

# Financial statements

## Income statement of Parkanon Säästöpankki

		1.1. - 31.12.2011	1.1. - 31.12.2010
		eur	eur
Interest income	(1.1)	6 434 143,16	5 196 028,84
Interest expenses	(1.1)	-1 574 837,74	-526 617,52
Net interest income		4 859 305,42	4 669 411,32
Income from equity-based investments	(1.2)	129 374,32	117 833,23
Fee and commission income	(1.3)	1 977 684,54	1 648 261,07
Fee and commission expenses	(1.3)	-260 665,23	-224 335,35
Net gains on trading in securities and foreign currencies	(1.4)	-176 988,63	37 446,15
Net gains on available-for-sale financial assets	(1.5)	301 516,88	838 721,73
Net income from hedge accounting	(1.6)	29 373,14	-271 822,13
Net income from investment property	(1.7)	12 894,98	26 402,20
Other operating profit	(1.8)	142 616,84	79 428,61
Administrative expenses		-4 996 329,50	-4 817 678,59
Personnel costs	(1.9)	-2 623 878,75	-2 386 239,80
Other administrative expenses	(1.10)	-2 372 450,75	-2 431 438,79
Depreciation, amortisation and impairment losses	(1.11)		
equipment and intangible assets		-170 173,64	-142 554,81
Other operating expenses	(1.8)	-897 758,22	-785 017,24
Impairment losses on loans and other receivables	(1.12)	-163 613,84	-39 679,45
<b>OPERATING PROFIT</b>		787 237,06	1 136 416,74
Appropriations		-281 060,06	-758 498,40
Income taxes		-125 524,84	-103 109,12
<b>PROFIT OF ACTUAL OPERATIONS AFTER TAXES</b>		380 652,16	274 809,22
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		380 652,16	274 809,22

## Balance sheet of Parkanon Säästöpankki

### ASSETS

		<b>31.12.2011</b>	<b>31.12.2010</b>
		<b>eur</b>	<b>eur</b>
Cash and cash equivalents		1 338 386,35	1 383 106,77
Debt securities eligible for refinancing with central banks		2 231 877,50	2 192 280,00
Loans and advances to credit institutions	(2.1)	18 515 244,94	13 316 716,85
Receivables from the public and general government	(2.2)	198 328 511,01	191 681 489,59
Debt securities	(2.3)	17 589 745,50	12 714 807,54
From others		17 589 745,50	12 714 807,54
Stocks and shares	(2.4)	17 904 267,30	12 726 683,53
Derivative contracts	(2.5)	2 031 930,60	1 072 049,88
Immaterial goods	(2.7)	55 297,42	80 562,76
Material goods		1 967 814,90	1 987 355,85
Investment real estates, real estate shares and book entries	(2.9)	463 738,91	376 447,57
Other real estates and real estate community shares and book entries	(2.9)	1 142 111,69	1 181 863,00
Other tangible assets		361 964,30	429 045,28
Other assets	(2.10)	51 966,28	8 304,50
Accrued income and prepayments	(2.11)	1 947 290,59	2 387 948,69
Deferred taxes	(2.17)	248 859,22	0,00
<b>TOTAL ASSETS</b>		<b>262 211 191,61</b>	<b>239 551 305,96</b>

### LIABILITIES

		<b>31.12.2011</b>	<b>31.12.2010</b>
		<b>eur</b>	<b>eur</b>
<b>LIABILITIES</b>			
Liabilities to credit institutions	(2.12)	12 379 722,54	7 593 237,71
Liabilities to the public and general government	(2.13)	215 155 375,75	198 585 028,76
Deposits		214 503 778,90	197 787 440,92
Other liabilities		651 596,85	797 587,84
Derivative instruments and other liabilities held for transactions	(2.5)	-19 743,00	255 799,09
Other liabilities	(2.14)	2 025 860,97	1 501 832,83
Accrued expenses and deferred income	(2.15)	1 630 698,66	1 225 364,08
Subordinated liabilities	(2.16)	7 000 000,00	5 900 000,00
Deferred tax liabilities	(2.17)	164 644,18	264 576,88
<b>TOTAL LIABILITIES</b>		<b>238 336 559,10</b>	<b>215 325 839,35</b>
<b>Appropriations</b>			
Voluntary provisions		8 937 727,28	8 656 667,22

<b>Total appropriations</b>		8 937 727,28	8 656 667,22
<b>EQUITY</b>	<b>(2.21)</b>		
<b>Savings bank basic capital</b>		3,02	3,02
<b>Other restricted reserves</b>		1 996 826,97	3 009 373,29
Legal reserve		2 256 346,79	2 256 346,79
Fair value reserve		-259 519,82	753 026,50
<b>Free reserves</b>		169 712,64	169 712,64
Other reserves		169 712,64	169 712,64
<b>Retained earnings</b>		12 389 710,44	12 114 901,22
<b>Profit for the period</b>		380 652,16	274 809,22
<b>TOTAL EQUITY</b>		14 936 905,23	15 568 799,39
<b>TOTAL LIABILITIES</b>		262 211 191,61	239 551 305,96
<b>OFF-BALANCE SHEET COMMITMENTS</b>			
		<b>31.12.2011</b>	<b>31.12.2010</b>
		<b>eur</b>	<b>eur</b>
<b>Commitments given to third party on behalf of customer</b>		5 879 492,96	2 676 452,29
guarantees and pledges		4 879 670,81	1 936 630,14
Others		999 822,15	739 822,15
<b>Irrevocable commitments given in favour of customer</b>		8 603 999,58	5 642 325,04
Others		8 603 999,58	5 642 325,04

## Cash flow statement of Parkanon Säästöpankki

	1.1.-31.12.2011	1.1.-31.12.2010
<b>Cash flow from operations</b>		
Post-tax profit from ordinary activities	380 652,16	274 809,22
Rectifications for the accounting period	531 676,74	1 295 918,17
<b>Increase (+) or decrease (-) of assets</b>	<b>-19 670 895,03</b>	<b>-15 977 355,95</b>
Debt securities	-4 953 331,10	-1 441 745,04
Loans and advances to credit institutions	-2 038 544,00	-1 292 443,00
Loans to the public and general government	-6 647 021,42	-14 800 271,07
Stocks and shares	-6 158 282,37	1 198 030,75
Other assets	126 283,86	359 072,41
<b>Increase (+) or decrease (-) of liabilities</b>	<b>21 098 453,48</b>	<b>13 483 009,21</b>
Liabilities to credit institutions	4 786 484,83	7 438 582,54
Liabilities to the public and general government	15 382 605,93	7 546 674,62
Other liabilities	929 362,72	-1 502 247,95
Paid income taxes	145 187,62	-239 498,08
<b>Total cash flow from operations (A)</b>	<b>2 485 074,97</b>	<b>-1 163 117,43</b>
<b>Cash flow from investments</b>		
Increase of investments on shares and interests	-341 844,00	-111 676,00
Investments on material and immaterial goods	-164 591,30	-557 497,01
Assignments of material and immaterial goods	36 624,00	0,00
<b>Total cash flow from investments (B)</b>	<b>-469 811,30</b>	<b>-669 173,01</b>
<b>Cash flow from financing</b>		
Increase of subordinated liabilities	3 000 000,00	2 500 000,00
Decrease of subordinated liabilities	-1 900 000,00	-1 800 000,00
<b>Total cash flow from financing</b>	<b>1 100 000,00</b>	<b>700 000,00</b>
<b>Net change of cash flow (A+B+C)</b>	<b>3 115 263,67</b>	<b>-1 132 290,44</b>
Financial assets at the beginning of the accounting period	8 914 480,62	10 046 771,06
Financial assets at the end of the accounting period	<b>12 029 744,29</b>	<b>8 914 480,62</b>
<b>Financial assets are composed of the following balance sheet items:</b>		
Cash assets	1 338 386,35	1 383 106,77
Loans and advances to credit institutions repayable on demand	10 691 357,94	7 531 373,85
<b>Total</b>	<b>12 029 744,29</b>	<b>8 914 480,62</b>
<b>Additional information on the cash flow statement</b>		
Received interest	6 655 328,88	5 539 378,88
Paid interest	1 191 148,08	329 882,77
Received dividends	129 374,32	117 833,23
<b>Rectifications for the accounting period:</b>		
Appropriations	281 060,06	758 498,40
Income statement taxes	125 524,84	103 109,12
Changes in market value	-29 373,14	271 822,13
Depreciation, amortisation and impairment losses on property, plant and equipment and intangible assets	181 122,98	147 198,78
Other rectifications	-26 658,00	15 289,74
<b>Total</b>	<b>531 676,74</b>	<b>1 295 918,17</b>



