(3), Article 477(4)(a)	
of which items to be specified in rows, e.g. mutual cross-shareholding arrangements regarding tier 2 (T2) instruments, direct shares of other financial entities' capital when the institution does not have a significant investment in the entities etc.			
41c The amount to be deducted from or added to the additional tier 1 capital (AT1) due to additional filters and reductions that were required before the Capital Requirements Regulations		Articles 467, 468 and 481	
42 Deductions from tier 2 capital (T2) that exceed the institution's tier 2 capital (T2) (negative amount)	0	Article 56(e)	
43 <b>Regulatory adjustments to additional tier 1 capital (AT1), total</b>	<b>0</b>		<b>0</b>
44 <b>Additional Tier 1 capital (AT1)</b>	<b>0</b>		<b>0</b>
45 <b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>200,609,708.22</b>		<b>0</b>
<b>Tier 2 capital (T2): Instruments and reserves</b>			
46 Capital instruments and related share premium accounts	6,768,893.77	Articles 62 and 63	
47 The number of items and related share premium accounts, within the meaning of Article 484(5), that will be gradually phased out from T2	1,461,320.00	Article 486(4)	
Public sector capital injections, which are allowed to continue until January 1, 2018		Article 483(4)	



	(A) AMOUNT ON THE PUBLICATION DATE BANK	(B) REGULATION (EU) NO. 575/2013'S ARTICLE, BEING REFERRED TO	(C) AMOUNTS SUBJECT TO AS BEFORE REGULATION (EU) NO. 575/2013 OR THE AMOUNT PROVIDED IN REGULATION (EU) NO. 575/2013
48 Own fund instruments issued by subsidiaries and held by third parties that are included in consolidated tier 2 capital (T2) (incl. minority interests and additional tier 1 capital instruments (AT1) not included on lines 5 or 34)		Articles 87, 88 and 480	
49 of which: instruments issued by subsidiaries that will be gradually phased out		Article 486(4)	
50 Credit risk adjustments		Article 62(c and d)	
51 Tier 2 capital (T2) before regulatory adjustments	8,230,213.77		0
Tier 2 capital (T2): regulatory adjustments			
52 The institutions direct and indirect shares of its own tier 2 (T2) instruments and subordinated loans (negative amount)		Article 63(b)(i), Article 66(a), Article 67, Article 477(2)	
53 Shares in financial entities' tier 2 capital (T2) instruments and subordinated loans when the entities have a mutual cross-shareholding arrangement intended to artificially increase the institution's own funds (negative amount)		Article 66(b), Article 68, Article 477(3)	
54 Direct and indirect shares that the institution has in financial entities' tier 2 capital (T2) instruments and subordinated loans in cases where the institution does not have a significant investment in these entities (amount exceeding the 10 per cent limit, with acceptable short term positions deducted) (negative amount)	0	Article 66(c), Articles 69, 70 and 79, Article 477(4)	
54a Of which new shares not subject to transitional arrangements			
54b Of which shares that existed before January 1, 2013 and are therefore subject to transitional arrangements.			
55 Direct and indirect shares that the institution has in financial entities' tier 2 capital (T2) instruments and subordinated loans in cases where the institution has a significant investment in these entities (amount with acceptable short term positions deducted) (negative amount)	0	Article 66(d), Articles 69 and 79, Article 477(4)	

	(A) AMOUNT ON THE PUBLICATION DATE BANK	(B) REGULATION (EU) NO. 575/2013'S ARTICLE, BEING REFERRED TO	(C) AMOUNTS SUBJECT TO AS BEFORE REGULATION (EU) NO. 575/2013 OR THE AMOUNT PROVIDED IN REGULATION (EU) NO. 575/2013
56 Regulatory adjustments to tier 2 capital (T2) regarding the amounts subject to treatment as before the Capital Requirements Regulations and to the transitional period treatment until they are disposed of according to Regulation (EU) No. 575/2013 (aka remaining amounts according to the Capital Requirements Regulations)			
56a Remaining amounts to be deducted from tier 2 capital (T2), related to the deductions that will be made from core capital during the transition period according to Regulation (EU) No. 575/2013 Article 472		Article 472, Article 472(3)(a), Article 472(4 and 6) Article 472(8)a, Article 472(9), Article 472(10)(a), Article 472(11)(a)	
of which items to be specified in rows, e.g. interim net losses, intangible assets, incomplete provisions for expected losses etc.			
56b Remaining amounts to be deducted from tier 2 capital (T2), related to the deductions that will be made from additional tier 1 capital (AT1) during the transition period according to Regulation (EU) No. 575/2013 Article 472		Article 475, Article 475(2)(a) Article 475(3), Article 475(4)(a)	
Of which items to be specified in rows, e.g. mutual cross-shareholding arrangements regarding additional tier 1 (AT1) instruments, direct shares of other financial entities' capital when the institution does not have a significant investment in the entities etc.			
56c The amount to be deducted from or added to the tier 2 capital (T2) due to additional filters and reductions that were required before the Capital Requirements Regulations	0	Articles 467, 468 and 481	
<b>57 Regulatory adjustments to be applied on Tier 2 capital (T2), total</b>	<b>0</b>		<b>0</b>
<b>58 Tier 2 capital (T2)</b>	<b>8,230,213.77</b>		<b>0</b>
<b>59 Total capital (TC=T1+T2)</b>	<b>208,839,921.99</b>		<b>0</b>
59a Risk-weighted funds regarding the amounts subject to treatment as before the Capital Requirements Regulations and to the transitional period treatment until they are disposed of according to Regulation (EU) No. 575/2013 (aka remaining amounts according to the Capital Requirements Regulations)			
<b>60 Risk-weighted funds, total</b>	<b>1,036,219,327.37</b>		

