



**EVLI BANK PLC'S INTERIM REPORT 1–3/2016:
Good result in a difficult market environment**

January–March 2016

- The Group's net revenue was EUR 15.4 million (EUR 16.2 million), which represents a year on year decrease of 5 percent.
- The Group's operating profit was EUR 3.1 million (EUR 3.7 million).
- The Group's profit improved considerably and was EUR 4.3 million (EUR 2.8 million).
- Evli's associated company Northern Horizon Capital's Healthcare I fund sold its entire real estate portfolio during the review period. With the transaction, Evli's share of NHC's result increased EUR 1.9 million due to substantial exit fees.
- Evli's diluted earnings per share were EUR 0.17 (EUR 0.12).
- Net assets under management grew year on year and totaled EUR 9.5 billion (EUR 9.1 billion) at the end of March, including associated companies.

Outlook for 2016 unchanged

Evli's business performance has been strong in recent years, and interest in Evli's services and products is expected to remain stable. In the Corporate Finance business, substantial fluctuations in annual profits are possible. The unit's mandate base is at a healthy level. The ratio of Evli's recurring revenue to expenses has developed as planned and the revenue covered nearly 90 percent of the Group's fixed operating expenses. We believe that the result for 2016 will be clearly positive.

EVLI BANK PLC

Evli is a genuine private bank specializing in investment that helps private persons and institutions increase their wealth. The company offers asset management services, capital markets related services, such as brokerage of equities and other instruments, market making, investment research and a full range of Corporate Finance service. The company also offers a comprehensive selection of funds, and bank services that support clients' investment operations. Evli's clients are present and future high net worth private individuals, their families and related companies, and also institutional clients, such as insurance companies, pension funds, organizations, municipal authorities and companies.

Evli has a professional staff of over 200 employees, and has a total of EUR 9.5 billion in client assets under management (net 3/2016). Evli Group's equity capital is EUR 66.6 million and the BIS capital adequacy ratio stood at 17.4% on March 31, 2016.

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KEY FIGURES	1-3/2016	1-3/2015	1-12/2015
Sales, M€	15,9	16,6	66,0
Net revenue, M€	15,4	16,2	64,2
Operating profit / loss, M€	3,1	3,7	13,3
Profit / Loss for financial year, M€	4,3	2,8	12,3
Operating profit / loss % of net revenue	20,0 %	22,9 %	20,6 %
Earnings/share (EPS)	0,18	0,12	0,54
Diluted earnings/share IFRS	0,17	0,12	0,53
Return on equity % (ROE) *	25,1	21,8	20,2
Recurring revenue ratio	89 %	96 %	93 %
Dividend/share**			0,31
Shareholders' equity per share	2,82	2,42	2,96
Market value	156,20		190,94
Share price in end of period	6,70		8,19
Personnel in end of period	246	233	248

* Annualized

**Dividend from 2015 approved by the Annual General Meeting.

The dividend was paid on March 17, 2016.

**Series A shares are valued at the closing value of the series B shares.

Share-specific key figures for the comparison period have been calculated using a split-corrected share count in accordance with the decision of the Extraordinary General Meeting of October 1, 2015.

Maunu Lehtimäki, CEO

“The challenging market environment in the early part of the year had a negative impact on the trading activity of the Capital Markets unit’s clients and reduced the Wealth Management unit’s performance-based fees. As a result the Group’s revenue was down five percent from the previous year. However, the exit fees received by the associated company substantially improved the result for the review period.

During the first three months we were able to gain several new institutional, Private Banking and Online Banker clients and the Group’s client assets under management rose to a new record level, reaching EUR 9.5 billion net, including associated companies. Our fund management company also performed very well during the review period, attracting a total of EUR 97 million in net subscriptions. At the end of the review period Evli Fund Management Company was the fourth-largest fund management company in Finland with a market share of 5.4 percent.

We will continue to focus on developing new, alternative investment products, on the international sales of Evli’s funds, on building digital services and on enhancing the efficiency of our investment-related processes.”

Market performance

On a global scale, the equity markets were listless at the beginning of 2016. Market sentiments were dominated by the decline of the crude oil price and the development of China's economic outlook. In the United States the economy's recession risk was assessed. Corporate bond and equity pricing proved that recession fears had clearly grown.

The mood changed in February, however. The deal between Saudi Arabia and Russia to limit additional production of crude oil, and the easing of interest rate fears boosted the markets. The USA is now also expected to tighten its monetary policy at a much slower rate than was earlier anticipated.

In its March meeting the European Central Bank (ECB) decided to increase its measures to support the markets. The ECB cut its refinancing and bank deposit rates, and increased and expanded its quantitative easing purchase program by EUR 20 billion per month. The purchase program will be expanded to include investment grade corporate bonds and the long-term bank refinancing operation will be extended by four years. These measures are expected to further increase liquidity in the euro area and add pressure on banks to increase lending. The low interest rate levels are expected to continue for some time still. In fact, long-term interest rates are close to record low levels. The yield level of the German government's ten-year bond fell by nearly 0.5 percentage points to 0.16 percent. Correspondingly, the three-month Euribor rate fell by 0.11 percentage points to -0.24 percent. In a review of currencies the euro strengthened some five percent against the dollar.

The return from global equity markets was -4 percent in euros (MSCI AC World Daily TR Gross index). European equities developed somewhat more slowly and the return was -6.7 percent during the review period (MSCI Europe TR Gross Index). Finnish equities returned -3.3 percent (OMX Helsinki Cap_GI index).

