FINANCIAL REVIEW 2010

FINNVERA

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REPORT OF THE BOARD OF DIRECTORS

Despite the increase in total output in 2010, companies' investments remained low. The low level of investments had a major impact on the demand for Finnvera's domestic financing, which was nearly one-third less than in 2009. In 2010, Finnvera provided EUR 914 million in financing for enterprises' domestic operations; this was 24 per cent less than the year before.

Although the new Basel III regulatory framework of the Basel Committee on Banking Supervision won't enter into force until 2013, it already began to have an effect on banks' operations, which were otherwise being normalised after the financial and economic crisis. At Finnvera this was seen as increased demand for export credit guarantees, especially for large export projects with a repayment period of over seven years. In euros, demand for export credit guarantees and special guarantees was over one-fifth higher than the figure reached the year before. The total value of export credit guarantee offers given was EUR 2.4 billion (4.4 billion).

An ISO 9001 certificate for Finnvera

An ISO 9001 certificate was awarded to Finnvera plc and to its subsidiaries, Veraventure Ltd and Finnish Export Credit Ltd, on 7 December 2010. The quality certificate encompasses the companies' financing operations and all service points. Finnvera is among the first Finnish operators in the financial sector to adopt a certified quality system covering the full scope of its activities.

The operating system helps ensure the quality of Finnvera's services and the management of operating risks. At the same time, it provides a solid foundation for the completion of development projects. The quality system has been under development throughout Finnvera's operating history. In 2005, Finnvera received recognition in the Finnish Excellence Reward competition. Since 2006, the objective had been to obtain ISO 9001 certification in 2010. The certifying body was Inspecta Certification.

Amendments to legislation on Finnvera

An amendment to the Act on the Client Information System of Enterprise Services (ASKO 2 legislation) entered into force on 15 December 2010. ASKO 2 enables wider exchange of client data among public financiers and other public actors. Information is exchanged through a client information system, which will be completed during spring 2011. The exchange of information can take place without the client's express consent. The Act on the State-owned Specialised Financing Company was amended at the same time in order to enable the above exchange of information. The amendment entered into force on 1 January 2011.

An amendment to the Act on Credits and Guarantees Provided by the State-owned Specialised Financing Company also entered into force on 1 January 2011. The Act was supplemented with regulations on the granting of support for Finnvera's venture capital investments. Any support given is granted to Finnvera, which uses an appropriate financing instrument to channel the support further to its subsidiary. At the same time, the title of the Act was amended so that it also encompasses venture capital investments. Finnvera's tasks in the sector of financial operations, comprising the granting of credits and guarantees as well as venture capital investments, are by nature public administrative tasks. For this reason, regulations concerning the application of general administrative legislation were included in the Act. In domestic financing, the regulations on public administrative tasks correspond to the principles recorded in the Act on the State's Export Credit Guarantees in 2005. In practice, Finnvera has already complied with the provisions of the Administrative Procedure Act, the Language Act and the Act on the Openness of Government Activities in domestic financing as well. In this respect, the amendments to the Act did not bring any direct changes to Finnvera's operations.

The Finnish Parliament decided to extend the validity of the Act on Interest Equalisation until the end of 2015. The limit of interest equalisation was returned to the level prevailing before the financial crisis, or EUR 5 billion, as of the beginning of 2011. The amendment to the Act on Interest Equalisation entered into force on 1 January 2011.

Amendments to the commitment concerning interest and guarantee commissions

The commitments given by the Government to Finnvera concerning the payment of regional interest subsidies and special interest subsidies and the payment of guarantee commission subsidies were amended at the end of 2010. The amendments pertained to the sums and periods applied to the support granted by the European Regional Development Fund (ERDF) for interest and guarantee commissions. The amendments entered into force on 1 January 2011.

The terms of counter-cyclical financing were amended

Finnvera has granted counter-cyclical financing since 6 March 2009. The terms of counter-cyclical financing were revised during the period under review to make them both more flexible and better suited to financing investments and growth. Counter-cyclical financing can be granted to companies that have fewer than 2,000 employees. The companies must also have the prerequisites for profitable business. Counter-cyclical financing has constituted an essential element of the government's stimulation policy. Finnvera can continue to grant counter-cyclical financing to enterprises until the end of 2011.

Temporary arrangements for export financing to continue

The terms applied to the provision of funding for export credits, which have been in force since the beginning of 2009, were revised in 2010 in order to ensure the competitiveness of Finnish exporters. The Finnish government decided to continue the temporary funding for exports through Finnish Export Credit Ltd until the end of June 2011.

The goal is temporarily to enhance the availability of financing needed by the customers of Finnish exporters of capital goods. In this model, a Finnish or foreign bank financing a foreign buyer can transfer a buyer credit associated with the exports, either in full or in part, to be financed by Finnvera's subsidiary Finnish Export Credit Ltd. The arrangement always includes an export credit guarantee granted by Finnvera.

Owing to the EU rules on State aid, Finnvera as a public export credit agency is not normally allowed to insure short-term risks that private insurance companies are able to insure. The European Commission has given Finnvera temporary permission to grant short-term credit insurance also for exports to Western industrialised countries. This permission was initially in force until the end of 2010, but it has been extended until the end of 2011.

Public financing for growth and the business angel network

In January 2010, Minister of Economic Affairs Mauri Pekkarinen commissioned Professor Vesa Puttonen to investigate what measures the public sector could take to promote enterprise growth. The investigator's report was published in May, after which the Ministry of Employment and the Economy appointed a working group to study the practical implementation of the measures presented in the report. The working group, consisting of public servants, issued its report at the end of June. The division of labour between Finnvera's venture capital investments and Finnish Industry Investment Ltd will remain the same as agreed in 2007.

For Finnvera, the biggest change was the development of the business angel network. The network has 135 registered members. The range of investment targets offered to business angels was expanded during the year. They were also presented through the Vigo programme (www.vigo.fi) and the NIY programme (Young innovative enterprises) of Tekes, in addition to Seed Fund Vera's own project stream. Towards the end of the year, enterprises were also offered the opportunity to apply for investments of up to EUR 200,000 directly from the business angel network.

Finnvera's guarantees within the scope of the EU State aid rules

Finnvera's guarantees have been included in the scope of the European Union's State aid rules since the Union's new communication on guarantees entered into force at the beginning of 2010.

Depending on the type of aid selected, the State aid evaluation is either project-specific or company-specific. In the case of project-specific aid, the amount of aid may not exceed a certain percentage of the project costs, as defined by the

EU Commission. Company-specific aid has a certain maximum limit for the aid that the company can receive within a period of three years. The calculation also includes aid that the company receives, or has received, from other public bodies, such as municipalities, Centres for Economic Development, Transport and the Environment, and Tekes.

Temporary reliefs in the calculation of State aid ended

Owing to the global financial and economic crisis in 2009, the European Commission adopted temporary State aid measures for supporting enterprises. The validity of company-specific support measures used in the calculation and monitoring of State aid and the validity of State aid programmes for guarantees came to an end on 31 December 2010. The programmes were based on reliefs approved by the European Commission. The use of the de minimis aid proper was resumed in domestic financing at the beginning of 2011. The calculated de minimis aid is specific to each Group of companies. The total sum that can be granted to one Group during three tax years is EUR 200,000.

ERDF funds for venture capital investments

During the year, the Ministry of Employment and the Economy prepared the option of directing funds from the European Regional Development Fund for use in venture capital investments. In this preparation, provision was made for directing ERDF funds to Finnvera plc, which would channel them through Seed Fund Vera Ltd to early-stage investment targets. These operations will start during spring 2011.

Funds allocated to projects in neighbouring areas

The Government allocated EUR 800,000 for projects carried out in Finland's neighbouring areas in Russia in 2010. Finnvera acts as an expert and contact organisation in these projects financed by the Ministry for Foreign Affairs.

Finnvera sold premises

During the year under review, Finnvera sold its buildings in Kuopio and Rovaniemi and its shares in real-estate companies in Joensuu, Lappeenranta, Mikkeli, Oulu, Pori and Vaasa. Negotiations for the sale of premises in Jyväskylä and Kajaani are continuing. Finnvera has signed five-year leases and will stay as a lessee in all of the premises sold. Finnvera and Senate Properties have signed a lease on premises to be built in Väinolänniemi, Kuopio. Finnvera has sold these premises because owning property is not the company's core business. The sale of premises has no effect on the number of regional offices or on their personnel.

BUSINESS TRENDS

Financial performance

The consolidated financial statements and the parent company's financial statements for 2010 have been drawn up in accordance with the International Financial Reporting Standards (IFRS). The income statement is presented as one statement (statement of comprehensive income) in accordance with the revised IAS 1 Presentation of Financial Statements, which Finnvera adopted on 1 January 2009.

The financial performance of the Finnvera Group and that of the parent company, Finnvera plc, for 2010 were better than in the previous year. The main factors affecting the improved performance were the rise in fee and commission income due to the increase in outstanding commitments, and the fact that impairment and guarantee losses were smaller than in 2009.

The risk level of Finnvera's outstanding commitments has increased markedly during the last few years. The rise in risk level is reflected as poorer risk ratings for client enterprises and as an increase in the relative share of non-performing receivables and payment delays. Another indication of a higher risk level is that the losses recorded for domestic financing in 2010 were at the same level as in 2009 even though the economic situation improved. Thanks to the improved economic situation, however, it was not necessary to increase provisions for losses in domestic financing as much as they had been increased the year before. In export financing, no major losses were recorded and no major increases were made in provisions for losses during the year.

The annual profits from domestic financing and export financing are transferred to two separate funds on the Finnvera's balance sheet. Correspondingly, losses from domestic operations are covered from the fund for domestic financing, while losses from export credit guarantees and special guarantees are covered from the fund for export financing. There is no cross-subvention between the funds. At the end of the year, before appropriations, the assets of the funds totalled EUR 312 million. The State Guarantee Fund and the State of Finland are responsible for Finnvera's losses only if the losses cannot be covered by assets in these two funds.

Finnvera plc

The parent company's financial performance in 2010 totalled EUR 65,513,482.91 (24,397,302.11), or EUR 41 million more than in 2009.

Both export financing and domestic financing showed a profit in 2010, whereas in 2009 domestic operations showed a loss. EUR 55 million of the profit for 2010 came from export credit guarantees and special guarantees, while credits and guarantees in domestic financing accounted for EUR 4 million. The rest of the profit came from the cancellation of a subordinated loan because of the loss shown by Finnvera's subsidiary, Seed Fund Vera Ltd, in 2009, from a tax refund and from other operating income.

Finnvera Group

The Finnvera Group's financial performance for 2010 totalled EUR 62,850,377.05 (17,734,296.75), or EUR 45 million more than in 2009. The Group companies and associated companies had an effect of EUR –3 million on the profit (–7 million).

Compared against the previous year, the main factor improving the financial performance was the increase of EUR 18 million in fee and commission income. This stemmed from the rise in outstanding commitments and was derived principally from the parent company's fee and commission income. Other factors contributing to the better performance included the decrease of EUR 15 million in credit and guarantee losses, calculated after the State's compensation for losses, the decrease of EUR 5 million in other operating expenses, and the decrease of EUR 3 million in losses for items carried at fair value.

Interest income and expenses and interest subsidies

The Group's net interest income for 2010, EUR 59 million, was at the same level as the year before. The interest income and expenses of Finnvera's subsidiary Finnish Export Credit Ltd rose markedly owing to increased lending and acquisition of funds. The interest income and interest expenses paid by the parent company's clients for domestic financing decreased when compared against the previous year. The main reason was the lower interest rate level that prevailed in 2010. At the end of the year, the mean interest rate paid by clients for loans and the mean interest rate paid for borrowing were higher than at the end of the previous year. The mean interest rate for lending was 2.90 per cent (2.65) and that for borrowing 1.26 per cent (0.98).

The interest subsidy paid by the State and by the European Regional Development Fund (ERDF) to the parent company totalled EUR 16 million (17 million). Most of this was interest subsidy passed on directly to clients, while the basic interest subsidy for loans granted before 1999 accounted for EUR 0.1 million. The ERDF subsidy and the associated national interest subsidy accounted for 53 per cent of all interest subsidy passed on to clients.

Fee and commission income and expenses

The Group's fee and commission income totalled EUR 97 million. This was EUR 18 million, or nearly 20 per cent more than in the previous year.

The fee and commission income included EUR 67 million as fees from the parent company's export credit guarantees and special guarantees, EUR 28 million from domestic credits and guarantees, and one million as other fees from the Group's financial operations.

Fee and commission expenses totalled EUR 2 million (1 million), of which provision of funding for export credits accounted for 89 per cent.

Gains and losses from items carried at fair value

The Group's gains and losses from items carried at fair value totalled EUR –1 million. They include exchange rate differences and changes in the fair value of interest rate and currency swaps and venture capital investments.

Other income

Gains on the sale of shares and holdings amounted to EUR 1 million; the dividends received totalled EUR 0.6 million. A total of EUR 0.1 million in impairment losses was entered on shares.

Other operating income in the Group totalled EUR 5 million. This item included the management fee paid by the State Guarantee Fund for management of the old portfolio for export credit guarantee and special guarantee products arisen before 1999, a management fee pertaining to ERDF financing, rental income, and Finnvera's share of the cancellation of a subordinated loan because of the loss shown by Seed Fund Vera Ltd in 2009.

Impairment losses on receivables, guarantee losses

The parent company's impairment losses on credits and guarantees amounted to EUR 68 million (85 million), or 20 per cent less than in the previous year. The losses consisted of materialised credit and guarantee losses, EUR 66 million (66 million), cancellations of losses recorded earlier, EUR –6 million (–5 million), and increases in provisions for impairment losses, EUR 8 million (24 million).

The State's and the ERDF's compensation for the losses materialised totalled 42 per cent, or EUR 25 million (32 million). After the compensation, Finnvera's share of the impairment losses on credits and guarantees came to EUR 43 million (53 million). By the Government's decision, the compensation for credit and guarantee losses was cut by EUR 7 million in 2010; thus, Finnvera's liability for domestic losses was increased correspondingly.

Claims paid by virtue of export credit guarantees and special guarantees came to EUR 14 million (5 million). Funds recovered and the change in recovery receivables totalled EUR −4 million (−1 million). Provisions for guarantee losses decreased by EUR 5 million (−6 million); thus, the net claims shown by the income statement came to EUR 5 million (10 million).

In the consolidated income statement, the impairment losses on receivables and the guarantee losses totalled EUR 49 million (64 million), of which credit losses incurred by the subsidiaries accounted for EUR 2 million (2 million).

Other expenses

The Group's administrative expenses totalled EUR 41 million (43 million), of which personnel expenses accounted for 71 per cent. The parent company's share of the administrative expenses was EUR 38 million (40 million), of which personnel expenses accounted for the same percentage as in the Group. Other operating expenses included depreciation and costs associated with real property.

Separate results

The separate result of export credit and special guarantee activities referred to in §4 of the Act on the State Guarantee Fund (444/1998) totalled EUR 55 million. Correspondingly, the result of Finnvera plc's other activities totalled EUR 11 million. The separate income statements are presented under Notes to the Financial Statements, note no. 30.

Balance sheet

At year's end, the consolidated balance sheet total was EUR 2,664 million, while the parent company's balance sheet total came to EUR 2,303 million. Among the subsidiaries, Finnish Export Credit Ltd, showing a balance sheet total of EUR 376 million, and Seed Fund Vera Ltd, showing a balance sheet total of EUR 85 million, had the greatest effect on the consolidated balance sheet.