	(A) AMOUNT ON THE PUBLICATION DATE BANK	(B) REGULATION (EU) NO. 575/2013'S ARTICLE, BEING REFERRED TO	(C) AMOUNTS SUBJECT TO AS BEFORE REGULATION (EU) NO. 575/2013 OR THE AMOUNT PROVIDED IN REGULATION (EU) NO. 575/2013
<b>Solvency ratios and buffers</b>			
61 Core capital (CET1) (as a percentage of total risk)	19.36	Article 92 (2)(a), Article 465	
62 Tier 1 capital (T1) (as a percentage of total risk)	19.36	Article 92 (2)(b), Article 465	
63 Total capital (as a percentage of total risk)	20.15	Article 92(2)(c)	
<b>Solvency ratios and buffers</b>			
72 Direct and indirect shares that the institution has in financial entities' capital in cases where the institution does not have a significant investment in these entities (amount beneath the 10 per cent limit, with acceptable short term positions deducted)	14,774,020.73	Article 36(1)(h), Articles 45 and 46, Article 56(c), Articles 59 and 60, Article 66(c), Articles 69 and 70	
73 Direct and indirect shares that the institution has in financial entities' core capital (CET1) instruments in cases where the institution has a significant investment in these entities (amount beneath the 10 per cent limit, with acceptable short term positions deducted)	13,881,163.74	Article 36(1)(i) Articles 45 and 48	
<b>Upper limits applied to including provisions in Tier 2 capital (T2)</b>			
76 Credit risk adjustments included in tier 2 capital for risks subject to the standard method (before the upper limit is applied)		Article 62	
77 Upper limit for including credit risk adjustments in tier 2 capital when using the standard method		Article 62	
<b>Capital instruments subject to gradual depreciation arrangements (only applied January 1, 2013 - January 1, 2022)</b>			
80 Current upper limit for core capital (CET1) instruments subject to gradual phasing out arrangements	0	Article 484(3), Article 486(2 and 5)	
81 Amount deducted from core capital (CET1) due to the upper limit (amount exceeding the upper limit after redemptions and maturities)	0	Article 484(3), Article 486(2 and 5)	
82 Current upper limit for additional tier 1 capital (AT1) instruments subject to gradual phasing out arrangements		Article 484(4), Article 486(3 and 5)	

	(A) AMOUNT ON THE PUBLICATION DATE BANK	(B) REGULATION (EU) NO. 575/2013'S ARTICLE, BEING REFERRED TO	(C) AMOUNTS SUBJECT TO AS BEFORE REGULATION (EU) NO. 575/2013 OR THE AMOUNT PROVIDED IN REGULATION (EU) NO. 575/2013
83 Amount deducted from additional tier 1 capital (AT1) due to the upper limit (amount exceeding the upper limit after redemptions and maturities)		Article 484(4), Article 486(3 and 5)	
84 Current upper limit for tier 2 capital (T2) instruments subject to gradual phasing out arrangements	1,461,320.00	Article 484(5) Article 486(4 and 5)	
85 Amount deducted from tier 2 capital (T2) due to the upper limit (amount exceeding the upper limit after redemptions and maturities)	-626,280.00	Article 484(5) Article 486(4 and 5)	

