

Financial statements

Income statement of Suodenniemen Säästöpankki

		1.1. - 31.12.2011	1.1. - 31.12.2010
		eur	eur
Interest income	(1.1)	1 420 261,16	1 319 819,10
Interest expenses	(1.1)	-339 336,92	-325 645,78
Net interest income		1 080 924,24	994 173,32
Income from equity-based investments	(1.2)	39 035,93	25 836,31
Fee and commission income	(1.3)	148 144,16	122 857,51
Fee and commission expenses	(1.3)	-44 774,48	-40 893,05
Net gains on trading in securities and foreign currencies	(1.4)	37 350,00	20 700,00
Net gains on available-for-sale financial assets	(1.5)	41 040,66	216 683,14
Net income from investment property	(1.6)	2 067,44	-3 783,66
Other operating profit	(1.7)	7 758,06	54 677,57
Administrative expenses		-659 651,40	-740 866,71
Personnel costs	(1.8)	-320 011,28	-376 238,20
Other administrative expenses	(1.9)	-339 640,12	-364 628,51
Depreciation, amortisation and impairment losses equipment and intangible assets	(1.10)	-31 725,43	-32 852,03
Other operating expenses	(1.7)	-132 153,65	-123 525,04
Impairment losses on loans and other receivables	(1.11)	-24 577,33	1 548,81
OPERATING PROFIT		463 438,20	494 556,17
Appropriations		-39 061,24	-201 117,04
Income taxes		-113 366,71	-79 682,77
PROFIT(LOSS) OF ACTUAL OPERATION AFTER TAXES		311 010,25	213 756,36
INCOME(LOSS) OF THE ACCOUNTING PERIOD		311 010,25	213 756,36

Balance sheet of Suodenniemen Säästöpankki

ASSETS

		31.12.2011	31.12.2010
		eur	eur
Cash and cash equivalents		431 236,25	388 451,87
Debt securities eligible for refinancing with central banks		984 251,00	994 554,00
Loans and advances to credit institutions	(2.1)	4 946 900,88	1 963 593,01
Receivables from the public and general government	(2.2)	31 430 211,82	32 749 205,75
Debt securities	(2.3)	3 252 165,00	5 788 065,64
From the general government		0,00	0,00
From others		3 252 165,00	5 788 065,64
Stocks and shares	(2.4)	729 301,42	1 435 905,39
Immaterial goods	(2.5)	0,00	0,00
Material goods		268 352,83	311 560,56
Investment real estates, real estate shares and book entries	(2.6)	111 030,15	122 512,45
Other real estates and real estate community shares and book entries	(2.6)	117 897,28	133 109,87
Other tangible assets		39 425,40	55 938,24
Other assets	(2.8)	8 560,00	8 815,57
Accrued income and prepayments	(2.9)	220 499,56	245 873,98
Deferred taxes	(2.14)	77 748,24	0,00
TOTAL ASSETS		42 349 227,00	43 886 025,77

LIABILITIES

		31.12.2011	31.12.2010
		eur	eur
LIABILITIES			
Liabilities to credit institutions	(2.10)	9 251,60	9 528,58
Liabilities to the public and general government	(2.11)	35 844 382,53	37 310 020,86
Deposits		35 568 889,04	37 053 005,42
Other liabilities		275 493,49	257 015,44
Other liabilities	(2.12)	340 781,81	234 050,25
Accrued expenses and deferred income	(2.13)	172 667,27	188 735,38
Deferred tax liabilities	(2.14)	77 090,56	150 156,73
TOTAL LIABILITIES		<hr/> 36 444 173,77	<hr/> 37 892 491,80
Appropriations			
Voluntary provisions		1 464 304,43	1 425 243,19
Total appropriations		<hr/> 1 464 304,43	<hr/> 1 425 243,19
EQUITY (2.18)			
Share capital/Co-operative capital/Basic capital		168,18	168,18
Other restricted reserves		656 066,30	1 094 618,53
Legal reserve		667 249,37	667 249,37
Fair value reserve		-11 183,07	427 369,16
Free reserves		3 453 851,86	3 240 095,50
Reserve for invested non-restricted equity		0,00	0,00
Other reserves		3 453 851,86	3 240 095,50
Retained earnings (losses)		19 652,21	19 652,21
profit (loss) for the period		311 010,25	213 756,36
TOTAL EQUITY		<hr/> 4 440 748,80	<hr/> 4 568 290,78
TOTAL LIABILITIES		<hr/> 42 349 227,00	<hr/> 43 886 025,77
OFF-BALANCE SHEET COMMITMENTS			

