

# Financial statements

## Income statement of Parkanon Säästöpankki

		1.1. - 31.12.2012	1.1. - 31.12.2011
		eur	eur
<b>Interest income</b>	<b>(1.1)</b>	6 083 136,79	6 434 143,16
<b>Interest expenses</b>	<b>(1.1)</b>	-2 656 513,66	-1 574 837,74
<b>Net interest income</b>		3 426 623,13	4 859 305,42
<b>Income from equity-based investments</b>	<b>(1.2)</b>	201 957,23	129 374,32
<b>Fee and commission income</b>	<b>(1.3)</b>	2 328 884,12	1 977 684,54
<b>Fee and commission expenses</b>	<b>(1.3)</b>	-281 562,04	-260 665,23
<b>Net gains on trading in securities and foreign currencies</b>	<b>(1.4)</b>	162 824,06	-176 988,63
<b>Net gains on available-for-sale financial assets</b>	<b>(1.5)</b>	748 158,01	301 516,88
<b>Net income from hedge accounting</b>	<b>(1.6)</b>	-20 774,04	29 373,14
<b>Net income from investment property</b>	<b>(1.7)</b>	81 938,55	12 894,98
<b>Other operating profit</b>	<b>(1.8)</b>	157 844,49	142 616,84
<b>Administrative expenses</b>		-5 131 964,09	-4 996 329,50
Personnel costs	<b>(1.9)</b>	-2 769 135,67	-2 623 878,75
Other administrative expenses	<b>(1.10)</b>	-2 362 828,42	-2 372 450,75
	<b>)</b>		
<b>Depreciation, amortisation and impairment losses</b>	<b>(1.11)</b>		
	<b>)</b>		
<b>from equipment and intangible assets</b>		-177 121,46	-170 173,64
<b>Other operating expenses</b>	<b>(1.8)</b>	-901 512,05	-897 758,22
<b>Impairment losses on loans and other receivables</b>	<b>(1.12)</b>	-97 646,69	-163 613,84
	<b>)</b>		
<b>OPERATING PROFIT</b>		497 649,22	787 237,06
<b>Appropriations</b>		-375 000,00	-281 060,06
<b>Income taxes</b>		-23 984,82	-125 524,84
<b>Profit from ordinary activities after taxes</b>		98 664,40	380 652,16
<b>Profit for the period (</b>		98 664,40	380 652,16

## Balance sheet of Parkanon Säästöpankki

### ASSETS

		<b>31.12.2012</b>	<b>31.12.2011</b>
		<b>eur</b>	<b>eur</b>
<b>Cash and cash equivalents</b>		1 460 311,54	1 338 386,35
<b>Debt securities eligible for refinancing with central banks</b>		3 975 112,00	2 231 877,50
<b>Loans and advances to credit institutions</b>	<b>(2.1)</b>	12 871 415,81	18 515 244,94
<b>Loans and advances to the public and general government</b>	<b>(2.2)</b>	216 790 315,93	198 328 511,01
<b>Debt securities</b>	<b>(2.3)</b>	11 442 530,39	17 589 745,50
From others		530,39	17 589 745,50
<b>Shares and interests</b>	<b>(2.4)</b>	19 049 132,94	17 904 267,30
<b>Derivative contracts</b>	<b>(2.5)</b>	3 792 156,17	2 031 930,60
<b>Immaterial goods</b>	<b>(2.7)</b>	68 933,13	55 297,42
<b>Material goods</b>		3 251 084,05	1 967 814,90
Investment real estates, real estate shares and book entries	<b>(2.8)</b>	1 172 194,45	463 738,91
Other real estates and real estate community shares and book entries	<b>(2.8)</b>	1 818 394,72	1 142 111,69
Other tangible assets		260 494,88	361 964,30
<b>Other assets</b>	<b>(2.10)</b>	36 980,63	51 966,28
<b>Accrued income and prepayments</b>	<b>(2.11)</b>	1 290 190,32	1 947 290,59
<b>Deferred tax assets</b>	<b>(2.17)</b>	177 609,04	248 859,22
<b>TOTAL ASSETS</b>		274 205 771,95	262 211 191,61

**LIABILITIES**

		<b>31.12.2012</b>	<b>31.12.2011</b>
<b>LIABILITIES</b>		<b>eur</b>	<b>eur</b>
<b>Liabilities to credit institutions</b>	<b>(2.12)</b>	11 642 601,09	12 379 722,54
	)		
<b>Liabilities to the public and general government</b>	<b>(2.13)</b>	225 647 907,78	215 155 375,75
	)		
Deposits		225 213 438,18	214 503 778,90
Other liabilities		434 469,60	651 596,85
<b>Derivative instruments and other liabilities held for trading</b>	<b>(2.5)</b>	19 025,00	-19 743,00
<b>Other liabilities</b>	<b>(2.14)</b>	2 419 888,08	2 025 860,97
	)		
<b>Accrued expenses and deferred income</b>	<b>(2.15)</b>	1 629 391,40	1 630 698,66
	)		
<b>Subordinated liabilities</b>	<b>(2.16)</b>	7 900 000,00	7 000 000,00
	)		
<b>Deferred tax liabilities</b>	<b>(2.17)</b>	229 434,57	164 644,18
	)		
<b>TOTAL LIABILITIES</b>		<hr/> 249 488 247,92	<hr/> 238 336 559,10
<b>Appropriations</b>			
<b>Voluntary provisions</b>		9 312 727,28	8 937 727,28
<b>Total appropriations</b>		<hr/> 9 312 727,28	<hr/> 8 937 727,28
<b>EQUITY</b>	<b>(2.21)</b>		
	)		
<b>Savings bank basic capital</b>		3,02	3,02
<b>Other restricted reserves</b>		2 416 054,09	1 996 826,97
Legal reserve		2 256 346,79	2 256 346,79
Fair value reserve		159 707,30	-259 519,82
<b>Free reserves</b>		169 712,64	169 712,64
Other reserves		169 712,64	169 712,64
<b>Retained earnings</b>		12 720 362,60	12 389 710,44
<b>Profit for the period</b>		98 664,40	380 652,16
<b>TOTAL EQUITY</b>		<hr/> 15 404 796,75	<hr/> 14 936 905,23
<b>TOTAL LIABILITIES</b>		<hr/> 274 205 771,95	<hr/> 262 211 191,61

