



**OMA SÄÄSTÖPANKKI OYJ**  
**Programme for the Issuance of Senior Unsecured Notes and Covered Bonds**  
**EUR 1,500,000,000**

This supplement (the “**Supplement**”) comprises a supplement for Oma Säästöpankki Oyj (the “**Issuer**”) to the Base Prospectus (the “**Base Prospectus**”) dated 20 November 2017. This supplement should be read in conjunction with the Base Prospectus.

In this Supplement, “**OmaSp**” refers to Oma Säästöpankki Oyj and its consolidated subsidiaries, except where context may otherwise require. All references to the “**Issuer**” or “**Oma Säästöpankki**” refer to Oma Säästöpankki Oyj.

The purpose of this Supplement is to (i) incorporate by reference the audited consolidated financial statements for the twelve months ended 31 December 2017 of the Issuer into the Base Prospectus, (ii) incorporate information based on certain specific matters and regulatory changes and (iii) confirm that there has been no significant change in the financial position of the Group since 31 December 2017.

## **1. MiFID II**

Directive 2014/65/EU (as amended, “**MiFID II**”) was implemented on 3 January 2018 and, by virtue of this supplement, the following amendments shall be made to the base prospectus.

- (i) the following wording shall be added immediately below the existing paragraph entitled “**IMPORTANT – EEA RETAIL INVESTORS**” set out on page 1 of the base prospectus under the heading “**IMPORTANT INFORMATION**”:

“MiFID II product governance / target market – The Final Terms in respect of any Notes or Covered Bonds may include a legend entitled “MiFID II product governance” which will outline the target market assessment in respect of the Notes or Covered Bonds and which channels for distribution of the Notes or Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Notes or Covered Bonds (a “**Distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes or Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Manager subscribing for any Notes or Covered Bonds is a manufacturer in respect of such Notes or Covered Bonds, but otherwise neither the Arranger nor the Managers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.”

- (ii) the following wording shall be inserted immediately below the existing paragraph entitled “**PROHIBITION OF SALES TO EEA RETAIL INVESTORS**” set out under the heading “**FORM OF FINAL TERMS OF THE NOTES**” on page 35 of the base prospectus:

“**[MiFID II product governance / Professional investors and eligible counterparties (ECPs) only target market** – Solely for the purposes of each manufacturer’s product approval process, the target

market assessment in respect of the [Notes/Covered Bonds] has led to the conclusion that: (i) the target market for the [Notes/Covered Bonds] is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “**MiFID II**”)] [MiFID II]; and (ii) all channels for distribution of the [Notes/Covered Bonds] to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the [Notes/Covered Bonds] (a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the [Notes/Covered Bonds] (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.][<sup>1</sup>

<sup>1</sup>Legend to be included on front of the Final Terms if following the ICMA 1 “all bonds to all professionals” target market approach.”]

## 2. Resolution plan

The following information is added to “**RISK FACTORS**” in section “**Competent authorities may take a broad range of actions and the Senior Unsecured Notes may be subject to write-down on any application of the general bail-in tool, if the Issuer becomes subject to recovery and resolution actions**” on page 9 of the Base Prospectus.

“The Financial Stability Authority confirmed OmaSp’s resolution plan in December 2017. The Financial Stability Authority has not set a minimum requirement of own funds and eligible liabilities (MREL) for OmaSp.”

## 3. Business Overview

The following information replaces information in the second chapter of section “**Business Overview**” on page 50.

“OmaSp provides basic depository operations and various bank services, such as lending, investments, derivative contracts and off-balance sheet commitments. According to the consolidated balance sheet of OmaSp the total assets amounted to EUR 2,726.6 million on 31 December 2017, and increased by 26.8 per cent as compared to the same time previous year.”

The following information replaces information in section “**Business Overview - Description of Operations**” on pages 51–52.

### *“Description of Operations*

#### Deposits

The largest share of OmaSp’s borrowing consisted of deposits from the public, which amounted to EUR 1,482.8 million on 31 December 2017, growing by 10.6 per cent compared to the same time previous year.

Other funding consists of issued senior unsecured bonds and certificates of deposits, which amounted to EUR 737.0 million on 31 December 2017, growing by 108.7 per cent compared to the same time previous year. OmaSp issued a EUR 125 million senior bond in April 2017, and it was the first bond by OmaSp which is listed at Nasdaq Helsinki. The Issuer issued on 1 November 2017 a debenture loan with the maximum amount of EUR 15,000,000. The debenture loan is due 1 February 2023. The Issuer decided on 16 November 2017 to increase the maximum amount of its certificate of deposit programme from EUR 150,000,000 to EUR 200,000,000. The Issuer issued on 4 December 2017 a covered bond where the first tranche had a value of EUR 250,000,000 and the maximum value to be issued is EUR 350,000,000. The covered bond is due 12 December 2022. The issuance of the covered bond is the first issuance under the Programme.”