Revenue and result

January–March

The Evli Group's net revenue decreased by five percent during the review period and was EUR 15.4 million (EUR 16.2 million). The Group's net commission income was EUR 13.5 million (EUR 14.1 million). The decline in net revenue was mainly the result of the trading activity in Evli's Markets unit, which was lower than in the review period, and the decline of performance-based fees.

Overall costs for the period, including depreciation, amounted to EUR 12.4 million (EUR 12.5 million). The Group's personnel expenses totaled EUR 7.0 million (EUR 7.1 million) including estimated performance bonuses to the personnel. The Group's administrative expenses were EUR 3.6 million (EUR 3.6 million). The Group's depreciation, amortization and write-downs were EUR 0.8 million (EUR 0.8 million). Other operating expenses were EUR 0.9 million (EUR 1.0 million) in the review period. Evli's expense/income ratio was somewhat weaker than in the previous year and was 0.80 (0.77).

The Group's operating profit for the review period decreased by 17 percent from the corresponding level of the previous year to EUR 3.1 million (EUR 3.7 million). The gross profit margin was 20.0 percent (22.9 percent). The Group's profit for the review period came to EUR 4.3 million (EUR 2.8 million). The profit was positively affected by the exit fees received by the associated company.

The strategic project launched in 2014 to simplify both Evli's and its clients' investment processes proceeded according to plan during the financial year. The project is expected to lighten the company's cost structure in the near future.

Balance sheet and funding

At the end of March, the Evli Group's balance sheet total was EUR 805.5 million (EUR 1027.9 million). Due to daily changes in client activity, significant fluctuations in the size of the balance sheet are possible from one quarter to the next. At the end of the review period, the Evli Group's equity was EUR 66.6 million (EUR 50.1 million).

Evli applies the standardized approach (capital requirement for credit risk) and the basic indicator approach (capital requirement for operational risk) in its capital adequacy calculation. The Group's capital adequacy ratio of 17.4 percent clearly exceeds the regulator's requirement of 10.5 percent including the extra capital requirement. The Group's own minimum target for capital adequacy is 13 percent.

Common equity tier 1 capital, M€	31.3.2016	31.3.2015
Share capital	30,2	30,2
Funds total	31,5	16,7
Minority interest	0,0	0,0
<i>Decreases:</i>		
Intangible assets	9,1	6,9
Other decreases	0,2	0,0
Total common equity tier 1 capital	52,4	39,9

Evli Bank has no tier 2 capital.

Minimum requirement of own funds, M€	31.3.2016	31.3.2016
	Min. requirement	Risk-weighted value
Minimum capital adequacy requirement by asset group, standard credit risk method (€ million):		
Claims from the state and central banks	0,0	0,0
Claims from regional governments and local authorities	0,0	0,0
Claims from credit institutions and investment firms	4,4	55,0
Investments in mutual funds	0,1	1,6
Claims secured with property	0,2	2,3
Claims from corporate customers	3,1	38,5
Items with high risk, as defined by the authorities	0,3	4,2
Other items	6,7	84,2
Minimum amount of own funds, market risk, € million	0,5	5,8
Minimum amount of own funds, operational risk, € million	8,8	110,2
Total	24,1	301,7

The Group's funding from the public and credit institutions decreased by 37 percent compared with the previous year. The company's loan portfolio increased by five percent on the previous year to approximately EUR 62.0 million. The ratio of loans granted by the Group to Evli Bank Plc's deposits from the public was 17 percent. The Group's liquidity is very good.

Personnel and organization

The Group had 246 (233) employees at the end of the review period. This represents a year-on-year increase of 13 persons, or approximately 6 percent.

90 percent of the personnel were employed in Finland and 10 percent abroad.

Business areas**Wealth Management**

The Wealth Management unit provides a personalized asset management service to private individuals, companies and institutions. Fund products are also an integral part of the service and product offering of the Wealth Management business. These include Evli's own mutual funds and the mutual funds of external fund managers.

Mutual funds

At the end of March, Evli had 27 funds registered in Finland. The performance of fund sales was positive during the review period. Evli received the third biggest net subscriptions in Finland, totaling EUR 97 million (EUR 364 million). Evli Fund Management Company's market share increased by 0.3 percentage points on the previous year and was 5.4 percent at the end of the quarter. The combined assets of the 27 mutual funds managed by the company were EUR 5,279 million (EUR 4,945 million). Our clients invested the most new capital in these funds: Evli Europe (EUR 59 million), Evli European High Yield (EUR 58 million) and Evli European Investment Grade (EUR 49 million). Evli Euro Liquidity (EUR 948 million) and Evli European High Yield (EUR 862 million) had the most capital at the end of the year.

The absolute performance of the funds was variable during the January-March period. With the exception of one fund, the return from equity funds was negative, which was in line with general market performance. In contrast, the return from fixed income funds was positive, again with the exception of one fund. The best-performing equity fund in the first quarter of 2016 was Evli Russia (9.3%), the best-performing balanced fund was Evli Global Asset Allocation (1.8%) and the best-performing fixed income fund was Evli Euro Government Bond (3.1%). Evli Japan outperformed its benchmark index by the widest margin, (+4.6%).

In a fund comparison carried out in March by the independent Morningstar, the average star rating of Evli's funds was 3.8 (3.6). Of Evli's 27 funds, 20 were included in the comparison, and 14 of them received the highest or second highest Morningstar rating.

Wealth Management

Evli's Wealth Management business performed well during the review period. The number of institutional clients and Private Banking and Online Banker clients grew. The operations of the real estate fund (EAI Residential I) managed by Evli Alternative Investments Ltd progressed according to plan.

