PRESS RELEASE

28.4.2014

EVLI BANK’S INTERIM REPORT 1-3/2014:
Steady profit performance continued

- The Group’s net revenue for the review period rose by 3 percent and was EUR 13.9 million (1-3/2013: EUR 13.6 million).
- The Group’s operating profit was EUR 2.5 million (EUR 1.1 million).
- The Group’s profit for the review period doubled and was EUR 1.9 million (EUR 0.9 million).
- Net assets under management grew steadily during the period and totaled EUR 6.1 billion (EUR 5.4 billion) at the end of March.
- Evli Bank’s liquidity is good and its capital adequacy remained at a high level.
- Evli was selected as the second-best fixed income portfolio manager in Europe in a prestigious Morningstar comparison.

KEY FIGURES	1-3/ 2014	1-3/ 2013	1-12/ 2013
Sales, M€	14,4	14,1	57,4
Net revenue, M€	13,9	13,6	55,5
Operating profit / loss, M€	2,5	1,1	6,7
Profit / Loss for financial year, M€	1,9	0,9	5,6
Operating profit / loss % of net revenue	18,1 %	8,3 %	12,1 %
Return on equity % (ROE) *	16,0	7,0	11,2
Earnings/share (EPS)	0,5	0,1	1,2
Recurring revenue ratio	80 %	70 %	81 %
Personnel in end of period	252	249	245

**Annualized*

EVLI BANK PLC

Evli is a bank that helps private persons, entrepreneurs and institutions increase their wealth. Evli provides wealth management, equity and derivatives brokerage, investment research and corporate finance services.

Evli was established in 1985, and has since then been a pioneer in the rapidly developing capital markets. The operations are based on the strong expertise of its employees and their ability, gained through experience, to seek out solutions that provide added value for their clients. Evli’s objective is to build long-term client relationships based on trust.

Evli’s principal market is the Baltic Sea region, and it employs around 250 people. Evli Group’s equity capital is EUR 47.9 million and the BIS capital adequacy ratio stood at 13.7% on March 31, 2014.

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Market performance

Equity market performance early in the year was mild, as expected. The OMX Helsinki CAP GI Index rose by 1.9 percent in January-March. The performance on International equity markets was also light. However, the growing global uncertainty has caused increased fluctuation in equity prices.

Market uncertainty was caused by China's growth outlook, the exceptionally cold weather in the USA and the situation in Ukraine. However, the global economic growth outlook is still regarded as positive.

In the euro area, inflation slowed further to 0.5 percent. The European Central Bank has not yet taken any measures, and has been content to advise the markets that its refinancing rate will remain low for a long time.

The tightening of euro area liquidity raised the three-month Euribor rate by 0.03 percentage points to 0.31 percent. The yield on the German government's 10-year bond fell by 0.37 percentage points to 1.57 percent.

Revenue performance

Evli Group's net revenue growth continued during the first quarter of the year. Net revenue performance was boosted especially by growth in income from securities trading and foreign exchange dealing. The performance was sustained by an increase in asset values and good client activity. During the review period net revenue rose by 3 percent on the corresponding period of 2013 and was EUR 13.9 million (EUR 13.6 million).

Wealth Management operations performed well during the review period. The Wealth Management unit's net revenue rose by 4 percent from the corresponding period of 2013. The performance was supported by an increase in assets under management and an increase in fund sales in Sweden.

During the review period, the Markets unit's net revenue increased by 3 percent compared with the corresponding period of 2013. Revenue was boosted especially by an increase in net income from securities trading. The increase in securities trading included income from both market making and bond brokerage. The unit's strategic goal has been to reduce its dependence on traditional equity brokerage and to expand brokerage to cover other capital market products. During the review period, 45 percent of the unit's revenue was derived from products other than traditional equity brokerage.

The Corporate Finance unit's net revenue decreased by 2 percent compared with the corresponding period of 2013. Significant fluctuations in net revenue from one quarter to the next are typical of the Corporate Finance business.