## Notes

### Accounting principles

The financial statements of the bank are made in accordance with the regulations on bookkeeping and credit institution law, statute (150/2007) on financial statements and consolidated financial statements issued by the Ministry of Finance, as well as standard 3.1 of the Financing Supervisory Authority.

### Consolidated financial statements

The subsidiaries of the bank are real estate companies and the bank does not have any associates or joint ventures. According to section 155 of the credit institution law, subsidiaries, holding companies and joint ventures whose balance value is less than 1 per cent of the parent bank value and less than 10 million euros can be excluded from the consolidated financial statements. The subsidiaries do not have a significant impact on the Group's result and balance sheet, which is why the financial statements of the bank provide a correct and adequate picture of the operative result and economic state of the Group.

### Foreign currency entries

Assets and liabilities bound to foreign currencies outside the EU are transferred to euros in accordance with the medium rate quoted by the European Central Bank on the day of closing the accounts.

The differences in currency rates emerged from valuation are entered in the income statement in Net gains (losses) on trading in foreign currencies.

### Financial instruments

#### Classification

Financial assets are classified in the financial statements in four valuation categories in accordance with standard 3.1 of the Financing Supervisory Authority.

- Financial assets entered to fair value with impact on the income
- Available-for-sale financial assets
- Investment assets to be kept till due date
- Loans and other assets

The financial assets recorded at fair value through profit and loss consist of compound instruments which contain an embedded derivative that has not been separated from the main contract and other financial assets recorded at fair value through profit and loss. In addition, derivatives which have been made for the purpose of hedging but to which hedge accounting is not applied have been classified in this class.

The category of loans and other assets contains assets with fixed or definable payments that are not quoted on the market.

Available-for-sale financial assets contain assets that have not been classified in the valuation categories mentioned above.

Acquisition and sales of financial assets have been entered in the bookkeeping in accordance with the spot date, and are contained in the balance units-based debt securities, shares and interests.

Financial liabilities are divided into two valuation categories:

- Liabilities held for transactions
- Other financial liabilities

Derivative contracts to which hedge accounting is not applied and the fair value of which is negative are classified in available-for-sale financial liabilities. The bank does not possess other liabilities available for sale. All financial liabilities are thus classified under other financial liabilities.

### Valuation

Financial assets are entered in the balance sheet either to their fair value or periodic acquisition cost. With the exception of derivative instruments, financial liabilities are carried at amortised cost.

Changes in the fair value of financial assets entered to fair value with impact on income are entered in the financial statement unit Net gains (losses) on trading in securities.

Available-for-sale financial assets are appraised to their fair value. The changes to their fair value adjusted with taxes are recorded in the fair value reserve under equity. Currency gains and losses originating from foreign currency based units are not entered in the fair value reserve but directly to earnings instead. The change of value accrued in the fair value reserve is entered in the earnings when a property unit belonging to available-for-sale financial assets is sold or otherwise written out of the balance sheet.

The year's final buying rate has been considered to be the fair value of quoted shares. Their acquisition cost has been regarded as the fair value for other than quoted shares when there are no reliable means to define the fair value. If the claim certificate has a quotation, the year's final buying rate has been considered to be the fair value of the claim or, when missing, the current value of the claim discounted by the market interest rate of the capital or interest flow, or a value calculated by using some other publicly approved valuation model or method.

If there has been objective proof of the depreciation, investment assets to be retained till the due date as well as loans and other claims are appraised at the periodical acquisition or acquisition cost deducted by the value depreciation loss.

The shares and interest of subsidiary and holding companies are entered in the acquisition cost or acquisition cost deducted by value depreciation loss in the event that the depreciation is considered significant or long-term.

### **Derivative contracts and hedge accounting**

Derivative contracts in the financial statements are appraised at their fair value, and changes in the value are entered in the balance sheet and income statement.

The bank hedges its interest risk from changes in the fair value and applies fair value hedging to it. The hedging is applied to fixed-rate borrowing. The change in the fair value of derivatives protecting the fair value is entered in the income statement unit of Net income from the hedge accounting.

In protecting the fair value, the subject of protection is also appraised to the fair value for the protected period, even if otherwise appraised at the periodical acquisition cost. The change in the fair value of the subject of protection is entered in the balance sheet as an adjustment of the item in question and in the income statement in Net income from the hedge accounting. The hedging derivative interest is presented as adjustment of interest expenses.

The bank also uses derivatives to operatively hedge its interest risk but does not apply hedge accounting to them. In accounting, these derivatives are treated as derivatives held for sale, and the change in their fair value is entered directly to the item Net gains (losses) on trading in securities of the income statement. Interest is recorded in interest income.

### **Material and immaterial goods**

Properties and their shares are divided on the basis of their purpose into real estate in own use and investment property. The division is based on the square metres used.

Properties are entered in the balance sheet with acquisition cost deducted by planned depreciation write-off. The shares and interest of real estate communities are entered in the balance sheet in acquisition cost. The bank does not apply the possibility defined in section 153 of the Credit Institution Act to evaluate the investment property to fair value.

The balance values of properties in own use and shares and interest of real estate communities are based on the value of the goods in relation to the income expectations in relation to the actual operations.

The difference between the book value of investment property and the shares of real estate communities and the permanently lower likely assignment price is, in case it is significant, entered in value depreciation loss as an expense in the net income from investment property. Potential cancellations of value depreciations are entered as adjustments of the same unit.

All investment property resorts of the bank are estimated case-specifically using the trading price method together with a local expert. The fair values of investment property are presented in note 2.8.

In earlier years, revaluation has been applied to some real estates and investment property shares on the basis of experts' opinions and the approval of the Financial Supervisory Authority. In the event that the value of the property with increased value has dropped below the booking value, or if the property or part of it has been assigned or destroyed, the revaluation is cancelled accordingly. No depreciation write-off is made from revaluations. No imputable tax debt is entered from revaluations. If the imputable tax debt is significant, it is reported in the notes.

### **Appropriations**

#### Depreciation difference and voluntary provisions

Depreciation difference entries contain the difference between planned and realized depreciations.

The bank uses voluntary provisions such as bad debt credit loss provisions when planning taxation and the financial statements. This being the case, the amount or change of voluntary provisions do not characterise the risks of the bank.

In the bank's financial statements, the appropriations are presented without deducting the related tax debt.



## **Engagements outside the balance sheet**

Engagements outside the balance sheet comprise 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 contain, for example, guarantees or similar guarantee engagements. The engagements are presented in the amount that the guarantee or guarantee engagement corresponds to at the moment of closing the accounts.

Irrevocable commitments given in favour of a customer are, for example, binding credit engagements, granted loans not drawn yet and unused credit limits. The engagements are presented in the amount that may result in payments at the moment of closing the accounts.