	31.12.2011	31.12.2010
	eur	eur
Commitments given to third party on behalf of customer	1 003 107,01	513 407,48
guarantees and pledges	1 003 107,01	513 407,48
Irrevocable commitments given in favour of customer	1 321 016,46	1 154 878,87
Repurchase commitments of stocks	0,00	0,00
Others	1 321 016,46	1 154 878,87

Cash flow statement of Suodenniemen Säästöpankki

	1.1.-31.12.2011	1.1.-31.12.2010
Cash flow from operations		
Post-tax profit from ordinary activities	311 010,25	213 756,36
Rectifications for the accounting period	27 529,12	663 763,78
Increase (+) or decrease (-) of assets	3 195 503,29	-2 796 597,76
Debt securities	2 407 143,57	-104 328,38
Loans and advances to credit institutions	-968 696,00	941 883,00
Loans to the public and general government	1 318 993,93	-4 406 693,43
Stocks and shares	424 403,96	667 527,02
Other assets	13 657,83	105 014,03
Increase (+) or decrease (-) of liabilities	-1 398 394,94	352 623,16
Liabilities to credit institutions	-276,98	-243,08
Liabilities to the public and general government	-1 465 638,33	766 220,87
Other liabilities	67 520,37	-413 354,63
Paid income taxes	-78 251,47	82 703,12
Total cash flow from operations (A)	2 057 396,25	-1 483 751,34
Cash flow from investments		
Investments on material and immaterial goods	0,00	-12 174,27
Total cash flow from investments (B)	0,00	-12 174,27
Cash flow from financing		
Total cash flow from financing	0,00	0,00
Net change of cash flow (A+B+C)	2 057 396,25	-1 495 925,61
Financial assets at the beginning of the accounting period	1 722 647,88	3 218 573,49
Financial assets at the end of the accounting period	3 780 044,13	1 722 647,88
Financial assets are composed of the following balance sheet items:		
Cash assets	431 236,25	388 451,87
Loans and advances to credit institutions repayable on demand	3 348 807,88	1 334 196,01
Total	3 780 044,13	1 722 647,88
Additional information on the cash flow statement		
Received interest	1 435 896,99	1 378 663,22
Paid interest	322 908,17	335 729,52
Received dividends	39 035,93	25 836,31
Rectifications for the accounting period:		
Appropriations	39 061,24	201 117,04
Income statement taxes	113 366,71	79 682,77
Depreciation, amortisation and impairment losses on property, plant and equipment and intangible assets	43 207,73	45 312,83
Other rectifications	-168 106,56	337 651,14
Total	27 529,12	663 763,78

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.

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.

The bank does not possess investment assets to be retained till the due date.

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

The bank does not possess liabilities held for transactions. 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, loans and other claims are valued 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.

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.

The bank's key investment property items are valued using the yield value method for each property. The evaluations of the yield value method are based on the amount of the net rental income from the property in question and the yield requirement of the property markets. The investment property items held by the bank only comprise the flats and commercial property located in connection with the Suodenniemi office. Considering the salary level of the town, no significant income in future from this property can be expected either. The fair values of investment property are presented in Note 2.6.

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

Voluntary provisions

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-bearing assets and liabilities. Interests are entered on an accrual basis except for penalty interests, which are entered 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 receivables and debts, which is amortised to the running period of the claim or debt using the effective interest method. 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.

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 are 40 years for buildings and their parts, and 5 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.

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

The bank has 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 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
Interest income		
On claims from credit institutions	30 450,48	18 223,91
From loans and advances to the public and general government	971 688,22	811 939,52
From claim certificates	249 911,41	259 114,82
From derivative contracts	168 106,56	229 957,65
Other interest income	104,49	583,20
Total	1 420 261,16	1 319 819,10
Interest income on impairment of credits and other assets	0,00	0,00
Interest expenses		
From liabilities to credit institutions	-3 042,00	0,00
Liabilities to the public and general government	-332 114,21	-325 645,78
Other interest expenses	-4 180,71	0,00
Total	-339 336,92	-325 645,78

1.2 Income from equity-based investments

	2011	2010
From financial assets held for sale	0,00	0,00
From available-for-sale financial assets	39 035,93	25 836,31
Total	39 035,93	25 836,31