Profit performance of the Wealth Management business

Wealth Management in numbers	1-3/2016	1-3/2015	Change %
Net revenue, M€	10,3	10,6	-3 %
operating profit/loss before Group allocations and bonuses, M€	4,1	5,3	-23 %
Operating profit / loss, M€	1,9	3,8	-48 %
Personnel, at the end of period	107	99	8 %
Market share (Evli Fund Company), %*	5,4	5,1	
Net subscriptions to own funds, M€*	97	364	
Average rating of Evli funds in MorningStar	3,8	3,6	

*source: fund report by Finanssialan Keskusliitto ry

Evli Group's Asset Under Management ("AUM") including associated companies, billion euros	31.3.2016	31.3.2015
of which in mutual funds and asset management,	10,4	9,9
in real-estate funds managed by Northern Horizon Capital,	1,4	1,0
in incentive systems managed by Evli Alexander Management	0,4	0,6
Evli group's gross AUM	12,2	11,5
Evli Group's net AUM	9,5	9,1

** Net AUM excludes mutual funds within asset management agreements

January–March

The performance of the Wealth Management unit during the review period was in line with the general market development. Net revenue declined slightly from the previous year and was EUR 10.3 million (EUR 10.6 million). The development of net revenue was negatively affected by the considerable decline in performance-based fees. The funds' performance-based fees were EUR 0 million (EUR 1.2 million) during the period. The increase in assets under management also resulted in a year-on-year increase in management and asset management fees. The unit's result was negatively affected by the fact that a provision for personnel performance bonuses was allocated to the units during the first quarter. In the comparison period the provision for personnel performance bonuses for the first quarter was entered under Group operations.

The Wealth Management unit's net assets under management totaled EUR 9.5 billion (EUR 9.1 billion) at the end of March, including associated companies.

Markets

The Markets unit offers brokerage of equity and other investment products, market making services and investment research. The unit's clients are mainly Finnish and international

professional clients. In addition to equities, the Markets unit brokers derivatives, ETFs, money market products, corporate bonds and structured products.

Equity brokerage

The first quarter of the year was challenging for conventional equity brokerage as client initiative declined throughout the market. The trading volume on NASDAQ OMX Helsinki Ltd declined five percent from the same period in 2015. At the same time, algorithmic trading increased the share of the stock exchange's trading volume. The decline in client initiative had a negative impact on the unit's equity brokerage income. Gross commissions from equity brokerage declined 26 percent year on year. During the review period, Evli's Markets unit took part in major share transactions for Nokia, Fortum, Nokian Tyres and Sponda, among others.

Brokerage of other investment products

The challenging market environment also affected the brokerage of other investment products. Brokerage income declined in all product groups but relatively less than in equity brokerage. Gross commissions from brokerage of other investment products declined 22 percent year on year.

Profit performance of the Markets business

Markets in numbers	1-3/2016	1-3/2015	Change %
Net revenue, M€	2,7	3,6	-26 %
operating profit/loss before Group allocations and bonuses, M€	0,6	1,4	-57 %
Operating profit / loss, M€	0,0	0,7	-
Personnel, at the end of period	35	34	3 %

January–March

Performance in the first quarter was clearly weaker than in the corresponding period of 2015. Net revenue fell 26 percent on the corresponding period of 2015 and was EUR 2.7 million (EUR 3.6 million). Commission income from brokerage declined in all sales units from the previous year. The unit's trading income also remained at the previous year's level. The unit's result was negatively affected by the fact that a provision for personnel performance bonuses was allocated to the units during the first quarter. In the comparison period the provision for personnel performance bonuses for the first quarter was entered under Group operations.

The target of Evli's Markets unit is to raise the proportion of non-equity brokerage in its operations. In the first quarter of 2015, 50 percent of the unit's brokerage income was accounted for by product areas other than equity brokerage.

Corporate Finance

The Corporate Finance unit provides advisory services related to M&A transactions and securities offerings. Advisory services regarding mergers and acquisitions include advisory services related to corporate acquisitions, divestments, mergers and demergers, for

example. Securities offerings include IPOs, share issues and sales, equity and debt arrangements and private placement arrangements, for example.

Profit performance of the Corporate Finance business

Corporate Finance in numbers	1-3/2016	1-3/2015	Change %
Net revenue, M€	1,3	0,9	44 %
operating profit/loss before Group allocations and bonuses, M€	0,4	0,0	-
Operating profit / loss, M€	0,4	0,0	-
Personnel, at the end of period	21	22	-5 %

January–March

The mergers and acquisitions market remained active in the review period. Evli was an advisor in a total of 3 executed transactions (2 transactions). These included

- advisor to Stockmann Plc concerning the sale of its Russian department stores
- advisor to Ambea concerning the acquisition of Solhagagruppen from Bridgepoint Development Capital
- advisor to Seamless AB concerning a private placement

The unit has increased its existing mandate base effectively and gained new projects during the review period.

Evli Corporate Finance unit's net revenue increased by 44 percent year-on-year and was EUR 1.3 million (EUR 0.9 million). Significant fluctuations in revenue from one quarter to the next are typical of the Corporate Finance business. The unit's mandate base is strong.

Group operations

Group operations include all support functions serving the entire Evli Bank Group. They include the Treasury, payments, credit management, management of the Group's own investments, Financial Administration, Group Risk Management, Information Management, Group Communications, Legal Department, Compliance, Human Resources and internal services.

Profit performance of Group operations

January–March

The net income of Group operations increased by 6 percent year on year and was EUR 1.3 million in total (EUR 1.2 million). Administrative expenses, excluding provision for personnel performance bonuses, were at last year's level. Depreciation decreased slightly, as was expected. Overall costs excluding performance bonuses did not change significantly on last year.