At year's end, Finnvera's outstanding credits totalled EUR 1,731 million, which was EUR 67 million more than at the start of the year. The Group's outstanding credits came to EUR 2,071 million. During the year, Finnvera plc's outstanding domestic guarantees increased by EUR 58 million, to EUR 1,065 million at year's end. The book value of the outstanding commitments, as referred to in the Act on the State's Export Credit Guarantees, amounted to EUR 7,446 million (7,930 million). Outstanding commitments arising from export credit guarantees and special guarantees (current commitments and offers given) totalled EUR 8,930 million (9,665 million).

The parent company's non-current liabilities at year's end totalled EUR 1,403 million. Of this sum, EUR 997 million consisted of bonds. The liabilities include subordinated loans of EUR 40 million received by Finnvera from the State for investment in the share capitals of Seed Fund Vera Ltd and Veraventure Ltd, and a subordinated loan of EUR 50 million granted for strengthening the capital adequacy of Finnvera plc. In addition, the balance sheet includes EUR 53 million in derivative liabilities. These arise from interest rate and currency swaps and pertain to non-current liabilities. Liabilities decreased by EUR 7 million during the year. The Group's non-current liabilities totalled EUR 1,751 million.

Other liabilities include a debt of EUR 28 million owed to the State. This debt pertains to the subsidies that were received for the acquisition of shares in subsidiaries and that must be repaid as per contract terms.

The fair value reserve shows the difference between the fair value and acquisition value of publicly quoted shares and investment funds, in total EUR −0.1 million for the Group.

Finnvera plc's balance sheet has two separate funds: one is used for covering future losses incurred in domestic operations and the other for covering future losses incurred in operations involving export credit guarantees and special guarantees. Losses from export credit guarantees and special guarantees are covered from the State Guarantee Fund only if the fund for export credit guarantee and special guarantee operations on the company's balance sheet does not have sufficient assets. The State Guarantee Fund serves as a buffer between Finnvera and the State's budget funding in the event that operations involving export credit guarantees and special guarantees give rise to a deficit that the company's own fund can no longer cover.

As at 31 December 2010, the fund for domestic operations had EUR 125 million and the fund for export credit guarantee and special guarantee operations had EUR 186 million.

Capital adequacy and acquisition of funds

At the end of 2010, the capital adequacy ratio of the Finnvera Group was 14.6 per cent (15.0). According to the target set, the capital adequacy ratio should be at least 12 per cent.

At the end of 2010, Finnvera plc's capital adequacy stood at 14.5 per cent (14.4) Capital adequacy is calculated using the Basel II standard method.

The parent company's long-term borrowings totalled EUR 201 million. In all, EUR 262 million in non-current loans was paid back during the year. The Group's acquisition of funds amounted to EUR 213 million.

Group structure and its changes

Besides the parent company, the Finnvera Group comprised the following companies owned 100 per cent by Finnvera on 31 December 2010: Finnish Export Credit Ltd, Veraventure Ltd and Spikera Oy. In addition, the Group included Seed Fund Vera Ltd, in which Finnvera's holding is 92.6 per cent, and Matkailunkehitys Nordia Oy, in which Finnvera holds 63.5 per cent.

There were two associated companies, one of which is a real-estate company for Finnvera's premises.

RISK MANAGEMENT

At the end of 2010, outstanding commitments for domestic financing totalled EUR 3.1 billion; this was about EUR 100 million more than the year before. The rise in outstanding commitments was considerably less than in 2009, when the increase in financing granted was exceptionally great because of the economic downturn.

The rise in the risk level of outstanding commitments levelled off during 2010 when enterprises' risk ratings no longer weakened as dramatically as in the previous year. Most commitments are in risk categories B1 and B2. The growth of new commitments took place mostly in category B2. The decline in enterprises' credit ratings was a factor contributing to the amount of commitments in category B3.

In 2010, after two years of relatively rapid growth, the volume of credit and guarantee losses and impairment losses fell to EUR 68 million.

At the end of 2010, outstanding commitments for export financing totalled EUR 8.9 billion. Of this sum, EUR 48 million consisted of 'old liability' under the State Guarantee Fund's direct responsibility. Outstanding commitments declined by EUR 0.7 billion during the year. At year's end, a significant share of the current guarantees and binding offers was in the country risk categories 0, 3 and 4. This is also where most of the guarantees granted during the year were entered.

The volume of enterprises' commercial commitments, associated with export guarantees and special guarantees, fell by 7 per cent during 2010, to EUR 7.9 billion at year's end. The sectors with the highest commitments were telecommunications, shipping companies, shipyards, and the forest industry. These sectors accounted for a total of 89 per cent of corporate commitments. Altogether 33 per cent of the commitments were in category B1, which is close to investment grade, or in better categories. New risks were mostly taken in categories B1–B3.

The volume of guarantee losses was low in 2010.

Finnvera plc's investments in companies engaged in venture capital investments remained unchanged during 2010, or at EUR 144.5 million. The sums placed in venture capital investments are distributed among many enterprises, either directly or through regional funds; this reduces the risk these activities pose to Finnvera.

The principles of Finnvera's risk management are described in the notes to the financial statements, page 23.

ATTAINMENT OF INDUSTRIAL POLICY AND OWNERSHIP POLICY GOALS

The Act on the State-owned Specialised Financing Company (443/1998) contains provisions on Finnvera's economic operating principles.

In defining the company's industrial policy goals, attention has been paid to the industrial policy strategy of the Ministry of Employment and the Economy and to the objectives of EU programmes.

The economic crisis was still reflected in the attainment of Finnvera's industrial and ownership policy goals for 2010, and not all goals were met.

CORPORATE GOVERNANCE

Personnel

At the end of the year, Finnvera plc had 397 employees, of whom 381 held a permanent post and 16 a fixed-term post. The Group had 418 employees.

The salaries and fees paid to the personnel totalled EUR 22 million for the parent company and EUR 23 million for the Group.

Supervisory Board and Auditor

On 27 April 2010, the Annual General Meeting elected the following new members to the Supervisory Board: Lasse Hautala, Member of Parliament; Anna-Maja Henriksson, Member of Parliament; Jarmo Hietanen, Chairman; Tapio Mäkeläinen, Labour Market Director; and Jarkko Wuorinen, Managing Director. Johannes Koskinen, Member of Parliament, was re-elected Chairman of the Supervisory Board. Kyösti Karjula, Member of Parliament, was re-elected First Vice Chairman and Reijo Paajanen, Member of Parliament, Second Vice Chairman. The following members continue on the Supervisory Board: Kaija

Erjanti, Director; Sinikka Hurskainen, Member of Parliament; Matti Kauppila, Member of Parliament; Leila Kurki, Senior Adviser; Ville Niinistö, Member of Parliament; Petri Pihlajaniemi, Member of Parliament; Hannele Pohjola, Director, Innovation and Growth Policy; Tuomo Puumala, Member of Parliament; Tuija Saari, Liaison Officer; and Timo Vallittu, Chairman.

KPMG Oy Ab was re-elected Finnvera's regular auditor with Raija-Leena Hankonen, Authorised Public Accountant, as the principal auditor.

Board of Directors

On 27 April 2010, the Annual General Meeting of Shareholders elected two new regular members to the Board of Directors: Timo Lindholm, Director, and Heikki Solttila, Financial Counsellor. Kalle J. Korhonen, Permanent Under-Secretary of State, continues as the Chairman of the Board. Heikki Solttila, Financial Counsellor, was elected the First Vice Chairman and Pekka Huhtaniemi, Under-Secretary of State, was re-elected as the Second Vice Chairman. The following members continue on the Board of Directors: Pirkko-Liisa Hyttinen, Regional Director; Timo Kekkonen, Director; Marja Merimaa, Labour Market Counsellor; and Janne Metsämäki, Head of Unit, Economic and Industrial Policy.

Governmental Counsellor Elise Pekkala and Financial Counsellor Kristina Sarjo continue as deputy members.

On 15 June 2010, Finnvera's Extraordinary Meeting of Shareholders elected Esko Hamilo, Under-Secretary of State, member of the Board of Directors and the Second Vice Chairman as of 1 August 2010. Hamilo succeeds Pekka Huhtaniemi, who took up the post of Finland's Ambassador to London.

On 26 August 2010, Finnvera's Board of Directors established an Inspection Committee. Working under the Board of Directors, the Committee assists the Board in its supervisory tasks. The Board of Directors selects the Inspection Committee's members and chairman from among the Board members, for a term of one year at a time. The first committee members are Chairman Kalle J. Korhonen, Vice Chairman Heikki Solttila and Board member Timo Kekkonen. The Inspection Committee meets at least four times a year.

The meeting schedule of the Board of Directors was revised in September. In general, the Board will meet once every four weeks instead of the previous meeting schedule of every other week.

The members of the Supervisory Board and the Board of Directors are presented on pages 27–28 of the Annual Review 2010 and at www.finnvera.fi > Finnvera > Finnvera in Brief > Organisation. The corporate governance and steering system is presented on pages 74–78 of the Financial Review.

FUTURE PROSPECTS AND IMPENDING RISKS

As enterprises have made few investments, demand for domestic financing has been exceptionally low. If there is an upturn in the volume of investments, demand for financing is expected to pick up already during spring.

It is thought that business reorganisations among SMEs will become more common, especially as increasing numbers of enterprise owners retire and pass on their businesses to the next generation.

Demand for export financing is likely to remain at the same level as before. Outstanding commitments for export credit guarantees are expected to rise in many sectors. However, at the same time, the volume of existing commitments is decreasing, and therefore the total commitments are not expected to rise.

According to the current estimate, the financial performance for 2011 is likely to fall below that for 2010. However, if more risks materialise than has been anticipated, the situation may weaken considerably from what is projected.

KEY INDICATORS DESCRIBING THE GROUP'S FINANCIAL DEVELOPMENT

MEUR	2010	2009	2008	2007	2006
Operating profit or loss	62	18	9	56	45
Return on equity %	10.5	3.2	1.5	10.3	7.1
Return on assets %	2.4	0.8	0.5	3.2	1.9
Equity ratio %	23.8	22.4	30.6	30.8	27.7
Capital adequacy ratio	14.6	15.0	15.7	19.5	18.4
Expense-income ratio	0.3	0.3	0.3	0.3	0.4

Formulas for the key indicators:

Operating profit or loss — Directly from the income statement

Return on equity % (ROE)

$$\frac{\text{Operating profit/loss - income taxes * 100}}{\text{Equity + minority interest + accumulated appropriations deducted by the deferred tax liability (average of the beginning and the end of the year)}}$$

Return on assets % (ROA)

$$\frac{\text{Operating profit/loss - income taxes * 100}}{\text{Total assets in average (average of the beginning and the end of the year)}}$$

Equity ratio %

$$\frac{\text{Equity + minority interest + accumulated appropriations deducted by the deferred tax liability * 100}}{\text{Total assets}}$$

Capital adequacy ratio — In 2008–2010 calculated according to Basel II standard method.
Until 2007 calculated in accordance with the Financial Supervision Regulation no. 106.7.

Expense-income ratio financial

$$\frac{\text{Administrative expenses + other operating expenses}}{\text{Net interest income + net fee and commission income + gains/losses from instruments carried at fair value + net income from investments +other operating income}}$$

THE BOARD OF DIRECTORS' PROPOSAL FOR MEASURES CONCERNING THE PROFIT FOR THE FINANCIAL PERIOD

The parent company's profit for the financial period was EUR 65,513,482.91.

The Board of Directors proposes that, by virtue of Section 4 of the Act on the State-Owned Specialised Financing Company, the profit be transferred to unrestricted equity funds as follows:

Profit from domestic operations to the fund for domestic operations	EUR 10,503,623.98
Profit from export credit guarantee and special guarantee operations to the fund for export credit guarantee and special guarantee operations	EUR 55,009,858.93

COMPREHENSIVE INCOME STATEMENT

(EUR 1,000)	Note		1 Jan–31 Dec 2010		1 Jan–31 Dec 2009
Interest income	1				
Loans		68,903		66,094	
Subsidies passed on to customers		16,162		16,852	
Export credit guarantee and special guarantee receivables		167		123	
Guarantee receivables		1,055		694	
Other		3,069	+ 89,356	4,713	+ 88,476
Interest expenses	1		- 30,302		- 29,774
Other interest subsidies	1		+ 132		+ 401
Net interest income	1		**+ 59,185**		**+ 59,104**
Net fee and commission income	2		+ 94,986		+ 77,034
Gains and losses from financial instruments carried at fair value through profit or loss	3		- 1,348		- 4,536
Net income from investments	4				
Shares and participations		1,374		1,721	
Debt securities		0		4	
Investment property		-24		-51	
Associates		97	+ 1,447	65	+ 1,739
Other operating income	5		+ 5,442		+ 3,721
Administrative expenses					
Employee benefit expenses	6				
Wages and salaries		23,301		22,916	
Social security costs		5,871		6,152	
Other administrative expenses	7	12,197	- 41,370	13,615	- 42,683
Other operating expenses	8		- 7,130		- 11,932
Net impairment loss on financial assets	9				
Loans and guarantees		70,003		86,700	
Credit loss compensation from the state		-25,360		-32,205	
Export credit guarantees and special guarantees		4,580	- 49,223	9,678	- 64,173
Operating profit			**+ 61,989**		**+ 18,274**
Income tax expense	10				
Current tax expense		1,036		-1,442	
Deferred tax expense		-174	+ 862	902	- 539
Profit for the period			**+ 62,850**		**+ 17,734**
Components of other comprehensive income					
Change in the fair value of shares			+ 946		- 385
Total comprehensive income for the year			**+ 63,796**		**+ 17,349**
Distribution of profit for the period					
Attributable to					
Equity holders of the parent company			+ 63,037		+ 18,210
Non-controlling interest			- 187		- 476
			+ 62,850		+ 17,734
Distribution of total comprehensive income for the year					
Attributable to					
Equity holders of the parent company			+ 63,610		+ 17,326
Non-controlling interest			+ 187		+ 23
			+ 63,796		+ 17,349

CONSOLIDATED BALANCE SHEET

Assets (EUR 1,000)	Note		31 Dec 2010		31 Dec 2009
Cash and cash equivalents					
Loans and receivables from credit institutions	11		160,813		167,566
Loans and receivables from customers	12				
Loans		2,071,135		1,992,500	
Guarantee receivables		26,926		32,501	
Receivables from export credit guarantee and special guarantee operations		5,154	2,103,216	4,417	2,029,419
Investments	13				
Debt securities		169,445		175,979	
Associates	28	50,088		40,895	
Other shares and participations	28	87,576		74,870	
Investment property		1,213	308,321	1,249	292,993
Derivatives			56,054		8,536
Intangible assets	14		2,328		3,540
Property, plant and equipment	15				
Properties		1,481		8,021	
Other tangible assets		1,774	3,255	2,148	10,169
Other assets	16				
Credit loss receivables from the state		8,252		9,371	
Other		5,358	13,609	5,429	14,800
Prepayments and accrued income	17		16,521		11,570
Tax assets	18		17		853
			2,664,135		**2,539,446**