**OFF-BALANCE SHEET COMMITMENTS**

---

	<b>31.12.2012</b>	<b>31.12.2011</b>
	<b>eur</b>	<b>eur</b>
<b>Commitments given to third party on behalf of customer</b>	6 180 566,78	5 879 492,96
guarantees and pledges	4 930 244,63	4 879 670,81
Others	1 250 322,15	999 822,15
<b>Irrevocable commitments given in favour of customer</b>	7 009 796,45	8 603 999,58
Others	7 009 796,45	8 603 999,58

## Cash flow statement of Parkanon Säästöpankki

	1.1.-31.12.2012	1.1.-31.12.2011
	eur	eur
<b>Cash flow from operations</b>		
Post-tax profit from ordinary activities	98 664,40	380 652,16
Rectifications for the accounting period	636 745,21	531 676,74
<b>Increase (+) or decrease (-) of assets</b>	<b>-12 269 864,62</b>	<b>-19 670 895,03</b>
Debt securities	4 745 213,72	-4 953 331,10
Loans and advances to credit institutions	1 641 770,00	-2 038 544,00
Loans to the public and general government	-18 461 804,92	-6 647 021,42
Shares and interests	-832 854,62	-6 158 282,37
Other assets	637 811,20	126 283,86
<b>Increase (+) or decrease (-) of liabilities</b>	<b>8 365 543,91</b>	<b>21 098 453,48</b>
Liabilities to credit institutions	-737 121,45	4 786 484,83
Liabilities to the public and general government	8 709 945,51	15 382 605,93
Other liabilities	392 719,85	929 362,72
Paid income taxes	10 289,90	145 187,62
<b>Operating cash flow total</b>	<b>-3 158 621,20</b>	<b>2 485 074,97</b>
<b>Cash flow from investments</b>		
Increase of investments on shares and interests	-97 976,44	-341 844,00
Investments on material and immaterial goods	-1 501 756,30	-164 591,30
Assignments of material and immaterial goods	28 220,00	36 624,00
<b>Investment cash flow total</b>	<b>-1 571 512,74</b>	<b>-469 811,30</b>
<b>Cash flow from financing</b>		
Increase of subordinated liabilities	3 000 000,00	3 000 000,00
Decrease of subordinated liabilities	-2 100 000,00	-1 900 000,00
Paid dividends and other allotment of profit	-50 000,00	0,00
<b>Financing cash flow total</b>	<b>850 000,00</b>	<b>1 100 000,00</b>
<b>Net change of cash and cash equivalents</b>	<b>-3 880 133,94</b>	<b>3 115 263,67</b>
Financial assets at the beginning of the accounting period	12 029 744,29	8 914 480,62
Financial assets at the end of the accounting period	8 149 610,35	12 029 744,29
<b>Financial assets are composed of the following balance sheet items:</b>		
Cash assets	1 460 311,54	1 338 386,35
Loans and advances to credit institutions repayable on demand	6 689 298,81	10 691 357,94

<b>Total</b>	<b>8 149 610,35</b>	<b>12 029 744,29</b>
<b>Additional information on the cash flow statement</b>		
Received interest	6 737 436,09	6 655 328,88
Paid interest	2 658 531,17	1 191 148,08
Received dividends	201 957,23	129 374,32
<b>Rectifications for the accounting period:</b>		
Appropriations	375 000,00	281 060,06
Income statement taxes	23 984,82	125 524,84
Impairments of financial assets	0,00	0,00
Changes in market value	20 774,04	-29 373,14
Depreciation, amortisation and impairment losses on tangible and intangible assets	187 725,74	181 122,98
Other rectifications	29 260,61	-26 658,00
<b>Total</b>	<b>636 745,21</b>	<b>531 676,74</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 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

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 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.

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 it. 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.

The bank's key investment property items are evaluated using the purchase price method for each property 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**

#### 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 claims 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.

### 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. In addition, an imputable tax claim has been recorded on the negative value change transferred from the fair value reserve to income. Other deferred taxes have not been recorded.

### **Cash and cash equivalents**

The cash and cash equivalents of the funds statement comprise cash in hand and receivables from credit institutions paid on demand. The funds statement has been prepared using the indirect method.