1.3 Fee and commission income and expenses

	2011	2010
Fee and commission income		
From credits	49 207,22	43 520,82
From deposits	3 395,50	546,90
From payment transactions	53 813,44	33 703,67
From asset management	19 812,58	16 266,88
From intermediary operations	11 204,82	17 541,90
From granting of guarantees	8 683,12	9 187,23
Other fee and commission income	2 027,48	2 090,11
Total	148 144,16	122 857,51
Fee and commission expenses		
Paid commissions	-4 567,41	-5 049,39
Others	-40 207,07	-35 843,66
Total	-44 774,48	-40 893,05

1.4 Net gains on trading in securities and foreign currencies

	2011		Total
	Gains and losses on sales (net)	Changes in market value (net)	
From claim certificates	0,00	37 350,00	37 350,00
Total net gains on trading in securities	0,00	37 350,00	37 350,00
Total of the income statement unit	0,00	37 350,00	37 350,00

Net gains on trading in securities and foreign currencies

	2010	Changes in market	Total
	Gains and losses on sales (net)	value (net)	
From claim certificates	200,00	20 500,00	20 700,00
Total net gains on trading in securities	200,00	20 500,00	20 700,00
Total of the income statement unit	200,00	20 500,00	20 700,00

1.5 Net gains on available-for-sale financial assets

	2011	Impairments	Transactions from fair value reserve	Total
From claim certificates	4 520,00	0,00	856,16	5 376,16
From shares and interests	-56 356,79	0,00	92 021,29	35 664,50
Total	-51 836,79	0,00	92 877,45	41 040,66

Net gains on available-for-sale financial assets

	2010	Impairments	Transactions from fair value reserve	Total
From shares and interests	48 005,69	0,00	168 677,45	216 683,14
Total	48 005,69	0,00	168 677,45	216 683,14

1.6 Net income from investment property

	2011	2010
Rental yields	14 648,32	13 362,63
Planned depreciation write-off	-11 482,30	-12 460,80
Other expenses	-1 098,58	-4 685,49
Total	2 067,44	-3 783,66

1.7 Other operating profit and expenses

Other operating profit	2011	2010
Rent income from real estate in own use	0,00	50,00
Other income	7 758,06	54 627,57
Total	7 758,06	54 677,57

Other operating expenses	2011	2010
Rent expenses	-18 767,07	-18 629,11
Expenses from real estate in own use	-28 382,82	-25 684,62
Other expenses	-85 003,76	-79 211,31
Total	-132 153,65	-123 525,04

1.8 Personnel expenses

	2011	2010
Wages and fees	-269 168,05	-317 080,93
Long-term benefits	-50 843,23	-59 157,27
Pension expenses	-42 378,18	-48 346,66
Other long-term benefits	-8 465,05	-10 810,61
Total	-320 011,28	-376 238,20

1.9 Other administrative expenses

	2011	2010
Other personnel expenses	-35 161,31	-29 058,92
Office expenses	-56 008,77	-61 771,22
IT expenses	-180 485,26	-201 556,89
Communications expenses	-22 949,46	-27 402,24
Promotional and marketing expenses	-45 035,32	-44 839,24
Total	-339 640,12	-364 628,51

1.10 Depreciation, amortisation and impairment on property, plant and equipment and intangible assets

	2011	2010
Planned depreciation write-off	-31 725,43	-32 852,03
Material goods	-31 725,43	-32 811,18
Immaterial goods	0,00	-40,85
Total	-31 725,43	-32 852,03

1.11 Impairment losses on credits and other commitments as well as other financial assets

	2011	2010
Impairment losses on loans and other receivables		
From loans and advances to the public and general government	-24 577,33	1 548,81
Contractually based impairment losses	-25 717,63	0,00
Cancellations and returns (-) on impairments	1 140,30	1 548,81
Total impairment losses on loans and other receivables	-24 577,33	1 548,81
Total impairment losses on financial assets	-24 577,33	1 548,81

1.12 Income by operating area and market area

	2011	2010
Income from banking operations	1 356 320,49	1 431 144,19

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
Repayable on demand	3 348 807,88	1 334 196,01
From domestic credit institutions	3 348 807,88	1 334 196,01
Others	1 598 093,00	629 397,00
From domestic credit institutions	1 598 093,00	629 397,00
Total	4 946 900,88	1 963 593,01