## **Interest income and expenses**

Interest income and expenses contain entries of all income and expenses resulting from interest-bound assets and liabilities. Interests are recorded on an accrual basis, with the exception of penalty interests, which are recorded after receiving the payment. Interests are deferred by using the method of effective interests.

Interest income and expenses also contain the difference between the acquisition price and nominal value of debts, which is deferred to the running period of the claim or debt by using the method of effective interests. A counter unit is entered as a change in a claim or debt.

Interest yield is also accrued in the bookings of claims with decreased value to the remaining value using the original effective interest rate of the contract.

## **Impairment losses of financial assets**

### Loans and other assets

Impairment losses contain entries from the impairment of loans and other assets, when there has been objective proof that payment is lacking from the capital or interest of the loan or other asset as well as when the guarantee does not suffice to cover the amount. Estimation of the objective proof is based on estimating the insolvency of a customer and sufficiency of the guarantee. When impairments are entered, the guarantee is evaluated to the amount that is expected to be gained at the moment of realization. The amount of impairment losses is defined as the difference between the book value of the claim and the estimated current value of the accruable incoming cash flow, by taking into account the fair value of the guarantee. The original effective interest has been used as the discount interest of a claim.

### Investment assets to be kept till due date

In the event that, on closing the accounts, objective proof has been shown that the value of a debt security classified in investments held until the due date may have declined, the debt security must undergo an impairment analysis.

If the analysis shows an impairment, for example that the credit risk of the issuer has increased, the impairment is recorded through profit and loss to the item Impairment losses on other financial assets. The amount of the impairment loss is defined as the difference between the book value of the claim and the estimated current value of the accruable future cash flows. The original effective interest has been used as the discount interest of a claim.

### Available-for-sale financial assets

In the event that, at the closing of accounts, objective proof has been shown that the value of securities classified in available-for-sale financial assets may have declined, the securities must undergo an impairment analysis. If the analysis shows impairment – e.g. the credit risk of the issuer has increased or the value of a share has decreased significantly or below the long-term acquisition cost, and the bank estimates that it cannot return the investment – the loss accrued in the fair value reserve is entered with impact on the income to the unit Net income from available-for-sale financial assets.

As comes to claim certificates, the amount of impairment loss is defined as the difference between the book value of the claim and the estimated current value of the accruable incoming cash flow. The original effective interest has been used as the discount interest of a claim. The cancellation of the impairment losses of claim certificates are entered with impact on the income. The amount of the impairment losses of shares and interest is estimated as the difference between their book value and the value that the bank estimates not to receive. The impairment losses of shares cannot be cancelled with impact on the income, and the change in the value is entered in the fair value reserve.

### **Depreciation principles**

The acquisition cost of buildings and other material and immaterial goods is depreciated on the basis of the economic holding period, in accordance with the depreciation plan as straight-line depreciations. Depreciation periods range from 16 to 30 years for buildings and their parts, and 3 to 8 years for machinery and equipment. Land areas are not subject to depreciation.

The development costs of software programs and licences are activated in Immaterial Rights and depreciated in 3 to 5 years. Long-term expenses are depreciated over their useful lives, which is 5 to 10 years.

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

The bank and the group have not recorded any statutory provisions or income and expenses other than those from ordinary activities.

### **Taxes**

Income taxes are entered in the bank's financial statements on the basis of taxable income. Of a positive change in the value contained in the fair value reserve, the imputable tax debt is entered on the balance sheet. Of a negative change in the value, the imputable tax claim is entered. Other deferred taxes have not been recorded.

### **Comparability of financial statements**

The changes in the fair value of cash-flow-hedging derivatives and available-for-sale financial assets recorded in the fair value reserve are presented adjusted with deferred taxes. Previously, of the total amount of the fair value reserve, only the imputable tax debt was recorded. The change in the method of recording deferred taxes does not have a significant effect on the comparability of the consolidated financial statements.

## Other notes

### NOTES ON THE FINANCIAL STATEMENTS

#### 1.1 Interest income and expenses

	2011	2010
<b>Interest income</b>		
On claims from credit institutions	107 980,90	55 867,76
From loans and advances to the public and general government	5 812 723,48	4 660 344,28
From claim certificates	512 795,42	412 148,63
From derivative contracts	0,00	67 008,09
Other interest income	643,36	660,08
Total	6 434 143,16	5 196 028,84
Interest income on impairment of credits and other assets	30 023,21	29 033,71
<b>Interest expenses</b>		
From liabilities to credit institutions	-237 290,95	-75 905,01
Liabilities to the public and general government	-2 278 780,58	-1 799 466,04
From derivative contracts and other liabilities held for transactions	1 160 367,81	1 551 179,31
From subordinated liabilities	-218 244,30	-195 988,26
Other interest expenses	-889,72	-6 437,52
Total	-1 574 837,74	-526 617,52

#### 1.2 Income from equity-based investments

	2011	2010
From available-for-sale financial assets	129 374,32	117 833,23
Total	129 374,32	117 833,23

#### 1.3 Fee and commission income and expenses

	2011	2010
<b>Fee and commission income</b>		
From credits	450 588,43	457 781,19
From deposits	31 246,41	5 299,99
From payment transactions	797 429,48	658 869,87
From asset management	222 781,43	209 170,00
From intermediary operations	425 171,51	272 644,09
From granting of guarantees	33 794,91	28 982,12
Other fee and commission income	16 672,37	15 513,81
Total	1 977 684,54	1 648 261,07
<b>Fee and commission expenses</b>		
Paid commissions	-23 550,01	-23 508,83
Others	-237 115,22	-200 826,52
Total	-260 665,23	-224 335,35

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

	2011		
	Gains and losses on sales (net)	Changes in market value (net)	Total
From claim certificates	0,00	-210 538,66	-210 538,66
From others	0,00	33 550,00	33 550,00
Total net gains on trading in securities	0,00	-176 988,66	-176 988,66
Net gains on trading in foreign currencies	0,03	0,00	0,03
Total of the income statement unit	0,03	-176 988,66	-176 988,63

**Net gains on trading in securities and foreign currencies**

	2010		
	Gains and losses on sales (net)	Changes in market value (net)	Total
From claim certificates	0,00	37 375,00	37 375,00
Total net gains on trading in securities	0,00	37 375,00	37 375,00
Net gains on trading in foreign currencies	71,15	0,00	71,15
Total of the income statement unit	71,15	37 375,00	37 446,15

**1.5 Net gains on available-for-sale financial assets**

	2011		2010	
	Gains and losses on sales (net)	Impairments	Transactions from fair value reserve	Total
From claim certificates	200,50	0,00	1 353,52	1 554,02
From shares and interests	-92 451,44	0,00	392 414,30	299 962,86
Total	-92 250,94	0,00	393 767,82	301 516,88

**Net gains on available-for-sale financial assets**

	2010		2010	
	Gains and losses on sales (net)	Impairments	Transactions from fair value reserve	Total
From claim certificates	0,00	0,00	0,00	0,00
From shares and interests	170 550,79	0,00	668 170,94	838 721,73
Total	170 550,79	0,00	668 170,94	838 721,73

**1.6 Net income from hedge accounting**

	2011	2010
Change (net) in the fair value of protective derivatives	1 386 416,23	-1 161 639,92
Change (net) in the fair value of investment objects to be protected	-1 357 043,09	889 817,79
Total	29 373,14	-271 822,13

**1.7 income from investment property**

	2011	2010
Rent and dividend yields	62 610,99	65 795,02
Planned depreciation write-off	-10 949,34	-4 643,97
Gains and losses on sales (net)	8 349,39	0,00
Other income	1 644,28	1 961,39
Other expenses	-48 760,34	-36 710,24
Total	12 894,98	26 402,20