## Other notes

### NOTES ON THE FINANCIAL STATEMENTS

#### 1.1 Interest income and expenses

	2012	2011
<b>Interest income</b>		
On claims from credit institutions	136 131,99	107 980,90
From loans and advances to the public and general government	5 483 091,50	5 812 723,48
From claim certificates	460 371,00	512 795,42
Other interest income	3 542,30	643,36
Total	6 083 136,79	6 434 143,16
Interest income on impairment of credits and other assets	29 887,98	30 023,21

#### Interest expenses

From liabilities to credit institutions	-331 141,79	-237 290,95
Liabilities to the public and general government	-2 616 589,16	-2 278 780,58
From derivative contracts and other liabilities held for transactions	554 783,02	1 160 367,81
From subordinated liabilities	-241 712,63	-218 244,30
Other interest expenses	-21 853,10	-889,72
Total	-2 656 513,66	-1 574 837,74

#### 1.2 Income from equity-based investments

	2012	2011
From available-for-sale financial assets	201 957,23	129 374,32
Total	201 957,23	129 374,32

#### 1.3 Fee and commission income and expenses

	2012	2011
<b>Fee and commission income</b>		
From credits	585 920,38	450 588,43
From deposits	32 590,05	31 246,41
From payment transactions	911 785,31	797 429,48
From asset management	224 111,96	222 781,43

From intermediary operations	515 649,23	425 171,51
From granting of guarantees	40 764,40	33 794,91
Other fee and commission income	18 062,79	16 672,37
Total	2 328 884,12	1 977 684,54

**Fee and commission expenses**

Paid commissions	-24 837,06	-23 550,01
Others	-256 724,98	-237 115,22
Total	-281 562,04	-260 665,23

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

	2012		
	Gains and losses on sales (net)	Changes in market value (net)	Total
From claim certificates	0,00	145 755,66	145 755,66
From others	0,00	17 068,43	17 068,43
Total net gains on trading in securities	0,00	162 824,09	162 824,09
Net gains on trading in foreign currencies	-0,03	0,00	-0,03
Total of the income statement unit	-0,03	162 824,09	162 824,06

#### 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
Total of the income statement unit	0,03	-176 988,66	-176 988,63

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

	2012			Total
	Gains and losses on sales (net)	Impairments	Transactions from fair value reserve	
From claim certificates	840,00	0,00	29 358,79	30 198,79
From shares and interests	104 089,00	0,00	613 870,22	717 959,22
Total	104 929,00	0,00	643 229,01	748 158,01

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

	2011			Total
	Gains and losses on sales (net)	Impairments	Transactions from fair value reserve	
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

#### 1.6 Net income from hedge accounting

	2012	2011
Change (net) in the fair value of protective derivatives	1 852 893,59	1 386 416,23

Change (net) in the fair value of investment objects to be protected	-1 873 667,63	-1 357 043,09
Total	-20 774,04	29 373,14

### 1.7 income from investment property

	2012	2011
Rent income	126 534,00	62 610,99
Planned depreciation write-off	-10 604,28	-10 949,34
Gains and losses on sales (net)	11 094,30	8 349,39
Other income	1 483,91	1 644,28
Other expenses	-46 569,38	-48 760,34
Total	81 938,55	12 894,98

### Other operating profit and expenses

	2012	2011
<b>Other operating profit</b>		
Rent income from real estate in own use	5 587,00	4 435,00
Other income	152 257,49	138 181,84
Total	157 844,49	142 616,84

	2012	2011
<b>Other operating expenses</b>		
Rent expenses	-197 099,67	-230 489,40
Expenses from real estate in own use	-224 936,85	-201 472,64
Other expenses	-479 475,53	-465 796,18
Total	-901 512,05	-897 758,22

### 1.9 Personnel expenses

	2012	2011
Wages and fees	-2 226 821,01	-2 131 743,90
Long-term benefits	-542 314,66	-492 134,85
Pension expenses	-458 060,21	-408 963,17
Other long-term benefits	-84 254,45	-83 171,68
Total	-2 769 135,67	-2 623 878,75

### 1.10 Other administrative expenses

	2012	2011
Other personnel expenses	-215 276,07	-275 492,09
Office expenses	-340 544,58	-371 782,62
IT expenses	-1 199 249,32	-1 072 247,45
Communications expenses	-163 729,70	-184 711,04
Promotional and marketing expenses	-444 028,75	-468 217,55
Total	-2 362 828,42	-2 372 450,75

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

	2012	2011
<b>Planned depreciation write-off</b>		
Material goods	-145 792,07	-144 908,30
Immaterial goods	-31 329,39	-25 265,34
Total	-177 121,46	-170 173,64



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

Impairment losses on loans and other receivables	2012	2011
<b>From loans and advances to the public and general government</b>	-108 646,69	-152 613,84
Contractually based impairment losses	-127 762,56	-214 649,28
Cancellations and returns (-) on impairments	19 115,87	62 035,44
<b>From guarantees and other units outside the balance sheet</b>	11 000,00	-11 000,00
Contractually based impairment losses	0,00	-11 000,00
Cancellations and returns (-) on impairments	11 000,00	0,00
Total impairment losses on loans and other receivables	-97 646,69	-163 613,84
<b>Total impairment losses on financial assets</b>	-97 646,69	-163 613,84

### Income by operating and market area

	2012	2011
Income from banking operations	7 087 455,55	7 275 777,49

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

	2012	2011
<b>Repayable on demand</b>	6 689 298,81	10 691 357,94
From domestic credit institutions	6 689 298,81	10 691 357,94
<b>Others</b>	6 182 117,00	7 823 887,00

From domestic credit institutions	6 182 117,00	7 823 887,00
Total	12 871 415,81	18 515 244,94

The item Others comprises a non-current unsecured senior credit issued to Aktia Real Estate Mortgage Bank plc. by then bank concerning refinancing of relayed mortgage credits.