## 7.2 Main features of the instruments counted as equity

Commission Implementing Regulation (EU) NO. 1423/2013	OMAD026519	PARD035016	Share capital
1 Issuer	Oma Säästöpankki Oyj	Oma Säästöpankki Oyj	Oma Säästöpankki Oyj
2 Unique identifier	FI4000096854	FI4000024377	N/A
3 Legislation applied to the instrument	Finnish legislation	Finnish legislation	Finnish legislation
4 The Capital Requirements Regulations during the transitional period	T2	T2	CET1
5 The Capital Requirements Regulations after the transitional period	N/A	T2	CET1
6 Usable at individual company level or on a consolidated basis / subconsolidation group level / individual company level and on a consolidated basis / on a subconsolidation group level	individual company and on a consolidation basis / on a subconsolidation group level	individual company and on a consolidated basis / on a subconsolidation group level	individual company and on a consolidation basis / on a subconsolidation group level
7 Instrument type	Article 486(4)	Articles 62 and 63	Limited Liability Companies Act, chapter 3, section 1, paragraph 1 and Regulation (EU) No. 575/2013 Article 28
8 Amount entered in regulatory capital (currency as millions on the most recent reporting date)	6,768,893.77	1,461,320.00	24,000,000.00
9 The nominal instrument quantity	10,000,000.00	2,087,600.00	24,000,000.00
9a Issue price	100	100	100
9b Redemption price	100%	100%	100%
10 Accounting classification	Liability amortised cost	Liability amortised cost	shareholders' shares
11 Original issue date	20.5.2014	16.5.2011	Continuous

12 Undated or dated	dated	dated	undated
13 Original maturity	20.5.2019	16.5.2016	no maturity
14 Redemption by the issuer requires the supervisory authority's prior approval	yes	yes	yes
15 Possible redemption date, conditional redemption dates and redemption amount	no redemption option	no redemption option	no redemption option
16 Possible later redemption dates	no redemption option	no redemption option	no redemption option
17 Fixed or variable dividend/coupon	fixed	fixed	variable
18 Coupon interest and related indices	2.65%	3.50%	no
19 Existence of a dividend stopper	no	no	no
20a Fully discretionary, partially discretionary or mandatory (regarding timing)	mandatory	mandatory	fully discretionary
20b Fully discretionary, partially discretionary or mandatory (regarding quantity)	mandatory	mandatory	fully discretionary
21 Existence of a step up condition or other redemption incentive	no	no	no
22 Non-cumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23 Convertible or encumbered	encumbered	encumbered	encumbered
24 If the instrument is convertible, which factors affect the condition?	N/A	N/A	N/A
25 If the instrument is convertible, is it fully or partially convertible?	N/A	N/A	N/A
26 If the instrument is convertible, what is the exchange rate?	N/A	N/A	N/A
27 If the instrument is convertible, is the conversion mandatory or optional?	N/A	N/A	N/A
28 If the instrument is convertible, specify what type of instrument it can be exchanged for?	N/A	N/A	N/A
29 If the instrument is convertible, specify which issuer's instrument it can be exchanged for?	N/A	N/A	N/A
30 Properties related to the lowering of the bookkeeping value	no	no	no
31 If lowering the bookkeeping value is possible, which factors trigger it?	N/A	N/A	N/A
32 If lowering the bookkeeping value is possible, will it be done completely or partially?	N/A	N/A	N/A
33 If lowering the bookkeeping value is possible, will it be permanent or temporary?	N/A	N/A	N/A
34 If the lowering of the bookkeeping value is temporary, describe the mechanism for increasing the bookkeeping value	N/A	N/A	N/A
35 Hierarchical position in liquidation (specify the type of instrument that is immediately unsubordinated)	Other liabilities	Other liabilities	Debenture, share capital
36 Non-compliant properties	yes	yes	no
37 Specify any non-compliant properties	Capital not completely in possession for 5 years	Capital not completely in possession for 5 years	N/A

### 7.3 Minimum amount of own funds

#### Credit and counterparty risk

	2015	2014
Exposure class	Minimum amount of own funds	Minimum amount of own funds
Receivables from institutions	2,373,159.27	2,873,664.60
Receivables from businesses	11,579,682.61	10,023,892.63
Retail receivables	17,559,155.93	14,951,773.73
Mortgage-backed receivables	29,297,201.67	24,951,389.67
Insolvent liabilities	1,118,567.80	1,009,673.17
Liabilities in the form of covered bonds	39,880.62	0
Receivables related to units or shares in collective investment undertakings (CIU)	5,668,103.94	4,552,830.01
Equity-based liabilities	4,022,218.56	4,087,462.20
Other items	2,764,254.64	2,638,411.93
<b>Credit risk, total</b>	<b>74,422,225.04</b>	<b>65,089,097.94</b>
<b>Adjustment risk of liability (CVA)</b>	<b>465,846.90</b>	<b>0</b>
<b>Market risk (exchange rate risk)</b>	<b>1,671,338.33</b>	<b>1,296,569.00</b>
<b>Operational risk</b>	<b>6,338,135.92</b>	<b>5,854,912.18</b>
<b>Minimum amount of own funds, total</b>	<b>82,897,546.19</b>	<b>72,240,579.12</b>