Evli's strategic objective is to raise the proportion of revenue accounted for by recurring revenue to a level that would fully cover operating expenses. In the review period, recurring revenue covered 80 percent (70%) of overall expenses. Revenue from Wealth Management operations, fund operations, custody, management of incentive systems and client interest margins are deemed as recurring revenue.

Result and cost structure

The Group’s profit for the review period before taxes and profit sharing with employees grew on the previous year and was EUR 2.5 million (EUR 1.1 million). The profit for the period was EUR 1.9 million (EUR 0.9 million).

In the past few years Evli has increased the efficiency of its operations and thus streamlined its cost structure. During the review period the Group’s comparable operating costs decreased by 8 percent from the previous year’s level. Evli’s expense/income ratio improved on the previous year’s level and was 0.82 (0.92).

During the review period Evli launched a strategic project to achieve its new corporate vision. The company’s vision is to be “Simply Unique”. The aim is to simplify both the company’s own processes and the world of investment for clients by offering even more unique service experiences. The results of the project are expected to be realized gradually during 2014 and 2015.

Balance sheet and funding

The Group’s equity was EUR 47.9 million at the end of the review period. 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 13.7 percent clearly exceeds the regulator’s requirement of 8 percent.

Total tier 1 capital, M€	31.3.2014	31.3.2013
Share capital	30,2	30,2
Funds total	15,2	15,5
Minority interest	0,5	0,8
Decreases:		
Intangible assets	9,8	12,9
Other decreases	0,5	0,8
Total tier 1 capital	35,7	32,9

Evli Bank has no tier 2 capital.

Minimum requirement of own funds, M€	31.3.2014	31.3.2014
Minimun capital adequacy requirement by asset group, standard credit risk method (€ million):	Min. requirement	Risk-weighted value
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	5,1	63,2
Investments in mutual funds	0,6	7,4
Claims secured with property	0,3	3,5
Claims from corporate customers	0,4	4,6
Items with high risk, as defined by the authorities	0,3	3,7
Other items	5,8	72,1
Minimum amount of own funds, market risk, € million	0,6	7,5
Minimum amount of own funds, operational risk, € million	7,9	98,8
Total	20,9	260,8

New capital adequacy requirements of the Basel Committee (Basel III) entered into force on January 1, 2014. Due to the capital adequacy requirements, the capital requirements related to credit risk have grown primarily with respect to the bank's Treasury unit's bond investments and the counterparty risks associated with OTC derivatives.

The Group's funding from the public and credit institutions increased by 6 percent on the previous year. The company's loan portfolio decreased by 13 percent year on year to approximately EUR 56 million. The ratio of loans granted by the Group to Evli Bank Plc's deposits from the public was 19 percent. The Group's liquidity is good.

Personnel and organization

The Group had 252 employees (249) at the end of the review period. This represented a year-on-year increase of 3 people, or 1.2 percent.

81.7 percent of the personnel were employed in Finland and 18.3 percent abroad.

Business areas

Group operations

The Group's income from foreign exchange trading and interest margin developed favorably compared with the previous year.

Wealth Management

Wealth Management in numbers	1-3/2014	1-3/2013	Change %
Net revenue, M€	7,7	7,4	4 %
Operating profit / loss, M€	1,8	0,5	261 %
Personnel, at the end of period	89	94	-5 %
Assets under management excluding associated companies (Net), at the end of period, M€	6 123	5 460	12 %
Assets under management including associated companies (Net), at the end of period, M€	7141	6527	
Assets under management excluding associated companies (Gross), at the end of period, M€	8 116	7 293	
Market share (Evli Fund Company), %*	5,3	4,7	
Net subscriptions to own funds, M€*	2	0	
Average rating of Evli funds in MorningStar	3,5	3,5	
*source: fund report by Finanssialan Keskusliitto ry			

January-March

Wealth Management operations performed well during the review period. Net revenue from Wealth Management operations grew by 4 percent and was EUR 7.7 million (EUR 7.4 million). Revenue performance was supported by the growth of assets under management. The unit's net assets under management totaled EUR 6.1 billion (EUR 5.4 billion) at the end of March, which is 12.1 percent more than a year earlier.