**Other operating profit and expenses**

	2011	2010
<b>Other operating profit</b>		
Rent income from real estate in own use	4 435,00	5 645,00
Other income	138 181,84	73 783,61
Total	142 616,84	79 428,61

	2011	2010
<b>Other operating expenses</b>		
Rent expenses	-230 489,40	-197 186,17
Expenses from real estate in own use	-201 472,64	-185 820,43
Other expenses	-465 796,18	-402 010,64
Total	-897 758,22	-785 017,24

**1.9 Personnel expenses**

	2011	2010
Wages and fees	-2 131 743,90	-1 954 576,27
Long-term benefits	-492 134,85	-431 663,53
Pension expenses	-408 963,17	-361 788,05
Other long-term benefits	-83 171,68	-69 875,48
Total	-2 623 878,75	-2 386 239,80

### 1.10 Other administrative expenses

	2011	2010
Other personnel expenses	-275 492,09	-266 124,67
Office expenses	-371 782,62	-403 944,32
IT expenses	-1 072 247,45	-1 132 680,72
Communications expenses	-184 711,04	-188 171,98
Promotional and marketing expenses	-468 217,55	-440 517,10
Total	-2 372 450,75	-2 431 438,79

### 1.11 Depreciation, amortisation and impairment losses on property, plant and equipment and intangible assets

	2011	2010
<b>Planned depreciation write-off</b>	-170 173,64	-142 554,81
Material goods	-144 908,30	-114 962,77
Immaterial goods	-25 265,34	-27 592,04
Total	-170 173,64	-142 554,81

### 1.12 Impairment losses on loans and other receivables as well as other financial assets

	2011	2010
<b>Impairment losses on loans and other receivables</b>		
<b>From loans and advances to the public and general government</b>	-152 613,84	-39 679,45
Contractually based impairment losses	-214 649,28	-53 887,51
Cancellations and returns (-) on impairments	62 035,44	14 208,06
<b>From securities and other off-balance sheet items</b>	-11 000,00	0,00
Contractually based impairment losses	-11 000,00	0,00
Total impairment losses on loans and other receivables	-163 613,84	-39 679,45
<b>Total impairment losses on financial assets</b>	-163 613,84	-39 679,45

### 1.13 Income by operating area and market area

	2011	2010
Income from banking operations	7 275 777,49	7 145 682,18

Distribution of gains, operating profit, assets and liabilities by operating area have not been reported due to lack of significance.

The bank operates only in Finland.

The gains are presented as non-eliminated.

## NOTES ON THE BALANCE SHEET

### 2.1. Loans and advances to credit institutions

	2011	2010
<b>Repayable on demand</b>	10 691 357,94	7 531 373,85
From domestic credit institutions	10 691 357,94	7 531 373,85
<b>Others</b>	7 823 887,00	5 785 343,00
From domestic credit institutions	7 823 887,00	5 785 343,00
Total	18 515 244,94	13 316 716,85

## 2.2 Loans to the public and general government

	2011	2010
Enterprises and housing communities	44 959 905,43	45 592 943,07
Financing and insurance institutions	965 773,72	1 062 053,99
General government	299 600,00	168 300,00
Households	150 087 723,25	143 820 347,90
Non-profit communities serving households	1 894 025,76	934 726,65
Foreign	121 482,85	103 117,98
Total	198 328 511,01	191 681 489,59

### Impairment losses recorded during the accounting period

	2011	2010
Impairment losses at the beginning of the accounting period	333 697,00	289 671,80
+ claim-specific impairment losses recorded during the accounting period	225 649,28	53 887,51
- claim-specific impairment losses cancelled during the accounting period	-59 573,53	-7 933,41
- credit losses realized during the accounting period formerly recorded with a claim-specific impairment loss	0,00	-1 928,90
Impairment losses at the end of the accounting period	499 772,75	333 697,00

## 2.3 Debt securities

	2011		2010	
	Total	Of which debt securities eligible for refinancing with central banks	Total	Of which debt securities eligible for refinancing with central banks
<b>Debt securities held for trading</b>	1 019 036,34	0,00	529 575,00	0,00
Quoted	843 436,34	0,00	529 575,00	0,00
Others	175 600,00	0,00	0,00	0,00
<b>Available-for-sale debt securities</b>	18 802 586,66	2 231 877,50	14 377 512,54	2 192 280,00
Quoted	8 287 021,25	2 231 877,50	7 909 540,00	2 192 280,00
Others	10 515 565,41	0,00	6 467 972,54	0,00
Total	19 821 623,00	2 231 877,50	14 907 087,54	2 192 280,00
- subordinated liabilities	881 617,50		1 021 570,00	

## 2.4 Stocks and shares

	2011	2010
<b>Available-for-sale shares and interests</b>	17 904 267,30	12 726 683,53
Quoted	14 090 173,30	9 254 433,53
Others	3 814 094,00	3 472 250,00
Total shares and interests	17 904 267,30	12 726 683,53
- of which in credit institutions	3 386 712,35	3 381 161,92

## 2.5 Derivative contracts

### Nominal values of derivative contracts

Remaining maturity	less than 1 year	1 to 5 years	more than 5 years	Total
Protective derivatives	25 000 000,00	0,00	25 000 000,00	50 000 000,00
Interest derivatives	25 000 000,00	0,00	25 000 000,00	50 000 000,00
Interest rate swaps	25 000 000,00	0,00	25 000 000,00	50 000 000,00
Non-hedging derivative contracts	0,00	0,00	5 000 000,00	5 000 000,00
Interest derivatives	0,00	0,00	5 000 000,00	5 000 000,00
Option contracts	0,00	0,00	5 000 000,00	5 000 000,00
Set	0,00	0,00	5 000 000,00	5 000 000,00

**Fair values of derivative contracts**

	2011	
	Assets	Debts
Protective derivatives	2 031 930,60	0,00
Interest derivatives	2 031 930,60	0,00
Interest rate swaps	2 031 930,60	0,00
Non-hedging derivative contracts	0,00	-19 743,00
Interest derivatives	0,00	-19 743,00
Option contracts	0,00	-19 743,00
Set	0,00	-19 743,00
Total	2 031 930,60	-19 743,00

**2.6 Notes on associated parties**

Notes on associated parties are presented in connection with notes on personnel and management. Note 4.4.

**2.7 Immaterial goods**

	2011	2010
Other immaterial goods	55 297,42	80 562,76
Total	55 297,42	80 562,76

**2.8 Material goods**

	Book value	Fair value
<b>Land and water areas</b>		
In own use	17 451,72	
Total	17 451,72	
<b>Buildings</b>		
In own use	94 562,13	
Invested	31 520,95	31 520,95
Total	126 083,08	
<b>Shares and book entries of real-estate communities</b>		
In own use	1 030 097,84	
Invested	432 217,96	341 221,50
Total	1 462 315,80	
<b>Other tangible assets</b>	361 964,30	
Total material goods	1 967 814,90	

Real estate investments are appraised at acquisition cost.