## 2.2 Loans to the public and general government

	2012	2011
Enterprises and housing communities	47 523 020,81	44 959 905,43
Financing and insurance institutions	907 733,55	965 773,72
General government	130 900,00	299 600,00
Households	167 199 247,60	150 087 723,25
Non-profit communities serving households	995 800,74	1 894 025,76
Foreign	33 613,23	121 482,85
Total	216 790 315,93	198 328 511,01
- of which subordinated liabilities		

## Impairment losses recorded during the accounting period

	2012	2011
Impairment losses at the beginning of the accounting period	499 772,75	333 697,00
+ claim-specific impairment losses recorded during the accounting period	127 762,56	225 649,28
- claim-specific impairment losses cancelled during the accounting period	-29 913,62	-59 573,53
- credit losses realized during the accounting period formerly recorded with a claim-specific impairment loss	-30 768,78	0,00
Impairment losses at the end of the accounting period	566 852,91	499 772,75

### 2.3 Debt securities

	2012		2011	
	Total	Of which debt securities eligible for refinancing with central banks	Total	Of which debt securities eligible for refinancing with central banks
<b>Liabilities held for transactions</b>	1 824 692,00	0,00	1 019 036,34	0,00
Quoted	1 011 112,00	0,00	843 436,34	0,00
Others	813 580,00	0,00	175 600,00	0,00
<b>Available-for-sale debt securities</b>	13 592 950,39	3 975 112,00	18 802 586,66	2 231 877,50
Quoted	11 355 745,50	3 975 112,00	8 287 021,25	2 231 877,50
Others	2 237 204,89	0,00	10 515 565,41	0,00
Total	15 417 642,39	3 975 112,00	19 821 623,00	2 231 877,50
- of which subordinated liabilities	1 613 944,00	0,00	881 617,50	0,00

	2012	2011
	<b>2.4 Shares and interests</b>	
<b>Available-for-sale shares and interests</b>	19 049 132,94	17 904 267,30
Quoted	15 137 062,50	14 090 173,30
Others	3 912 070,44	3 814 094,00
Total shares and interests	19 049 132,94	17 904 267,30
- of which in credit institutions	3 152 515,42	3 386 712,35

### 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	0,00	0,00	30 000 000,00	30 000 000,00
Interest derivatives	0,00	0,00	30 000 000,00	30 000 000,00
Interest rate swaps	0,00	0,00	30 000 000,00	30 000 000,00
Non-hedging derivatives	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

	2012		2011	
	Assets	Debts	Claims	Debts
Protective derivatives	3 792 156,17	0,00	2 031 930,60	0,00
Interest derivatives	3 792 156,17	0,00	2 031 930,60	0,00
Interest rate swaps	3 792 156,17	0,00	2 031 930,60	0,00
Non-hedging derivatives	0,00	19 025,00	0,00	-19 743,00
Interest derivatives	0,00	19 025,00	0,00	-19 743,00
Option contracts	0,00	19 025,00	0,00	-19 743,00
Set	0,00	19 025,00	0,00	-19 743,00
Total	3 792 156,17	19 025,00	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

	2012	2011
Other immaterial goods	68 933,13	55 297,42
Total	68 933,13	55 297,42

## 2.8 Material goods

	Book value	Fair value
<b>Land and water areas</b>		
In own use	17 070,84	
Total	17 070,84	
<b>Buildings</b>		
In own use	76 163,61	
Invested	25 388,11	25 388,11
Total	101 551,72	
<b>Shares and book entries of real-estate communities</b>		
In own use	1 725 160,27	
Invested	1 146 806,34	1 145 467,97
Total	2 871 966,61	
<b>Other material goods</b>	260 494,88	
<b>Total material goods</b>	3 251 084,05	

Real estate investments are appraised at acquisition cost.

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

Immaterial goods	2012
Acquisition cost 1 Jan	668 611,41
+ additions of the accounting period	44 965,10

Acquisition cost 31 Dec	713 576,51
Accrued depreciation, amortisation and impairment losses 1 Jan	-613 313,99
- depreciation write-off of the ac- counting period	-31 329,39
Accrued depreciation, amortisation and impairment losses 31 Dec	-644 643,38
Book value 31 Dec	68 933,13
Book value 1 Jan	55 297,42

**Material goods**

	2012			
	Investment property and shares in investment property	Other property and shares in property	Other material goods	Total
Acquisition cost 1 Jan	511 209,11	2 029 790,39	1 332 808,70	3 873 808,20
+ additions of the accounting period	736 185,52	699 147,83	21 457,85	1 456 791,20
- deductions of the accounting period	-17 125,70	0,00	0,00	-17 125,70
Acquisition cost 31 Dec	1 230 268,93	2 728 938,22	1 354 266,55	5 313 473,70
Accrued depreciation, amortisation and impairment losses 1 Jan	-62 775,30	-898 779,10	-970 844,40	-1 932 398,80
- depreciation write-off of the accounting period	-10 604,28	-22 864,80	-122 927,27	-156 396,35
Accrued depreciation, amortisation and impairment losses 31 Dec	-73 379,58	-921 643,90	-1 093 771,67	-2 088 795,15
Accrued revaluations 1 Jan	15 305,10	11 100,40	0,00	26 405,50
Accrued revaluations 31 Dec	15 305,10	11 100,40	0,00	26 405,50
Book value 31 Dec	1 172 194,45	1 818 394,72	260 494,88	3 251 084,05
Book value 1 Jan	463 738,91	1 142 112	361 964,30	1 967 814,90

**2.10 Other assets**

	2012	2011
Payment transmission claims	1 742,31	77,59
Others	35 238,32	51 888,69
Total	36 980,63	51 966,28

**2.11 Accrued income and prepayments**

	2012	2011
Interests	1 083 122,23	1 737 421,53
Others	207 068,09	209 869,06
Total	1 290 190,32	1 947 290,59