Of Evli's funds, Evli Short Corporate Bond (EUR 45 million) and Evli Europe (EUR 39 million) had received the biggest net subscriptions by the end of March. Evli Euro Liquidity (EUR 746 million) and Evli European High Yield (EUR 686 million) had the most capital at the end of March.

Evli's fixed income fund management received excellent recognition during the review period. Evli was selected as the second-best fixed income portfolio manager in Europe in a prestigious Morningstar comparison. The award was given to Mikael Lundström, who is Evli's Head of Fixed Income and also fund manager of Evli European High Yield and Evli Corporate Bond funds.

The performance of Evli's funds reflected the general market performance, which was good during the first quarter, with the exception of investments connected to Russia. First-quarter returns were mainly positive in fixed income, balanced and equity funds. The best-performing equity fund was Evli Swedish Small Cap (annual return 9.36%), the best-performing balanced fund was Evli Wealth Manager (2.71%) and the best-performing fixed income fund was Evli Euro Government Bond (2.56%). Evli Swedish Small Cap outperformed its benchmark index by the widest margin (8.34%).

Net subscriptions to funds registered in Finland totaled EUR 1.1 billion (EUR 273 million) in the first quarter. Net subscriptions to Evli funds totaled EUR 1,8 million in 2013 (EUR 0,2 million). Evli Fund Management Company's market share increased by 0.6 percentage points on the previous year and was 5.3 percent at the end of March. The combined assets of the 28 mutual funds managed by the company were EUR 4,101 million (EUR 3,331 million) and the number of unit holders was 15,739 (16,931).

In a fund comparison carried out in March by the independent Morningstar, the average star rating of Evli's funds was 3.5 (3.5). 22 of Evli's funds were included in the comparison. 12 funds in all received the highest or second-highest Morningstar rating.

At the end of March, Evli Climate Fund (non-UCITS) was merged with Evli Global Fund.

Markets

Markets in numbers	1-3/2014	1-3/2013	Change %
Net revenue, M€	4,6	4,5	3 %
Operating profit / loss, M€	1,1	0,8	47 %
Personnel, at the end of period	45	46	-2 %
Market share (OMX Helsinki), EUR volume, %	1,5	1,2	
Market share (OMX Helsinki), number of trades, %	1,0	0,9	

January-March

The net revenue of the Markets unit rose by 3 percent compared with the same period in 2013 and was EUR 4.6 million (EUR 4.5 million). Returns from derivative market making had a positive impact on revenue growth. Net commission decreased slightly. The strategic goal of Evli's Markets unit is to raise the proportion of non-traditional equity brokerage in its operations. In the first quarter of 2014, 45 percent of the unit's brokerage income was accounted for by product areas other than equity brokerage.

Evli's Markets unit participated in major capital market operations during the review period. Evli was the main broker in Caverion Corporation shares during the period and brokered a block trade of 1.6 million Caverion Corporation shares, among others. In other major transactions, Evli brokered 500,000 Kone Corporation shares, 955,000 Digia Plc shares and 2,000,000 Ramirent Plc shares.

Corporate Finance

Corporate Finance in numbers	1-3/2014	1-3/2013	Change %
Net revenue, M€	0,6	0,7	-2 %
Operating profit / loss, M€	-0,5	-0,8	40 %
Personnel, at the end of period	27	30	-10 %

January-March

The Corporate Finance unit's profit performance was weaker than expected in the first quarter. The unit's net revenue fell 2 percent on the corresponding period of 2013 and was EUR 0.6 million (EUR 0.7 million). The decline was a result of transactions being postponed until the second quarter.

General activeness on the advisory markets has been moderate for both mergers and acquisitions and public funding orders. For Evli Corporate Finance, activeness has been high, and the mandate base is strong. During the review period the unit increased its mandate base, and existing mandates have progressed.

During the review period, Evli Corporate Finance advised the company Biolin Scientific, which is owned by Ratos, on the sale of Osstell AB to the private equity firm Fouriertransform. Osstell develops and sells dental diagnostic equipment. Evli Corporate Finance also advised Restamax Plc in its acquisition of the Rengasravintolat restaurant chain.