2.2 Loans to the public and general government

	2011	2010
Enterprises and housing communities	7 527 011,04	8 327 337,35
Financing and insurance institutions	0,00	0,00

tions		
General government	18 710,79	23 263,93
Households	23 781 689,99	24 352 727,19
Non-profit communities serving households	102 800,00	45 877,28
Total	31 430 211,82	32 749 205,75

Impairment losses recorded during the accounting period

	2011	2010
Impairment losses at the beginning of the accounting period	20 230,58	20 584,22
+ claim-specific impairment losses recorded during the accounting period	25 717,63	0,00
- claim-specific impairment losses cancelled during the accounting period	-220,65	-353,64
recorded with a claim-specific impairment loss	-25 717,63	0,00
Impairment losses at the end of the accounting period	20 009,93	20 230,58

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
Debt securities held for trading	0,00	0,00	462 650,00	0,00
Quoted	0,00	0,00	462 650,00	0,00
Available-for-sale debt securities	4 236 416,00	984 251,00	6 319 969,64	994 554,00
Quoted	4 030 796,00	984 251,00	5 609 439,00	994 554,00
Others	205 620,00	0,00	710 530,64	0,00
Total	4 236 416,00	984 251,00	6 782 619,64	994 554,00
- subordinated liabilities	725 615,00	0,00	1 233 030,64	0,00

2.4 Shares and interests

	2011	2010
Available-for-sale shares and interests	729 301,42	1 435 905,39
Quoted	455 204,00	1 161 807,97
Others	274 097,42	274 097,42
Total shares and interests	729 301,42	1 435 905,39
- of which in credit institutions	456 803,20	507 598,20

2.5 Immaterial goods

	2011	2010
Other immaterial goods	0,00	0,00
Total	0,00	0,00

2.6 Material goods

	Book value	Fair value
Land and water areas		
In own use	24 882,98	
Invested	10 681,33	10 681,33
Total	35 564,31	
Buildings		
In own use	93 014,30	
Invested	100 348,82	100 348,82
Total	193 363,12	
Other tangible assets	39 425,40	

Total material goods 268 352,83

Real estate investments are appraised at acquisition cost.

2.7 Changes in immaterial and material goods during the accounting period

Immaterial goods		2011			
Acquisition cost 1 Jan		12 613,41			
Acquisition cost 31 Dec		12 613,41			
Accrued depreciation, amortisation and impairment losses 1 Jan		-12 613,41			
Accrued depreciation, amortisation and impairment losses 31 Dec		-12 613,41			
Book value 31 Dec		0,00			
Book value 1 Jan		0,00	0,00		
Material goods		2011			
		Investment property and shares in investment property	Other property and shares in property	Other material goods	Total
Acquisition cost 1 Jan		166 336,78	186 287,66	241 955,19	594 579,63
Acquisition cost 31 Dec		166 336,78	186 287,66	241 955,19	594 579,63
Accrued depreciation, amortisation and impairment losses 1 Jan		-108 543,04	-112 918,15	-186 016,95	-407 478,14
- depreciation write-off of the accounting period		-11 482,30	-15 212,59	-16 512,84	-43 207,73
Accrued depreciation, amortisation and impairment losses 31 Dec		-120 025,34	-128 130,74	-202 529,79	-450 685,87
Accrued revaluations 1 Jan		64 718,71	59 740,36	0,00	124 459,07
Accrued revaluations 31 Dec		64 718,71	59 740,36	0,00	124 459,07
Book value 31 Dec		111 030,15	117 897,28	39 425,40	268 352,83
Book value 1 Jan		122 512,45	133 109,87	55 938,24	311 560,56

2.8 Other assets

	2011	2010
Others	8 560,00	8 815,57
Total	8 560,00	8 815,57

2.9 Accrued income and prepayments

	2011	2010
Interests	208 691,24	224 327,07
Others	11 808,32	21 546,91
Total	220 499,56	245 873,98

2.10 Liabilities to credit institutions

	2011	2010
To credit institutions	9 251,60	9 528,58
Repayable on demand	9 251,60	9 528,58
Total	9 251,60	9 528,58

2.11 Liabilities to the public and general government

	2011	2010
Deposits	35 568 889,04	37 053 005,42

Repayable on demand	25 118 059,12	27 576 552,51
Others	10 450 829,92	9 476 452,91
Other liabilities	275 493,49	257 015,44
Others	275 493,49	257 015,44
Total	35 844 382,53	37 310 020,86