**2.9 Changes in immaterial and material goods during the accounting period**

Immaterial goods	2011
Acquisition cost 1 Jan	668 611,41
Acquisition cost 31 Dec	668 611,41
Accrued depreciation, amortisation and impairment losses 1 Jan	-588 048,65
- depreciation write-off of the accounting period	-25 265,34
Accrued depreciation, amortisation and impairment losses 31 Dec	-613 313,99
Book value 31 Dec	55 297,42
Book value 1 Jan	80 562,76

**Material goods**

	2011	Other property and shares in property	Other material goods	Total
	<b>Investment prop- erty and shares in investment prop- erty</b>			
Acquisition cost 1 Jan	451 139,81	2 009 363,56	1 277 505,73	3 738 009,10
+ additions of the accounting period	88 861,50	20 426,83	55 302,97	164 591,30
- deductions of the accounting period	-28 792,20	0,00	0,00	-28 792,20
Acquisition cost 31 Dec	511 209,11	2 029 790,39	1 332 808,70	3 873 808,20
Accrued depreciation, amortisation and impairment losses 1 Jan	-52 343,55	-876 254,75	-848 460,45	-1 777 058,75
+/- accrued depreciation write-off on deductions and transfers	517,59	0,00	0,00	517,59
- depreciation write-off of the account- ing period	-10 949,34	-22 524,35	-122 383,95	-155 857,64
Accrued depreciation, amortisation and impairment losses 31 Dec	-62 775,30	-898 779,10	-970 844,40	-1 932 398,80
Revaluations 1 Jan	15 305,10	11 100,40	0,00	26 405,50
Revaluations 31 Dec	15 305,10	11 100,40	0,00	26 405,50
Book value 31 Dec	463 738,91	1 142 111,69	361 964,30	1 967 814,90
Book value 1 Jan	376 447,57	1 181 863,00	429 045,28	1 987 355,85

**2.10 Other assets**

	2011	2010
Payment intermediation receivables	77,59	0,00
Others	51 888,69	8 304,50
Total	51 966,28	8 304,50

**2.11 Accrued income and prepayments**

	2011	2010
Interests	1 737 421,53	1 958 607,25
Others	209 869,06	429 341,44
Total	1 947 290,59	2 387 948,69

**2.12 Liabilities to credit institu-  
tions**

	2011	2010
To credit institutions	12 379 722,54	7 593 237,71
Repayable on demand	157 851,71	93 237,71
Others	12 221 870,83	7 500 000,00
Total	12 379 722,54	7 593 237,71

**2.13 Liabilities to the public and general gov-  
ernment**

	2011	2010
Deposits	214 503 778,90	197 787 440,92
Repayable on demand	119 695 692,61	117 977 299,19
Others	94 808 086,29	79 810 141,73
Other liabilities	651 596,85	797 587,84
Others	651 596,85	797 587,84
Total	215 155 375,75	198 585 028,76

**2.14 Other liabilities**

	2011	2010
Liabilities on payment transfer	1 979 694,80	1 378 984,27
Others	46 166,17	122 848,56
Total	2 025 860,97	1 501 832,83

**2.15 Accrued expenses and deferred income**

	2011	2010
Interests	1 132 735,93	750 478,64
Others	497 962,73	474 885,44
Total	1 630 698,66	1 225 364,08



## 2.16 Subordinated liabilities

### 1) Subordinated liabilities

whose book value exceeds 10% of the total value of liabilities

Identification data of the liabilities	Book value	Interest %	Due date
Savings banks' debenture I. 09 - 14	1 200 000,00	3,00	18 May 2014
Savings banks' debenture I. 10 - 15	2 000 000,00	3,25	18 May 2015
Savings banks' debenture I. 11 - 16	3 000 000,00	3,50	16.5.2016
Total	6 200 000,00		

	Amount counted among own as- sets
Savings banks' debenture I. 09 - 14	1 200 000,00
Savings banks' debenture I. 10 - 15	2 000 000,00
Savings banks' debenture I. 11 - 16	3 000 000,00
Total	6 200 000,00

All liabilities are reported as euros. The reported liabilities are counted among solvency calculations as lower secondary credit institution-respective assets.

Terms of prepayment:

The bank retains the right of redemption with regard to all loans wholly or partially, prior to the due date. However, prepayment is possible only on permission from the Finnish Financial Supervisory Authority except for minor redemptions, which the bank resells within a short period of redemption.

Regulations concerning subordination of liabilities or the potential change of liabilities to shares:

The loans are issued as subordinated debt in accordance with the law on promissory notes (622/47) §34. The loans are subordinate in comparison to other liabilities of the issuer.

### 2) All liabilities mentioned above subordinate to other liabilities of the credit institution

	Subordinate debts	Total liabilities
Total sum of liabilities	800 000,00	800 000,00

## 2.17 Deferred tax liabilities and assets

Deferred tax liabilities and assets are recorded on the change in the fair value of available-for-sale financial assets in the fair value reserve. Other deferred tax liabilities and assets have not been recorded on the bank's balance sheet.

Deferred tax liability has been entered in the consolidated financial statements on optional provisions and depreciation differences.

Deferred tax liabilities and assets	
Valuation-based deferred tax liabilities	248 859,22
Valuation-based deferred tax liabilities	164 644,18

## 2.18 Maturity distribution of financial assets and liabilities

Financial assets	Parent company		
	2011 Less than 3 months	3 to 12 months	1 to 5 years
Debt securities eligible for refinancing with central banks	0,00	0,00	2 180 520,00
Loans and advances to credit institutions	18 515 244,94	0,00	0,00
Loans and advances to the public and general government	13 113 677,30	20 265 686,43	70 445 637,04
Debt securities	7 790 335,80	1 073 209,41	8 356 742,79
Total	39 419 258,04	21 338 895,84	80 982 899,83

	<b>2011</b>		<b>Total</b>
	<b>5 to 10 years</b>	<b>more than 10 years</b>	
Debt securities eligible for refinancing with central banks	51 357,50	0,00	2 231 877,50
Loans and advances to credit institutions	0,00	0,00	18 515 244,94
Receivables from the public and general government	50 001 711,37	44 501 798,87	198 328 511,01
Debt securities	369 457,50	0,00	17 589 745,50
<b>Total</b>	<b>50 422 526,37</b>	<b>44 501 798,87</b>	<b>236 665 378,95</b>

**Financial assets**

	<b>2010</b>		
	<b>Less than 3 months</b>	<b>3 to 12 months</b>	<b>1 to 5 years</b>
Debt securities eligible for refinancing with central banks	0,00	0,00	1 082 750,00
Loans and advances to credit institutions	13 316 716,85	0,00	0,00
Loans and advances to the public and general government	13 168 355,39	20 340 235,20	69 645 038,78
Debt securities	2 995 410,85	3 145 103,29	5 241 224,40
<b>Total</b>	<b>29 480 483,09</b>	<b>23 485 338,49</b>	<b>75 969 013,18</b>

**Financial assets**

	<b>2010</b>		<b>Total</b>
	<b>5 to 10 years</b>	<b>more than 10 years</b>	
Debt securities eligible for refinancing with central banks	1 109 530,00	0,00	2 192 280,00
Loans and advances to credit institutions	0,00	0,00	13 316 716,85
Loans and advances to the public and general government	49 642 307,78	38 885 552,44	191 681 489,59
Debt securities	1 333 069,00	0,00	12 714 807,54
<b>Total</b>	<b>52 084 906,78</b>	<b>38 885 552,44</b>	<b>219 905 293,98</b>

**Financial liabilities**

	<b>2011</b>		
	<b>Less than 3 months</b>	<b>3 to 12 months</b>	<b>1 to 5 years</b>
Liabilities to credit institutions and central banks	2 157 851,71	10 221 870,83	0,00
Liabilities to the public and general government	148 119 355,26	57 331 571,56	9 052 852,08
Subordinated liabilities	0,00	2 100 000,00	4 900 000,00
<b>Total</b>	<b>150 277 206,97</b>	<b>69 653 442,39</b>	<b>13 952 852,08</b>

**Financial liabilities**

	<b>2011</b>		<b>Total</b>
	<b>5 to 10 years</b>	<b>more than 10 years</b>	
Liabilities to credit institutions and central banks	0,00	0,00	12 379 722,54
Liabilities to the public and general government	651 596,85	0,00	215 155 375,75
Subordinated liabilities	0,00	0,00	7 000 000,00
<b>Total</b>	<b>651 596,85</b>	<b>0,00</b>	<b>234 535 098,29</b>

**Financial liabilities**

	<b>2010</b>		
	<b>Less than 3 months</b>	<b>3 to 12 months</b>	<b>1 to 5 years</b>
Liabilities to credit institutions and central banks	93 237,71	7 500 000,00	0,00
Liabilities to the public and general government	146 756 848,27	46 915 661,67	4 114 930,98
Subordinated liabilities	0,00	1 900 000,00	4 000 000,00
<b>Total</b>	<b>146 850 085,98</b>	<b>56 315 661,67</b>	<b>8 114 930,98</b>

**Financial liabilities**

	2010		Total
	5 to 10 years	more than 10 years	
Liabilities to credit institutions and central banks	0,00	0,00	7 593 237,71
Liabilities to the public and general government	797 587,84	0,00	198 585 028,76
Subordinated liabilities	0,00	0,00	5 900 000,00
Total	797 587,84	0,00	212 078 266,47

Loans and advances to the public and general government repayable on demand:  
Other than fixed term deposits and accounts with overdraft allowance are reported in the category less than 3 months.