### 7.4 Total liabilities by risk weight

#### Credit and counterparty risk

Risk weight (%)	2015	2014*
0	134,662,100.59	72,580,823.94
10	4,985,077.39	3,541.66
20	139,488,879.42	139,308,818.63
35	1,060,379,582.58	905,972,854.97
50	26,192,137.37	21,070,562.90
75	390,060,591.82	297,491,996.12
100	295,694,012.49	256,104,168.69
150	6,228,182.60	2,002,329.47
250	13,881,163.74	14,494,603.61
<b>Total</b>	<b>2,071,571,728.00</b>	<b>1,709,029,699.99</b>

\* The figures from 2014 are presented as net liabilities after value adjustments and provisions



## 7.5 Total liabilities' average value during the accounting, by exposure class

### Credit and counterparty risk

Exposure class	2015	2014
Receivables from the state and central banks	82,158,404.02	30,209,298.15
Receivables from the regional government and local officials	4,783,257.07	4,741,632.81
Receivables from the general government and public institutions	0	1,273,562.45
Receivables from institutions	134,283,111.43	94,826,545.11
Receivables from businesses	154,111,134.49	123,266,655.73
Retail receivables	322,863,553.60	221,072,289.96
Mortgage-backed receivables	984,661,235.37	589,222,751.39
Insolvent liabilities	14,749,418.89	9,526,722.55
Liabilities in the form of covered bonds	1,993,813.41	0
Receivables related to units or shares in collective investment undertakings (CIU)	64,340,258.20	50,995,126.38
Equity-based liabilities	29,532,170.94	13,728,676.10
Other items	41,161,016.56	23,360,229.67
<b>Total</b>	<b>1,834,637,373.98</b>	<b>1,162,223,490.30</b>

## 7.6 Total liabilities' maturity analysis, by exposure class

### Credit and counterparty risk

Exposure class	2015		
	Total	less than 3 months	3–12 months
Receivables from the state and central banks	104,889,936.42	1,155,556.45	1,778,079.19
Receivables from the regional government and local officials	5,172,649.87	0	4,468.98
Receivables from institutions	154,708,692.94	137,351,337.27	6,784,878.42
Receivables from businesses	166,649,822.49	14,027,322.47	11,414,978.89
Retail receivables	390,060,591.81	16,041,975.83	10,511,286.81
Mortgage-backed receivables	1,081,917,314.45	16,479,707.28	16,551,093.16
Insolvent liabilities	16,658,595.76	8,040,002.41	94,701.11
Liabilities associated with a particularly high risk	0	0	0
Liabilities in the form of covered bonds	4,985,077.39	0	0
Receivables related to shares or units in collective investment undertakings (CIU)	74,475,166.27	0	0
Equity-based liabilities	29,455,986.34	0	0
Other items	42,597,894.26	10,860,736.29	0
<b>Total</b>	<b>2,071,571,728.00</b>	<b>203,956,638.00</b>	<b>47,139,486.56</b>
Exposure class	2015		
	1–5 years	5–10 years	over 10 years
Receivables from the state and central banks	18,470,150.91	41,405,828.16	42,080,321.71
Receivables from the regional government and local officials	109,598.97	840,280.53	4,218,301.39
Receivables from institutions	9,885,063.26	0	687,413.99
Receivables from businesses	47,609,982.66	23,775,359.47	69,822,179.01
Retail receivables	60,041,086.43	87,022,624.65	216,443,618.10
Mortgage-backed receivables	112,566,192.84	222,219,502.93	714,100,818.24
Insolvent liabilities	991,324.03	1,768,556.11	5,764,012.09
Liabilities associated with a particularly high risk	0	0	0
Liabilities in the form of covered bonds	3,002,454.10	1,982,623.29	0
Receivables related to shares or units in collective investment undertakings (CIU)	0	0	74,475,166.27
Equity-based liabilities	0	0	29,455,986.34
Other items	52,678.65	0	31,684,479.32
<b>Total</b>	<b>252,728,531.85</b>	<b>379,014,775.14</b>	<b>1,188,732,296.45</b>