2.12 Other liabilities

	2011	2010
Liabilities on payment transfer	330 772,30	228 358,66
Others	10 009,51	5 691,59
Total	340 781,81	234 050,25

2.13 Accrued expenses and prepayments received

	2011	2010
Interests	88 731,14	72 287,23
Others	83 936,13	116 448,15
Total	172 667,27	188 735,38

2.14 Deferred tax liabilities and assets

Deferred tax liabilities and assets are recorded on the changes in the fair value of cash-flow-hedging derivatives and 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 liabilities and assets	
Valuation-based deferred tax claims	77 748,24
Valuation-based deferred tax liabilities	77 090,56

Deferred tax liabilities from revaluations have not been recorded.

2.15 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	984 251,00
Loans and advances to credit institutions	4 946 900,88	0,00	0,00
Loans and advances to the public and general government	2 927 789,95	3 641 022,41	12 448 375,04
Debt securities	500 800,00	0,00	2 207 993,00
Total	8 375 490,83	3 641 022,41	15 640 619,04

	2011		
	5 to 10 years	more than 10 years	Total
Debt securities eligible for refinancing with central banks	0,00	0,00	984 251,00
Loans and advances to credit institutions	0,00	0,00	4 946 900,88
Receivables from the public and general government	7 321 652,84	5 091 371,58	31 430 211,82
Debt securities	543 372,00	0,00	3 252 165,00
Total	7 865 024,84	5 091 371,58	40 613 528,70

Financial assets

	2010		
	Less than 3 months	3 to 12 months	1 to 5 years
Debt securities eligible for refinancing with central banks	0,00	0,00	550 550,00

Loans and advances to credit institutions	1 963 593,01	0,00	0,00
Loans and advances to the public and general government	1 735 549,37	3 897 988,71	13 205 550,43
Debt securities	501 310,00	1 481 550,64	3 136 881,00
Total	4 200 452,38	5 379 539,35	16 892 981,43

Financial assets

	2010		Total
	5 to 10 years	more than 10 years	
Debt securities eligible for refinancing with central banks	444 004,00	0,00	994 554,00
Loans and advances to credit institutions	0,00	0,00	1 963 593,01
Receivables from the public and general government	7 912 742,58	5 997 374,66	32 749 205,75
Debt securities	668 324,00	0,00	5 788 065,64
Total	9 025 070,58	5 997 374,66	41 495 418,40

Financial liabilities

	2011		
	less than 3 months	3 to 12 months	1 to 5 years
Liabilities to credit institutions and central banks	9 251,60	0,00	0,00
Liabilities to the public and general government	27 504 271,24	4 684 941,54	3 379 676,26
Total	27 513 522,84	4 684 941,54	3 379 676,26

Financial liabilities

	2011		Total
	5 to 10 years	more than 10 years	
Liabilities to credit institutions and central banks	0,00	0,00	9 251,60
Liabilities to the public and general government	275 493,49	0,00	35 844 382,53
Total	275 493,49	0,00	35 853 634,13

Financial liabilities

	2010		
	Less than 3 months	3 to 12 months	1 to 5 years
Liabilities to credit institutions and central banks	9 528,58	0,00	0,00
Liabilities to the public and general government	30 022 901,96	4 414 715,82	2 615 387,64
Total	30 032 430,54	4 414 715,82	2 615 387,64

Financial liabilities

	2010		Total
	5 to 10 years	more than 10 years	
Liabilities to credit institutions and central banks	0,00	0,00	9 528,58
Liabilities to the public and general government	257 015,44	0,00	37 310 020,86
Total	257 015,44	0,00	37 319 549,44

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.

2.16 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 refi-	984 251,00	0,00	994 554,00	0,00

financing with central banks				
Loans and advances to credit institutions	4 946 900,88	0,00	1 963 593,01	0,00
Loans and advances to the public and general government	31 430 211,82	0,00	32 749 205,75	0,00
Debt securities	3 252 165,00	0,00	5 788 065,64	0,00
Other property	1 735 698,30	0,00	2 390 607,37	0,00
Total	42 349 227,00	0,00	43 886 025,77	0,00

Liabilities

	2011		2010	
	Domestic currency	Foreign currency	Domestic currency	Foreign currency
Liabilities to credit institutions and central banks	9 251,60	0,00	9 528,58	0,00
Liabilities to the public and general government	35 844 382,53	0,00	37 310 020,86	0,00
Other liabilities	417 872,37	0,00	384 206,98	0,00
Accrued expenses and deferred income	172 667,27	0,00	188 735,38	0,00
Total	36 444 173,77	0,00	37 892 491,80	0,00