Changes in Group structure

There were no significant changes in the Group structure during the review period.

Evli's shares and share capital

Pursuant to the authorization to acquire own shares issued by the Annual General Meeting (AGM) on March 6, 2013, the company acquired a total of 2,000 Evli shares at the start of 2014. The shares were acquired in accordance with shareholder agreements through changes in ownership.

The Board of Directors used the authorization granted by the AGM on March 6, 2013 to issue shares and stock options and/or issuing special rights entitling the holder to shares pursuant to chapter 10, section 1 of the Limited Liability Companies Act, after a decision was made on February 13, 2014 to offer the company's key employees a maximum of 127,500 stock options that entitle their holders to subscribe for a total of 127,500 of the company's new shares in accordance with the terms and conditions of the stock option program. The stock options' subscription period is April 1, 2014 – April 30, 2014.

The total number of shares at the end of the review period was 4,091,509 shares. At the end of the review period, the company held a total of 41,325 Evli shares.

Shareholders’ equity was EUR 30,194,097.31 at the end of the review period. There were no changes in the share capital during the review period.

Dividend

In accordance with the proposal of the Board, the Annual General Meeting held on March 10, 2014 resolved to distribute EUR 0.65 per share in dividends, a total of 2.6 million euros, for the 2013 financial year. Dividends were paid on March 20, 2014.

Board of Directors and auditors

Evli Bank Plc’s Annual General Meeting confirmed six as the number of members of the Board. Henrik Andersin, Robert Ingman, Harri-Pekka Kaukonen, Mikael Lilius, Teuvo Salminen and Thomas Thesleff were re-elected to Evli Bank Plc’s Board of Directors. Henrik Andersin was chosen as Chairman of the Board.

The Annual General Meeting elected KPMG Oy Ab, Authorized Public Accountants, as the company’s auditor and Marcus Tötterman, APA, as the principally responsible auditor.

Board authorizations

Evli Bank Plc’s AGM resolved on March 10, 2014 to authorize the Board of Directors to decide on issuing shares and stock options and/or issuing special rights entitling the holder to shares pursuant to chapter 10, section 1, of the Limited Liability Companies Act in one or more lots in such a way that the total number of shares granted on the basis of the authorization would be a maximum of three hundred and six thousand, eight hundred and sixty (306,860) shares. Based on the authorization, the Board of Directors is entitled to decide on issuing shares and stock options and/or issuing special rights entitling the holder to shares pursuant to chapter 10, section 1, of the Limited Liability Companies Act in the same way as a General Meeting could decide on such matters, in every respect. The authorization remains valid until further notice, but will expire no later than eighteen (18) months after the decision of the General Meeting.

Evli Bank Plc’s Annual General Meeting resolved on March 10, 2014 to authorize the Board of Directors to decide on buying back Evli shares. A maximum of 409,150 shares may be bought back pursuant to the authorization, and they may be bought back in one or more lots, provided that after the purchase the total number of shares in the possession of, or held as pledges by, the company and its subsidiaries does not exceed ten (10) percent of the company’s total shares. The Board of Directors is also authorized to buy back Evli shares other than in proportion to the shareholders’ holdings, and to determine the order of buying back the shares. The authorization will expire eighteen (18) months after the decision of the Annual General Meeting.

Risk Management

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.

The delta-adjusted price risk of Evli's own investment portfolio and proprietary trading was approximately EUR 6.1 million at the end of March, and a 20 percent negative market movement would have resulted in a scenario loss of approximately EUR 1.2 million. At the end of March, the Treasury unit's interest rate risk was approximately EUR +/- 0.3 million, assuming that market rates rise/fall by one percentage point. Evli's liquidity has remained solid.

Business environment

Market uncertainty increased during the first quarter. Asset values rose at the beginning of the year, but fluctuation brought about by positive and negative news has increased. General uncertainty has steered investors towards investments that are deemed to be safer, and interest in emerging economies and Russia, for example, has decreased.