Liabilities (EUR 1,000)	Note			31 Dec 2010			31 Dec 2009
Liabilities to credit institutions	19		270,000			418,154	
Liabilities to other institutions	19		394,326			367,064	
Debt securities in issue	20		997,163			861,256	
Derivatives	21		877			11,191	
Provisions	22		37,819			38,535	
Other liabilities			55,363			58,210	
Accruals and deferred income	23		183,925			121,037	
Tax liability	18		1,366			1,602	
Subordinated liabilities	24		89,841	2,030,680		93,394	1,970,442
Equity	25						
Equity attributable to the parent company's shareholders							
Share capital			196,605			196,605	
Share premium			51,036			51,036	
Fair value reserve			-54			-1,000	
Unrestricted funds							
Fund for domestic operations		125,249			133,931		
Fund for export credit guarantee and special guarantee operations		186,368			153,289		
Other		0			59		
Retained earnings		62,941	374,558		23,086	310,365	
Share of equity held by non-controlling interests			11,310	633,455		11,998	569,004
				2,664,135			**2,539,446**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity attributable to the parent company's shareholders (EUR 1,000)

	Share capital	Share premium	Fair value reserve	Fund for domestic operations	Fund for export credit guarantee and special guarantee operations	Other reserves	Retained earnings	Total	Share of equity held by non-controlling interest	Total equity
Balance at 1 January 2009	**196,605**	**51,036**	**-614**	**141,348**	**130,642**	**59**	**20,480**	**539,556**	**12,625**	**552,181**
Total comprehensive income for the year/change of the fair value of shares			-386				17,734	17,348	-453	16,895
Transfer into funds				-7,417	22,647		-15,230	0	0	0
Adjustments							102	102	-174	-72
Balance at 31 December 2009	**196,605**	**51,036**	**-1,000**	**133,931**	**153,289**	**59**	**23,086**	**557,006**	**11,998**	**569,004**
Balance at 1 January 2010	**196,605**	**51,036**	**-1,000**	**133,931**	**153,289**	**59**	**23,086**	**557,006**	**11,998**	**569,004**
Total comprehensive income for the year/change of the fair value of shares			946				63,037	63,983	-187	63,796
Transfer into funds				-8,682	33,079	-59	-24,397	-59	0	-59
Adjustments							1,215	1,215	-502	713
Balance at 31 December 2010	**196,605**	**51,036**	**-54**	**125,249**	**186,368**	**0**	**62,941**	**622,145**	**11,310**	**633,455**

CONSOLIDATED STATEMENT OF CASH FLOWS

(EUR 1,000)	1 Jan–31 Dec 2010	1 Jan–31 Dec 2009
Cash flows from operating activities		
Withdrawal of loans granted	-420,933	-881,468
Repayments of loans granted	332,889	263,211
Purchase of investments	-16,467	-10,753
Proceeds from investments	78	4,703
Interest received	79,439	70,632
Interest paid	-32,029	-33,297
Interest subsidy received	15,425	18,892
Payments received from commission income	160,478	91,291
Payments received from other operating income	34,424	40,801
Payments for operating expenses	-50,038	-34,450
Claims paid	-39,549	-49,699
Taxes paid	1,038	-1,560
Net cash from operating activities (A)	**64,755**	**-521,697**
Cash flows from investing activities		
Purchase of property and equipment and intangible assets	-777	-1,194
Profit from the assignment of tangible and intangible assets	0	541
Purchase of other investments	0	0
Proceeds from other investment	4,690	117
Dividends received from investments	526	1,086
Net cash used in investing activities (B)	**4,439**	**550**
Cash flows from financing activities		
Proceeds from issue of share capital	0	0
Proceeds from loans	213,398	821,364
Repayment of loans	-287,420	-158,408
Dividens paid	0	-190
Net cash used in financing activities (C)	**-74,022**	**662,766**
Net change in cash and cash equivalents		
(A+B+C) increase (+) / decrease(-)	**-4,828**	**141,619**
Cash and cash equivalents at the beginning of the period	**385,137**	**243,518**
Cash and cash equivalents at the end of the period	**380,309**	**385,137**
Cash and cash equivalents at the end of period		
Receivables from credit institutions	160,813	167,565
Debt securities	169,445	175,979
Investments in short-term interest funds	50,052	41,593
	380,309	**385,137**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Summary of Significant Accounting Policies

Basic information of the company

Finnvera provides financing for the business of small and medium-sized enterprises (SMEs), for exports and internationalisation, and helps implement the government's regional policy objectives.

The Group's parent company is a Finnish limited liability company established in accordance with Finnish law and domiciled in Kuopio. Its registered address is Haapaniemenkatu 40, 70111 Kuopio. The Board of Directors approved the financial statements on 10 March 2011.

Copies of the consolidated financial statements are available on the Internet, at www.finnvera.fi, or in the Group's head offices at Haapaniemenkatu 40, 70110 Kuopio and Eteläesplanadi 8, 00100 Helsinki.

Accounting principles for the consolidated financial statements

The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) complying with the IFRSs effective on 31 December 2009 that refer to the standards and their interpretations adopted in accordance with the procedures laid down in IAS Regulation (EC) No 1606/2002 of the European Parliament and of the Council. The notes to the consolidated financial statements also comply with the requirements of the Finnish Accounting and Limited Liability Companies Acts.

In 2010, Finnvera adopted the following IFRSs:

- Revised IFRS 3 *Business Combinations* (applied to financial periods starting on 1 July 2009 or thereafter). According to the revised standard, the acquisition method is still applied to business combinations. However, compared to the previous IFRS 3, some important amendments have been made to the acquisition method. For example, all costs associated with the acquisition are expensed, and it can be chosen for each acquisition whether the share of non-controlling interests is measured at fair value or at their proportionate share of the net assets of the acquiree.
- Amended IAS 27 *Consolidated and Separate Financial Statements* (applied to financial periods starting on 1 July 2009 or thereafter). The amended standard requires that changes in a parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity. If a parent loses control of a subsidiary, any investment retained in the former subsidiary is recognised at its fair value through profit or loss. A corresponding accounting treatment is also applied to associates and jointly controlled entities. In the future, subsidiaries' losses can be attributed to the non-controlling interest even when they exceed the amount of the non-controlling interest's investment.
- *Improvements to IFRSs*, April 2009 (applied generally to financial periods starting on 1 January 2010 or thereafter). The amendments apply to a total of 12 standards. Their effects vary from one standard to the next, but the amendments will have no major effect on the Group's financial statements.

The adoption of the following standards and interpretations did not have any effect on the consolidated financial statements:

- Amendment to IAS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items*
- IFRIC 17 *Distributions of Non-cash Assets to Owners*
- IFRIC 18 *Transfer of Assets from Customers*
- Amendments to IFRS 2 *Share-based Payment – Group Cash-settled Share-based Payment Transactions*

The preparation of financial statements in conformity with IFRS requires that the management make certain estimates and assumptions and use judgment in application of the accounting principles. The estimates and assumptions affect the amounts of assets and liabilities as well as the disclosure of contingent liabilities on the balance sheet, and the amounts of income and expenses in the income statement. The estimates and assumptions are based on the best available information at the time of closing the books. The actual results may differ from the estimates made.

In the accounting principles' section 'Accounting principles requiring the management's judgment and the key sources of estimation uncertainty', information is provided about the accounting principles in which the management's judgment or the key sources of estimation uncertainty may have the greatest effect on the figures presented.

Principles of consolidation

Subsidiaries

The consolidated financial statements include the financial statements of the parent company and all its subsidiaries. Subsidiaries are entities controlled by the parent company. Control exists when the parent company has the power, directly or indirectly, to govern the financial or operating policies of a subsidiary so as to obtain benefits from its activities. When subsidiaries are acquired, they are consolidated from the date of acquisition up to the date when the control ceases.

In accordance with the exemption granted under IFRS 1, the carrying amounts arising from business combinations prior to the IFRS transition date 1 January 2006 have not been restated. The Group has not entered into business combinations after the date of transition.

Intra-group transactions, receivables and liabilities as well as unrealised profits and intra-group profit distributions are eliminated in the consolidation.

Non-controlling interest

Non-controlling interest is reported as a separate item within the equity of the consolidated balance sheet and in the profit for the period in the consolidated income statement.

Associates

Associated companies are entities in which the Group has significant influence but not control over the financial and operational policies of the entity. Significant influence generally exists when the Group has 20 to 50 per cent of the voting shares of the entity. Associated companies are consolidated by using the equity method of accounting.

Equity investments made by Finnvera through its subsidiaries are treated in the alternative manner allowed by IAS 28 Investments in Associates at fair value, as investments recognised through profit or loss. Changes in fair value are entered in the income statement during the period of the change.

Transactions denominated in foreign currencies

Transactions denominated in foreign currencies are recognised using the exchange rates prevailing at the dates of the transactions, and assets and liabilities denominated in foreign currencies are converted using the exchange rate at the balance sheet date. Foreign exchange gains and losses arising on conversion are recognised in the income statement item Gains and losses from financial instruments carried at fair value.

Recognition of income and expenses

Net interest income

Interest income and interest expenses are recognised in the income statement over the maturity of the contract using the effective interest rate method. All fees received and paid, interest points that are an integral part of the effective interest rate of the contract, as well as transaction costs and any other premiums or discounts are taken into consideration in calculating the effective interest rate. Interest and commission subsidies received from the State are recognised correspondingly over the maturity of the contract using the effective interest rate method.

Fees and commission income and expenses, net

Credit and guarantee fees are recognised in the income statement over the maturity of the contract. Other commission income and expenses are usually recognised when the service is rendered.

Gains and losses from financial instruments carried at fair value

Gains and losses (both realised and unrealised) from derivatives, liabilities measured at fair value and venture capital investments as well as exchange rate differences are presented under the income statement item Gains and losses from financial instruments carried at fair value.

Net income from investments

Gains and losses from shares, participations and debt securities classified as available for sale, impairments of these items as well as income and expenses arising from investment properties are presented under the item Net income from investments.

The item Net income from investments also presents the net income from associates and the dividends received. Dividends are recognised as income in the period in which the right to receive the payment is established.

Government grants

Finnvera receives interest and commission subsidies from the State as well as compensation for credit losses that have arisen from credits which Finnvera has granted on certain regional policy grounds agreed with the State. Credit and guarantee loss compensation is paid for credits and guarantees that have been granted without protective security.

Interest and commission subsidies are recognised over the maturity of the contract using the effective interest rate method, and compensation received for credit losses is recognised when the contractual right to receive such compensation is established.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand receivables from credit institutions.

Financial instruments

Classification

Financial assets and financial liabilities are classified as financial assets at fair value through profit or loss, loans and receivables, available-for-sale financial assets, financial liabilities at fair value through profit or loss and other financial liabilities.

Financial instruments at fair value through profit or loss

Financial items at fair value through profit or loss comprise financial assets and financial liabilities held for trading, derivatives held for trading as well as financial liabilities designated at fair value through profit or loss.

Finnvera has no financial assets or financial liabilities held for trading. Financial items at fair value through profit or loss comprise derivatives and those liabilities designated at fair value through profit or loss for which the interest rate risk or the currency risk has been hedged using these derivatives.

Finnvera applies the fair value option in accordance with IAS 39 *Financial Instruments: Recognition and Measurement* to the above mentioned items that are accounted for as an aggregate in accordance with the company's risk management strategy.

Fair value changes in assets at fair value through profit or loss are recognised in the income statement under the item "Gains and losses from financial instruments carried at fair value".

Venture capital investments made by the Group are classified as financial assets at fair value through profit or loss upon initial recognition. Such investments are measured at fair value and the resulting change in fair value is recognised in the income statement as incurred. (For the fair value of venture capital investments, see the section Determination of fair value).

Loans and receivables

Contracts with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Upon initial recognition, loans and receivables are measured at fair value plus any directly attributable costs. Subsequently, these items are measured at amortised cost using the effective interest method.

Available-for-sale financial assets

Non-derivative financial assets that are classified as available for sale or that do not belong to any other category of financial assets, are classified as available-for-sale financial assets.

In Finnvera, debt securities, as well as shares and holdings other than those held for venture capital investment activities, are classified as available-for-sale financial assets. Upon initial recognition, these assets are measured at fair value plus any transaction costs directly attributable to the acquisition. Subsequently, available-for-sale financial assets are measured at fair value and the change in fair value is recognised directly in equity in the fair value reserve. If there is objective evidence of impairment on an asset classified as an available-for-sale financial asset, the accumulated loss recognised in equity is entered in the income statement.

Other financial liabilities

Other financial liabilities comprise other liabilities to credit institutions and customers, as well as debt securities in issue, that are not classified as financial liabilities at fair value through profit or loss.

State subsidies and grants received for the purpose of acquisition of subsidiaries are also classified as other financial liabilities based on the repayment obligation relating to these assets in certain situations.

Financial liabilities are recorded in the balance sheet at the amount of the consideration received, adjusted for any transaction costs incurred, and are measured at amortised cost using the effective interest method.

Finnvera treats the zero-interest subordinated loans granted to the Group by the State at nominal value due to their special nature and the related special clauses.

IAS 32 *Financial Instruments: Presentation and Disclosure* defines a financial liability as a contractual obligation to deliver financial assets to another entity and an equity instrument as any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Impairment losses on receivables and credit and guarantee losses

An impairment loss is recorded on loans and receivables when there is objective evidence of impairment as a result of one or more loss events and this has an impact on future cash flows to be received.

Objective evidence of a customer's capability to fulfil obligations is based on the risk classification of customers, past experience and estimates made by the management about the effect of delayed payments on the accruing of receivables.

Impairment is assessed individually and collectively. Receivables where the customer's total risk exposure is significant are assessed individually. For the purposes of assessing receivables collectively, the receivables are divided into subgroups that are similar in terms of credit risk.

An impairment loss is recognised if the present value of the future cash flows discounted at the receivable's original effective interest rate is lower than the carrying amount of the receivable. The amount recovered at the realisation of the collateral, as well as the credit loss compensation received from the State, are taken into account in the assessment.

An impairment loss is recognised as a realised loss when the customer has been found indigent in the liquidation proceedings, has ceased operations, or the receivables have been written off in either a voluntary or statutory loan arrangement.

Determination of fair value

Fair value of financial instruments is determined on the basis of published price quotations on an active market. If a published price quotation in an active market does not exist for a financial instrument in its entirety, but an active market exists for its components, fair value is determined on the basis of relevant market prices for the components. If the market is not active or the security is unlisted, fair value is determined by using generally accepted valuation techniques.

The fair values of financial liabilities at fair value through profit or loss and derivatives are determined through discounted cash flows.

Fair values of venture capital investments are determined using an applicable valuation method and in accordance with the guidelines of the European Venture Capital Association (EVCA). The effect of any options and conversion options on the value of the ownership is taken into consideration when determining the fair value. If a reliable determination of fair value is not possible, venture capital investments are measured at cost less any impairment losses.

Recognition and derecognition of financial assets and financial liabilities

Loans and receivables are recognised on the balance sheet when a customer takes out a loan; available-for-sale financial assets and derivatives are recognised using trade date accounting; and financial liabilities at fair value through profit or loss are recognised when the consideration is received.

Financial assets are derecognised from the balance sheet when the contractual right to the asset expires or when the rights are transferred to another party. Financial liabilities are derecognised when the related obligations are fulfilled.

Leases

Leases are classified as finance leases and operating leases. The classification is based on whether the substantial risks and rewards incidental to ownership are transferred to the lessee. Finnvera does not have leases classified as finance leases.

Finnvera enters operating leases both as a lessee and a lessor. Lease payments under operating leases are recognised as income or expense on a straight-line basis over the lease term. Operating leases are mostly contracts relating to premises.

Intangible assets

Intangible assets include the development costs of IT applications and software, as well as other intangible assets if their cost can be measured reliably and it is probable that the Group will gain economic benefits from the assets.

Intangible assets are carried at historical cost less accumulated amortisations and impairment losses. Intangible assets are amortised over their estimated useful life that is five years.