## 2.19 Classification of assets and liabilities based on domestic and foreign currency and within the same group

Assets	2011		2010	
	Domestic currency	Foreign currency	Domestic currency	Foreign currency
Debt securities eligible for refinancing with central banks	2 231 877,50	0,00	2 192 280,00	0,00
Loans and advances to credit institutions	18 515 244,94	0,00	13 316 716,85	0,00
Loans and advances to the public and general government	198 328 511,01	0,00	191 681 489,59	0,00
Debt securities	17 589 745,50	0,00	12 714 807,54	0,00
Other property	25 545 122,08	690,58	19 646 011,98	0,00
Total	262 210 501,03	690,58	239 551 305,96	0,00

**Liabilities**

	2011		2010	
	Domestic currency	Foreign currency	Domestic currency	Foreign currency
Liabilities to credit institutions and central banks	12 379 722,54	0,00	7 593 237,71	0,00
Liabilities to the public and general government	215 155 375,75	0,00	198 585 028,76	0,00
Subordinated liabilities	7 000 000,00	0,00	5 900 000,00	0,00
Other liabilities	2 170 762,15	0,00	2 022 208,80	0,00
Accrued expenses and deferred income	1 630 698,66	0,00	1 225 364,08	0,00
Total	238 336 559,10	0,00	215 325 839,35	0,00

**2.20 Fair values of financial assets and liabilities**

Financial assets	2011		2010	
	Book value	Fair value	Book value	Fair value
Cash and cash equivalents	1 338 386,35	1 338 386,35	1 383 106,77	1 383 106,77
Loans and advances to credit institutions	18 515 244,94	18 515 244,94	13 316 716,85	13 316 716,85
Receivables from the public and general government	198 328 511,01	198 328 511,01	191 681 489,59	191 681 489,59
Debt securities	19 821 623,00	19 821 623,00	14 907 087,54	14 907 087,54
Stocks and shares	17 904 267,30	17 904 267,30	12 726 683,53	12 726 683,53
Derivative contracts	2 031 930,60	2 031 930,60	1 072 049,88	1 072 049,88
Total	257 939 963,20	257 939 963,20	235 087 134,16	235 087 134,16

**Financial liabilities**

	2011		2010	
	Book value	Fair value	Book value	Fair value
Liabilities to credit institutions	12 379 722,54	12 379 722,54	7 593 237,71	7 593 237,71
Liabilities to the public and general government	215 155 375,75	215 155 375,75	198 585 028,76	198 585 028,76
Derivative instruments and other liabilities held for trading	-19 743,00	-19 743,00	255 799,09	255 799,09
Subordinated liabilities	7 000 000,00	7 000 000,00	5 900 000,00	5 900 000,00
Total	234 515 355,29	234 515 355,29	212 334 065,56	212 334 065,56

The fair values of financial asset have primarily been made using quoted market values. If the quoted market value has not been available, the valuation has been based on the current value discounted with market interest rate or other commonly accepted valuation model or method. For the fair value of other financial assets, the book value has been used. For the fair value of financial liabilities, the book value has been used.

**Essential financial assets evaluated to acquisition cost instead of fair value**

Shares and interests are evaluated to acquisition cost in companies considered essential for the operation, which are described in detail in notes 5.2. Shares and interests considered essential for the operation are meant to be kept in permanent possession.

The fair value of these ownerships cannot be defined in a reliable manner.

**2.21 Equity increase and decrease during accounting period**

	Accounting period at the beginning	Increase	Decrease	Accounting period at the end
Savings bank basic capital	3,02	0,00	0,00	3,02
Other restricted reserves	3 009 373,29	1 776 060,70	2 788 607,02	1 996 826,97
Legal reserve	2 256 346,79	0,00	0,00	2 256 346,79
Fair value reserve	753 026,50	1 776 060,70	2 788 607,02	-259 519,82
From valuation to fair value	753 026,50	1 776 060,70	2 788 607,02	-259 519,82
Free reserves	169 712,64	0,00	0,00	169 712,64
Other reserves	169 712,64	0,00	0,00	169 712,64
Retained earnings	12 114 901,22	549 618,44	274 809,22	12 389 710,44
Profit for the period	274 809,22	380 652,16	274 809,22	380 652,16
Total equity	15 568 799,39	2 706 331,30	3 338 225,46	14 936 905,23

	2011	2010
Fair value reserve 1 Jan	753 026,50	751 855,38
Amount booked to equity during the accounting period	-967 570,42	669 753,53
Amount transferred from equity to operating profit during the accounting period	-393 767,82	-668 170,94
Deferred taxes	348 791,92	-411,47
Fair value reserve 31 Dec	-259 519,82	753 026,50

Changes in the fair value of held-for-sale financial assets are entered in the fair value reserve adjusted with deferred taxes.

**NOTES CONCERNING GRANTED SECURITY COLLATERALS AND CONTINGENT LIABILITIES****3.1 Pension liabilities**

The pension security of the personnel has been arranged by Eläke-Fennia pension security company, and there is no uncovered pension security.

### 3.2 Leasing and other rental liabilities

Minimum rents payable on the basis of non-cancellable leasing

	2011	2010
less than 1 year	122 192,60	133 003,16
1 to 5 years	306 800,80	424 011,72
more than 5 years	0,00	6 818,00

### 3.3 Off-balance sheet commitments

	2011	2010
Commitments given to third party on behalf of customer		
Guarantees	4 879 670,81	1 936 630,14
Other commitments given to a third party on behalf of a customer	999 822,15	739 822,15
Granted to a customer		
Irrevocable engagements	8 603 999,58	5 642 325,04
of which credit engagements	8 603 999,58	5 642 325,04
Total engagements outside the balance sheet	14 483 492,54	8 318 777,33

The bank has issued a guarantee for one's own debt on the compensation of potential mortgage loan losses to Aktia Hypoteekkipankki Plc on behalf of itself and other savings banks included in the transfer contract. The amount of guarantee liabilities is restricted.

The bank has given an absolute guarantee to Aktia Bank p.l.c. together with all other savings banks who have signed an identical payment transactions account contract with Aktia Bank p.l.c. The guarantee concerns the receivables that may be generated to Aktia Bank p.l.c. by breaching the terms and conditions of the payment transactions account contract. The amount of guarantee liabilities is restricted.

### 3.4 Other off-balance sheet arrangements

The bank belongs to the VAT group of Oy Samlink Ab.