**2.12 Liabilities to credit institutions**

	2012	2011
To credit institutions	11 642 601,09	12 379 722,54
Repayable on demand	93 521,77	157 851,71
Others	11 549 079,32	12 221 870,83
Total	11 642 601,09	12 379 722,54

**2.13 Liabilities to the public and general government**

	<b>2012</b>	<b>2011</b>
Deposits	225 213 438,18	214 503 778,90
Repayable on demand	129 655 639,34	119 695 692,61
Others	95 557 798,84	94 808 086,29
Other liabilities	434 469,60	651 596,85
Others	434 469,60	651 596,85
Total	225 647 907,78	215 155 375,75

#### **2.14 Other liabilities**

	<b>2012</b>	<b>2011</b>
Liabilities on payment transfer	2 387 968,06	1 979 694,80
Others	31 920,02	46 166,17
Total	2 419 888,08	2 025 860,97



## 2.15 Accrued expenses and deferred income

	2012	2011
Interests	1 130 616,55	1 132 735,93
Others	498 774,85	497 962,73
Total	1 629 391,40	1 630 698,66

## 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
S.b.deb. I / 2010	1 500 000,00	3,25	18 May 2015
S.b.deb. I / 2011	2 400 000,00	3,50	16 May 2016
S.b.deb.I / 2012	3 000 000,00	2,85	7.5.2017
S.b.deb..II /2009	800 000,00	3,00	18 May 2014
Total	7 700 000,00		

	Amount counted among own assets
S.b.deb. I / 2010	1 500 000,00
S.b.deb. I / 2011	2 400 000,00
S.b.deb.I / 2012	3 000 000,00
S.b.deb.II /2009	800 000,00
Total	7 700 000,00

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 reserves 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 from 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**

	<b>Subordinate debts</b>	<b>Total liabilities</b>
Total sum of liabilities	200 000,00	200 000,00

**2.17 Deferred tax liabilities and assets**

Deferred tax liabilities and assets are recorded on the changes in the fair value of available-for-sale financial assets recorded 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	177 609,04
Valuation-based deferred tax liabilities	229 434,57

**2.18 Maturity distribution of financial assets and liabilities****Financial assets**

	<b>Parent company</b>		
	<b>2012</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	1 550 775,00	2 424 337,00
Loans and advances to credit institutions	8 745 015,81	0,00	0,00
Loans and advances to the public and general government	10 833 428,76	24 144 616,83	79 053 677,47
Debt securities	800 129,85	689 564,00	8 518 174,54
<b>Total</b>	<b>20 378 574,42</b>	<b>26 384 955,83</b>	<b>89 996 189,01</b>

  

	<b>2012</b>		
	<b>5 to 10 years</b>	<b>more than 10 years</b>	<b>Total</b>
Debt securities eligible for refinancing with central banks	0,00	0,00	3 975 112,00
Loans and advances to credit institutions	0,00	4 126 400,00	12 871 415,81

Loans and advances to the public and general government	57 287 664,31	45 470 928,56	216 790 315,93
Debt securities	1 434 662,00	0,00	11 442 530,39
Total	58 722 326,31	49 597 328,56	245 079 374,13

### Financial assets

	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	17 024 844,94	1 490 400,00	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	37 928 858,04	22 829 295,84	80 982 899,83

### Financial assets

	2011		
	5 to 10 years	more than 10 years	Total
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
Loans and advances to 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
Total	50 422 526,37	44 501 798,87	236 665 378,95

### Financial liabilities

	2012		
	Less than 3 months	3 to 12 months	1 to 5 years
Liabilities to credit institutions and central banks	2 093 521,77	9 408 700,85	140 378,47
Liabilities to the public and general government	151 508 370,91	66 453 568,13	7 251 499,14
Subordinated liabilities	0,00	2 300 000,00	5 600 000,00
Total	153 601 892,68	78 162 268,98	12 991 877,61

**Financial liabilities**

	2012		Total
	5 to 10 years	more than 10 years	
Liabilities to credit institutions and central banks	0,00	0,00	11 642 601,09
Liabilities to the public and general government	434 469,60	0,00	225 647 907,78
Subordinated liabilities	0,00	0,00	7 900 000,00
Total	434 469,60	0,00	245 190 508,87

**Financial liabilities**

	2011		
	Less than 3 months	3 to 12 months	1 to 5 years
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
Total	150 277 206,97	69 653 442,39	13 952 852,08

**Financial liabilities**

	2011		Total
	5 to 10 years	more than 10 years	
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
Total	651 596,85	0,00	234 535 098,29

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	2012		2011	
	Domestic currency	Foreign currency	Domestic currency	Foreign currency
Debt securities eligible for refinancing with central banks	3 975 112,00	0,00	2 231 877,50	0,00
Loans and advances to credit institutions	12 871 415,81	0,00	18 515 244,94	0,00

Loans and advances to the public and general government	216 790 315,93	0,00	198 328 511,01	0,00
Debt securities	11 442 530,39	0,00	17 589 745,50	0,00
Derivative contracts	3 792 156,17	0,00	2 031 930,60	0,00
Other property	25 334 241,65	0,00	23 513 191,48	690,58
Total	274 205 771,95	0,00	262 210 501,03	690,58