2.17 Fair values of financial assets and liabilities

Financial assets	2011		2010	
	Book value	Fair value	Book value	Fair value
Cash and cash equivalents	431 236,25	431 236,25	388 451,87	388 451,87
Loans and advances to credit institutions	4 946 900,88	4 946 900,88	1 963 593,01	1 963 593,01
Receivables from the public and general government	31 430 211,82	31 430 211,82	32 749 205,75	32 749 205,75
Debt securities	4 236 416,00	4 236 416,00	6 782 619,64	6 782 619,64
Stocks and shares	729 301,42	729 301,42	1 435 905,39	1 435 905,39
Total	41 774 066,37	41 774 066,37	43 319 775,66	43 319 775,66

Financial liabilities

	2011		2010	
	Book value	Fair value	Book value	Fair value
Liabilities to credit institutions	9 251,60	9 251,60	9 528,58	9 528,58
Liabilities to the public and general government	35 844 382,53	35 844 382,53	37 310 020,86	37 310 020,86
Total	35 853 634,13	35 853 634,13	37 319 549,44	37 319 549,44

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 Note 5.1. 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.

2.18 Equity increase and decrease during the financial period

	Accounting period at the beginning	Increase	Decrease	Accounting period at the end
Savings bank basic capital	168,18	0,00	0,00	168,18
Other restricted reserves	1 094 618,53	439 313,90	877 866,13	656 066,30
Legal reserve	667 249,37	0,00	0,00	667 249,37
Fair value reserve	427 369,16	439 313,90	877 866,13	-11 183,07
From cash flow hedges	235 069,08		124 398,84	110 670,24
From valuation to fair value	192 300,08	439 313,90	753 467,29	-121 853,31
Free reserves	3 240 095,50	213 756,36	0,00	3 453 851,86
Other reserves	3 240 095,50	213 756,36	0,00	3 453 851,86
Retained earnings	19 652,21	0,00	0,00	19 652,21

Profit for the period	213 756,36	311 010,25	213 756,36	311 010,25
Total equity	4 568 290,78	964 080,51	1 091 622,49	4 440 748,80
	2011	2010		
Fair value reserve 1 Jan	366 251,20	393 054,29		
Amount booked to equity during the accounting period	-324 098,61	292 031,09		
Amount transferred from equity to operating profit during the accounting period	-92 877,45	-168 677,45		
Deferred taxes	39 541,80	-150 156,73		
Fair value reserve 31 Dec	-11 183,06	366 251,20		

Changes in the fair value of cash-flow-hedging financial assets and available-for-sale financial assets are entered in the fair value reserve adjusted with deferred taxes.

Information on the authorisation concerning the Board of Directors' valid subscription issue and/or taking out of a convertible loan.

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 Engagements outside the balance sheet

	2011	2010
Commitments given to third party on behalf of customer		
Guarantees	1 003 107,01	513 407,48
Granted to a customer		
Irrevocable engagements	1 321 016,46	1 154 878,87
of which credit engagements	1 321 016,46	1 154 878,87
Total engagements outside the balance sheet	2 324 123,47	1 668 286,35

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 agreement. The amount of guarantee liabilities is restricted.

3.3 Other arrangements outside the balance sheet

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	6	7
Fixed-term personnel	1	1
Total	7	8

4.2 Wages and fees of the management

	2011	2010
Board members and deputies as well as managing director and his deputy	113 093,80	104 107,80
Total	113 093,80	104 107,80

Pension commitments

4.3 Loans and guarantees granted to the management

	2011		2010	
	Loans	Guarantees	Loans	Guarantees
Board members and deputies as well as managing director and his deputy	510 221,89	0,00	321 439,00	0,00
Total	510 221,89	0,00	321 439,00	0,00

Loan terms

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

OWNERSHIP IN OTHER COMPANIES

5.1 Ownership in other companies

Name and residence of the company	Share of ownership, %	Equity	Profit for the period x)
Aktia Hypoteekkipankki Oyj, Helsinki	0,00	88 337 792,64	5 020 395,50
Nooa Säästöpankki Oy, Helsinki	0,41	35 350 921,35	118 803,35
Oy Samlink Ab, Espoo	0,42	8 703 641,35	1 706 484,77
Sp-Rahastoyhtiö Oy, Espoo	0,72	2 226 707,78	511 215,24
Total		134 619 063,12	7 356 898,86

x) 2010 data

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.