Trading volumes on NASDAQ OMX Helsinki Ltd have risen compared with the situation one year previously, while the index has remained at the level of the beginning of the year. Positive points include increased interest in mergers, acquisitions and IPOs, and the high number of client initiatives overall. A worrying development in traditional equity brokerage has been the sale of major companies to foreign entities, which is likely to lead to the companies leaving NASDAQ OMX Helsinki Ltd. The further tightening price competition poses another continuous challenge for capital market operations. Low interest rates are expected to continue for the time being, which will contribute negatively to bank interest margins.

The legal obligation to pay VAT on discretionary asset management services that entered into force at the beginning of May 2013, as well as ambiguities in its interpretation, have added to the uncertainties regarding the near-term performance of the asset management market.

Outlook

Earnings for 2014 are expected to be clearly positive, as they were in the previous year. This view is supported by the fact that recurring revenue covers a substantial portion of the company's overall costs.

Helsinki, April 28, 2014

Board of Directors

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EVLI BANK PLC GROUP

CONSOLIDATED INCOME STATEMENT, M€	1-3/ 2014	1-3/ 2013	1-12/ 2013
Net interest income	0,2	0,1	0,5
Commission income and expense, net	11,9	11,9	49,5
Net income from securities transactions and foreign exchange dealing	1,8	1,5	5,1
Other operating income	0,1	0,1	0,4
Administrative expenses			
Personnel expenses	-5,7	-6,3	-23,3
Other administrative expenses	-3,4	-3,8	-13,9
Depreciation, amortisation and write-down	-1,4	-1,2	-4,7
Other operating expenses	-1,0	-1,2	-4,2
Impairment losses on loans and other receivables	0,0	0,0	0,0
NET OPERATING PROFIT / LOSS BEFORE PROFITSHARING	2,5	1,1	9,4
Profitsharing	0,0	0,0	-2,7
NET OPERATING PROFIT / LOSS	2,5	1,1	6,7
Share of profits (losses) of associates	0,0	0,0	0,2
Income taxes*	-0,6	-0,3	-1,2
PROFIT / LOSS FOR FINANCIAL YEAR	1,9	0,9	5,6
Attributable to			
Non-controlling interest	0,1	0,3	0,6
Equity holders of parent company	1,8	0,6	5,0
PROFIT / LOSS FOR FINANCIAL YEAR	1,9	0,9	5,6
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	2,1	0,8	5,6
Attributable to			
Non-controlling interest	0,1	0,3	0,6
Equity holders of parent company	2,0	0,5	4,9

** Taxes are proportionate to the net profit for the period*

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CONSOLIDATED INCOME STATEMENT, M€	1-3/ 2014	10-12/2013	7-9/2013	4-6/ 2013	1-3/2013
Net interest income	0,2	0,2	0,1	0,1	0,1
Commission income and expense, net	11,9	15,1	10,2	12,3	11,9
Net income from securities transactions and foreign exchange dealing	1,8	-0,8	1,2	3,2	1,5
Other operating income	0,1	0,1	0,0	0,2	0,1
Administrative expenses					
Personnel expenses	-5,7	-5,9	-4,9	-6,2	-6,3
Other administrative expenses	-3,4	-3,3	-2,9	-3,9	-3,8
Depreciation, amortisation and write-down	-1,4	-1,4	-1,0	-1,1	-1,2
Other operating expenses	-1,0	-0,9	-1,0	-1,1	-1,2
Impairment losses on loans and other receivables	0,0	0,0	0,0	0,0	0,0
NET OPERATING PROFIT / LOSS BEFORE PROFITSHARING	2,5	3,1	1,7	3,5	1,1
Profitsharing	0,0	-1,8	-0,2	-0,7	0,0
NET OPERATING PROFIT / LOSS	2,5	1,3	1,5	2,8	1,1
Share of profits (losses) of associates	0,0	0,1	0,0	0,1	0,0
Income taxes*	-0,6	-0,1	-0,4	-0,4	-0,3
PROFIT / LOSS FOR FINANCIAL YEAR	1,9	1,2	1,1	2,5	0,9
Attributable to					
Non-controlling interest	0,1	0,2	0,1	0,1	0,3
Equity holders of parent company	1,8	1,0	1,0	2,4	0,6
PROFIT / LOSS FOR FINANCIAL YEAR	1,9	1,2	1,1	2,5	0,9
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	0,0	0,1	-0,2	-0,1
Tax c Net amount tranferred to profit or loss	0,0	0,0	0,0	0,0	0,0
PROFIT / LOSS FOR FINANCIAL YEAR	0,1	0,0	0,1	-0,2	-0,1
	0,1	0,0	0,1	-0,2	-0,1
TOTAL RECOGNISED INCOME AND EXPENSES FOR THE PERIOD	2,1	1,2	1,2	2,3	0,8
Attributable to					
Non-controlling interest	0,1	0,2	0,1	0,1	0,3
Equity holders of parent company	2,0	1,0	1,1	2,3	0,5