### Liabilities

	2012		2011	
	Domestic currency	Foreign currency	Domestic currency	Foreign currency
Liabilities to credit institutions and central banks	11 642 601,09	0,00	12 379 722,54	0,00
Liabilities to the public and general government	225 647 907,78	0,00	215 155 375,75	0,00
Derivative contracts	19 025,00	0,00	-19 743,00	0,00
Subordinated liabilities	7 900 000,00	0,00	7 000 000,00	0,00
Other liabilities	2 649 322,65	0,00	2 190 505,15	0,00
Accrued expenses and deferred income	1 629 391,40	0,00	1 630 698,66	0,00
Total	249 488 247,92	0,00	238 336 559,10	0,00

### 2.20 Fair values of financial assets and liabilities

Financial assets	2012		2011	
	Book value	Fair value	Book value	Fair value
Cash and cash equivalents	1 460 311,54	1 460 311,54	1 338 386,35	1 338 386,35
Loans and advances to credit institutions	12 871 415,81	12 871 415,81	18 515 244,94	18 515 244,94
Loans and advances to the public and general government	216 790 315,93	216 790 315,93	198 328 511,01	198 328 511,01
Debt securities	15 417 642,39	15 417 642,39	19 821 623,00	19 821 623,00
Shares and interests	19 049 132,94	19 049 132,94	17 904 267,30	17 904 267,30
Derivative contracts	3 792 156,17	3 792 156,17	2 031 930,60	2 031 930,60
Total	269 380 974,78	269 380 974,78	257 939 963,20	257 939 963,20

### Financial liabilities

	2012		2011	
	Book value	Fair value	Book value	Fair value
Liabilities to credit institutions	11 642 601,09	11 642 601,09	12 379 722,54	12 379 722,54
Liabilities to the public and general government	225 647 907,78	225 647 907,78	215 155 375,75	215 155 375,75
Derivative instruments and other liabilities held for trading	19 025,00	19 025,00	-19 743,00	-19 743,00

Subordinated liabilities	7 900 000,00	7 900 000,00	7 000 000,00	7 000 000,00
Total	245 209 533,87	245 209 533,87	234 515 355,29	234 515 355,29

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 at acquisition cost in companies considered essential for the operations, which are described in more detail in Note 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.

The financial assets mentioned above have been sold to the value of EUR 3,000 during the financial period.

## 2.21 Equity increase and decrease during accounting period

	Accounting period	Increase	Decrease	Accounting period
	at the beginning			at the end
Basic capital	3,02	0,00	0,00	3,02
Other restricted reserves	1 996 826,97	3 288 419,85	-2 869 192,73	2 416 054,09
Legal reserve	2 256 346,79	0,00	0,00	2 256 346,79
Fair value reserve	-259 519,82	3 288 419,85	-2 869 192,73	159 707,30
From valuation to fair value	-259 519,82	3 288 419,85	-2 869 192,73	159 707,30
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	12 389 710,44	330 652,16	0,00	12 720 362,60
Profit for the period	380 652,16	98 664,40	-380 652,16	98 664,40
Total equity	14 936 905,23	3 717 736,41	-3 249 844,89	15 404 796,75

	Accounting period	Increase	Decrease	Accounting period
	at the beginning			at the end
Equity instruments	-384 691,34	2 762 573,21	-2 600 977,09	-223 095,22

of which deferred taxes	124 833,61	-896 464,15	844 025,68	72 395,14
Debt securities	125 171,52	525 846,64	-268 215,64	382 802,52
of which deferred taxes	-40 618,57	-170 638,97	87 036,86	-124 220,68
Fair value reserve, total	-259 519,82	3 288 419,85	-2 869 192,73	159 707,30

## NOTES CONCERNING GRANTED SECURITY COLLATERALS AND CONTINGENT LIABILITIES

### 3.1 Securities granted

#### Granted from own liabilities:

Balance sheet item	Pledges	Mortgages	Other securities	Total
Liabilities to credit institutions	0,00	0,00	3 408 700,85	3 408 700,85
Granted from own liabilities, total	0,00	0,00	3 408 700,85	3 408 700,85

### 3.2 Pension liabilities

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

### 3.3 Leasing and other rent liabilities

Minimum rents payable on the basis of

non-cancellable leasing

	2012	2011
less than 1 year	142 155,00	122 192,60
1 to 5 years	216 325,72	306 800,80

### 3.4 Off-balance sheet commitments

	2012	2011
Commitments given to third party on behalf of customer		
Guarantees	4 930 244,63	4 879 670,81
Other commitments given to a third party on behalf of a customer	1 250 322,15	999 822,15
Granted to a customer		
Irrevocable engagements	7 009 796,45	8 603 999,58
of which credit engagements	7 009 796,45	8 603 999,58
Total engagements outside the balance sheet	13 190 363,23	14 483 492,54

The bank has issued an absolute guarantee to Aktia Real Estate Mortgage Bank plc on behalf of itself and other savings banks included in the transfer contract on the compensation of potential mortgage loan losses to Aktia Real Estate Mortgage Bank plc.

The amount of guarantee liabilities is restricted.

The bank has given an absolute guarantee to Aktia Bank p.l.c. to the benefit of 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.



### 3.5 Other off-balance sheet arrangements

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

Common liabilities related to the group VAT registration	884 897,32	561 633,42
--	------------	------------

The Finnish Savings Banks Association represents the savings banks to Visa Europe. With the transfer of Luottokunta's business operations to Luottokunta Oy (today Nets Oy) on 1 April 2012, and with the membership type of Luottokunta Oy changing to Principal Member membership, the membership of the Finnish Savings Banks Association changed to Associate Member membership.

The Finnish Savings Banks Association as a member of Visa Europe is principally responsible for any damage generated in the card business and for following the membership agreement and Visa's rules. Based on the membership agreement, Visa Europe may impose on the Association compensation claims for breaching the contract and the rules.