Common liabilities related to the group VAT registration	561 633,42	456 521,79
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## NOTES ON PERSONNEL AND MANAGEMENT

### 4.1 Number of personnel 31 Dec

	2011	2010
Permanent full-time personnel	48	46
Permanent part-time personnel	1	1
Fixed-term personnel	5	3
Total	54	50

### 4.2 Wages and fees of the management

	2011	2010
Board members and deputies as well as managing director and his deputy	300 030,27	275 064,00
Total	300 030,27	275 064,00

Pension commitments

	2011		2010	
	Loans	Guarantees	Loans	Guarantees
Board members and deputies as well as managing director and his deputy	385 279,78	65 000,00	706 445,37	55 000,00
Total	385 279,78	65 000,00	706 445,37	55 000,00

Increase	290 000,00	10 000,00
Decrease	129 716,87	

#### Loan terms

Loans and guarantees have been granted in terms similar to customers.

#### 4.4 Notes on associated parties

Criterion of belonging to associated parties	2011			
	Loans to the public and general government	Investments	Other liabilities	Guarantees/ securities
Management *)	0,00	0,00	0,00	0,00
Relationship	158 586,02	0,00	0,00	10 000,00
Authority	514 104,91	0,00	0,00	187 810,00
Total	672 690,93	0,00	0,00	197 810,00

  

Criterion of belonging to associated parties	2010			
	Loans to the public and general government	Investments	Other liabilities	Guarantees/ securities
Management *)	0,00	0,00	0,00	0,00
Relationship	145 141,14	0,00	0,00	10 000,00
Authority	779 075,32	0,00	0,00	0,00
Total	924 216,46	0,00	0,00	10 000,00

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

Loans and guarantees have been granted under terms and conditions applied to similar to customer credits and guarantees.

## OWNERSHIP IN OTHER COMPANIES

### 5.1 Small daughter and partner companies left out of the group level balance sheet

Daughter companies	Pcs	Book values
Housing and real estate companies	1	84 857,40

  

Associates	Pcs	Book values
Housing and real estate companies	3	530 994,34

### 5.2 Ownership in other companies

Name and residence of the company	Share of ownership, %	Equity	Profit for the period
Aktia Hypoteekkipankki Oyj, Helsinki	1,49	88 337 792,64	5 020 395,50
Henkivakuutusosakeyhtiö Duo, Espoo	1,51	24 954 811,16	2 286 820,05
Nooa Säästöpankki Oy, Helsinki	3,85	35 350 921,35	118 803,35
Sp-Rahastoyhtiö Oy, Espoo	2,92	2 226 707,78	511 215,24
Oy Samlink Ab, Espoo	1,70	8 703 641,35	1 706 484,77
Total		159 573 874,28	9 643 718,91

The profit for the 2010 financial period

## OTHER NOTES

### 6.1 Trustee operations provided by the credit institution

Property management services provided by the credit institution

The bank provides services in accordance with those referred to in section 5 of the law on investment service companies, such as transfer and realization of assignments, trading upon its own interest, property management and investment consultations, and services in accordance with section 15, such as holding and management services of financing instruments, safety deposit and related services.

The bank does not provide so-called full-service property management.

## 6.2 Litigation

The bank has not made litigation provisions, and it is not probable that the bank will suffer significant losses as a result of legal proceedings.

## 7 NOTES ON SOLVENCY (PILLAR III)

### 7.1 Classification of own assets

	2011	2010
<b>Primary own assets</b>		
Paid equity	3,02	3,02
Reserves	21 944 406,13	21 221 703,61
- Planned profit distribution	-50 000,00	0,00
- Immaterial goods	-55 297,42	-80 562,76
- Investments in financial institutions	-600 560,33	-653 407,44
<b>Total primary own assets</b>	<b>21 238 551,40</b>	<b>20 487 736,43</b>
<b>Secondary own assets</b>		
Upper secondary own assets	-259 519,82	753 026,50
Lower secondary own assets	7 000 000,00	5 900 000,00
- Investments in financial institutions	-600 560,33	-653 407,44
<b>Total secondary own assets</b>	<b>6 139 919,85</b>	<b>5 999 619,06</b>
<b>Total own assets</b>	<b>27 378 471,25</b>	<b>26 487 355,49</b>

### 7.2 Minimum amount of own assets

#### Credit and opponent risk

	2011	2010
Liability group	Minimum amount of own assets	Minimum amount of own assets
Loans and advances to credit institutions and investment service companies	423 714,70	309 593,30
Claims from companies	2 589 230,18	1 806 629,27
Retail claims	3 794 486,50	3 826 188,82
Real estate security claims	3 227 929,80	3 099 250,32
Maturity claims	118 750,55	93 017,34
Items which according to authorities contain a high risk	0,00	15 545,60
Investments in investment funds	722 046,21	458 627,07
Other items	541 977,10	525 690,43
<b>Total credit risk</b>	<b>11 418 135,04</b>	<b>10 134 542,15</b>
Market risk (currency risk)	241 717,61	159 594,20
<b>Operative risk</b>	<b>961 738,93</b>	<b>986 859,12</b>
<b>Total minimum amount of own assets</b>	<b>12 621 591,58</b>	<b>11 280 995,47</b>

### 7.3 Total liabilities with risk weights

#### Credit and opponent risk

Risk weight (%)	2011	2010
0	13 983 777,66	13 530 906,01
10	0,00	734 968,80
20	26 154 756,18	17 332 054,33
35	115 124 651,79	109 766 604,30
50	1 238 330,24	537 905,97
75	68 082 130,25	66 758 350,13
100	51 036 492,64	37 865 445,89
150	290 301,96	424 837,44
350	0,00	5 252,42
1250	0,00	21,17
<b>Total</b>	<b>275 910 440,72</b>	<b>246 956 346,49</b>

### 7.4 Average value of total liabilities by liability group during the accounting period

#### Credit and opponent risk

Liability group	2011	2010
Claims from governments and central banks	5 368 483,75	5 046 401,94
Claims from regional administration and	1 627 549,71	2 095 540,47

local authorities		
Claims from the general government and public institutions	992 580,20	989 023,72
Loans and advances to credit institutions and investment service companies	20 351 452,86	16 010 196,37
Claims from companies	31 088 293,81	22 875 518,91
Retail claims	67 092 168,81	68 503 368,91
Real estate security claims	114 226 109,55	108 049 949,46
Maturity claims	1 465 415,23	1 012 001,62
Items which according to authorities contain a high risk	33 327,20	32 386,67
Investments in investment funds	9 402 965,11	6 363 596,79
Other items	8 124 822,80	7 880 012,37
<b>Total</b>	<b>259 773 169,03</b>	<b>238 857 997,23</b>

## 7.5 Total liabilities according to maturity analysis per liability group \*)

### Credit and opponent risk

Liability group	2011	less than 3 months	3 to 12 months
	Total		
Real estate security claims	115 776 896,79	2 045 912,26	4 637 682,05
Retail claims	68 082 130,26	3 480 867,51	2 089 903,39
Claims from companies	34 396 182,17	2 074 135,46	1 437 852,46
Loans and advances to credit institutions and investment service companies	27 320 414,50	14 726 861,68	1 228,20
Total other liability groups	28 995 586,15	2 205 112,17	137 958,60
Maturity claims	1 339 230,85	576 428,58	1 287,66
<b>Total</b>	<b>275 910 440,72</b>	<b>25 109 317,66</b>	<b>8 305 912,36</b>

Liability group	1 to 5 years	5 to 10 years	more than 10 years
Real estate security claims	14 033 636,73	23 575 014,90	71 484 650,85
Retail claims	11 336 266,92	17 807 195,08	33 367 897,36
Claims from companies	9 864 407,56	3 278 228,55	17 741 558,14
Loans and advances to credit institutions and investment service companies	2 923 043,75	358 302,22	9 310 978,65
Total other liability groups	1 584 096,74	1 525 601,02	23 542 817,62
Maturity claims	141 984,03	150 646,40	468 884,18
<b>Total</b>	<b>39 883 435,73</b>	<b>46 694 988,17</b>	<b>155 916 786,80</b>