Property, plant and equipment

Property, plant and equipment comprise property, machinery and equipment in the company's own use. Properties in which a significant part of the floor area is used by Finnvera or its subsidiaries are classified as property in own use.

Property, plant and equipment are carried at historical cost less accumulated depreciation and impairment losses. Property, plant and equipment are depreciated over their estimated useful lives as follows:

Property	30–40	years
Machinery and equipment	5–7	years

Impairment of intangible assets and property, plant and equipment

At every balance sheet date, the carrying amounts of intangible assets and property, plant and equipment are reviewed to determine whether there are indications of impairment. If such indication exists, the asset's recoverable amount is estimated. An impairment loss is entered into the income statement when the carrying amount of an asset exceeds its recoverable amount.

Investment property

Investment property is held to earn rental income and for capital appreciation. Investment property is carried at historical cost less accumulated depreciation and impairment losses (cost model). The useful lives and depreciation bases for investment property are the same as for corresponding property in own use. The fair value of investment property is disclosed in the notes. The fair values are based on information from actual sales of corresponding property in a corresponding location and in a similar condition on the market as well as on rental value calculated on the basis of market information. For major property items, the valuation is based on a valuation carried out by an independent assessor.

Provisions

Employee benefits

Pension plans are classified as either defined benefit plans or defined contribution plans. Under a defined contribution plan, the Group pays fixed contributions to a pension insurance company and has no legal or constructive obligation to pay further contributions. Obligations resulting from a defined contribution plan are expensed in the period to which they relate. The cost of providing defined benefit plans is charged to the income statement over the working lives of the employees participating in the plan on the basis of actuarial calculations. The pension plan assets measured at fair value at the balance sheet date are deducted from the present value of the pension obligation to be recognised on the balance sheet, taking into account the recognised actuarial gains and losses. Actuarial gains and losses are recognised in the income statement over the expected average remaining working lives of the employees participating in the plan to the extent that such gains and losses exceed the greater of: 10% of the present value of the defined benefit obligation or 10% of the fair value of the assets.

Provisions for export credit guarantee losses

A provision for export credit guarantee losses is recognised when the Group has a present legal or constructive obligation to pay a guarantee indemnity, realisation of the obligation is probable and it can be determined reliably.

Provision for domestic guarantee losses

A provision for guarantee losses is recognised according to the same principles as the impairment losses recognised on loans and receivables either individually or collectively by groups of receivables.

Income taxes

Income taxes in the consolidated income statement consist of current tax based on the taxable profit for the period and deferred tax. The tax expense is recognised in the income statement except for deferred tax relating to items charged or credited directly to equity, in which case the tax is also charged or credited directly to equity.

Deferred taxes are calculated for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are determined using tax rates enacted by the balance sheet date.

The amendment to the Income Tax Act passed by Parliament entered into force through a Government's Decree issued on 20 December 2007. The amendment made Finnvera plc exempt from income taxation as from 1 January 2007.

Accounting principles requiring the management's judgment and the key sources of estimation uncertainty

To a certain extent, the preparation of financial statements requires the making of judgments. In Finnvera, the essential judgments concern the determination of the fair value of financial instruments and investment property, the impairment testing of loans and receivables, and the provision to be made for guarantee commitments.

In determining the fair value of financial instruments, it is essential to assess the method for determining the fair value and the verifiability of the market parameters.

Fair values of venture capital investments are determined using an applicable valuation method and in accordance with the guidelines of the European Venture Capital Association (EVCA). If a reliable determination of fair value is not possible, venture capital investments are measured at cost less any impairment losses.

The impairment testing is based on estimates on future cash flows to be received. The provision to be made for guarantee commitments is based on the management's assessment of the probable amount of expenditure that needs to be covered by the provision.

Application of new IFRSs

The IASB has published the following new and amended standards and interpretations. They are applied as of the effective date of each standard and interpretation. If the effective date is not the first day of a financial period, they are applied as of the beginning of the next financial period following the effective date.

- IFRS 9 *Financial Instruments* (applied to financial periods starting on 1 January 2013 or thereafter). IFRS 9 is part of the IASB project aimed at replacing IAS 39 *Financial Instruments: Recognition and Measurement*. The new standard deals with the measurement of financial assets in terms of classification. The rest of the guidelines in IAS 39 concerning impairment of financial assets and hedge accounting are still in force. The EU has not yet adopted IFRS 9.
- Amendment to IAS 32 *Financial Instruments: Presentations – Classification of Rights Issues* (applied to financial periods starting on 1 February 2010 or thereafter). The amendment addresses the accounting treatment (classification) of rights, options or warrants that are denominated in a currency other than the functional currency of the issuer. The amendment has no effect on the consolidated financial statements.
- Revised IAS 24 *Related Party Disclosures* (applied to financial periods starting on 1 January 2011 or thereafter). The amendments simplify the requirements concerning disclosures in the consolidated financial statements and expand the definition of 'related party'. The amendments have an effect on the information presented in the financial statements.
- Amendments to IFRIC 14 IAS 19 – *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction – Prepayments of a Minimum Funding Requirement* (applied to financial periods starting on 1 January 2011 or thereafter). With the introduction of the amendments, prepayments made for a defined benefit asset can in some cases be entered as an asset item on the balance sheet instead of an expense entry, when the arrangement includes a minimum funding requirement. The Group assesses that the amendments will have no major effect on the future financial statements.
- IFRIC 19 *Extinguishing Financial Liabilities with Equity Instruments* (applied to financial periods starting on 1 July 2010 or thereafter). The interpretation provides guidance on how to account for the extinguishment of a financial liability, in full or in part, by the issue of equity instruments. IFRIC 19 is applied retroactively. The Group assesses that the amendments will have no major effect on the future financial statements. Improvements to IFRSs, May 2010 (applied generally to financial periods starting on 1 July 2010 or thereafter). Small and less urgent amendments made to the standards through the Annual Improvements process are collected together and implemented once a year. The effects of the amendments vary from one standard to the next, but the amendments are not important for the coming consolidated financial statements. The EU had not yet adopted the amendments by the end of September 2010.

RISK MANAGEMENT

IFRS consolidated financial statements, notes to risk management

Finnvera operates as a financier supplementing the financial markets and takes higher credit risks than financiers operating on commercial grounds.

Risk management is of central importance for the maintenance of Finnvera's ability to take risks and for the attainment of economic objectives in the long run. The company's Board of Directors and the top management are responsible for arranging and organising internal control and risk management. The Board of Directors approves decision-making powers, the principles of risk management and the outlines for risk-taking. For its part, the goal of risk management is to ensure prerequisites for implementing the company's strategy. In keeping with its role, Finnvera uses financing to support the operations of enterprises in the phases of start-up and growth, as well as to promote the exports and internationalisation of companies.

The State of Finland compensates Finnvera for some of the losses that arise in domestic financing. Using revenues from its operations, Finnvera must cover its own share of any domestic credit and guarantee losses arisen from one economic cycle to the next. In regard to export credit operations, foreign country, bank and enterprise risks are secured by the State Guarantee Fund and the State of Finland. In the long term, profits from operations must cover the expenses and guarantee losses arising from operations. Finnvera's goal is to take credit risks in a controlled manner in line with its operating principles, and to hedge against other risks or to minimise them. Some of the investments in subsidiaries are capital investments made by the State through the parent company, while some is capital invested directly by the parent company.

Domestic risk-taking is guided by means of the credit policy and risk-taking goals specific to each business area. These take into account, for instance, differences in the clientele and in the operating environment. The risk-taking goals are based on the targets set for Finnvera vis-à-vis its ownership policy, profitability and effectiveness. Risk-taking pertaining to export credit guarantees is guided by means of the country and guarantee policies ratified by the Board of Directors. In addition, a hedging policy has been approved for export credit operations. In consequence, part of the credit risk may be hedged, among others, with credit derivatives or guarantee swap contracts.

In their risk-taking, the subsidiaries involved in venture capital investment carry out strategic policies focusing on start-ups and growth enterprises. The parent company manages the risks arising in a subsidiary by ownership steering and by including the subsidiaries within the scope of Group risk management and internal auditing.

Working independently of Finnvera's business areas, the Risk Management Unit is responsible for the development of policy, methods and guidelines for risk management, and for the monitoring of the company's risk standing. The Risk Management Unit reports to the Managing Director. Internal auditing monitors and ensures that the guidelines approved by the Board of Directors are followed. The practical measures regarding risk management are part of the day-to-day management and are implemented by the entire Finnvera organisation and the Group companies.

Credit and guarantee risks

The risk of a credit loss arises when a debtor or another counterpart does not meet its obligations in full. In domestic financing, the reason for a credit loss is usually the insolvency of a corporate client. In the case of export credit guarantees, a guarantee loss may stem from the inability or unwillingness of a country, bank or corporate client to meet their payments.

Management of credit risks in domestic operations is based on the assessment of credit risks for each enterprise. Finnvera applies a risk classification system of eight categories, which is based on long-term observation of insolvency events for each risk category. The scale in use has seven categories for operating enterprises and one category for insolvent enterprises. When a decision on financing is made, the account manager is responsible for assessing the credit risk, for applying the risk classification and for drafting the financing proposal. The risk rating of Finnvera's client companies is updated at least every second year. The value of any available collateral is also assessed and updated in a similar way.

For granting export credit guarantees, Finnvera classifies countries into eight categories. The classification is based on methods used by export credit agencies and on country risk assessment. Since there may be considerable differences between individual countries, even within the same category, risk-taking is based on a separately defined country policy. Various factors affect the determination of the country category: assessment of the country's ability to manage its external liabilities; expectations of the future trend of the country's economy; and political stability and the legislative framework. Finnvera keeps a close eye on the economic and political situations of countries and makes adjustments to country categories depending on the changes that have occurred. The category of each country is checked at least once a year.

The taking of bank risks is based on an assessment of each country's banking system and on the risk analyses and risk ratings of individual banks. On the basis of both qualitative and quantitative factors, a risk-taking outline is determined for each individual bank, depending on the risk category. The risk rating of banks is updated whenever needed and always when new projects are introduced.

The taking of enterprise risks is based on an analysis of the enterprise's management, business and finances. The analysis can be concise in the case of small and short-term guarantees. The analysis results in internal risk classification of eight categories, which partly corresponds to the risk classification method used by international rating agencies. The classification is updated when new projects are introduced and at least once a year.

Financing decisions are made in accordance with the authorisations decided by the Board of Directors so that the amount of liability and risk have an impact on the decision-making level. The largest financing decisions are made by the Board of Directors.

Monitoring of clients is based on annual financial statements, regular contacts, and monitoring of the constant payment behaviour and operations. When monitoring the payment behaviour, Finnvera utilises data from various sources: from Finnvera's own control systems, from beneficiaries of guarantees, and from public payment default registers.

Clients with risen risks are selected for special monitoring. A quarterly report is drawn up of the biggest clients under special monitoring. The probability of credit losses and any needs for claim-specific write-downs are assessed at the same time.

The risk-taking realised is followed monthly by means of a diverse set of indicators. At Finnvera, the principal indicators for risk management are: the distribution of and change in current commitments by risk category; delayed payments and non-performing assets; the expected value of credit losses describing the risks taken in relation to outstanding commitments and financing granted; and the credit losses materialised.

The Risk Management Unit is responsible for coordinating the development and maintenance of the risk classification systems and for monitoring the functionality of the classification systems.

Interest rate and currency risks

Interest rate and currency risks associated with Finnvera's provision of funding for export credits are managed by reconciling the terms of borrowing and lending, for instance, by means of interest rate and currency swaps. Limits have been set for the consequent interest rate and currency risks. These limits are monitored actively, and the Board of Directors receives reports on them on a regular basis. The effect of market risks on Finnvera's performance is deemed to be small.

Provision has been made for any claims that may need to be paid in dollars by virtue of export credit guarantees granted. The associated currency risk has been reduced by keeping an amount of liquid assets in dollar accounts corresponding to the amount of expected losses denominated in dollars.

Liquidity risk

Finnvera has arranged long-term provision of funding for export credits by using several sources of financing. The availability of funding for export credits can also be secured by making use of guarantees granted by the State. Cash assets, deposits and short-term investments in targets meeting the criteria for credit rating ensure short-term liquidity.

The potentially high claims arising from export credit guarantee operations may lead to an unexpected need for money. Finnvera has entered into contractual arrangements with the State of Finland to prepare for the realisation of such liquidity risk.

Operational risks

An operational risk is a risk of loss caused by insufficient or inoperable internal processes, systems, human resources or external events. Operational risks also include legal risks and the risk of damage to reputation.

The management of operational risks has been developed systematically since 2006. Operational risks have been registered since the beginning of 2007. Potential risks have been charted and the severity of their possible consequences has been assessed for all business operations and support units. In addition, Finnvera has drawn up risk scenarios, the realisation of which would have serious consequences for the company's operations. Responsibility for the implementation of actions to avert the risk scenarios and other severe potential risks has been divided between the various organisational units in line with their tasks. At Finnvera, the management of operational risks and the related work are carried out together with the work for improving the quality of operations. Safeguards are taken against operational risks, for instance, by introducing internal control mechanisms, by developing processes, information systems and the quality of operations, and by taking out insurance against risks.

Venture capital investments

Within the Finnvera Group, venture capital investments are carried out by Veraventure Ltd, Seed Fund Vera Ltd and Matkailunkehitys Nordia Oy. Investments made in these companies are included within the scope of Finnvera plc's credit risk monitoring.

The risk management carried out by the subsidiaries engaged in venture capital investment is based on limiting the size of investments, on sharing the risk with other investors, and on sufficient distribution of the investment portfolio.

The companies engaged in venture capital investment comply with the recommendations of the European Venture Capital Association (EVCA) in valuing the venture capital investments and investments in short-term interest funds. After the transition to IFRS, these investments are carried at fair value in accordance with the above-mentioned recommendations.

Capital management, capital adequacy and external risk weight

Finnvera calculates its capital adequacy by using the Basel II standard method, although Finnvera is under no official obligation to adopt the Basel II Framework methods. The adequacy of equity is examined in relation to future and current credit risks by using management accounting, including an indicator describing economic capital, and by assessing the amounts of credit losses that would arise in potential extreme situations.

Due to the nature of the business, Finnvera plc must ensure that the amount of equity is sufficient in relation to the credit risks taken. Equity and retained earnings have been allocated to the fund for domestic operations and to the fund for export credit guarantee and special guarantee operations. Finnvera plc's domestic financing includes the credit and guarantee loss compensation paid by the State. At present, the credit and guarantee loss compensation varies between 35–80% of the existing loan and guarantee portfolio. In regard to export credit guarantee operations, the State of Finland is responsible, e.g. through the State Guarantee Fund, for the losses arisen during the financial period that have exceeded the assets in the fund for export credit guarantee and special guarantee operations.

As at 31 December 2010, the fund for domestic operations totals EUR 125 million and the fund for export credit guarantee and special guarantee operations EUR 186 million.

It has been ensured through legislation that, in the capital adequacy calculations of banks, the risk weight of Finnvera's guarantees is the same as that of the State of Finland, which was determined at zero as per 31 December 2010.