Evli's associated company Northern Horizon Capital's Healthcare I fund sold its entire real estate portfolio during the review period. With the transaction, Evli's share of NHC's result increased some EUR 1.9 million due to substantial exit fees.

Changes in Group structure

No changes took place in Evli's Group structure in the review period. Restructuring projects that are currently underway include the closing down of Evli's Estonian subsidiary Evli Securities AS and of the Russian subsidiaries of Evli Russia Ltd.

Evli's shares and share capital

At the end of March, 2016, the total number of shares in Evli Bank Plc was 23,313,920 shares including 16,962,136 series A shares and 6,351,784 series B shares. No Evli shares were held by the company.

Share capital was EUR 30,194,097.31 at the end of the review period. No changes took place in the share capital.

Under Article 4 of its Articles of Association, the company converted 9 000 A shares into B shares on February 10, 2016. Public trading on the converted shares began at Nasdaq Helsinki on February 11, 2016.

Trading on NASDAQ Helsinki

At the end of March, Evli had 6,351,784 series B shares subject to public trading on NASDAQ Helsinki. Trading in the shares in January–March came to EUR 1,655,098, with 229,279 Evli shares traded. The share price on March 31, 2016 was EUR 6.70. The highest share price during the review period was EUR 8.09 and the lowest was EUR 6.61. Evli's market capitalization was EUR 156.2 million on March 31, 2016. The market value is calculated on the basis of both unlisted series A shares and listed series B shares excluding acquired Evli shares. Series A shares are valued at the closing value of the series B share at the end of the reporting period.

Shareowners

Evli's ten largest shareowners on March 31, 2016 are listed in the table below. The total number of shareholders at the end of the financial year was 2,543.

Shareholders	A Shares	B Shares	Shares total	% of all shares	% of votes
1. Oy Prandium Ab	3 803 280	950 820	4 754 100	20,39	22,29
2. Oy Scripo Ab	3 803 280	950 820	4 754 100	20,39	22,29
3. Oy Fincorp Ab	2 319 780	580 115	2 899 895	12,44	13,59
4. Ingman Group Oy Ab	1 860 000	500 000	2 360 000	10,12	10,91
5. Maunu Lehtimäki	433 728	108 432	542 160	2,33	2,54
6. Tallberg Claes	369 756	92 439	462 195	1,98	2,17
7. Hollfast John Erik	328 320	82 080	410 400	1,76	1,92
8. Thunekov AB	224 000	56 000	280 000	1,2	1,31
9. Ridgeback Advisory AB	210 000	52 500	262 500	1,13	1,23
10. Dudarev Grigory	201 540	50 385	251 925	1,08	1,18

Decisions of a General Meeting of Shareholders

Evli Bank Plc's Annual General Meeting, held on Tuesday March 8, 2016, made a decision on the following matters.

Adoption of the financial statements and use of the profit shown on the balance sheet and the payment of dividend

Evli Bank Plc's Annual General Meeting adopted the financial statements and resolved in accordance with the proposal of the Board of Directors to pay EUR 0.31 per share in dividends. The dividend was paid to a shareholder who on the record date March 10, 2016 was registered in the shareholders' register of the company held by Euroclear Finland Ltd. The date of the payment of dividends was resolved to be March 17, 2016.

The release from liability of the members of the Board of Directors and the CEO

The Annual General Meeting granted release from liability to the Members of the Board of Directors and the CEO for the 2015 financial year.

Number of Board members, members and fees

The Annual General Meeting confirmed seven as the total number of members of the Board of Directors. Henrik Andersin, Robert Ingman, Harri-Pekka Kaukonen, Johanna Lamminen, Mikael Lilius, Teuvo Salminen and Thomas Thesleff were re-elected to Evli Bank Plc's Board of Directors.

The meeting attendance fee payable to Board members is EUR 4,100 per month, and the Chairman's attendance fee is EUR 6,000 per month. In addition, it is proposed that the Chairmen of the Committees be paid EUR 800.00 for each Committee meeting.

Auditors and auditors' fees

KPMG Oy Ab, an auditing firm, was elected as the auditor with Marcus Tötterman, Authorized Public Accountant, as the principally responsible auditor. The auditor is paid a remuneration according to a reasonable invoice approved by the company.

Board authorizations

The Annual General Meeting authorized the Board of Directors to decide on the repurchase of the company's own series A and series B shares in one or more lots as follows:

The total number of own series A shares to be repurchased may be a maximum of 1,696,213 shares, and the total number of own series B shares to be repurchased may be a maximum of 635,178 shares, which corresponds to a total of approximately 10 percent of the total number of company's own shares on the date of the Notice of Annual General Meeting. On the basis of the authorization, the company's own shares may only be repurchased with unrestricted equity. The company's own shares may be repurchased at the price formed for series B shares in public trading or at the price otherwise formed on the market on the purchase day. The Board of Directors will decide how the company's own shares will be repurchased. Financial instruments such as derivatives may be used in the purchasing. The company's own shares may be repurchased in other proportion than the shareholders' proportional shareholdings (private purchase). The authorization will

replace earlier unused authorizations to repurchase the company's own shares. The authorization will be in force until the next Annual General Meeting but not later than until June 30, 2017.

The Annual General Meeting authorized the Board of Directors to decide on the issuance of shares and special rights entitling to shares pursuant to Chapter 10, section 1, of the Limited Liability Companies Act in one or more lots, for a fee or free of charge. Based on the authorization, the number of shares issued or transferred, including shares received on the basis of special rights, may total a maximum of 2,331,392 series B shares, which corresponds to approximately 10% of the current total number of all the shares of the company. Of the above-mentioned total number, however, a maximum of 233,139 shares may be used as part of the company's share-based incentive schemes, which corresponds to approximately 1% of the current total number of all the shares of the company. The authorization will entitle the Board of Directors to decide on all the terms and conditions related to the issuing of shares and special rights entitling to shares, including the right to deviate from the shareholders' pre-emptive subscription rights. The Board of Directors may decide to issue either new shares or any own shares in the possession of the company. The authorization will replace earlier unused authorizations concerning the issuance of shares as well as the issuance of options and other special rights entitling to shares. The authorization is proposed to be in force until the end of the next Annual General Meeting but not longer than until June 30, 2017.