** Taxes are proportionate to the net profit for the period*

CONSOLIDATED BALANCE SHEET, M€	31.3.2014	31.3.2013	31.12.2013
ASSETS			
Liquid assets	90,8	114,1	61,0
Debt securities eligible for refinancing with central banks	88,0	118,7	105,0
Claims on credit institutions	49,1	16,1	90,4
Claims on the public and public sector entities	56,0	63,9	58,7
Debt securities	65,9	35,5	64,0
Shares and participations	65,2	40,2	46,0
Participating interests	3,2	3,8	3,6
Derivative contracts	10,6	11,3	19,7
Intangible assets	10,5	13,8	11,5
Property, plant and equipment	2,8	3,1	3,0
Other assets	268,4	254,1	109,3
Accrued income and prepayments	3,6	2,9	3,0
Deferred tax assets	1,2	1,2	0,8
TOTAL ASSETS	715,2	678,8	576,0

CONSOLIDATED BALANCE SHEET, M€	31.3.2014	31.3.2013	31.12.2013
LIABILITIES			
Liabilities to credit institutions and central banks	10,0	13,7	18,9
Liabilities to the public and public sector entities	293,2	245,6	260,9
Debt securities issued to the public	49,6	74,6	70,7
Derivative contracts and other trading liabilities	31,4	18,4	46,4
Other liabilities	271,2	266,4	115,9
Accrued expenses and deferred income	11,1	12,1	13,7
Deferred tax liabilities	0,7	1,0	0,8
	667,3	631,6	527,2
Equity to holders of parent company	47,3	46,3	47,7
Non-controlling interest in capital	0,6	0,8	1,0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	715,2	678,8	576,0

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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	31.12.2012	30,2	1,8	11,1	0,1	0,3	4,7	48,3	0,9	49,2
Translation difference						-0,2		-0,2		-0,2
Profit/loss for the period							5,0	5,0	0,6	5,6
Dividends							-4,9	-4,9	-0,4	-5,3
Share issue				1,6				1,6		1,6
Acquisition of own shares							-1,0	-1,0		-1,0
Other changes							-1,1	-1,1		-1,1
Equity capital	31.3.2013	30,2	1,8	12,7	0,1	0,1	2,8	47,7	1,0	48,8
Translation difference								0,0		0,0
Profit/loss for the period							1,8	1,8	0,1	1,9
Dividends							-2,6	-2,6	-0,3	-2,9
Share issue								0,0		0,0
Acquisition of own shares							-0,1	-0,1		-0,1
Other changes							0,3	0,3		0,3
Equity capital	31.3.2014	30,2	1,8	12,7	0,1	0,1	2,3	47,3	0,6	47,9