FINNVERA GROUP

1. CREDIT RISKS

Receivables (EUR 1,000)		31 Dec 2010	31 Dec 2009
Loans and receivables from credit institutions		160,813	167,566
Loans and receivables from customers		1,813,178	1,734,924
Debt securities		169,445	175,979
Derivatives		56,054	8,536
Total		**2,199,490**	**2,087,005**
Finnish Export Credit's receivables, EUR 290,038 thousand, guaranteed by Finnvera, have been deducted from 'Receivables from customers' in the Group.			
Contingencies	(Note 26)	**10,845,308**	**11,626,227**

2. RECEIVABLES FROM CUSTOMERS AND GUARANTEES WHOSE VALUE HAS NOT IMPAIRED

Risk class (EUR 1,000)	31 Dec 2010	%	31 Dec 2009	%
A1	143	0%	805	0%
A2	12,226	0%	19,164	1%
A3	77,666	2%	104,418	3%
B1	507,808	16%	498,648	16%
B2	1,574,690	50%	1,504,735	50%
B3	545,044	17%	461,235	15%
C	94,227	3%	91,387	3%
D	66,626	2%	61,519	2%
Other *	290,038	9%	294,495	10%
Total	**3,168,468**	**100%**	**3,036,406**	**100%**

* Risk class Other include Finnish Export Credit's credits guaranteed by Finnvera.

3. CONCENTRATIONS

3.1. Receivables from customers and guarantees by industry (EUR 1,000)

	31 Dec 2010	31 Dec 2009
Rural trades	30,139	25,245
Industrial operations	1,773,093	1,830,364
Tourism	231,461	195,620
Services to business	660,579	569,485
Trade and consumer services	473,196	415,691
Total	**3,168,468**	**3,036,406**

3.2. Commercial commitments of the export credit guarantee operations by industry (EUR 1,000)

			31 Dec 2010			31 Dec 2009
	Offered	**In force**	**Total**	**Offered**	**In force**	**Total**
Telecommunications	997,717	2,494,778	3,492,494	1,675,777	2,041,543	3,717,321
Wood processing	117,588	604,425	722,012	138,938	700,278	839,216
Power generation	47,604	68,215	115,819	11,227	39,373	50,600
Shipping companies	119,894	2,678,067	2,797,961	562,880	2,402,944	2,965,824
Metal industry and ore mining	6,954	172,901	179,854	42,896	191,492	234,388
Other	33,815	553,244	587,059	120,611	530,715	651,326
Total	**1,323,572**	**6,571,629**	**7,895,201**	**2,552,329**	**5,906,345**	**8,458,674**

3.3. Bank commitments of the export credit guarantee operations (EUR 1,000)

			31 Dec 2010			31 Dec 2009
	Offered	**In force**	**Total**	**Offered**	**In force**	**Total**
Banks and financing	0	537,063	537,063	68,816	531,274	600,090

4. COMMITMENTS BY AREA

4.1. Loans and guarantees by area (EUR 1,000)

	31 Dec 2010	31 Dec 2009
Finland	2,741,911	2,741,911
Other *	290,038	294,495
Total	**3,168,468**	**3,036,406**

* Area Other include Finnish Export Credit's credits guaranteed by Finnvera.

4.2. Commitments of the export credit guarantee operations by area (EUR 1,000)

	31 Dec 2010			31 Dec 2009		
	Offered	**In force**	**Total**	**Offered**	**In force**	**Total**
Asia	96,710	1,190,674	1,287,384	568,784	907,266	1,476,050
CIS *	121,075	1,002,611	1,123,686	488,192	673,133	1,161,325
Central and East Europe	17,721	192,660	210,381	3,148	191,315	194,463
Latin America	32,073	1,078,166	1,110,239	53,995	1,641,819	1,695,814
Middle East and North Africa	360,591	545,809	906,400	355,010	398,676	753,686
Sub-Saharan Africa	2,907	142,038	144,945	0	141,395	141,395
Industrial countries	713,699	3,385,945	4,099,644	1,214,160	2,910,321	4,124,481
Total	**1,344,776**	**7,537,903**	**8,882,679**	**2,683,289**	**6,863,925**	**9,547,214**

* The term CIS area is used for the 12 independent, former Soviet Union countries

5. COLLATERAL SHORTAGE (EUR 1,000)

	31 Dec 2010				31 Dec 2009			
Risk category	**Amount of commitment**	**Amount of collaterals**	**Collateral shortage**	**Collateral shortage-%**	**Amount of commitment**	**Amount of collaterals**	**Collateral shortage**	**Collateral shortage-%**
A1	143	66	77	54%	805	556	249	31%
A2	12,226	7,356	4,870	40%	19,164	13,019	6,145	32%
A3	77,666	34,863	42,803	55%	104,418	60,484	43,934	42%
B1	507,808	166,711	341,097	67%	498,648	241,582	257,066	52%
B2	1,574,690	572,118	1,002,572	64%	1,504,735	743,667	761,068	51%
B3	545,044	142,272	402,772	74%	461,235	131,787	329,448	71%
C	94,227	19,922	74,305	79%	91,387	16,924	74,463	81%
D	66,626	17,387	49,239	74%	61,519	13,895	47,624	77%
Other *	290,038	0	0	0%	294,495	0	0	0%
Total	**3,168,468**	**960,695**	**1,917,735**	**67%**	**3,036,406**	**1,221,914**	**1,519,997**	**55%**

*Risk category Other include Finnish Export Credit's credits guaranteed by Finnvera.

6. IMPAIRED LOANS AND GUARANTEES FOR WHICH A GUARANTEE PROVISION HAS BEEN MADE

Impairment losses on individually assessed loans and guarantee provisions

Loans (EUR 1,000)

31 Dec 2010

Risk category	B2	B3	C	D	Total
Commitment before the impairment	0	59,265	9,531	14,890	83,686
Impairment loss	0	27,004	4,516	5,230	36,750
Commitment after the impairment	0	32,261	5,015	9,660	46,936

Guarantees (EUR 1,000)

	B2	B3	C	D	Total
Commitment before the guarantee provision	0	55,756	0	6,896	62,652
Guarantee provision	0	15,099	0	2,670	17,769
Commitment after the guarantee provision	0	40,657	0	4,226	44,883

Impairment losses on collectively assessed loans and guarantee provisions

Loans (EUR 1,000)

Risk category	B2	B3	C	D	Total
Commitment before the impairment	7,202	19,910	16,098	53,001	96,211
Impairment loss	840	5,334	6,200	23,682	36,056
Commitment after the impairment	6,362	14,576	9,898	29,319	60,155

Guarantees (EUR 1,000)

	B2	B3	C	D	Total
Commitment before the guarantee provision	4,641	7,025	4,483	28,768	44,917
Guarantee provision	531	1,775	1,315	12,243	15,864
Commitment after the guarantee provision	4,110	5,250	3,168	16,525	29,053

Impairment losses on individually assessed loans and guarantee provisions

Loans (EUR 1,000)

31 Dec 2010

Risk category	B2	B3	C	D	Total
Commitment before the impairment	0	57,249	16,262	22,763	96,274
Impairment loss	0	23,758	6,046	6,310	36,114
Commitment after the impairment	0	33,491	10,216	16,453	60,160

Guarantees (EUR 1,000)

	B2	B3	C	D	Total
Commitment before the guarantee provision	0	27,967	6,975	10,797	45,739
Guarantee provision	0	7,799	2,196	3,320	13,315
Commitment after the guarantee provision	0	20,168	4,779	7,477	32,424

Impairment losses on collectively assessed loans and guarantee provisions

Loans (EUR 1,000)

Risk category	B2	B3	C	D	Total
Commitment before the impairment	5,667	28,719	16,728	39,449	90,563
Impairment loss	679	7,914	6,374	17,704	32,671
Commitment after the impairment	4,988	20,805	10,354	21,745	57,892

Guarantees (EUR 1,000)

	B2	B3	C	D	Total
Commitment before the guarantee provision	2,731	8,050	5,991	27,636	44,408
Guarantee provision	252	2,124	1,835	11,792	16,003
Commitment after the guarantee provision	2,479	5,926	4,156	15,844	28,405

7. PAST DUE RECEIVABLES (EUR 1,000)

	31 Dec 2010	31 Dec 2009
1 day–3 months	12,199	19,899
3–6 months	4,403	4,405
6–12 months	9,567	23,427
Over 12 months	35,319	20,182
Total	**61,488**	**67,913**

As past due receivables have been presented unpaid interests, loan instalments and guarantee commission payments at the balance sheet date of the entire financing portfolio, including loans subject to a possible impairment.

8. LIQUIDITY RISK

The guarantees in the table have been broken down according to their due dates. An individual guarantee may give rise to indemnity at any time during its period of validity. There is no historical information as to when such indemnities have been realized during the life cycle of a guarantee.

Maturity of liabilities 31 Dec 2010 (EUR 1,000)

	Carrying amount	Payable	< 3 months	3–12 months	1–5 years	5–10 years	> 10 years
Liabilities to credit institutions	270,000	276,105	76,443	11,311	188,351	0	0
Liabilities to the public and public sector	394,326	487,356	0	88,558	158,945	211,348	28,505
Debt securities in issue	997,162	1,103,519	773	139,030	963,716	0	0
Subordinated liablities	89,840	89,840	0	0	0	50,000	39,840
Binding financing offers		849,837	849,837	0	0	0	0
Total liabilities	**1,751,328**	**2,806,657**	**927,053**	**238,899**	**1,311,012**	**261,348**	**68,345**
Derivatives - receivables	56,054	1,045,302	773	133,570	863,946	47,012	0
Derivatives - liabilities	877	941,105	1,656	97,964	795,713	45,772	0
Derivatives - net (receivables + / liabilities -)	**55,177**	**104,197**	**-883**	**35,606**	**68,233**	**1,240**	**0**
Guarantees	1,065,252	1,065,252	131,522	331,222	496,199	100,434	5,875

Maturity of liabilities 31 Dec 2009 (EUR 1,000)

	Carrying amount	Payable	< 3 months	3–12 months	1–5 years	5–10 years	> 10 years
Liabilities to credit institutions	418,154	433,109	76,325	76,263	280,521	0	0
Liabilities to the public and public sector	367,064	470,505	0	40,323	187,143	191,185	51,854
Debt securities in issue	861,256	967,328	996	142,742	823,590	0	0
Subordinated liablities	93,394	93,394	0	0	0	50,000	43,394
Binding financing offers	0	952,870	952,870	0	0	0	0
Total liabilities	**1,739,868**	**2,917,206**	**1,030,191**	**259,328**	**1,291,254**	**241,185**	**95,248**
Derivatives - receivables	8,536	841,437	971	138,123	702,343	0	0
Derivatives - liabilities	11,191	776,264	1,021	119,795	655,448	0	0
Derivatives - net (receivables + / liabilities -)	**-2,655**	**65,173**	**-50**	**18,328**	**46,895**	**0**	**0**
Guarantees	1,006,987	1,006,987	117,942	261,493	511,336	109,662	6,554

Liquidity management is described under notes to risk management on page 24.

9. INTEREST RATE RISK

Determination of the interest rate on receivables and liabilities 31 Dec 2010 (EUR 1,000)

	Carrying amount	Nominal value	< 3 months	3–12 months	1–5 years	5–10 years	> 10 years
Receivables from credit institutions	160,813	160,813	132,848	0	27,965	0	0
Receivables from customers	2,103,216	2,103,216	529,578	1,236,012	158,794	150,551	28,281
Debt securities	169,445	169,600	164,100	5,500			
Total receivables	**2,433,474**	**2,433,629**	**826,526**	**1,241,512**	**186,759**	**150,551**	**28,281**
Liabilities to credit institutions	270,000	270,000	180,000	90,000	0	0	0
Liabilities to others	394,326	392,406	0	72,213	109,670	183,106	27,417
Debt securities in issue	997,162	983,334	102,564	201,282	679,488	0	0
Subordinated liabilities	89,840	89,840	0	0	0	50,000	39,840
Total liabilities	**1,751,328**	**1,735,580**	**282,564**	**363,495**	**789,158**	**233,106**	**67,257**
Derivatives - receivables	56,054	975,372	102,564	147,302	679,487	46,019	0
Derivatives - liabilities	877	934,105	230,333	703,773			0
Derivatives - net	**55,177**	**41,268**	**-127,769**	**-556,471**	**679,487**	**46,019**	**0**

The table presents the interest rate determination dates for interest-bound receivables and liabilities as well as for interest rate and currency swaps hedging the liabilities.

Sensitivity to interest rate

An immediate increase of 1 percentage unit increases the net interest income by EUR 5.7 million and an equal decrease in the interest rate decreases the net interest income by EUR 5.7 million during the following 12 months.

The fair value of available-for-sale money market funds and debt securities increases by EUR 0.2 million if the interest rates decrease by 1 percentage unit. Respectively, their fair value decreases by EUR 0.2 million of the interest rates increase by 1 percentage unit. The change in the fair value is recognised in the balance sheet.

The changes in fair values of liabilities at fair value through profit or loss and the interest rates of the derivatives hedging them offset each other and therefore they do not have an impact on the profit or loss.

Determination of the interest rate on receivables and liabilities 31 Dec 2009 (EUR 1,000)

	Carrying amount	Nominal value	< 3 months	3–12 months	1–5 years	5–10 years	> 10 years
Receivables from credit institutions	167,566	167,566	81,753	56,350	29,463	0	0
Receivables from customers	2,029,419	2,029,419	568,271	1,134,056	142,267	134,822	50,004
Debt securities	175,979	175,979	171,079	4,900	0	0	0
Total receivables	**2,372,964**	**2,372,964**	**821,103**	**1,195,306**	**171,730**	**134,822**	**50,004**
Liabilities to credit institutions	418,154	418,154	45,000	373,154	0	0	0
Liabilities to others	367,064	366,643	0	24,295	134,731	159,026	48,591
Debt securities in issue	861,256	848,795	168,675	136,145	543,976	0	0
Subordinated liabilities	93,394	93,394	0	0	0	50,000	43,394
Total liabilities	**1,739,868**	**1,726,986**	**213,675**	**533,593**	**678,707**	**209,026**	**91,985**
Derivatives - receivables	8,536	823,893	72,289	132,530	581,525	37,549	0
Derivatives - liabilities	11,191	840,135	39,063	0	801,072	0	0
Derivatives - net	**-2,655**	**-16,242**	**33,226**	**132,530**	**-219,547**	**37,549**	**0**

The table presents the interest rate determination dates for interest-bound receivables and liabilities as well as for interest rate and currency swaps hedging the liabilities.

Sensitivity to interest rate

An immediate increase of 1 percentage unit decreases the net interest income by EUR 2.2 million and an equal decrease in the interest rate increases the net interest income by EUR 2.2 million during the following 12 months.

The fair value of available-for-sale money market funds and debt securities increases by EUR 0.2 million if the interest rates decrease by 1 percentage unit. Respectively, their fair value decreases by EUR 0.2 million of the interest rates increase by 1 percentage unit. The change in the fair value is recognised in the balance sheet.

The changes in fair values of liabilities at fair value through profit or loss and the interest rates of the derivatives hedging them offset each other and therefore they do not have an impact on the profit or loss.

10. CURRENCY RISK

The Company's profit is affected by the changes in the US dollar exchange rate. The table below presents the effect of 10% in the U.S. dollar exchange rate on the Company's profit.

	31 Dec 2010	31 Dec 2009
The USD strengthens by 10% against the euro	753	1,820
The USD weakens by 10% against the euro	-616	-1,489

The currency risk stems from the dollar account that is kept as provision for export credit guarantee losses denominated in dollars; its amount decreased by EUR 9.6 million during 2010.

FINNVERA GROUP'S SEGMENT INFORMATION

Segment reporting in the Finnvera Group is based on internal business areas and organisational structure. Client enterprises have been divided into business areas by size, need for financing and development stage. A service concept has been devised for each business area. Finnvera's segments are micro-financing, regional financing, financing for growth and internationalisation, export financing, and venture capital investments.