7 NOTES ON SOLVENCY (PILLAR III)

7.1 Classification of own assets

Primary own assets	2011	2010
Paid equity	168,18	168,18
Reserves	5 557 313,53	5 195 433,40
- Investments in financial institutions	-118 860,36	-88 044,02
Total primary own assets	5 438 621,35	5 107 557,56

Secondary own assets		
Upper secondary own assets	-121 853,31	192 300,08
- Investments in financial institutions	0,00	-88 044,01
Total secondary own assets	-121 853,31	104 256,07
Total own assets	5 316 768,04	5 211 813,63

7.2 Minimum amount of own assets

Credit and opponent risk

Liability group	2011	2010
	Minimum amount of own assets	Minimum amount of own assets
Loans and advances to credit institutions and investment service companies	98 690,69	42 626,13
Claims from companies	999 036,48	1 154 854,75
Retail claims	141 229,43	168 953,24
Real estate security claims	529 132,82	545 511,25
Maturity claims	14 744,04	13 371,63
Investments in investment funds	0,00	38 791,52
Other items	75 928,60	93 019,62
Total credit risk	1 858 762,07	2 057 128,15
Market risk (currency risk)	0,00	0,00
Operative risk	194 317,43	174 472,52
Total minimum amount of own assets	2 053 079,49	2 231 600,66

7.3 Total liabilities with risk weights

Credit and opponent risk

Risk weight (%)	2011	2010
0	3 064 528,13	3 739 879,82
20	5 302 761,44	1 867 099,43
35	19 133 787,84	19 610 636,10
75	2 542 097,77	2 973 218,80
100	14 419 577,32	17 143 116,07
150	91 737,61	44 273,87
Total	44 554 490,11	45 378 224,09

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	1 254 474,50	1 532 517,67
Claims from regional administration and local authorities	361 801,61	396 037,71
Claims from the general government and public institutions	503 158,55	1 031 318,13
Loans and advances to credit institutions and investment service companies	4 117 261,87	4 175 393,24
Claims from companies	14 243 404,31	14 120 605,56
Retail claims	2 592 101,34	3 143 350,36
Real estate security claims	19 593 856,86	18 476 269,81
Maturity claims	134 293,50	197 258,79
Investments in investment funds	0,00	677 311,59
Other items	1 551 544,59	1 728 402,24
Total	44 351 897,13	45 478 465,10

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	19 133 787,84	281 289,50	405 901,33
Claims from companies	13 250 694,36	1 324 441,86	901 149,23
Loans and advances to credit institutions and investment service companies	6 074 234,85	3 947 199,93	0,00
Retail claims	2 542 097,77	76 563,20	96 699,30

Total other liability groups	3 415 243,55	542 405,30	22 912,85
Maturity claims	138 431,74	10 905,15	915,67
Total	44 554 490,11	6 182 804,94	1 427 578,38

Liability group	1 to 5 years	5 to 10 years	more than 10 years
Real estate security claims	3 100 860,25	5 224 403,03	10 121 333,73
Claims from companies	4 230 203,54	3 108 766,88	3 686 132,85
Loans and advances to credit institutions and investment service companies	513 450,52	209 976,30	1 403 608,10
Retail claims	860 739,24	601 620,25	906 475,78
Total other liability groups	831 423,77	290 149,20	1 728 352,43
Maturity claims	104 612,90	21 998,02	0,00
Total	9 641 290,22	9 456 913,68	17 845 902,89

Credit and opponent risk

	2010		
Liability group	Total	less than 3 months	3 to 12 months
Real estate security claims	19 610 636,10	155 588,72	531 181,80
Claims from companies	15 235 335,52	790 679,07	1 889 366,79
Retail claims	2 973 218,80	65 112,52	127 446,54
Loans and advances to credit institutions and investment service companies	2 656 322,74	1 964 012,61	0,00
Total other liability groups	4 757 702,44	938 189,27	8 937,39
Maturity claims	145 008,48	10 732,04	3 326,11
Total	45 378 224,09	3 924 314,23	2 560 258,63