Since the savings banks are responsible for all business operations related to Visa cards, they are also eventually responsible for any compensation to Visa Europe.

## NOTES ON PERSONNEL AND MANAGEMENT

### 4.1 Number of personnel 31 Dec

	2012	2011
Permanent full-time personnel	46	48
Permanent part-time personnel	1	1
Fixed-term personnel	3	5
Total	50	54

### 4.2 Wages and fees of the management

	2012	2011
Board members and deputies as well as managing director and his deputy	296 352,00	300 030,27
Total	296 352,00	300 030,27

Pension commitments

### 4.3 Loans and guarantees granted to the management

2012

2011

	<b>Loans</b>	<b>Guarantees</b>	<b>Loans</b>	<b>Guarantees</b>
Board members and deputies as well as managing director and his deputy	1 006 397,27	153 000,00	385 279,78	65 000,00
Total	1 006 397,27	153 000,00	385 279,78	65 000,00
Increase	621 117,49	88 000,00		

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

#### 4.4 Notes on associated parties

Criterion of belonging to associated parties	2012			
	Loans to the public and general government	Investments	Other assets	Guarantees/ securities
Relationship	124 436,37	0,00	0,00	0,00
Authority	2 788 916,29	0,00	0,00	207 810,00
Total	2 913 295,57	0,00	0,00	207 810,00

Criterion of belonging to associated parties	2011			
	Loans to the public and general government	Investments	Other assets	Guarantees/ securities
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

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

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

## 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	4	1 914 163,75

### 5.2 Ownership in other companies

Name and residence of the company	Share of ownership, %	Equity	Profit for the period*
Aktia Hypoteekkipankki Oyj, Helsinki	1,08	115 241 195,90	1 962 595,93

Hankivakuutusosakeyhtiö Duo, Espoo	1,51	18 181 438,52	-6 773 372,64
Nooa Säästöpankki Oy, Helsinki	3,86	35 109 079,23	718 772,40
Oy Samlink Ab, Espoo	1,70	11 797 512,83	280 379,31
Sp Taustataiturit Oy, Somero	20,00	32 939,47	-29 505,41
Sp-Koti Oy, Espoo	3,33	1 060 466,14	-377 373,86
Sp-Rahastoyhtiö Oy, Helsinki	2,93	2 316 720,79	90 013,01
Säästöpankkien Holding Oy, Espoo	3,02	1 351 131,96	128,62
Total		185 090 484,84	-4 128 362,64

\* Profit for the 2011 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

realisation and transfer of assignments, to deal for its own account, property management, investment consultation, safekeeping and management of financial instruments as defined in Section 15, as well as safety deposit and related services.

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

## 7 NOTES ON SOLVENCY (PILLAR III)

### 7.1 Classification of own assets

	2012	2011
<b>Primary own assets</b>		
Paid equity	3,02	3,02
Reserves	22 276 195,53	21 944 406,13
- Planned profit distribution	0,00	-50 000,00
- Immaterial goods	-68 933,13	-55 297,42
- Investments in financial institutions	-333 704,08	-600 560,33
<b>Total primary own assets</b>	<b>21 873 561,34</b>	<b>21 238 551,40</b>
<b>Secondary own assets</b>		
Upper secondary own assets	159 707,30	-259 519,82
Lower secondary own assets	7 900 000,00	7 000 000,00
- Investments in financial institutions	-333 704,07	-600 560,33
<b>Total secondary own assets</b>	<b>7 726 003,23</b>	<b>6 139 919,85</b>
<b>Total own assets</b>	<b>29 599 564,57</b>	<b>27 378 471,25</b>

### 7.2 Minimum amount of own assets

#### Credit and opponent risk

	2012	2011
<b>Liability group</b>	<b>Minimum amount of own assets</b>	<b>Minimum amount of own assets</b>

Loans and advances to credit institutions and investment service companies	419 942,33	423 714,70
Claims from companies	2 176 052,05	2 589 230,18
Retail claims	4 042 678,84	3 794 486,50
Real estate security claims	3 619 312,84	3 227 929,80
Maturity claims	121 284,13	118 750,55
Investments in investment funds	936 667,41	722 046,21
Other items	700 683,96	541 977,10
<b>Total credit risk</b>	<b>12 016 621,56</b>	<b>11 418 135,04</b>
Market risk (currency risk)	313 741,15	241 717,61
<b>Operative risk</b>	<b>950 609,68</b>	<b>961 738,93</b>
<b>Total minimum amount of own assets</b>	<b>13 280 972,39</b>	<b>12 621 591,58</b>

### 7.3 Total liabilities with risk weights

#### Credit and opponent risk

Risk weight (%)	2012	2011
0	13 761 785,77	13 983 777,66
20	21 394 359,29	26 154 756,18
35	129 803 589,99	115 124 651,79
50	388 819,83	1 238 330,24
75	71 564 048,46	68 082 130,25
100	49 577 400,13	51 036 492,64
150	1 381 954,56	290 301,96
<b>Total</b>	<b>287 871 958,03</b>	<b>275 910 440,72</b>

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

#### Credit and opponent risk

Liability group	2012	2011
Claims from governments and central banks	7 088 353,80	5 368 483,75
Claims from regional administration and local authorities	1 435 994,14	1 627 549,71
Claims from the general government and public institutions	1 024 994,88	992 580,20
Loans and advances to credit institutions and investment service companies	22 255 563,90	20 351 452,86
Claims from companies	32 062 703,60	31 088 293,81
Retail claims	71 555 682,36	67 092 168,81
Real estate security claims	123 607 471,88	114 226 109,55
Maturity claims	1 590 208,44	1 465 415,23