Risk Management and business risks

The objective of risk management is to support the uninterrupted implementation of the Group's strategy and income-generating activities. The Board of Evli's parent company confirms the risk management principles, the Group's risk limits and other guidelines according to which risk management and internal control are organized at Evli. The Board has also set up a credit and asset liability committee (Credalco) that briefs it on risk-taking matters. The Risk Management unit oversees daily operations and compliance with the risk limits granted to the business units.

Evli's most significant near-term risk is the impact of market performance on the company's business functions. Capital market performance has a direct impact on the asset management business, whose revenue is based on the performance of assets under management and is therefore subject to market fluctuations. The general performance of the markets also has an impact on brokerage operations. In the Corporate Finance unit, any changes in the market confidence of investors and corporate management may result in the lengthening or termination of projects.

The delta-adjusted price risk of Evli's own investment portfolio and proprietary trading was approximately EUR 6.7 million at the end of March, and a 20 percent negative market movement would have resulted in a scenario loss of approximately EUR 1.4 million. At the end of March, the Treasury unit's interest rate risk was approximately EUR +/- 0.1 million, assuming that market rates rise/fall by one percentage point. Evli's liquidity has remained solid. The effect on realized operational risks during the review period was calculated at about EUR 0.1 million. A more detailed explanation of the risks of Evli's business functions and their management can be found in the company's financial statements.

**Business environment**

Despite market fluctuation, Evli's business environment has remained favorable. The performance of asset management has improved steadily in all client segments, leading to a steady increase in management fees. The recognitions received by the company in respected and independent studies and the high Morningstar ratings of the funds further promote the growth of business. The M&A market, which has remained active, provides opportunities for Evli's Corporate Finance operations. The mandate base is strong. A difficult competitive situation and a shrinking domestic equity brokerage market pose particular challenges for Evli's brokerage operations. Interest rates are expected to remain at a low level.

**Outlook for 2016 unchanged**

Evli's business performance has been strong in recent years, and interest in Evli's services and products is expected to remain stable. In the Corporate Finance business, substantial fluctuations in annual profits are possible. The unit's mandate base is at a healthy level. The ratio of Evli's recurring revenue to expenses has developed as planned and the revenue covered nearly 90 percent of the Group's fixed operating expenses. We believe that the result for 2016 will be clearly positive.

Helsinki, April 21, 2016

Board of Directors

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EVLI BANK PLC

CONSOLIDATED INCOME STATEMENT, M€	1-3/2016	1-3/2015	1-12/2015
Net interest income	0,5	0,3	1,4
Commission income and expense, net	13,5	14,1	57,2
Net income from securities transactions and foreign exchange dealing	1,5	1,8	5,4
Other operating income	0,0	0,1	0,2
Administrative expenses			
Personnel expenses	-7,0	-7,1	-27,5
Other administrative expenses	-3,6	-3,6	-15,8
Depreciation, amortisation and write-down	-0,8	-0,8	-3,9
Other operating expenses	-0,9	-1,0	-3,8
Impairment losses on loans and other receivables	0,0	0,0	0,0
NET OPERATING PROFIT / LOSS	3,1	3,7	13,3
Share of profits (losses) of associates	1,9	0,0	2,1
Income taxes*	-0,7	-0,9	-3,0
PROFIT / LOSS FOR FINANCIAL YEAR	4,3	2,8	12,3
Attributable to			
Non-controlling interest	0,2	0,1	0,9
Equity holders of parent company	4,1	2,7	11,5
PROFIT / LOSS FOR FINANCIAL YEAR	4,3	2,8	12,3
INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY:			
Items, that will not be reclassified to profit or loss	0,0	0,0	0,0
Income and expenses recognised directly in equity	0,0	0,0	0,0
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences - foreign operations	0,1	-0,1	0,1
Tax on items that are or may be reclassified subsequently to profit or loss	0,0	0,0	0,0
PROFIT / LOSS FOR FINANCIAL YEAR	0,1	-0,1	0,1
	0,1	-0,1	0,1
TOTAL RECOGNISED INCOME AND EXPENSES FOR THE PERIOD	4,4	2,6	12,5
Attributable to			
Non-controlling interest	0,2	0,1	0,9
Equity holders of parent company	4,2	2,5	11,6