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CASH FLOW STATEMENT, M€	1-3/ 2014	31.3.2013	1-12/ 2013
Cash flows from operating activities			
Interest and commission received	14,3	8,8	78,7
Interest and commissions paid	-1,3	-2,1	-5,0
Cash payments to employees and suppliers	-2,7	-10,9	-43,8
Increase(-) or decrease(+) in operating assets:			
Net change in trading book assets and liabilities	-40,5	27,9	-14,8
Deposits held for regulatory or monetary control purposes	-1,6	-0,8	-20,7
Funds advanced to customers	43,1	-26,5	12,9
Issue of loan capital	-21,1	11,7	7,8
Net cash from operating activities before income taxes	-9,8	8,1	15,1
Income taxes	-0,3	0,5	-0,9
Net cash used in operating activities	-10,1	8,6	14,2
Cash flows from investing activities			
Proceeds from sales of subsidiaries and associates	0,0	-3,7	-2,8
Proceeds from sales of non-dealing securities	0,0	1,1	0,0
Acquisition of property, plant and equipment and intangible	-0,2	-1,0	-2,1
Net cash used in investing activities	-0,2	-3,7	-4,9
Cash flows from financing activities			
Proceeds from issue of shares capital	0,0	0,0	0,7
Purchase of own shares	-0,1	-0,1	-1,0
Payment of finance lease liabilities	-0,1	0,0	-0,2
Dividends paid	-2,6	-3,0	-5,5
Net cash from financing activities	-2,7	-3,1	-6,0
Net increase / decrease in cash and cash equivalents	-13,0	1,8	3,4
Cash and cash equivalents at beginning of period	126,3	123,1	123,1
Cash and cash equivalents at end of period	113,3	125,0	126,3

2014	Markets	Corporate Finance	Wealth Management	Group Operations	Unallocated	Group
SEGMENT INCOME STATEMENT, M€	1-3/ 2014	1-3/ 2014	1-3/ 2014	1-3/ 2014		1-3/ 2014
REVENUE						
External sales	4,7	0,6	7,7	0,8	0,0	13,9
Inter-segment sales	-0,1	0,0	0,0	0,1	0,0	0,0
Total revenue	4,6	0,6	7,7	0,9	0,0	13,9
RESULT						
Segment operating expenses	-2,8	-1,1	-4,7	-2,9	0,1	-11,4
Corporate expenses	-0,6	0,0	-1,3	2,0	0,0	0,0
Operating profit	1,1	-0,5	1,8	0,0	0,1	2,5
					0,1	0,1
Income taxes					-0,6	-0,6
Segment profit/loss after taxes	1,1	-0,5	1,8	0,0	-0,5	1,9
SEGMENT BALANCE SHEET	31.3.2014	31.3.2014	31.3.2014	31.3.2014		31.3.2014
Segment assets	255,5	1,9	23,0	471,2		
Unallocated corporate assets					-36,4	
Consolidated total assets						715,2
Segment liabilites	191,0	0,7	10,1	484,5		
Unallocated corporate liabilities					-18,9	
Consolidated total liabilities						667,4

2013	Markets	Corporate Finance	Wealth Management	Group Operations	Unallocated	Group
SEGMENT INCOME STATEMENT, M€	1-3/ 2013	1-3/ 2013	1-3/ 2013	1-3/ 2013	1-3/ 2013	1-3/ 2013
REVENUE						
External sales	4,6	0,7	7,4	1,0	0,0	13,6
Inter-segment sales	-0,1	0,0	0,0	0,1	0,0	0,0
Total revenue	4,5	0,7	7,4	1,0	0,0	13,6
RESULT						
Segment operating expenses	-3,0	-1,3	-5,5	-2,6	0,0	-12,4
Unallocated corporate expenses	-0,7	-0,1	-1,4	2,3	0,0	0,0
Operating profit	0,8	-0,8	0,5	0,7	0,0	1,1
Income taxes					-0,3	-0,3
Segment profit/loss after taxes	0,8	-0,8	0,5	0,7	-0,3	0,9
SEGMENT BALANCE SHEET	31.3.2013	31.3.2013	31.3.2013	31.3.2013		31.3.2013
Segment assets	242,5	1,8	21,8	447,2		
Unallocated corporate assets					-34,5	
Consolidated total assets						678,8
Segment liabilities	180,8	0,6	9,5	458,6		
Unallocated corporate liabilities					-17,8	
Consolidated total liabilities						631,7

Group Operations comprise the Treasury, Group Risk Management, Financial Administration, Information Management, Group Communications, Legal Department and Compliance, and Human Resources.