Items which according to authorities contain a high risk	0,00	33 327,20
Investments in investment funds	11 434 816,87	9 402 965,11
Other items	10 163 017,86	8 124 822,80
<b>Total</b>	<b>282 218 807,73</b>	<b>259 773 169,03</b>

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

### Credit and opponent risk

<b>2012</b>			
<b>Liability group</b>	<b>Total</b>	<b>less than 3 months</b>	<b>3 to 12 months</b>
Real estate security claims	130 443 671,52	3 702 002,61	3 875 254,91
Retail claims	71 564 048,46	1 578 004,68	2 705 592,83
Claims from companies	28 251 057,36	2 059 137,10	1 625 159,88
Loans and advances to credit institutions and investment service companies	22 766 458,35	8 745 872,36	0,00
Total other liability groups	33 605 361,79	2 066 272,06	1 188 320,50
Maturity claims	1 241 360,55	550 627,97	5 455,20
<b>Total</b>	<b>287 871 958,03</b>	<b>18 701 916,78</b>	<b>9 399 783,32</b>

  

<b>Liability group</b>	<b>1 to 5 years</b>	<b>5 to 10 years</b>	<b>more than 10 years</b>
Real estate security claims	16 325 923,38	27 265 524,80	79 274 965,82
Retail claims	13 303 062,66	19 479 122,20	34 498 266,09
Claims from companies	9 808 767,78	4 951 818,33	9 806 174,27
Loans and advances to credit institutions and investment service companies	2 113 426,37	643 396,30	11 263 763,32
Total other liability groups	1 519 700,11	1 389 949,46	27 441 119,66
Maturity claims	273 129,27	180 204,16	231 943,95
<b>Total</b>	<b>43 344 009,57</b>	<b>53 910 015,25</b>	<b>162 516 233,11</b>

### Credit and opponent risk

<b>2011</b>			
<b>Liability group</b>	<b>Total</b>	<b>less than 3 months</b>	<b>3 to 12 months</b>
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>

<b>Liability group</b>	<b>1 to 5 years</b>	<b>5 to 10 years</b>	<b>more than 10 years</b>
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>

\*) 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

<b>Liability group</b>	<b>2012</b>				
	<b>Total</b>	<b>Private</b>	<b>Agriculture</b>	<b>Companies</b>	<b>Others</b>
Real estate security claims	130 443 671,52	93 767 877,13	9 009 679,87	23 273 302,18	4 392 812,34
Retail claims	71 564 048,46	31 836 723,38	11 829 072,86	27 240 919,41	657 332,81
Claims from companies	28 251 057,36	2 023 804,28	2 412 911,60	20 395 755,18	3 418 586,30
Loans and advances to credit institutions and investment service companies	22 766 458,35	0,00	0,00	4 137,82	22 762 320,53
Total other liability groups	33 605 361,79	3 793 519,85	456 290,14	4 839 081,40	24 516 470,40
Maturity claims	1 241 360,55	608 017,80	277 754,55	344 483,39	11 104,81
<b>Total</b>	<b>287 871 958,03</b>	<b>132 029 942,44</b>	<b>23 985 709,02</b>	<b>76 097 679,38</b>	<b>55 758 627,19</b>

### Credit and opponent risk

<b>Liability group</b>	<b>2011</b>				
	<b>Total</b>	<b>Private</b>	<b>Agriculture</b>	<b>Companies</b>	<b>Others</b>
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



Total	<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>
-------	-----------------------	-----------------------	----------------------	----------------------	----------------------

\*) 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			
	2012	2011	2010	Minimum amount of own assets
Total gross income	6 114 909,16	6 773 305,06	6 123 979,31	
Income indicator	917 236,37	1 015 995,76	918 596,90	950 609,68
	2011	2010	2009	Minimum amount of own assets
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

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

Parkano 20. päivänä helmikuuta 2013

Parkanon Säästöpankin hallitus



Kai Tammela



Aki Jaskari



Ulrika Karvanen



Juhani Koivisto



Martti Kangasniemi



Riitta Koivunen



Tuomo Kempainen  
toimitusjohtaja

## Tilinpäätösmerkintä

Suoritetusta tilintarkastuksesta on tänään annettu kertomus.

Parkano 28.päivänä helmikuuta 2013



Petri Kettunen, KHT

Signing of the financial statements and annual report  
 Parkano 20 February 2013  
 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 2013

Petri Kettunen, APA

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

### Accounting books

General ledger/journal  
 Balance sheet  
 Receipts

### Form of archiving

Electronic archive, cassette  
 Bound book  
 Paper print-out

### Factoring

Sales ledger (automated)	Electronic archive
Portfolio accounting	Electronic archive
Accounts payable (eOffice)	Electronic archive
Accounts payable	Paper receipt
Cash journal	Electronic print-out
Cash reports	Electronic print-out
Payroll accounting	Electronic archive
Fixed assets accounting	Electronic archive
Derivative factoring	Excel file
Rent claims	Excel file

### Types of receipts

10	Payment transactions in account statement
20	Purchase invoices
21	Managing Director's expenses
22	Personnel 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
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
75	Salary entries, paid salaries
80	Deferred receipts, distributable entries
82	Machine-language calculated items
83	Machine-language imputations, salaries, holiday benefits
84	Machine-language imputations, salaries, long-term benefits, social security payments
85	Depreciation write-off
99	Income entry