#### Lending

The total amount of lending provided by OmaSp was EUR 2,137.9 million on 31 December 2017, Majority of OmaSp’s lending activities is comprised of loans on OmaSp’s balance sheet, worth EUR 2,078.4 million on

31 December 2017. Net increase in lending was EUR 35.5 million, i.e. 19.7 per cent. Approximately EUR 22.9 million of the lending increase were due to the transfer of brokered loans from mortgage banks from Aktia Hypoteekkipankki's balance sheet to OmaSp's balance sheet, and approximately EUR 140 million were due to the transaction with S-Pankki.

Other lending activities include credit accounts as well as credit card receivables, together with loans from government funds. OmaSp operates as an independent issuer of Visa cards. OmaSp finances the Visa card loans by way its own balance sheet.

Functions of special loans are related to the state-subsidised loans or loans, which have state guarantee or interest subsidy.

Co-operation with the Nordic Investment Bank (NIB) continued, as OmaSp continued to issue loans under the 7-year lending facility for SME and environmental projects in Finland.

In January 2017 OmaSp signed a two-year agreement for acting as an intermediary bank in the joint financing programme of the Finnish government, European Commission and European Investment Fund. This risk-sharing guarantee facility is intended for financing profitable investments and working capital of SMEs.

### Investments

OmaSp'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.

On 31 December 2017 OmaSp had deposits in other credit institutions worth 73.8 million euros (The amount was 11.9 million euros more than at the same time in the previous year, i.e. 61.9 million euros on 31 December 2016.) Investments in debt securities consisted of money market securities and bonds. They totaled 150.6 million euros (148.5) on 31 December 2017, which is 1.4 per cent more compared to the same time in the previous year.

Investments in shares and other equity totaled 33.4 million euros (97.5) on 31 December 2017. The decrease in the amount of shares and other equity was due to the changes in investment strategy and investment portfolio allocation. OmaSp does not possess publicly quoted shares that it would use in active trading.

The value of OmaSp's property assets is listed as 23.2 million euros (24.3) on the balance sheet on 31 December 2017. Of this amount, the value of properties in OmaSp's own use is 15.0 million euros (15.0) and the value of investment properties is 8.2 million euros (9.3).

In terms of investment products, OmaSp's product selection also included the investment and savings products of its partners Sp-Rahastoyhtiö Oy and Sp-Henkivakuutus Oy. For securities services, OmaSp's partner was FIM, with the Central Bank of Savings Banks Finland Plc acting as the account operator.

### Derivative Contracts

OmaSp utilises derivative contracts to hedge its interest risks. On 31 December 2017 the positive fair value of derivatives in the item Derivative Contracts on the Assets side of the balance sheet totaled 1.7 million euros (2.6), all of which consisted of derivatives hedging the fair value. OmaSp utilises fair value hedging to protect the deposit portfolio with interest rate swaps and stock derivatives.

### 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, EUR 13.6 million (13.6), consist mainly of bank and other guarantees. The other guarantees include Bank's suretyships granted to Aktia Hypoteekkipankki Oyj related to compensation of possible losses caused by brokered mortgage loans.

Irrevocable commitments given in favour of customers, totaling EUR 188.6 million (116.8) at the end of the period, consist mainly of granted but undrawn loans.”

#### **4. Acquisitions**

The following information is added to “**INFORMATION ABOUT THE ISSUER**” in section “*History and Development of OmaSp - Acquisitions*” on page 53.

“The implementation of the acquisition of S-Pankki Oy’s operations related to small and medium-sized enterprises and agriculture and forestry customers took place on 1 December 2017. Approximately 140 million euros worth of loans and 90 million euros worth of deposits were transferred to OmaSp. In connection with the transfer, 15 employees were transferred to OmaSp from S-Pankki Oy.”

#### **5. Recent Events**

The following information is added to “**INFORMATION ABOUT THE ISSUER**” in section “**Recent Events**” on page 53.

“The Issuer issued on 4 December 2017 a covered bond where the first tranche had a value of EUR 250,000,000 and the maximum value to be issued is EUR 350,000,000. The covered bond is due 12 December 2022. The issuance of the loan is the first issuance under the Programme.”

#### **6. No Significant Change in the Issuer’s Financial or Trading Position**

The following information replaces information in section “**No Significant Change in the Issuer’s Financial or Trading Position**” on page 55.

“There have been no material changes in the financial or trading position of OmaSp since 31 December 2017, which is the date of its last published financial statements.”