KEY FIGURES DESCRIBING THE FINANCIAL PERFORMANCE OF THE GROUP	1-3/ 2014	1-3/ 2013	1-12/ 2013
Net revenue, M€	13,9	13,6	55,5
Operating profit / loss, M€	2,5	1,1	6,7
% of net revenue	18,1	8,3	12,1
Profit / Loss for financial year, M€	1,9	0,9	5,6
% of net revenue	13,7	6,4	10,2
Return on equity % (ROE) *	16,0	7,0	11,2
Return on assets % (ROA) *	1,2	0,5	0,9
Equity/total assets ratio %	6,7	6,9	8,5
Expense ratio (operating costs to net revenue)	0,82	0,92	0,88
Personnel in end of period	252	249	245

*annualised

Evli Group´s capital adecuacy	31.3.2014	31.3.2013	31.12.2013
Own assets, M€ *	35,7	32,9	35,0
Risk-weighted items total for market- and credit risks, M€	162,0	137,8	152,8
Capital adequacy ratio, %	13,7	13,7	13,9
Evli Bank Plc:s adequacy ratio, %	18,4	18,4	18,4
Own funds surplus M€	14,8	13,7	14,9
Own funds in relation to the minimum capital requirement	1,7	1,7	1,7

** includes only prime own assets*

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), %	=	Operating profit/loss - taxes / Equity capital and minority interest (average of the figures for the beginning and at the end of the year)	x 100
Return on assets (ROA), %	=	Operating profit/loss - taxes / Average total assets (average of the figures for the beginning and at the end of the year)	x 100
Equity / Total assets ratio, %	=	Equity capital / Total assets	x 100
Expense ratio as earnings to operating costs	=	Administrative expenses + depreciation and impairment charges+ other operating expenses / Net interest income + net commission income + net income from securities transactions and foreign exchange dealing + other operating income	x 100
Earnings/share	=	Total recognised income and expenses for the period without the share of the non-controlling interest / Shares outstanding	

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NOTES TO BALANCE SHEET, M€	31.3.2014	31.3.2013	31.12.2013
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	15,0
Bonds	49,6	59,7	55,7
Debt securities issued to the public	49,6	49,6	70,7

Breakdown by maturity	less than 3 months	3-12 months	1-5 years
Debt securities issued to the public	10,9	14,9	23,8

Changes in bonds issued to the public	31.3.2014	31.3.2013	31.12.2013
Issues	5,2	0,0	8,1
Repurchases	4,5	4,8	12,3
Off-balance sheet commitments			
Commitments given to a third party on behalf of a customer	3,7	2,4	3,1
Irrevocable commitments given in favour of a customer	0,7	0,9	0,5
Guarantees on behalf of others	0,6	0,6	0,6
Unused credit facilities	2,3	1,8	2,1

1-3/ 2014			
Transactions with related parties	Associated companies	Group management	Group management
Receivables	0,0	0,1	0,1

There were no major changes in transactions with related parties in the review period.

Derivative contracts

Overall effect of risks associated with derivative contracts				2014
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	3,4	0,0	0,0
Currency-linked derivatives	1 591,0	0,0	0,0	0,1
Equity-linked derivatives				
Futures	9,0	0,0	0,0	-0,1
Options bought	61,9	49,8	0,0	10,4
Options sold	76,9	48,7	0,0	-12,3
Other derivatives				
Held for trading, total	1 738,7	101,9	0,0	-1,9
Derivative contracts, total	1 738,7	101,9	0,0	-1,9

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

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

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

	Level1 2014	Level2 2014	Level3 2014	
Financial assets:				
Shares and participations classified as held for trading	42,9	0,0	0,1	43,0
Shares and participations, other	16,1	0,0	6,1	22,2
Debt securities	103,9	44,9	5,2	153,9
Positive market values from derivatives	1,9	0,0	8,7	10,6
Total financial assets held at fair value	164,7	44,9	20,0	229,7
Financial liabilities:				
Shares and participations classified as held for trading	18,1	0,0	0,9	19,0
Negative market values from derivatives	5,0	0,0	7,5	12,4
Total financial liabilities held at fair value	23,0	0,0	8,4	31,4

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.

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.