Micro-financing clients are enterprises with less than 10 employees that operate locally. Micro-financing provides financial services for the start-up and development of enterprises in cooperation with regional enterprise services and other financiers.

The clients of regional financing are SMEs and, on special grounds, large enterprises. The clientele includes companies engaged in production or services. In cooperation with other financiers, regional financing provides financing solutions especially for development and growth needs and for changes of generation.

The clients of financing for growth and internationalisation are SMEs with a growth strategy based on internationalisation. Some clients already operate on the international market and engage in exports, while others are still at the start of this development. In general, these enterprises also use the services of other organisations providing services for growth enterprises (Finpro, Tekes, Centres for Economic Development, Transport and the Environment) and make use of the services offered by Finnvera for export financing.

Export financing clients are mostly exporters operating in Finland and classified as large enterprises, as well as domestic and foreign bodies providing financing for these exports. Finnvera has official Export Credit Agency (ECA) status. Export financing offers competitive export credit guarantee services to meet client needs.

Three of Finnvera's subsidiaries – Veraventure Ltd, Seed Fund Vera Ltd and Matkailunkehitys Nordia Oy – make venture capital investments in enterprises.

Another subsidiary, Finnish Export Credit Ltd, administers the interest equalisation system associated with export credits granted on OECD terms and domestic ship financing.

Income, expenses, assets and liabilities are allocated to the relevant segment when they are deemed to fall within that segment or when such allocation is otherwise sensible. All income and expenses have been allocated to segments. There is no notable intra-segment business.

Intra-group transactions, receivables and liabilities are eliminated in the consolidated financial statements.

Assessment of the profitability of Finnvera's segments, and decisions concerning resources allocated to segments, are based on operating profit. The assets and liabilities of segments are valued according to the principles applied for the consolidated financial statements.

The Finnvera Group has operations only in Finland and its clientele encompasses a wide spectrum of enterprises in various sectors.

Consolidated income statement and balance sheet by segments for the period 1 Jan 2010–31 Dec 2010 (EUR 1,000)

	Micro financing	Regional financing	Financing for growth and internatio-nalization	Export financing	Capital invesments	Elimi-nations	Total
Net interest income	12,395	31,356	9,873	3,756	1,806	0	59,185
Net fee and commission income	4,480	17,282	11,475	61,750	-1	0	94,986
Net impairment loss on financial assets, guarantee and security losses	-6,337	-23,856	-14,734	-2,659	-1,636	0	-49,223
Operating expenses *	-11,822	-14,567	-7,528	-9,902	-4,531	2,197	-46,153
Depreciation and amortization	-381	-581	-482	-891	-13	0	-2,348
Other income/expenses **	-188	-766	-329	3,244	5,837	-2,662	5,137
Operating profit	**-1,852**	**8,868**	**-1,726**	**55,297**	**1,462**	**-465**	**61,585**
Total assets	**289,232**	**998,701**	**379,359**	**800,124**	**197,982**	**-3,404**	**2,661,994**
Receivables from customers	315,347	1,077,020	366,793	325,560	19,807	-1,310	2,103,216
Total liabilities	**238,161**	**798,037**	**341,720**	**520,936**	**131,849**	**-1,701**	**2,029,002**

Consolidated income statement and balance sheet by segments for the period 1 Jan 2009–31 Dec 2009 (EUR 1,000)

	Micro financing	Regional financing	Financing for growth and internatio-nalization	Export financing	Capital invesments	Elimi-nations	Total
Net interest income	11,955	28,432	9,610	6,107	3,000	0	59,104
Net fee and commission income	4,390	16,572	9,232	46,864	-24	0	77,034
Net impairment loss on financial assets, guarantee and security losses	-6,714	-25,417	-22,292	-7,990	-1,760	0	-64,173
Operating expenses *	-11,971	-14,822	-7,749	-10,064	-4,330	2,099	-46,837
Depreciation and amortization	-1,870	-3,012	-1,595	-1,288	-12	0	-7,777
Other income/expenses **	976	3,460	767	275	-2,199	-2,356	923
Operating profit	**-3,234**	**5,213**	**-12,027**	**33,904**	**-5,325**	**-257**	**18,274**
Total assets	**310,248**	**1,002,840**	**392,219**	**676,040**	**162,844**	**-4,745**	**2,539,446**
Receivables from customers	315,194	1,019,172	365,311	312,707	18,345	-1,310	2,029,419
Total liabilities	**257,267**	**810,203**	**352,637**	**452,779**	**99,231**	**-1,675**	**1,970,442**

* Operating expenses = Administrative expenses + Other operating expenses - Depreciation and amortization

** Gains/losses from financial instruments carried at fair value + Net income from investments + Other operating income

Inter-segment revenue is not significant.

FINNVERA GROUP'S FINANCIAL ASSETS AND LIABILITIES

Financial assets 31 Dec 2010 (EUR 1,000)

	Loans and receivables	Financial instruments carried at fair value	Available -for-sale financial assets	Total	Fair value
Loans and receivables from credit institutions	160,813			160,813	160,813
Loand and receivables from customers	2,103,216			2,103,216	2,097,246
Debt securities			169,445	169,445	169,445
Derivatives		56,054		56,054	56,054
Investments in associates		49,486		49,486	49,486
Shares and participations		21,746	65,830 *	87,576	87,576
Other financial assets	17,661			17,661	17,661
	2,281,690	**127,286**	**235,275**	**2,644,250**	**2,638,280**

The Company does not have financial receivables held for trading or held-to-maturity.

* Because the fair value of the Finnish Fund for Industrial Cooperation Ltd, included in the figure, cannot be determined reliably, the shares have been valued at original acquisition cost.

Financial liabilities 31 Dec 2010 (EUR 1,000)

	Financial instruments carried at fair value	Other financial liabilities	Total	Fair value
Liabilities to credit institutions		270,000	270,000	270,000
Liabilities to other institutions	93,958	300,368	394,326	394,326
Debt securities in issue	897,163	100,000	997,163	997,163
Derivatives	877		877	877
Other financial liabilities		180,381	180,381	180,381
Subordinated liabilities		89,841	89,841	89,841
	991,998	**940,590**	**1,932,587**	**1,932,588**

The Company does not have financial liabilities held for trading.

Financial assets 31 Dec 2009 (EUR 1,000)

	Loans and receivables	Financial instruments carried at fair value	Available -for-sale financial assets	Total	Fair value
Loans and receivables from credit institutions	167,566			167,566	167,566
Loand and receivables from customers	2,029,419			2,029,419	2,024,646
Debt securities			175,979	175,979	175,979
Derivatives		8,536		8,536	8,536
Investments in associates		39,911		39,911	39,911
Shares and participations		17,454	57,416 *	74,870	74,870
Other financial assets	17,969			17,969	17,969
	2,214,954	**65,901**	**233,395**	**2,514,250**	**2,509,477**

The Company does not have financial receivables held for trading or held-to-maturity.

* Because the fair value of the Finnish Fund for Industrial Cooperation Ltd, included in the figure, cannot be determined reliably, the shares have been valued at original acquisition cost.

Financial liabilities 31 Dec 2009 (EUR 1,000)

	Financial instruments carried at fair value	Other financial liabilities	Total	Fair value
Liabilities to credit institutions		418,154	418,154	418,154
Liabilities to other institutions	75,518	291,545	367,063	367,063
Debt securities in issue	761,256	100,000	861,256	861,256
Derivatives	11,191		11,191	11,191
Other financial liabilities		117,175	117,175	117,175
Subordinated liabilities		93,394	93,394	93,394
	847,965	**1,020,268**	**1,868,233**	**1,868,233**

The Company does not have financial liabilities held for trading.

HIERARCHY FOR RECOGNITION AT FAIR VALUE

Financial assets 31 Dec 2010 (EUR 1,000)

	Level 1	Level 2	Level 3
Financial instruments carried at fair value			
Derivatives		56,054	
Investments in associates			49,486
Shares and holdings			21,746
Saleable			
Debt securities		169,445	
Shares and holdings	65,830		
	65,830	**225,499**	**71,232**

Financial liabilities 31 Dec 2010 (EUR 1,000)

	Level 1	Level 2	Level 3
Financial instruments carried at fair value			
Liabilities to other institutions		93,958	
Debt securities in issue		897,163	
Derivatives		877	
		991,998	

Financial assets 31 Dec 2009 (EUR 1,000)

	Level 1	Level 2	Level 3
Financial instruments carried at fair value			
Derivatives		8,536	
Investments in associates			39,911
Shares and holdings			17,454
Saleable			
Debt securities		175,979	
Shares and holdings	57,416		
	57,416	**184,515**	**57,365**

Financial liabilities 31 Dec 2009 (EUR 1,000)

	Level 1	Level 2	Level 3
Financial instruments carried at fair value			
Liabilities to other institutions		75,518	
Debt securities in issue		761,256	
Derivatives		11,191	
		847,965	

Level 1: Investments in shares and funds are valued at market price based on active trading.

Level 2: The values of interest rate and currency swaps are based on estimates of prices for terminating agreements and for concluding new, corresponding agreements. These estimates are given by banks operating actively on the market. The banks base their pricing on market interest rates and exchange rates.

The fair values of liabilities are based on the value calculated on the basis of exchange rates and market interest rates on the reference day (current value of liabilities).

Level 3: Venture capitalists' investments are valued using a procedure that includes assessments by the management.

FINANCIAL ASSETS AND LIABILITIES RECOGNISED AT FAIR VALUE

Level 3

Financial assets (EUR 1,000)	**Financial instruments carried at fair value** 31 Dec 2010	31 Dec 2009
Balance 1 January	57,365	53,201
Profi ts and losses entered in the income statement, in total	-1,487	-6,936
Acquisitions	15,944	11,150
Sales	-591	-50
Balance 31 Dec	71,232	57,365
Profits and losses entered in the income statement for the instruments held by Finnvera on 31 December.	-2,335	-6,209

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED INCOME STATEMENT (EUR 1,000)

Note no. 1

		2010		2009
Net interest income				
Interest income				
Loans to customers		68,903		66,095
Subsidies passed on to customers				
Regional interest subsidy	1,544		1,495	
Interest subsidy to special loans	6,059		6,514	
Interest subsidy from the ERDF	4,034		4,170	
National interest subsidy (ERDF)	4,525	16,162	4,672	16,851
Interest on export credit guarantee and special guarantee receivables		167		123
Interest on guarantee receivables		1,055		694
Other interest income				
On receivables from credit institutions	1,257		2,577	
On debt securities, available-for-sale	1,161		1,439	
On other	650	3,069	697	4,713
Total interest income		**89,356**		**88,476**
Interest expenses				
On liabilities to credit institutions		3,405		9,822
On liabilities to other institutions		16,680		3,866
On debt securities in issue		9,826		15,673
Other interest expenses		391		413
Total interest expenses		**30,302**		**29,774**
Other interest subsidy				
Basic subsidy to loans granted before 1999		132		401
Net interest income		**59,185**		**59,103**
Interest income on financial assets which are not carried at fair value totalled		89,258		88,877
Interest expenses on financial liabilities which are not carried at fair value totalled		21,302		12,704
Interest income include interest accrued on impaired loans		2,655		4,309

Interest subsidy from the state and the European Regional Development Fund

The basis for the interest subsidy for the loans granted before 1999 is the loan portfolio per 31 December and for the loans granted between 1999–2010 the interest subsidy is calculated based on the passage of time similar to interest. In 2001 the Group began to grant such investment and working capital loans to which interest subsidy from the funds of the European Regional Development Fund (ERDF), besides the state's national interest subsidy, is received.

The interest subsidy is divided to subsidy directly passed on to customers and to basic interest subsidy paid to loans granted before 1999. The interest subsidy passed on to customers includes in the interest income and the basic interest subsidy is presented as a separate item before the net interest income.

	2010	2009
Interest-subsidized loans and guarantees in total at 31 December	**777,206**	**860,777**

Note no. 2

	2010	2009
Net fee and commission income		
Fee and commission income		
From export credit guarantees and special guarantees	67,420	51,185
From other guarantees	20,918	18,278
From credit operations	7,226	8,173
From other	1,043	625
Total fee and commission income	**96,607**	**78,261**

All fee and commission income is from financial assets which are not carried at fair value totalled

Note no. 2 continue

	2010	2009
Fee and commission expenses		
From reinsurance	1,448	903
From borrowing	121	252
From payment transactions	53	49
From other	0	23
Total fee and commission expenses	**1,621**	**1,227**
Fee and commission expenses from financial assets which are not carried at fair value totalled	1,500	952
Net fee and commission income	**94,986**	**77,034**

Note no. 3

Gains and losses from financial instruments carried at fair value through profit or loss

	2010			2009		
	Gains and losses from sale	Changes in fair value	Total	Gains and losses from sale	Changes in fair value	Total
Derivatives	0	55,705	55,705	0	74,416	74,416
Liabilities carried at fair value	0	-58,248	-58,248	0	-72,156	-72,156
Shares and participations	848	-2,249	-1,400	0	-6,360	-6,360
Translation differences	0	2,595	2,595	0	-436	-436
	848	**-2,197**	**-1,349**	**0**	**-4,536**	**-4,536**

Gains/losses by categories of financial instruments (categories in accordance with IAS 39)

	Gains and losses from sale	Changes in fair value	Total	Gains and losses from sale	Changes in fair value	Total
Liabilities carried at fair value	0	-3,944	-3,944	0	-4,100	-4,100
Loans and other receivables	0	0	0	0	0	0
	0	**-3,944**	**-3,944**	**0**	**-4,100**	**-4,100**

Note no. 4

		2010		2009
Net income from investments				
Available-for-sale financial assets				
Debt securities		0		4
Shares and participations				
Gains/losses	874		783	
Items transferred from fair value reserve during the period	0		0	
Impairment losses	-87	787	-316	467
Dividends		588		1,254
Total available-for-sale financial assets		**1,374**		**1,725**
Investment property				
Rental income	25		126	
Rental expenses and maintenance charges	0		-11	
Depreciation	-46		-79	
Gains/losses from sale	-3		-83	
Other income and expenses	0	-24	-4	-51
Share of profit of associates		97		65
Total net income from investments		**1,447**		**1,739**

Note no. 5

Other operating income		2010		2009
Fee for the management of the old liability		249		268
Management fee for the handling of ERDF loans		528		659
Capital loan written off		3,553		1,742
Rental income		399		678
Other		713		374
		5,442		**3,721**

Note no. 6

Employee benefit expenses		2010		2009
Wages and salaries		23,301		22,916
Social security costs				
Pension costs				
Defined contribution plans	3,641		3,428	
Defined benefit plans	781		1,249	
Other social security costs	1,449	5,871	1,475	6,152
Total		**29,173**		**29,068**
Personnel in average				
Permanent full-time		382		391
Permanent part-time		12		14
Temporary		28		22
Total		**422**		**427**

Note no. 7

Auditor's fees		2010		2009
Fees for auditing	124		103	
Fees for expert services provided by auditors	5	129	17	120

Note no. 8

Other operating expenses	2010	2009
Rental expenses	3,449	2,641
Expenses from property in own use	1,257	1,463
Other expenses	77	51
Total	**4,782**	**4,155**
Depreciation and amortization		
Intangible assets	1,834	6,395
Property, plant and equipment		
Properties	42	142
Machinery and equipment	472	566
Total	**2,348**	**7,103**
Impairment losses		
Intangible assets	0	0
Property, plant and equipment		
Properties	0	0
Other	0	674
Total	**0**	**674**
Total other operating expenses	**7,130**	**11,932**

Note no. 9

Net impairment loss on financial assets	2010	2009
Receivables written down as credit and guarantee losses		
Credit losses	50,075	44,648
Guarantee losses	17,237	22,794
Reversal of losses recognized		
Credit losses	-4,069	-3,950
Guarantee losses	-1,694	-1,069
Change in impairment of individually assessed loans during the period	4,415	3,268
Change in impairment of collectively assessed loans during the period	4,039	21,009
Total impairment losses on loans and guarantees	**70,003**	**86,700**
The state's and the ERDF's share of the parent company's final credit	**-25,360**	**-32,205**
Finnvera plc´s share	**44,643**	**54,495**

The state and the ERDF compensate Finnvera plc for the final losses on loans and guarantees granted without a securing collateral. On 31 December 2010 these loans and guarantees totalled EUR 2,784 (2,735) million. The compensation was 42.3% (53.1%) of the credit and guarantee losses recognized during the period.