**Credit and counterparty risk**

2014*			
<b>Exposure class</b>	<b>Total</b>	<b>less than 3 months</b>	<b>3–12 months</b>
Receivables from the state and central banks	46,753,427.44	1,022,036.48	1,522,106.32
Receivables from the regional government and local officials	4,812,236.11	0	3,302.76
Receivables from institutions	149,431,723.41	95,195,382.60	2,324,535.78
Receivables from businesses	144,056,017.90	11,547,754.18	4,971,639.25
Retail receivables	297,491,996.13	11,628,145.89	12,954,548.48
Mortgage-backed receivables	922,132,428.49	14,883,432.86	14,378,692.45
Insolvent liabilities	11,654,740.91	5,298,801.03	47,236.79
Liabilities associated with a particularly high risk	0	0	0
Liabilities in the form of covered bonds	0	0	0
Receivables related to shares or units in collective investment undertakings (CIU)	63,755,390.38	0	0
Equity-based liabilities	29,351,372.10	0	0
Other items	39,590,367.12	8,239,159.49	0
<b>Total</b>	<b>1,709,029,699.99</b>	<b>147,814,712.53</b>	<b>36,202,061.83</b>
<b>Exposure class</b>	<b>1–5 years</b>	<b>5–10 years</b>	<b>over 10 years</b>
Receivables from the state and central banks	3,190,876.76	4,410,440.17	36,607,967.71
Receivables from the regional government and local officials	53,057.65	160,056.55	4,595,819.15
Receivables from institutions	10,651,892.01	2,745,935.22	38,513,977.80
Receivables from businesses	46,014,418.77	26,722,721.43	54,799,484.27
Retail receivables	53,871,889.94	73,976,582.51	145,060,829.31
Mortgage-backed receivables	103,874,354.94	198,404,254.50	590,591,693.74
Insolvent liabilities	835,462.31	860,438.18	4,612,802.60
Liabilities associated with a particularly high risk	0	0	0
Liabilities in the form of covered bonds	0	0	0
Receivables related to shares or units in collective investment undertakings (CIU)	0	0	63,755,390.38
Equity-based liabilities	0	0	29,351,372.10
Other items	58,621.30	0	31,292,586.33
<b>Total</b>	<b>218,550,573.68</b>	<b>307,280,428.56</b>	<b>999,181,923.39</b>

\* The comparative figures from 2014 have been presented as net liabilities after value adjustments and provisions

## 7.7 Total liabilities by exposure class and counterparty

### Credit and counterparty risk

2015					
Exposure class	Total	Private persons	Agriculture	Companies	Others
Receivables from the state and central banks	104,889,936.42	44,657,059.42	1,349,397.39	6,162,935.48	52,720,544.13
Receivables from the regional government and local officials	5,172,649.87	0	0.01	542,453.78	4,630,196.08
Receivables from institutions	154,708,692.94	252,975.38	0	20,597.31	154,435,120.25
Receivables from businesses	166,649,822.49	14,402,580.69	13,681,266.21	95,945,036.97	42,620,938.62
Retail receivables	390,060,591.81	202,820,349.37	57,727,851.14	110,506,410.32	19,005,980.98
Mortgage-backed receivables	1,081,917,314.45	834,598,538.01	54,149,672.54	127,982,167.40	65,186,936.50
Insolvent liabilities	16,658,595.76	7,393,965.57	4,392,530.57	4,697,220.20	174,879.42
Liabilities in the form of covered bonds	4,985,077.39	0	0	0	4,985,077.39
Receivables related to units or shares in collective investment undertakings (CIU)	74,475,166.27	0	0	0	74,475,166.27
Equity-based liabilities	29,455,986.34	0	0	2,165,354.37	27,290,631.97
Other items	42,597,894.26	0	0	0	42,597,894.26
<b>Total</b>	<b>2,071,571,728.00</b>	<b>1,104,125,468.44</b>	<b>131,300,717.86</b>	<b>348,022,175.83</b>	<b>488,123,365.87</b>