* Taxes are proportionate to the net profit for the period

STOCK EXCHANGE RELEASE
 April 21, 2016

CONSOLIDATED INCOME STATEMENT, M€	1-3/2016	10-12/2015	7-9/2015	4-6/2015	1-3/2015
Net interest income	0,5	0,4	0,4	0,2	0,3
Commission income and expense, net	13,5	16,3	12,1	14,7	14,1
Net income from securities transactions and foreign exchange dealing	1,5	1,2	0,8	1,6	1,8
Other operating income	0,0	0,1	0,0	0,1	0,1
Administrative expenses					
Personnel expenses	-7,0	-7,7	-5,5	-7,2	-7,1
Other administrative expenses	-3,6	-4,0	-3,6	-4,6	-3,6
Depreciation, amortisation and write-down	-0,8	-1,2	-0,8	-1,2	-0,8
Other operating expenses	-0,9	-1,1	-0,9	-0,8	-1,0
Impairment losses on loans and other receivables	0,0	0,0	0,0	0,0	0,0
NET OPERATING PROFIT / LOSS	3,1	4,0	2,7	2,8	3,7
Share of profits (losses) of associates	1,9	2,3	-0,1	0,0	0,0
Income taxes*	-0,7	-0,9	-0,6	-0,6	-0,9
PROFIT / LOSS FOR FINANCIAL YEAR	4,3	5,4	1,9	2,3	2,8
Attributable to					
Non-controlling interest	0,2	0,1	0,1	0,6	0,1
Equity holders of parent company	4,1	5,3	1,9	1,7	2,7
PROFIT / LOSS FOR FINANCIAL YEAR	4,3	5,4	1,9	2,3	2,8
INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY:					
Items, that will not be reclassified to profit or loss	0,0	0,0	0,0	0,0	0,0
Income and expenses recognised directly in equity	0,0	0,0	0,0	0,0	0,0
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences - foreign operations	0,1	0,4	0,0	-0,1	-0,1
PROFIT / LOSS FOR FINANCIAL YEAR	0,1	0,4	0,0	-0,1	-0,1
	0,1	0,4	0,0	-0,1	-0,1
TOTAL RECOGNISED INCOME AND EXPENSES FOR THE PERIOD	4,4	5,8	1,9	2,2	2,6
Attributable to					
Non-controlling interest	0,2	0,1	0,1	0,6	0,1
Equity holders of parent company	4,2	5,7	1,8	1,6	2,5

* Taxes are proportionate to the net profit for the period

CONSOLIDATED BALANCE SHEET, M€	31.3.2016	31.3.2015	31.12.2015
ASSETS			
Liquid assets	67,1	411,2	128,0
Debt securities eligible for refinancing with central banks	54,4	74,2	38,5
Claims on credit institutions	138,0	133,7	119,4
Claims on the public and public sector entities	62,0	59,2	56,0
Debt securities	155,8	43,2	133,0
Shares and participations	43,7	51,8	38,0
Participating interests	3,9	3,1	5,0
Derivative contracts	23,6	7,4	21,6
Intangible assets	9,7	7,2	10,0
Property, plant and equipment	1,9	2,3	1,9
Other assets	237,7	227,8	77,7
Accrued income and prepayments	7,6	6,2	3,0
Deferred tax assets	0,4	0,6	0,3
TOTAL ASSETS	805,5	1 027,9	632,2

CONSOLIDATED BALANCE SHEET, M€	31.3.2016	31.3.2015	31.12.2015
LIABILITIES			
Liabilities to credit institutions and central banks	8,8	5,0	5,5
Liabilities to the public and public sector entities	373,7	630,6	352,4
Debt securities issued to the public	34,7	30,3	35,7
Derivative contracts and other trading liabilities	49,2	31,8	36,5
Other liabilities	260,5	259,3	116,1
Accrued expenses and deferred income	11,6	20,5	15,1
Deferred tax liabilities	0,6	0,3	0,7
	739,0	977,8	562,0
Equity to holders of parent company	65,8	49,5	69,0
Non-controlling interest in capital	0,8	0,6	1,2
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	805,5	1 027,9	632,2

EQUITY CAPITAL, M€

		Share capital	Share premium fund	Reserve for invested unrestricted equity	Other reserves	Translation difference	Retained earnings	Total	Non-controlling interest	Total Equity
Equity capital	31.12.2014	30,2	1,8	13,2	0,2	-0,4	6,0	51,0	1,2	52,2
Translation difference						0,2		0,2		0,2
Profit/loss for the period							2,7	2,7	0,1	2,8
Dividends							-4,3	-4,3	-0,8	-5,1
Share issue				0,2			-0,2	0,0		0,0
Equity capital	31.3.2015	30,2	1,8	13,4	0,2	-0,2	4,1	49,5	0,6	50,1
Translation difference						0,1		0,1		0,1
Profit/loss for the period							8,8	8,8	0,7	9,6
Dividends				-4,2				-4,2		-4,2
Share issue				1,2				1,2		1,2
IPO				14,2				14,2		14,2
Expenses related to IPO				-0,4				-0,4		-0,4
Transfer between items				0,3			-0,3	0,0		0,0
Acquisition of own shares				-0,1			0,0	-0,1		-0,1
Equity capital	31.12.2015	30,2	1,8	24,2	0,2	-0,3	12,9	69,0	1,2	70,2
Translation difference						0,0		0,0		0,0
Profit/loss for the period							4,1	4,1	0,2	4,3
Dividends							-7,2	-7,2	-0,7	-7,9
Other changes				0,7			-0,7	0,0		0,0
Equity capital	31.3.2016	30,2	1,8	24,9	0,2	-0,3	9,0	65,8	0,8	66,6