Export credit guarantees and special guarantees	2010	2009
Claims paid	14,001	4,929
Change in the claims provision during the period	-5,350	5,754
Accumulated recoveries	-1,903	-246
Change in recovery receivables	-2,169	-759
Impairment losses on export credit guarantee and special guarantee operations recognized in the financial statements	**4,579**	**9,678**
Impairment losses on loans, domestic guarantees and export credit guarantee and special guarantee operations recognized in the income statement	**49,222**	**64,173**

Note no. 10

Income tax expense	2010	2009
Current period	543	74
Adjustment for prior periods	-1,579	1,367
Deferred taxes	174	-902
Income tax expense in the income statement	**-862**	**539**

The parent company Finnvera plc was made exempt from the income taxation as from 1 January 2007.

NOTES TO THE CONSOLIDATED BALANCE SHEET (EUR 1,000)

Note no. 11

Loans and receivables from credit institutions	2010	2009
Payable on demand	132,450	137,270
Other	28,363	30,296
Total	**160,813**	**167,566**

Note no. 12

Loans and receivables from customers	2010	2009
Loans		
Subordinated loans	77,622	78,853
Other loans	1,993,513	1,913,647
Total loans	**2,071,135**	**1,992,500**
Guarantee receivables	**26,926**	**32,501**
Receivables from export credit guarantee and special guarantee operations		
Fee and commission receivables	1,251	823
Recovery receivables	3,903	3,594
Total receivables from export credit guarantee and special guarantee operations	**5,154**	**4,417**
Total receivables from customers	**2,103,216**	**2,029,418**
Impairment losses on individually assessed loans		
Impairment losses at the beginning of the period	38,431	39,404
- Credit losses realized during the period on which an impairment loss has been earlier recognized	-7,630	-5,699
+ Impairment losses recognized during the period	11,640	12,348
- Reversal of impairment losses	-5,691	-8,327
Effect of discounting	1,743	705
Impairment losses at the end of the period	**38,493**	**38,431**
Impairment losses on collectively assessed loans at the beginning of the period	32,671	22,246
Impairment losses on collectively assessed loans recognized during the period	3,386	10,425
Impairment losses on collectively assessed loans at the end of the period	**36,057**	**32,671**
Total impairment losses	**74,550**	**71,102**
Impairment losses on individually assessed guarantees		
Impairment losses at the beginning of the period	13,151	8,910
- Guarantee losses realized during the period on which an impairment loss has been earlier recognized	-5,500	-2,971
+ Impairment losses recognized during the period	10,485	8,565
- Reversal of impairment losses	-895	-1,464
Effect of discounting	264	111
Impairment losses at the end of the period	**17,505**	**13,151**
Impairment losses on collectively assessed guarantees at the beginning of the period	16,003	6,045
Impairment losses on collectively assessed guarantees recognized during the period	-139	9,958
Impairment losses on collectively assessed guarantees at the end of the period	**15,864**	**16,003**
Total impairment losses	**33,369**	**29,154**

An impairment loss on loans and other receivables is recognized when objective evidence of their impairment exists. The objective evidence of a customer's ability to fulfil its obligations is based on the customers' risk classification as well as on the Company's experience and the management's estimate of effect of defaults on the recovery of loan receivables.

Note no. 13

Investmentsments	2010	2009
Debt securities	169,445	175,980
Associates	50,088	40,895
Other shares and participations	87,576	74,870
Investment property	1,213	1,248
	308,321	**292,993**

Note no. 13 continue

	2010	2009
Debt securities		
Available-for-sale		
Certificates of deposits	5,500	15,793
Commercial papers	96,002	97,409
Other	67,943	62,778
	169,445	**175,980**

Investments have been made to non-publicly quoted debt securities.

	2010	2009
Associates		
At the beginning of the period	40,895	41,958
Share of profit for the period	0	0
Additions	12,282	678
Disposals	-3,089	-1,741
At the end of the period	**50,088**	**40,895**

Associates accounted for using the equity method in 2010

Name	Carrying amount	Ownership	Assets	Liabilities	Carrying net sales	Profit/Loss
Iin Micropolis Oy	76	23.08%	419	408	309	14
Kiinteistö Oy Kajaanin Kauppakatu	526	36.43%	1,588	8	110	2

Associates accounted for using the equity method in 2009

Name	Carrying amount	Ownership	Assets	Liabilities	Carrying net sales	Profit/Loss
Iin Micropolis Oy	76	23.08%	406	410	238	29
Kiinteistö Oy Joensuun Torikatu 9	637	27.73%	5,748	16	155	0
Kiinteistö Oy Kajaanin Kauppakatu	526	36.43%	1,583	14	91	6
Kiinteistö Oy Lappeenrannan Snellmanink.10	1,100	37.00%	1,517	535	149	118
Kiinteistö Oy Oulun Asemakatu 37	1,089	41.93%	1,858	132	92	-7
Kiinteistö Oy Porrassalmenkatu 8, Mikkeli	625	31.71%	2,936	12	104	7
Juolukkakiinteistöt Oy	0	50.00%	233	284	33	11
Myllymäen Teollisuuskiinteistö Oy	8	50.00%	433	396	40	3

	2010	2009
Other shares and participations		
At fair value through profit or loss	21,746	17,454
Available-for-sale	65,830	57,416
	87,576	**74,870**
Other shares that are publicly quoted	**50,557**	**42,015**
Investment property		
Acquisition cost		
Acquisition cost at 1 Jan	3,236	4,610
Additions	1	0
Disposals	-16	-1,374
Transfers between items	25	0
Acquisition cost at 31 Dec	**3,246**	**3,236**
Accumulated depreciation and impairment losses		
Accumulated depreciation and impairment losses at 1 Jan	1,987	1,915
Depreciation for the period	46	49
Impairment losses		23
Accumulated depreciation and impairment losses at 31 Dec	**2,033**	**1,987**
Carrying amount at 1 Jan	1,249	2,695
Carrying amount at 31 Dec	1,213	1,249
Total investments	**308,321**	**292,994**
Fair value of investment property	1,213	2,695
Investment property companies' shares that are publicly quoted	494	375

Note no. 14

Intangible assets

	2010	2009
Acquisition cost		
Acquisition cost at 1 Jan	33,859	32,683
Additions	501	1,176
Disposals		
Acquisition cost at 31 Dec	**34,360**	**33,859**
Accumulated amortization and impairment losses		
Accumulated amortization and impairment losses at 1 Jan	30,319	24,223
Amortization for the period	1,713	6,096
Impairment losses	0	0
Accumulated amortization and impairment losses at 31 Dec	**32,032**	**30,319**
Carrying amount at 1 Jan	3,540	8,460
Carrying amount at 31 Dec	2,328	3,540

Amortization is included in the other operating expenses in the income statement.

Note no. 15

Property, plant and equipment

	2010 Properties	2010 Machinery and equipment	2010 Total	2009 Properties	2009 Machinery and equipment	2009 Total
Acquisition cost						
Acquisition cost at 1 Jan	12,797	9,961	22,758	13,583	9,788	23,371
Additions	23	192	215	791	327	1,118
Disposals	-4,836	-2	-4,838		-6	-6
Transfers between items	0		0	0		0
Acquisition cost at 31 Dec	**7,985**	**10,150**	**18,135**	**14,374**	**10,109**	**24,483**
Accumulated depreciation and impairment losses						
Accumulated depreciation and impairment losses at 1 Jan	6,341	7,904	14,246	5,912	7,395	13,307
Depreciation for the period	163	472	635	441	566	1,007
Impairment losses	0	0	0	0	0	0
Acc. depreciation and impairment losses at 31 Dec	**6,504**	**8,376**	**14,880**	**6,353**	**7,961**	**14,314**
Carrying amount at 1 Jan	6,456	2,056	8,513	7,671	2,393	10,064
Carrying amount at 31 Dec	1,481	1,774	3,255	8,021	2,148	10,169

Depreciation is included in the other operating expenses in the income statement.

Note no. 16

Other assets

	2010	2009
Credit loss receivables from the state and the ERDF	8,252	9,371
Other	5,358	5,429
	13,610	**14,800**

The state and the European Regional Development Fund (ERDF) has granted Finnvera commitments to partially compensate Finnvera for the credit and guarantee losses.

The commitments enable Finnvera to take higher risks in domestic business than financiers operating on commercial grounds.

Note no. 17

Prepayments and accrued income	2010	2009
Interest	3,038	2,899
Fee and commission receivables	6,318	5,557
Prepayments and other accrued income	7,165	3,114
Total prepayments and accrued income	**16,521**	**11,570**

Note no. 18

Tax assets and liabilities		2010		2009
Tax assets				
Current income tax receivables		0		131
Deferred tax assets				
On timing differences	0		0	
On fair value changes	0	0	721	721
		0		**852**
Deferred tax assets at 1 Jan		721		209
Increase/decrease to income statement during the period		-418		435
Increase/decrease to equity during the period		-286		77
Deferred tax assets at 31 Dec		**17**		**721**
Tax liabilities				
Current income tax liabilities		3		13
Deferred tax liabilities				
On fair value changes recognized in fair value reserve		1,363		1,589
		1,366		**1,602**
Deferred tax liabilities at 1 Jan		1,589		2,154
Increase/decrease to income statement during the period		-244		-467
Increase/decrease to equity during the period		18		-98
Deferred tax liabilities at 31 Dec		**1,363**		**1,589**

Note no. 19

			2010			2009
Liabilities to credit and other institutions	**Nominal value**	**Change in fair value**	**Carrying amount**	**Nominal value**	**Change in fair value**	**Carrying amount**
Credit institutions	270,000	0	270,000	418,154	0	418,154
Other institutions						
At fair value through profit or loss	93,696	263	93,958	75,148	370	75,518
At amortized cost	300,368	0	300,368	291,545	0	291,545
	664,064	**263**	**664,326**	**784,847**	**370**	**785,217**

Note no. 20

Debt securities in issue	Nominal value	Change in fair value	Carrying amount	Nominal value	Change in fair value	Carrying amount
Bonds						
At fair value through profit or loss	883,333	13,830	897,163	848,795	12,461	861,256
At amortized cost	100,000	0	100,000	0	0	0
Commercial papers	0	0	0	0	0	0
	983,333	**13,830**	**997,163**	**848,795**	**12,461**	**861,256**
Average interest rate, %		1.26			1.07	

Liabilities have been measured at fair value when they have been hedged with derivatives (fair value option).
An amount equaling the nominal value of a liability is repaid at the maturity date.
The change in fair value does not include the change in credit risk because the liabilities have been guaranteed by the state of Finland, whose credit risk has not changed.

Note no. 21

Derivatives

	2010 Fair value positive	2010 Fair value negative	2010 Total nominal value	2009 Fair value positive	2009 Fair value negative	2009 Total nominal value
Contracts entered in hedging purposes						
Currency derivatives						
Interest rate swaps and foreign exchange derivatives	55,481	-877	925,372	6,876	11,191	734,830
Interest rate derivatives						
Interest rate swaps	573	0	50,000	1,660	0	50,000
Total derivatives	**56,054**	**-877**	**975,372**	**8,536**	**11,191**	**784,830**

Derivatives hedge liabilities. The derivative contracts and the liabilities hedged with them have been measured at fair value and the changes in their fair values have been recognized in the income statement (fair value option)..

Note no. 22

Provisions

	2010	2009
Provision for export credit guarantee losses at 1 Jan	8,326	2,500
Provisions made during the period	0	5,826
Provisions used during the period	-5,225	0
Provisions reversed during the period	0	0
Provision for export credit guarantee losses at 31 Dec	**3,101**	**8,326**

A provision for export credit guarantee losses is recognized when the Group has a constructive and legal obligation to pay a guarantee indemnity, the realization of the obligation is probable and it can be measured reliably.

	2010	2009
Provision for domestic guarantee losses at 1 Jan	29,154	14,955
Provisions made during the period	10,346	15,352
Provisions reversed during the period	-6,395	-1,464
Effect of discounting	264	311
Provision for domestic guarantee losses at 31 Dec	**33,369**	**29,154**

A provision for domestic guarantee losses is recognized when objective evidence exists of impairment of guarantees' value.
The objective evidence of a customer's ability to fulfil its obligations is based on the customers' risk classification as well as on the Company's experience and the management's estimate of effect of defaults on the recovery of loan receivables.

	2010	2009
Defined benefit pension plans at 1 Jan	1,055	1,014
Change during the period	-51	41
Defined benefit pension plans at 31 Dec	**1,004**	**1,055**
Other mandatory provisions	**345**	**0**
Total provisions	**37,819**	**38,535**

Employee benefits

Defined benefit pensions plans

The group pension insurances for the personnel and the management of Finnvera are defined benefit plans.

Balance sheet items arising from the defined benefit obligation

	2010	2009
Present value of funded obligations	5,774	6,386
Fair value of plan assets	-4,443	-4,978
	1,331	1,408
Unrecognized actuarial gains (+) or losses (-)	-327	-353
Net liability recognized in the balance sheet	**1,004**	**1,055**

Note no. 22 continue

	2010	2009
Expenses recognized in the income statement		
Current service costs	711	800
Interest on obligation	338	330
Expected return on plan assets	-317	-342
Losses (+) and profits (-) from the reduction of the arrangement and from meeting the obligation	-73	-58
Total expenses recognized in the income statement	**659**	**730**
Actual return on plan assets	**146**	**211**
Change in the fair value of plan assets		
Fair value at 1 Jan	4,978	4,906
Expected return on plan assets	317	342
Contributions paid into the plan	710	690
Effect of fulfilling the plan and reducing the obligation	-1,390	-830
Actuarial gains (+) or losses (-)	-172	-130
Fair value of plan assets at 31 Dec	**4,443**	**4,978**
Change in the present value of the obligation		
Present value at 1 Jan	6,386	6,288
Current service costs	711	800
Interest on obligation	338	330
Effect of fulfilling the plan and reducing the obligation	-1,550	-940
Actuarial gains (-) or losses (+)	-111	-93
Present value of the obligation at 31 Dec	**5,774**	**6,385**
Amounts for the current and previous periods		
Defined benefit obligation	5,774	6,386
Plan assets	-4,443	-4,978
Surplus/deficit	**1,331**	**1,408**
Experience adjustments arising on plan assets	-172	-219
Experience adjustments arising on plan liabilities	-111	-130

The expected return on plan assets has been determined by the insurance company. Information about the distribution of plan assets by asset category is not available.

Actuarial assumptions		
Discount rate	5.30 %	5.30 %
Expected return on plan assets	6.00 %	6.00 %
Future salary increases	3.50 %	3.50 %
Inflation	2.00 %	2.00 %
Future pension increases	2.10 %	2.10 %
Turnover of personnel	3.20 %	3.20 %
Expected average remaining working life (years)	9	9

Finnvera expects to pay EUR 660,000 in contributions to defined benefit plans in 2011.