### Credit and opponent risk

Liability group	2010	less than 3 months	3 to 12 months
	Total		
Real estate security claims	110 339 386,04	1 290 153,04	3 793 622,07
Retail claims	66 758 350,13	1 766 488,58	2 043 540,52
Claims from companies	24 185 076,61	1 941 222,85	4 442 938,83
Loans and advances to credit institutions and investment service companies	21 175 214,23	11 325 249,97	558 769,56
Total other liability groups	23 483 248,12	1 978 506,38	151 616,42
Maturity claims	1 015 071,37	879 029,51	249,19
<b>Total</b>	<b>246 956 346,50</b>	<b>19 180 650,33</b>	<b>10 990 736,59</b>

Liability group	1 to 5 years	5 to 10 years	more than 10 years
Real estate security claims	13 821 726,58	24 472 655,28	67 375 537,95
Retail claims	11 071 403,82	18 310 615,87	33 566 301,34
Claims from companies	5 044 575,45	4 632 628,23	8 123 711,25
Loans and advances to credit institutions and investment service companies	1 916 610,37	781 689,52	6 592 894,81
Total other liability groups	1 460 004,08	2 188 795,95	17 704 325,29
Maturity claims	4 214,70	100 803,99	30 773,98
<b>Total</b>	<b>33 318 535,00</b>	<b>50 487 188,84</b>	<b>133 393 544,62</b>

\*) The table shows the four largest liability groups and maturity claims; other liability groups are summed up in one unit, Total other liability groups.

## 7.6 Total liabilities grouped by opposing parties \*)

### Credit and opponent risk

Liability group	2011	Private	Agriculture	Companies	Others
	Total				
Real estate security claims	115 776 896,79	80 007 511,73	8 615 066,62	22 545 471,78	4 608 846,66
Retail claims	68 082 130,26	31 205 466,22	11 561 793,96	24 631 248,57	683 621,51



Claims from companies	34 396 182,17	2 371 473,98	2 723 343,86	26 284 167,80	3 017 196,53
Loans and advances to credit institutions and investment service companies	27 320 414,50	1 228,20	0,00	0,00	27 319 186,30
Total other liability groups	28 995 586,16	2 712 263,00	642 775,28	4 217 555,36	21 422 992,52
Maturity claims	1 339 230,85	682 385,50	350 066,12	301 874,94	4 904,29
<b>Total</b>	<b>275 910 440,73</b>	<b>116 980 328,63</b>	<b>23 893 045,84</b>	<b>77 980 318,45</b>	<b>57 056 747,81</b>

#### Credit and opponent risk

Liability group	2010				
	Total	Private	Agriculture	Companies	Others
Real estate security claims	110 339 386,04	76 978 044,12	8 835 348,59	22 120 174,35	2 405 818,98
Retail claims	66 758 350,13	29 265 662,39	12 163 530,99	23 916 261,46	1 412 895,29
Claims from companies	24 185 076,61	1 032 244,77	712 650,10	18 720 398,18	3 719 783,56
Loans and advances to credit institutions and investment service companies	21 175 214,23	9 545,20	0,00	2 909,83	21 162 759,20
Total other liability groups	23 483 248,12	1 831 173,57	803 346,54	4 470 924,57	16 377 803,44
Maturity claims	1 015 071,37	84 073,22	496 131,21	430 870,09	3 996,85
<b>Total</b>	<b>246 956 346,50</b>	<b>109 200 743,27</b>	<b>23 011 007,43</b>	<b>69 661 538,48</b>	<b>45 083 057,32</b>

\*) The table shows the four largest liability groups and maturity claims; other liability groups are summed up in one unit, Total other liability groups.

#### 7.7 Imputed operative risk

	Parent company	2010	2009	Minimum amount of own assets	
	2011				
Total gross income	6 773 305,06	6 123 979,31	6 337 494,27		
Income indicator	1 015 995,76	918 596,90	950 624,14	961 738,93	
		2010	2009	2008	Minimum amount of own assets
Total gross income	6 123 979,31	6 337 494,27	7 275 708,79		
Income indicator	918 596,90	950 624,14	1 091 356,32	986 859,12	

The income indicator is calculated according to the basic method presented in standard 4.3i of the Financial Supervisory Authority.

Minimum amount of own assets = sum of positive annual income indicators divided by the number of years with a positive indicator.

Operative risks refer to the risk of loss potentially caused by inadequate or insufficient internal processes, personnel, systems or external factors.

## Tilinpäätöksen ja toimintakertomuksen allekirjoitus

Parkanossa 13. päivänä helmikuuta 2012

Parkanon Säästöpankin hallitus



Kai Tammela



Juhani Koivisto



Martti Kangasniemi



Riitta Koivunen



Aki Jaskari



Ilkka Karvanen



Tuomo Kemppainen  
toimitusjohtaja

## Tilinpäätösmerkintä

Suoritetusta tilintarkastuksesta on tänään annettu kertomus.

Parkanossa <sup>28</sup>17. päivänä helmikuuta 2012



Petri Kettunen, KHT

Signing the financial statements and the annual report  
 Parkano 13 February 2012  
 Board of Directors of Parkanon Säästöpankki  
 Kai Tammela  
 Martti Kangasniemi  
 Ilkka Karvanen  
 Juhani Koivisto  
 Riitta Koivunen  
 Aki Jaskari  
 Tuomo Kemppäinen  
 Managing director

Adoption of the financial statements  
 A report of the performed audit has been issued today.  
 Parkano 28 February 2012

Petri Kettunen, APA

## List of accounting books and types of receipts used during the accounting period

Accounting books	Form of archiving
Pääkirja/päiväkirja	Elektroninen arkisto, kasetti
Balance sheet	Bound book
Receipts	Paper print-out
<u>Factoring</u>	
Customer factoring (automated)	Electronic archive, cassette
Portfolio bookkeeping	Electronic archive, cassette
Accounts payable (eOffice)	Electronic archive, cassette
Cash journal	Electronic print-out
Cash reports	Electronic print-out
Wages accounting	Electronic archive, cassette
Fixed assets factoring	Electronic print-out
Derivative factoring	Excel file
Rent claims	Excel file
Trustee assignments	Electronic print-out

### Types of receipts

10	Payment transactions in account statement
20	Purchase invoices
21	Managing Director's expenses
22	Personnel expenses
23	Foreign invoices
24	E-invoices
25	Purchase invoice settlements
26	Direct debiting (Samlink)
27	Direct debiting (SPL)
28	Direct debiting (PP-Laskenta)
29	Group internal purchase invoices
30	Purchase invoices, eOffice banks, invoices circulating outside the bank

40	Sales receivables (Samlink, SPL, POPL)
45	Sales receivable settlements (Samlink, SPL, POPL)
51	Portfolio bookkeeping
52	Bonds, expirations
53	Deposits funding, Payment transactions interest
54	Foreign cash, agios
56	Machine-language entries from other factoring, transactions entered at QS cash
58	Machine-language transactions between cost centres
60	Internal accounting receipts
61	Machine-language data transmission of internal accounting
70	Memorandum receipts
71	General ledger entries
72	Automatic entries, bookkeeping
73	Automatic entries, Internal accounting
75	Machine-language salary entries, paid salaries
80	Deferred receipts, distributable entries
82	Machine-language imputations, internal accounting
83	Machine-language imputations, salaries, holiday benefits
84	Machine-language imputations, salaries, long-term benefits, social security pay- ments
85	Depreciation write-off
91	Business transactions, items outside the balance sheet
92	Business transactions, adjusting items
93	Business transactions, internal accounting entries
94	Business transaction related entries
99	Income entry