#### **7. Trend Information**

The following information replaces information in section “**Trend Information**” under the heading “**FINANCIAL AND TREND INFORMATION**” on page 55.

“Since 31 December 2017, the last day of the financial year in respect of which the most recent audited financial statements of the Issuer have been prepared, there has been no material adverse change in the prospects of the Issuer and its subsidiaries taken as a whole.”

#### **8. Future Outlook**

The following information is added as a new section after section “**Trend Information**” under the heading “**FINANCIAL AND TREND INFORMATION**” on page 55.

##### **“Future Outlook**

“Finland’s economy is expected to continue its strong growth in 2018, which will show as improved business profitability and a lower unemployment rate. Household purchasing power will increase and consumer confidence will remain high. OmaSp’s reorganisation implemented in recent years, improved cost-efficiency and the benefits resulting from the change in organisational structure will significantly strengthen OmaSp’s competitiveness and viability in 2018. The corporate acquisition carried out during the previous year brings new opportunities for business development and strengthens OmaSp’s net interest income, even though interest rates remain low in general. In 2017, non-recurring items from investments were highlighted in OmaSp’s profit, affecting the result by approximately 10 million euros. The profit from continuing operations excluding the aforementioned non-recurring items, is expected to increase during the financial year 2018.”

## 9. Board of Directors and Management

The following information replaces information in section “CEO and Management Team” on page 57. The changes in the management team result from an organisational change that took place in OmaSp in the beginning of year 2018.

### “Management Team

The management team’s purpose is to assist the CEO in managing the operations of the Issuer. At the date of this Base Prospectus, the members of the Management Team are as follows:

<b>Name</b>	<b>Year born</b>	<b>Position</b>	<b>Appointed</b>
Helena Juutilainen	1958	Chief Legal Counsel	2017
Sarianna Liiri	1981	Financial and Administrative Manager	2015
Kari-Mikael Markkanen	1973	Chief Information Officer	2014
Minna Sillanpää	1970	Chief Communication Officer	2017
Pasi Turtio	1974	Deputy Managing Director, Customer Business Manager	2009

**Helena Juutilainen** has been Chief Legal Counsel since February 2017. Earlier she has worked as legal counsel at Kuntien Tiera Oy and in Oy Samlink Ab. She holds a Master of Laws degree and she has trained on the bench.

**Sarianna Liiri** has been the Financial and Administrative Manager since 2015. She has also worked in various expert and supervisory positions in OmaSp and Etelä-Karjalan Säästöpankki. She holds a Master of Economic Sciences degree.

**Kari-Mikael Markkanen** has been Chief Information Officer since 2014. He has worked at Kuntien Tiera Oy as a customer relationship manager, in a managerial position in Suomen Itsenäisyyden juhlarahasto and as a department manager in Oy Samlink Ab. He holds an eMBA and graduate engineer degree.

**Minna Sillanpää** has been Chief Communication Officer since April 2017. She has worked as Managing Director at the Regional association of South Ostrobothnian Entrepreneurs and as a vice director at the Chamber of Commerce. Previously various positions as business manager. She holds three different academy degrees in economics and is in the middle of MBA studies.

**Pasi Turtio** has been the Customer Business Manager since 2018 and before he acted in the management team as Regional Manager, Bank Director between years 2009 and 2018. He has also worked at Kuortaneen Säästöpankki and Lammin Osuuspankki as a bank manager. He holds an Agrologist degree.”

## 10. Share Capital and Ownership

The following information replaces the second paragraph in section “**SHARE CAPITAL AND OWNERSHIP**” on page 59.

“As of the date of this Supplement, the Issuer’s share capital was EUR 24,000,000 and the total number of shares issued was 501,934. As of the date of this Supplement, the Issuer does not hold any of its own shares.”

The following information replaces the last paragraph in section “**SHARE CAPITAL AND OWNERSHIP**” on page 59.

“The Board of Directors of the Issuer resolved on 12 October 2017, based on the authorisation given by the Issuer’s General Meeting of Shareholders to the Board of Directors on 22 April 2017, to issue a maximum of 15,000 (10,974) new shares in the Issuer in an offering directed to Issuer’s employees. Based on the resolution, a total of 10,974 shares were issued to Issuer’s employees.”

## 11. Information Incorporated by Reference

The following information is added into the list of documents on page 64.

<b>“Document</b>	<b>Information incorporated by reference</b>
<b>OmaSp’s 2017 Annual Report, pages 47 - 212</b>	Audited consolidated financial statements of OmaSp as of and for the year ended 31 December 2017.
<b>OmaSp’s 2017 Annual Report, pages 213 - 216</b>	Auditor’s report for OmaSp as of and for the year ended 31 December 2017.