2014*					
Exposure class	Total	Private persons	Agriculture	Companies	Others
Receivables from the state and central banks	46,753,427.45	36,675,768.26	1,190,205.21	5,811,299.96	3,076,154.02
Receivables from the regional government and local officials	4,812,236.12	0	0	674,640.11	4,137,596.01
Receivables from institutions	149,431,723.41	217,045.98	0	20,127.06	149,194,550.37
Receivables from businesses	144,056,017.90	14,648,439.42	7,911,183.53	85,304,627.82	36,191,767.13
Retail receivables	297,491,996.12	131,084,209.15	43,842,937.51	104,512,910.15	18,051,939.31
Mortgage-backed receivables	922,132,428.48	718,101,700.48	44,748,943.89	116,051,055.96	43,230,728.15
Insolvent liabilities	11,654,740.91	7,253,097.48	441,751.03	3,726,475.75	233,416.65
Liabilities in the form of covered bonds	0	0	0	0	0
Receivables related to units or shares in collective investment undertakings (CIU)	63,755,390.38	0	0	0	63,755,390.38
Equity-based liabilities	29,351,372.10	0	0	2,187,597.81	27,163,774.29
Other items	39,590,367.12	0	0	0	39,590,367.12
<b>Total</b>	<b>1,709,029,699.99</b>	<b>907,980,260.77</b>	<b>98,135,021.17</b>	<b>318,288,734.62</b>	<b>384,625,683.43</b>

\* The comparative figures from 2014 have been presented as net liabilities after value adjustments and provisions

## 7.8 Geographical distribution of significant credit exposures

### Credit and counterparty risk

Exposure class	2015		
	Total	Finnish	Other countries
Receivables from the state and central banks	104,889,936	9,048,832	95,841,104
Receivables from the regional government and local officials	5,172,650	3,231,269	1,941,381
Receivables from institutions	154,708,693	152,423,869	2,284,824
Receivables from businesses	166,649,822	158,384,727	8,265,095
Retail receivables	390,060,592	390,060,592	0
Mortgage-backed receivables	1,081,917,314	1,081,484,564	432,750
Insolvent liabilities	16,658,596	16,658,596	0
Liabilities in the form of covered bonds	4,985,077	0	4,985,077
Receivables related to shares or units in collective investment undertakings (CIU)	74,475,166	40,863,909	33,611,257
Equity-based liabilities	29,455,986	29,156,161	299,825
Other items	42,597,894	42,597,894	0
<b>Total</b>	<b>2,071,571,728</b>	<b>1,923,910,415</b>	<b>147,661,313</b>

Exposure class	2014		
	Total	Finnish	Other countries
Receivables from the state and central banks	46,753,427	3,076,154	43,677,273
Receivables from the regional government and local officials	4,812,236	3,252,261	1,559,975
Receivables from institutions	149,431,723	147,082,764	2,348,959
Receivables from businesses	144,056,018	139,222,428	4,833,590
Retail receivables	300,382,133	300,382,133	0
Mortgage-backed receivables	922,132,428	921,794,109	338,319
Insolvent liabilities	16,533,848	16,533,848	0
Liabilities in the form of covered bonds	0	0	0
Receivables related to shares or units in collective investment undertakings (CIU)	63,755,390	47,785,402	15,969,988
Equity-based liabilities	29,351,372	29,003,577	347,795
Other items	39,816,646	39,816,646	0
<b>Total</b>	<b>1,717,025,223</b>	<b>1,647,949,322</b>	<b>69,075,901</b>

## 7.9 Total liability values by exposure class and hedging derivatives \*)

### Credit and counterparty risk

Exposure class	2015				
	Total liabilities	Financial collateral	Real collateral	Guarantees	Others
Receivables from the state and central banks	104,889,936	0	0	0	0
Receivables from the regional government and local officials	5,172,650	0	0	0	0
Receivables from institutions	154,708,693	0	0	0	0
Receivables from businesses	166,649,822	559,168	0	1,958,421	0
Retail receivables	390,060,592	7,840,183	0	56,964,784	265,273
Mortgage-backed receivables	1,081,917,314	0	1,081,917,314	0	0
Insolvent liabilities	16,658,596	24,800	0	355,544	8,300
Liabilities in the form of covered bonds	4,985,077	0	0	0	0
Receivables related to units or shares in collective investment undertakings (CIU)	74,475,166	0	0	0	0
Equity-based liabilities	29,455,986	0	0	0	0
Other items	42,597,894	0	0	0	0
<b>Total</b>	<b>2,071,571,728</b>	<b>8,424,151</b>	<b>1,081,917,314</b>	<b>59,278,749</b>	<b>273,573</b>