STOCK EXCHANGE RELEASE
 April 21, 2016

2016	Markets	Corporate Finance	Wealth Management	Group Operations	Unallocated	Group
SEGMENT INCOME STATEMENT, ME	1-3/ 2016	1-3/ 2016	1-3/ 2016	1-3/ 2016	1-3/ 2016	1-3/ 2016
REVENUE						
External sales	2,7	1,3	10,3	1,2	0,0	15,4
Inter-segment sales	-0,1	0,0	0,0	0,1	0,0	0,0
Total revenue	2,7	1,3	10,3	1,3	0,0	15,4
RESULT						
Segment operating expenses	-2,1	-0,8	-6,6	-2,8	0,0	-12,4
Business units operating profit before Group allocations	0,5	0,4	3,7	-1,6	0,0	3,1
Allocated corporate expenses	-0,6	0,0	-1,6	2,2	0,0	0,0
Operating profit including Group allocations	0,0	0,4	2,1	0,6	0,0	3,1
Share of profits (losses) of associates					1,9	1,9
Income taxes					-0,7	-0,7
Segment profit/loss after taxes	0,0	0,4	2,1	0,6	1,2	4,3
2015						
	Markets	Corporate Finance	Wealth Management	Group Operations	Unallocated	Group
SEGMENT INCOME STATEMENT, ME	1-3/ 2015	1-3/ 2015	1-3/ 2015	1-3/ 2015	1-3/ 2015	1-3/ 2015
REVENUE						
External sales	3,7	0,9	10,6	1,1	-0,1	16,2
Inter-segment sales	-0,1	0,0	0,0	0,1	0,0	0,0
Total revenue	3,6	0,9	10,6	1,2	-0,1	16,2
RESULT						
Segment operating expenses	-2,2	-0,9	-5,3	-4,0	-0,1	-12,5
Business units operating profit before Group allocations	1,4	0,0	5,3	-2,8	-0,2	3,7
Allocated corporate expenses	-0,7	0,0	-1,4	2,1	0,0	0,0
Operating profit including Group allocations	0,7	0,0	3,9	-0,6	-0,2	3,7
Share of profits (losses) of associates					0,0	0,0
Income taxes					-0,9	-0,9
Segment profit/loss after taxes	0,7	0,0	3,9	-0,6	-1,1	2,8

Regular reporting to top management does not include breakdown of assets and liabilities of Evli Group to different business segments. Because of this the breakdown of assets and liabilities to segments is not included in the official segment report. Allocated corporate expenses includes cost items relating to general administration of Evli Group and banking business that are allocated to business units using allocation drivers in place at each time of review. Group Operations comprise Management of Evli Group, certain back-office functions, Treasury, Group Risk Management, Financial Administration, Information Management, Group Communications, Legal Department and Compliance, and Human Resources.

CASH FLOW STATEMENT, M€	1-3/ 2016	1-3/ 2015	1-12/ 2015
Cash flows from operating activities			
Interest and commission received	5,7	2,0	76,3
Open trades, net	9,7	7,9	-2,8
Interest and commissions paid	-0,9	-1,0	-3,2
Cash payments to employees and suppliers	-18,4	5,3	-34,1
Increase(-) or decrease(+) in operating assets:			
Net change in trading book assets and liabilities	-30,5	-1,8	-92,0
Deposits held for regulatory or monetary control purposes	-14,8	-12,2	7,0
Funds advanced to customers	2,6	328,3	91,0
Issue of loan capital	-1,0	-2,8	2,6
Net cash from operating activities before income taxes	-47,5	325,6	44,9
Income taxes	-0,3	-0,1	-2,6
<i>Net cash used in operating activities</i>	-47,8	325,5	42,3
Cash flows from investing activities			
Proceeds from sales of subsidiaries and associates	0,0	0,0	-6,3
Dividend received	0,0	0,0	0,0
Proceeds from sales of non-dealing securities	0,0	0,0	0,0
Acquisition of property, plant and equipment and intangible	-0,5	-0,3	-1,7
<i>Net cash used in investing activities</i>	-0,5	-0,3	-8,1
Cash flows from financing activities			
Proceeds from issue of shares capital	0,0	0,0	1,4
IPO	0,0	0,0	13,7
Purchase of own shares	0,0	0,0	-0,1
Net decrease/increase in other borrowings	0,0	-0,1	0,0
Payment of finance lease liabilities	-0,1	0,0	-0,2
Dividends paid	-7,9	-5,1	-8,6
<i>Net cash from financing activities</i>	-8,0	-5,3	6,3
Net increase / decrease in cash and cash equivalents	-56,3	319,9	40,5
Cash and cash equivalents at beginning of period	204,0	163,6	163,6
Cash and cash equivalents at end of period	147,9	483,5	204,0

KEY FIGURES DESCRIBING THE FINANCIAL PERFORMANCE OF THE GROUP	1-3/ 2016	1-3/ 2015	1-12/ 2015
Net revenue, M€	15,4	16,2	64,2
Operating profit / loss, M€	3,1	3,7	13,3
% of net revenue	20,0	22,9	20,6
Profit / Loss for financial year, M€	4,3	2,8	12,3
% of net revenue	27,8	17,2	19,2
Expense ratio (operating costs to net revenue)	0,80	0,77	0,79
Earnings/share (EPS)	0,18	0,12	0,54
Diluted earnings/share IFRS	0,17	0,12	0,53
Return on equity % (ROE) *	25,1	21,8	20,2
Return on assets % (ROA) *	2,39	1,49	2,20
Equity/total assets ratio %	8,3	4,9	11,1
Dividend/share**			0,31
Personnel in end of period	246	233	248

*annualized

**Dividend from 2015 approved by the Annual General Meeting.

The dividend was paid on March 17, 2016.