Liability group	1 to 5 years	5 to 10 years	more than 10 years
Real estate security claims	2 962 771,99	5 354 040,76	10 607 052,83
Claims from companies	4 735 571,00	3 429 941,68	4 389 776,98
Retail claims	1 065 403,54	645 326,55	1 069 929,65
Loans and advances to credit institutions and investment service companies	532 903,42	210 463,70	-51 056,99
Total other liability groups	880 006,26	387 623,58	2 542 945,94
Maturity claims	16 777,70	114 172,63	0,00
Total	10 193 433,91	10 141 568,90	18 558 648,41

*) 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

	2011				
Liability group	Total	Private	Agriculture	Companies	Others
Real estate security claims	19 133 787,84	10 934 960,96	3 927 816,85	3 989 743,42	281 266,61
Claims from companies	13 250 694,35	1 028 685,87	4 749 219,44	5 903 446,70	1 569 342,34
Loans and advances to credit institutions and investment service companies	6 074 234,85	0,00	0,00	0,00	6 074 234,85
Retail claims	2 542 097,77	1 203 404,60	420 301,53	826 247,97	92 143,67
Total other liability groups	3 415 243,55	505 418,15	363 059,27	781 910,42	1 764 855,71
Maturity claims	138 431,74	53 565,01	0,00	84 422,86	443,87
Total	44 554 490,11	13 726 034,59	9 460 397,09	11 585 771,37	9 782 287,05

Credit and opponent risk

	2010				
Liability group	Total	Private	Agriculture	Companies	Others
Real estate security claims	19 610 636,10	11 373 641,27	3 924 626,53	4 044 946,27	267 422,03
Claims from companies	15 235 335,52	1 122 902,86	3 930 680,61	7 823 354,33	2 358 397,72
Retail claims	2 973 218,80	1 450 929,78	409 285,42	998 133,72	114 869,88
Loans and advances to credit institutions and investment service companies	2 656 322,74	0,00	0,00	0,00	2 656 322,74
Total other liability groups	4 757 702,44	566 477,19	350 270,87	1 125 112,52	2 715 841,86
Maturity claims	145 008,48	14 397,21	0,00	130 068,32	542,95
Total	45 378 224,09	14 528 348,31	8 614 863,43	14 121 615,16	8 113 397,18

*) 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			
	2011	2010	2009	Minimum amount of own assets
Total gross income	1 283 086,23	1 190 714,29	1 412 548,13	

Income indicator	192 462,93	178 607,14	211 882,22	194 317,43
	2010	2009	2008	Minimum amount of own assets
Total gross income	1 190 714,29	1 412 548,13	886 187,92	
Income indicator	178 607,14	211 882,22	132 928,19	174 472,52

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.

Signing the financial statements and the annual report

Sastamala 14 February 2012.

Board of Directors of Suodenniemen Säästöpankki

Jaakko Horelli

Jukka Isosävi

Päivi Koskinen

Veli-Juhani Rahkjärvi

Isto Seppä

Jouni Uusi-Rauva

Kari Kaijo
Managing director

Adoption of the financial statements

A report of the performed audit has been issued today.

Sastamala, 22 February 2012

Ari Pakari, ATA

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

Accounting books

Pääkirja/päiväkirja
Balance sheet
Receipts

Form of archiving

Elektroninen arkisto, kasetti
Bound book
Paper print-out

Factoring

Customer factoring (automated)
Portfolio bookkeeping
Accounts payable
Cash journal
Cash reports
Wages accounting
Fixed assets factoring
Derivative factoring

Electronic archive, cassette
Electronic archive, cassette
Paper receipt
Electronic print-out
Electronic print-out
Electronic archive, cassette
Electronic print-out
Excel file

Manually maintained accounts payable and receivable (card file, computer file, etc.)
Rent claims
Trustee assignments

Types of receipts

10 Payment transactions in account statement
20 Purchase invoices
21 Managing Director's expenses
25 Purchase invoice settlements
26 Direct debiting (Samlink)
28 Direct debiting (PP-Laskenta)
30 Purchase invoices, eOffice banks, invoices circulating outside the bank
51 Portfolio bookkeeping
53 Deposits funding, Payment transactions interest
56 Machine-language entries from other factoring, transactions entered at QS cash
58 Machine-language transactions between cost centres
60 Internal accounting receipts
70 Memorandum receipts
71 General ledger entries
75 Machine-language salary entries, paid salaries
80 Deferred receipts, distributable entries
82 Machine-language imputations, internal accounting
85 Depreciation write-off
99 Income entry