Exposure class	2014				
	Total liabilities	Financial collateral	Real collateral	Guarantees	Others
Receivables from the state and central banks	46,753,427	0	0	0	0
Receivables from the regional government and local officials	4,812,236	0	0	0	0
Receivables from institutions	149,431,723	0	0	0	0
Receivables from businesses	144,056,018	1,684,708	0	1,990,612	0
Retail receivables	300,382,133	8,035,598	0	47,735,938	237,173
Mortgage-backed receivables	922,132,428	0	922,132,428	0	0
Insolvent liabilities	16,533,848	148	0	338,055	0
Liabilities in the form of covered bonds	0	0	0	0	0
Receivables related to units or shares in collective investment undertakings (CIU)	63,755,390	0	0	0	0
Equity-based liabilities	29,351,372	0	0	0	0
Other items	39,816,646	0	0	0	0
<b>Total</b>	<b>1,717,025,223</b>	<b>9,720,454</b>	<b>922,132,428</b>	<b>50,064,605</b>	<b>237,173</b>

\*) credit derivatives are not used for hedging



## 7.10 Level of encumbrance of assets

Oma Säästöpankki Oyj had no encumbered assets or received encumbered collaterals as of 31.12.2015.

## 7.11 Operational risk calculations

	2015	2014	2013	Own funds, minimum
Gross total	51,798,562.26	31,397,040.41	43,567,115.81	
Profit level indicator	7,769,784.34	4,709,556.06	6,535,067.37	6,338,135.92

	2014	2013	2012	Own funds, minimum
Gross total	31,397,040.41	43,567,115.81	42,134,087.32	
Profit level indicator	4,709,556.06	6,535,067.37	6,320,113.10	5,854,912.18

The profit level indicator is calculated following the basic method presented in the Solvency regulation, No. 575/2013.

Minimum amount of own funds = the sum of annual positive profit level indicators / the number of years the profit level indicator has been positive.

Operative risks mean the risk of loss that banks may experience as a result of inadequate or deficient internal processes, staff, systems or external factors.

## 7.12 Leverage ratio

### A summary of the reconciliation of the leverage ratio's total liabilities to the balance sheet published in the financial statements

Balance sheet total as published in the financial statements	1,934,664,305
Adjustments related to units that are consolidated in calculations but are outside regulated consolidation	0
Adjustments related to financial derivatives	4,554,576
Adjustments related to securities financing transactions	0
Adjustments related to off-balance sheet items	128,828,396
(The Group's internal items exempted from leverage ratio calculations based on Article 429(7) of the Capital Requirements Regulation No. 575/2013 (EU).	0
(Adjustments to items exempted from leverage ratio calculations based on Article 429(14) of the Capital Requirements Regulation (EU) No. 575/2013).	0
Other adjustments	-5,718,373

<b>Leverage ratio total liabilities</b>	<b>2,062,328,904.00</b>
---	-------------------------

### Value of leverage ratio total liabilities

#### Off-balance sheet liabilities (excl. derivatives, securities financing transactions)

Balance sheet liabilities (excl. derivatives, securities financing transactions and fiduciary funds but incl. collateral)	1,924,293,663
(Regulatory adjustments to Tier 1 capital)	-2,761,414

Balance sheet liabilities total (excl. derivatives, securities financing transactions and fiduciary funds)	1,921,532,249.00
--	------------------

#### Financial derivatives

Derivatives: market value	7,413,683
Derivatives: increased fair value method	4,554,576
Derivatives: original acquisition value method	0

Derivatives total	11,968,259.00
-------------------	---------------

#### Securities financing transactions

Securities financing transactions, not subject to a master netting agreement	0
Securities financing transactions, subject to a master netting agreement	0

<b>Securities financing transactions, total</b>	<b>0</b>
---	----------

#### Other off-balance liabilities

Nominal quantity of off-balance liabilities	128,828,396
(Adaptations related to conversion figures)	0

<b>Other off-balance liabilities</b>	<b>128,828,396.00</b>
--------------------------------------	-----------------------

#### Exceptions based on Article 429(7 and 14) of the Capital Requirements Regulations

(Exempting the Group's internal liabilities (solo basis) according to the Capital Requirements Regulation (EU) No. 575/2013 Article 429(7))	0
(Exempting liabilities according to the Capital Requirements Regulation (EU) No. 575/2013 Article 429(14))	0

#### Capital and total liabilities

Tier 1 capital	200,609,708
Total liabilities	2,062,328,904

#### Leverage ratio

Leverage ratio	9.73%
----------------	-------

### Classification of the balance sheet liabilities (excl. derivatives, securities financing transactions and exempted liabilities)

Balance sheet liabilities total (excl. derivatives, securities financing transactions and exempted liabilities), of which:

1,924,293,663

Items belonging to the trading book

0

Off-trading book liabilities, of which:

1,924,293,663

Asset-covered bonds

4,985,077

Exposures to general governments

105,014,059

Exposures to regional governments, international development banks, international organisations, public entities and public institutions that do not count as exposures to general government

0

Institutions

142,690,434

Mortgage-backed liabilities

1,052,869,414

Retail liabilities

312,191,945

Receivables from businesses

147,047,020

Insolvent liabilities

12,966,667

Other liabilities (such as equity-based liabilities and other liabilities that do not relate to a credit obligation)

146,529,047

In addition to the balance sheet total, off-balance sheet derivatives and financial derivatives are also recognized in the bank's leverage. When calculated this way, Oma Säästöpankki Oyj's liabilities total 2,062.3 million euros, which will be proportioned to Tier 1 capital.

# Signatures on the financial statements and the annual report

Helsinki, February 17, 2016

## Oma Säästöpankki Oyj's Board of Directors

Jarmo Partanen  
Chairman

Jyrki Mäkynen  
Vice Chairman

Aki Jaskari

Timo Kokkala

Heli Korpinen

Jarmo Salmi

Ari Yli-Kaatiala

Pasi Sydänlammi  
CEO

## Auditor's Note

An audit report has been provided today.

Seinäjoki, February 19, 2016

Tatu Huhtala, APA  
Ernst & Young Oy  
APA organisation

# Audit Report

To Oma Säästöpankki Oyj's Annual General Meeting

**WE HAVE AUDITED** Oma Säästöpankki Oyj's bookkeeping, financial statements, annual report and management for the accounting period January 1 - December 31, 2015. The financial statements comprise the balance sheet, income statement, cash flow statement and notes.

## Responsibility of the Board of Directors and the CEO

The Board of Directors and the CEO are responsible for the preparation of financial statements and annual reports that give a true and sufficient view in accordance with the laws and regulations governing the preparation of financial statements and annual reports in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the CEO shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

## Auditor's responsibility

Our responsibility is to express an opinion on the financial statements and the annual report based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We have conducted the audit in accordance with efficient auditing practices in Finland. Efficient auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements or the annual report are free from material misstatements, and whether the members of the Board of Directors or the CEO are guilty of an act of negligence that may result in liability in damages to the company or whether they have violated the Limited Liability Companies Act, the Articles of Association of the company, the Savings Bank Act or the Credit Institutions Act.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the annual report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. When making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements and annual report that give a true and fair view. The auditor considers internal control in order to design audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonability of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the annual report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements and the annual report give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with the financial reporting standards as adopted in Finland. The information in the annual report is consistent with the information in the financial statements.

Seinäjoki, February 19, 2016

Ernst & Young Oy  
APA organisation  
Tatu Huhtala, APA

# Calculation of key figures

## Cost/income ratio, %

$$\frac{\text{Administrative expenses + depreciation, amortisation and impairment losses on tangible and intangible assets + other business expenses}}{\text{Net interest income + income from equity-based investments + net fee and commission income + net gains on trading in securities and foreign currencies + net income from financial assets available for sale + net income from hedge accounting + net income from investment properties + other operating income + share of the associated companies' results}} \times 100$$

## Return on assets (ROA)

$$\frac{\text{Operating profit/loss - Income taxes}}{\text{Average balance sheet total (average from the beginning and the end of the year)}} \times 100$$

## Solvency ratio

$$\frac{\text{Own funds, total}}{\text{Minimum requirements for own funds, total}} \times 8\%$$

## Tier 1 capital (T1) relative to risk-weighted items (%)

$$\frac{\text{Tier 1 capital (T1)}}{\text{Minimum requirements for own funds, total}} \times 8\%$$

## Return on equity (ROE)

$$\frac{\text{Operating profit/loss - Income taxes}}{\text{Equity and non-controlling interests + appropriations less deferred tax liabilities (average from the beginning and the end of the year)}} \times 100$$

## Equity ratio

$$\frac{\text{Equity and non-controlling interests + appropriations less deferred tax liabilities}}{\text{Balance sheet total}} \times 100$$

## Core capital (CET1) relative to risk-weighted items

$$\frac{\text{Core capital (CET1)}}{\text{Minimum requirements for own funds, total}} \times 8\%$$

## Own funds, total (TC) in relation to risk-weighted items

$$\frac{\text{Own funds, total (TC)}}{\text{Minimum requirements for own funds, total}} \times 8\%$$





# omaspar

**OMA SÄÄSTÖPANKKI OYJ**

Valtakatu 32, 53100 Lappeenranta, Finland | [www.omaspar.fi](http://www.omaspar.fi)