Evli Group's capital adequacy	31.3.2016	31.3.2015	31.12.2015
Own assets (common equity Tier 1 capital), M€	52,4	39,9	52,4
Risk-weighted items total for market- and credit risks, M€	191,6	183,7	162,9
Capital adequacy ratio, %	17,4	14,0	19,2
Evli Bank Plc:s adequacy ratio, %	21,0	17,3	24,0
Own funds surplus M€	28,3	17,2	30,6
Own funds in relation to the minimum capital requirement	2,2	1,8	2,4
Own funds surplus M€ including additional capital requirement	20,8	10,1	23,8

Calculation of key ratios

Net revenue	From Income Statement. Includes gross returns, deducted by interest and commission expenses.
Operating profit	From Income Statement
Profit for the financial year	From Income Statement
Return on equity (ROE), %	$= \frac{\text{Profit / Loss for financial year}}{\text{Equity capital and minority interest (average of the figures for the beginning and at the end of the year)}} \times 100$
Return on assets (ROA), %	$= \frac{\text{Profit / Loss for financial year}}{\text{Average total assets (average of the figures for the beginning and at the end of the year)}} \times 100$
Equity / Total assets ratio, %	$= \frac{\text{Equity capital}}{\text{Total assets}} \times 100$
Expense ratio as earnings to operating costs	$= \frac{\text{Administrative expenses + depreciation and impairment charges+ other operating expenses}}{\text{Net interest income + net commission income + net income from securities transactions and foreign exchange dealing + other operating income}} \times 100$
Earnings/share	$= \frac{\text{Total recognised income and expenses for the period without the share of the non-controlling interest}}{\text{Shares outstanding}}$
Shareholders' equity per share	$= \frac{\text{Equity to holders of parent company}}{\text{Shares outstanding}}$

NOTES TO BALANCE SHEET, M€	31.3.2016	31.3.2015	31.12.2015	
Equity and debt securities				
Equity securities are presented in the Statement of Changes in Equity				
Debt securities issued to the public				
Certificates of Deposits and commercial papers	0,0	0,0	0,0	
Bonds	34,7	30,3	35,7	
Debt securities issued to the public	34,7	30,3	35,7	
Breakdown by maturity				
	less than 3 months	3-12 months	1-5 years	5-10 years
Debt securities issued to the public	1,4	1,9	31,4	0,0
Changes in bonds issued to the public				
	31.3.2016	31.3.2015	31.12.2015	
Issues	0,0	3,2	15,0	
Repurchases	0,3	5,0	12,3	
Off-balance sheet commitments				
Commitments given to a third party on behalf of a customer	4,4	4,7	5,0	
Irrevocable commitments given in favour of a customer	0,4	0,6	0,6	
Guarantees on behalf of others	0,5	0,5	0,5	
Unused credit facilities	4,0	2,0	2,4	
Transactions with related parties				
	1-12/ 2015	Associated companies	Group managemen	
Receivables		0,0	0,1	
Liabilities		0,0	3,0	
There were no major changes in transactions with related parties in the review period.				

Value of financial instruments across the three levels of the fair value hierarchy, M€

	Level1	Level2	Level3	Total
Financial assets:	2016	2016	2016	
Shares and participations classified as held for trading	19,6	0,0	0,8	20,4
Shares and participations, other	17,7	0,0	5,5	23,3
Debt securities eligible for refinancing with central banks	54,4	0,0	0,0	54,4
Debt securities	24,0	124,3	7,4	155,8
Positive market values from derivatives	1,8	20,6	1,2	23,6
Total financial assets held at fair value	117,6	145,0	15,0	277,5
Financial liabilities:				
Shares and participations classified as held for trading	25,3	0,0	1,2	26,5
Negative market values from derivatives	1,5	20,5	0,7	22,6
Total financial liabilities held at fair value	26,8	20,5	1,9	49,2

Explanation of fair value hierarchies:

Level 1

Fair values measured using quoted prices in active markets for identical instruments

Level 2

Fair values measured using directly or indirectly observable inputs, other than those included in level 1

Level 3

Fair values measured using inputs that are not based on observable market data.

Level 1 of the hierarchy includes listed shares, mutual funds and derivatives listed on exchanges, and debt securities that are traded in active OTC- and public markets.

Shares and participations classified in level 3 are usually instruments which are not publicly traded, like venture capital funds and real estate funds.

Derivatives in level 2 or 3 are derivatives whose values are calculated with pricing models widely in use, like Black-Scholes.

Derivative valuations for level 3 instruments contain inputs (volatility and dividend estimate) which are not directly observable in the market.

There are no significant change in the option fair values, If the volatility estimates are changed to publicly obtained historical volatilities.

Debt securities valuations that are obtained from markets that are not fully active, have a fair value level hierarchy of 2. Level 3 valuations for debt securities are valuations received directly from the arranger of the issue.

Derivative contracts

Overall effect of risks associated with derivative contracts					2016
Nominal value of underlying , brutto					
	Remaining maturity Less than 1 year	1-5 years	5-15 years	Fair value (+/-)	
Held for trading					
Interest rate derivatives					
Interest rate swaps	0,0	7,4	2,9	0,0	
Currency-linked derivatives	1 667,8	0,0	0,0	0,2	
Equity-linked derivatives					
Futures	5,9	0,0	0,0	0,4	
Options bought	17,8	30,7	2,8	1,6	
Options sold	20,5	27,3	2,8	-1,2	
Other derivatives					
Held for trading, total	1 712,1	65,4	8,4	1,0	
Derivative contracts, total	1 712,1	65,4	8,4	1,0	

Equity derivatives held for trading, and other liabilities held for trading hedge the equity delta risk for shares and participations in the trading book.

Currency derivatives comprise commitments made against clients and the associated hedges, and contracts made to hedge currency risk in the balance sheet. The net open risk position of the total amount is small.

Equity derivatives in the banking book hedge the equity risk in equity-linked bonds issued to the public.

ACCOUNTING POLICIES

The Interim Report complies with IAS 34, Interim Reports, as approved by the EU. The accounting policies applied to the financial statements and the segment reporting policies are detailed in the financial statements for 2015. The accounting policies applied for recognising items in the Interim Report are unchanged comparison with the 2014 Annual Report. EVI Bank Plc applies the standards IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities since 1.1.2014. The amended standards are not expected to have an impact on EVI's consolidated financial statements.

The figures are unaudited.