Note no. 23

Accruals and deferred income	2010	2009
Interest	5,628	5,628
Advance interest payments received	561	633
Guarantee premiums paid in advance	172,494	109,424
Other accruals and deferred income	5,244	5,352
Total accruals and deferred income	**183,928**	**121,037**

Note no. 24

Subordinated liabilities

			2010			2009
Finnvera plc						
Subordinated loans from the state in 2005 and 2007		EUR	9,841		EUR	13,394
Increase in the share capital of Seed Fund Vera Ltd		Interest rate, %	0		Interest rate, %	0
		Loan period	20 years		Loan period	20 years
Subordinated loan from the state in 2009		EUR	30,000		EUR	30,000
Increase in the share capital of Seed Fund Vera Ltd	22,500	Interest rate, %	0	22,500	Interest rate, %	0
Increase in the share capital of Veraventure Ltd	7,500	Loan period	15 years	7,500	Loan period	15 years

The loans are to be used as investment raising the share capital of Seed Fund Vera Ltd and Veraventure Ltd. The loans will be paid back in one instalment at the end of the loan period, provided that the restricted equity and other non-distributable items, as shown in the balance sheet, remain fully covered after the repayment. In the event that the venture capital company's financing operations show a loss, the corresponding amount will be deducted from the loan principals to be recovered. The loss shown by Seed Fund Vera Ltd in 2009, EUR 3,553 thousand, was deducted from the principal in 2010.

		2010		2009
Subordinated loan from the state in 2009	EUR	50,000	EUR	50,000
	Interest rate, %	0	Interest rate, %	0
	Loan period	7 years	Loan period	7 years

The loan is to be used for raising the capital adequacy of Finnvera plc and for improving the company's capacity to meet the demand for its products, especially counter-cyclical loans and guarantees, owing to the prolonged financial crisis. The loan will be repaid in one instalment at maturity, provided that the company's unrestricted equity and total subordinated liabilities at the time of payment exceed the loss recorded on the balance sheet adopted for the latest financial period or on a balance sheet included in more recent financial statements.

Note no. 25

Equity

		2010		2009
Equity attributable to the parent company's shareholders				
Share capital		196,605		196,605
Reserves				
Restricted reserves				
Share premium	51,036		51,036	
Fair value reserve	-54	50,982	-1,000	50,036
Unrestricted reserves				
Fund for domestic operations	125,249		133,931	
Fund for export credit guarantee and special guarantee operations	186,368		153,289	
Other unrestricted reserves	0	311,617	59	287,279
Retained earnings				
Profit/loss for previous periods	-96		4,876	
Profit/loss for the period	63,037	62,941	18,210	23,086
Total equity attributable to the parent company's shareholders		**622,145**		**557,006**
Share of equity held by non-controlling interests		**11,310**		**11,998**
Total equity		**633,455**		**569,004**

Share capital	Number of shares	Ownership %	Number of shares	Ownership %
The state	11,565	100.00%	11,565	100.00%

Note no. 25 continue

Reserves

Share premium

The share premium reserve has been formed before the new regulations of the Companies' Act came into force on 1 September 2006. The reserve includes the difference of EUR 42.9 million between the acquisition cost and the nominal value of KERA's shares and EUR 0.1 million that was generated in the transfer of assets of Takuukeskus and the acquisition of Fide Oy's shares as well as EUR 8.1 million generated by the raise of share capital of Finnvera as the shares of Finnish Export Credit Ltd were acquired.

Fund for domestic operations and fund for export credit guarantee and special guarantee operations

In 2006 the laws regulating the operations of Finnvera Plc were amended so that separate funds to cover future losses from domestic operations and from export credit guarantee and special guarantee operations were established in equity. Losses from export credit guarantee and special guarantee operations will be covered by resources from the State Guarantee Fund only when the export credit guarantee and special guarantee fund is insufficient. The retained earnings from the domestic operations were transferred to the fund for domestic operations and the retained earnings from the export credit guarantee and special guarantee operations were transferred to the fund for export credit guarantee and special guarantee operations.

Fair value reserve

The reserve includes the fair value change of available-for-sale financial assets. The items recognized in the fair value reserve are taken to the income statement when an available-for-sale financial asset is disposed of or an impairment loss on such an asset is recognized.

OTHER NOTES (EUR 1,000)

Note no. 26

	2010	2009
Contingencies at 31 Dec		
Outstanding total commitments for export credit guarantees and special guarantees at 31 Dec		
Export credit guarantees		
Buyer credit guarantees	7,919,777	8,093,565
Credit risk guarantees	157,719	140,290
Export receivables guarantees	132,646	86,455
Letter of credit guarantees	243,494	307,196
Bank risk guarantees	25,126	22,305
Investment guarantees	83,933	78,649
Bond guarantees	105,775	254,433
Finance guarantees	115,024	599,947
	8,783,494	**9,582,840**
Special guarantees		
Environmental guarantees	42,687	45,273
Ship guarantees	107,094	0
Raw material guarantees	0	45,120
Venture capital guarantees	45	75
	149,826	**90,468**
Total export credit guarantees and special guarantees	**8,933,320**	**9,673,308**
Provision for export credit guarantees	-3,101	-8,326
Total	**8,930,219**	**9,664,982**

At the balance sheet date, the Company has outstanding claims for indemnification EUR 9.6 (15.4) million in total. These commitments have not been recognized as expense in the financial statements because the claims are still being processed.

	2010 Total	2010 Group and associated companies	2009 Total	2009 Group and associated companies
Binding financing offers	**849,837**		**952,870**	
Domestic guarantees	1,065,252		1,006,987	
Carrying amount of the liability according to the Act on the State's Export Credit Guarantees	7,446,485		7,930,240	
Liability for special guarantees	87,533		70,928	
	8,599,270	**0**	**9,008,155**	**0**

When calculating the carrying amount of the liability according to the Act on the State's Export Credit Guarantees, the commitments arisen from current export credit guarantees are taken into account in their entirety insofar as the guaranteed capital is concerned, without any other items that might be indemnified in addition to the capital. Moreover, half of the liability arisen from binding guarantee offers is taken into account insofar as the guaranteed capital is concerned.

Note no. 27

Operating leases

	2010	2009
Non-cancellable minimum lease payments payable for premises leased under operating lease contracts		
Within one year	646	91
Between one and five years	3,807	5,048
Later than five years	658	757
Total	**5,111**	**5,896**
Non-cancellable minimum lease payments receivable from premises leased under operating lease contracts		
Within one year	137	353
Between one and five years	0	78
Later than five years	0	0
Total	**137**	**431**

GROUP COMPANIES

Note no. 28

Finnvera plc's shares and holdings in 2010

Shares and holdings in Group companies

Name and domicile of the company	Sector	Holding of all shares, %	Share of votes
Seed Fund Vera Ltd, Kuopio	Development and investment company	92.61%	92.61%
Matkailunkehitys Nordia Oy, Kuopio	Development and investment company	63.52%	63.52%
Spikera Oy, Kuopio	Development and investment company	100.00%	100.00%
Finnish Export Credit Ltd, Helsinki	Export financing and interest equalization	100.00%	100.00%
Veraventure Ltd, Kuopio	Development and investment company	100.00%	100.00%
Shares and holdings in associates			
Iin Micropolis Oy, Ii	Development company	23.08%	23.08%
Kiinteistö Oy Kajaanin Kauppakatu 1	Real estate company	36.43%	36.43%

Subsidiaries' shares and holdings in 2010

	Sector	Holding of all shares, %	Share of votes	Equity	Profit for the year
Spikera Oy					
Kiinteistö Oy Kotkan kisällinkatu 6, Kotka	Real estate company	100.00%	100.00%	-400	-99
Myllymäen Teollisuuskiinteistö Oy, Jämsänkoski	Real estate company	50.00%	50.00%	52	7
Seed Fund Vera Ltd					
7signal Oy	Use and control services of data processing and equipment	21.69%	21.69%	14	-688
Abacus Diagnostica Oy	Manufacture of chemical products, not classified elsewhere	20.96%	20.96%	29	-690
APL Systems Oy	Private security services	21.96%	21.96%	107	-152
Oy ClaroVision Ltd	Retail trade in consumer electronics	20.41%	20.41%	83	-294
Enercomp Oy	Design and manufacture of software	30.02%	30.02%	3	-177
Enviprobe Oy	Wholesale trade of machinery and equipement, not classified elsewhere	25.03%	25.03%	80	-254
Finnester Coatings Oy	Manufacturing of other rubber products	22.00%	22.00%	-129	-24

Note no. 28 continue

Finnomedo Oy	Medical research and development	23.33%	23.33%	14	-91
Fortecta Finland Oy	Wholesale trade of machinery and equipment not classified elsewhere	20.00%	20.00%	6	-94
Gasera Oy	Manufacture of measurement, testing and navigation instruments and equipment	22.33%	22.33%	27	-113
Global Business Call Oy	Wireless network management and service	35.29%	35.29%	22	-68
Goodmill Systems Oy	Design and manufacture of software	25.58%	25.58%	-51	-796
HammerKit Oy	Design and manufacture of software	20.40%	20.40%	242	-26
Ironstar Helsinki Oy	Video game publishing	28.84%	28.84%	110	-243
Miradore Oy	Software design and production	26.28%	26.28%	221	-87
Mopedi Oy	Computer equipment and software consulting	23.63%	23.63%	-29	-20
Myontec Oy	Manufacture of measurement, testing and navigation instruments and equipment	31.90%	31.90%	100	-159
Nervogrid Oy	Data processing, server rental and related services	23.00%	23.00%	548	-23
Reliplay Oy	Other advertising service	22.51%	22.51%	80	-322
Safera Oy	Design and manufacture of software	24.52%	24.52%	7,5	-526
Sensinode Oy	Design and manufacture of software	36.32%	36.32%	-731	-319
Steam Republic Oy	Recording studios; publishing of sound and music recordings	26.72%	26.72%	96	-405
StreamPlay Oy	Computer equipment and software consulting	23.87%	23.87%	-20	-209
Tassu ESP Oy	Metal treatment and coating	24.11%	24.11%	-49	-30
Techila Technologies Oy	Software design and production	21.46%	21.46%	172	-151
Vailoma Oy (Tripsay)	Web portals	24.00%	24.00%	7	-151
Wello Oy	Hydro and wind power generation	22.46%	22.46%	134	-147
Veraventure Ltd					
Itä-Suomen Rahasto Oy	Venture capital investments	33.94%	33.94%	14,929	340
Pikespo Invest Oy Ltd	Venture capital investments	49.00%	49.00%	7,274	208
Indekon Oy	Venture capital investments	46.50%	46.50%	3,245	300
Midinvest Oy	Venture capital investments	29.85%	29.85%	4,457	-988
Teknoventure Oy	Venture capital investments	48.30%	48.30%	15,631	-1576
Spinno-Seed Oy	Venture capital investments	28.30%	28.30%	2,897	-570
Wedeco Oy Ab	Venture capital investments	39.76%	39.76%	12,553	-295
JyväsSeed Fund Oy	Venture capital investments	40.00%	40.00%	1,396	-388
Uudenmaan Pääomarahasto Oy	Venture capital investments	41.13%	41.13%	11,989	460
Luoteis-Venäjä Rahasto Oy	Venture capital investments	69.99%	49.99%	3,851	-106
Länsi-Suomen Pääomarahasto Oy	Venture capital investments	40.12%	40.12%	4,306	-176
Virtaa Hämeeseen Oy	Venture capital investments	21.71%	21.71%	4,768	-319
Matkailunkehitys Nordia Oy					
Hotelli Luostotunturi Oy, Sodankylä	Hotel and restaurant business	33.29%	33.29%	-92	-279
Hotelli Mesikämmen Oy, Ähtäri	Hotel and restaurant business	25.00%	25.00%	184	-15
Hotelli Pyhätunturi Oy, Pelkosenniemi	Hotel and restaurant business	30.12%	30.12%	-396	-349
Kalajoen Kylpylähotelli Sani Oy, Kalajoki	Hotel and restaurant business	45.00%	45.00%	252	111
Kiinteistö Oy Luoston Tuotto 1, Sodankylä	Real estate company	20.80%	20.80%	1,602	-98
Kristina Cruises Oy, Kotka	Cruises	20.00%	20.00%	3,370	627
Kultaranta Resort Oy, Naantali	Hotel and restaurant business	20.00%	20.00%	2,478	-522
Levi Magic Oy, Kittilä	Project / No operations	22.56%	22.56%	114	828
Savonlinnan Seurahuone Oy, Savonlinna	Hotel and restaurant business	49.00%	49.00%	2,468	180
Yyterin Kylpylähotelli Oy, Pori	Hotel and restaurant business	50.00%	50.00%	985	211

Note no. 28 continue

Finnvera plc's shares and holdings in 2009

Shares and holdings in Group companies

Name and domicile of the company	Sector	Holding of all shares, %	Share of votes
Seed Fund Vera Ltd, Kuopio	Development and investment company	92.61%	92.61%
Kiinteistö Oy Puffetti Fastighets Ab, Vaasa	Real estate company	69.74%	69.74%
Matkailunkehitys Nordia Oy, Kuopio	Development and investment company	63.52%	63.52%
Spikera Oy, Kuopio	Development and investment company	100.00%	100.00%
Finnish Export Credit Ltd, Helsinki	Export financing and interest equalization	100.00%	100.00%
Veraventure Ltd, Kuopio	Development and investment company	100.00%	100.00%

Shares and holdings in associates

Iin Micropolis Oy, Ii	Development company	23.08%	23.08%
Kiinteistö Oy Joensuun Torikatu 9	Real estate company	27.73%	27.73%
Kiinteistö Oy Kajaanin Kauppakatu 1	Real estate company	36.43%	36.43%
Kiinteistö Oy Lappeenrannan Snellmaninkatu 10	Real estate company	37.00%	37.00%
Kiinteistö Oy Oulun Asematu 37	Real estate company	41.93%	41.93%
Kiinteistö Oy Porrassalmenkatu 8, Mikkeli	Real estate company	31.71%	31.71%

Subsidiaries' shares and holdings in 2009

	Sector	Holding of all shares, %	Share of votes	Equity	Profit for the year
Spikera Oy					
Kiinteistö Oy Kotkan kisällinkatu 6, Kotka	Real estate company	100.00%	100.00%	-302	10
Juolukkakiinteistöt Oy, Kemijärvi	Real estate company	50.00%	50.00%	-51	11
Myllymäen Teollisuuskiinteistö Oy, Jämsänkoski	Real estate company	50.00%	50.00%	45	0
Seed Fund Vera Ltd					
Finnester Coatings Oy	Manufacturing of other rubber products	20.00%	20.00%	-122	-51
Global Business Call Oy	Wireless network management and service	33.05%	31.48%	6	-176
Enercomp Oy	Design and manufacture of software	20.99%	20.00%	57	-135
Finnomedo Oy	Medical research and development	23.33%	23.33%	-213	-230
Fortecta Finland Oy	Wholesale trade of machinery and equipment not classified elsewhere	20.00%	20.00%	99	-26
Myontec Oy	Manufacture of measurement, testing and navigation instruments and equipment	20.00%	20.00%	117	-57
Xemet Oy	Design and manufacture of software	20.00%	20.00%	80	-200
Gasera Oy	Manufacture of measurement, testing and navigation instruments and equipment	20.85%	20.85%	52	-52
Oy ClaroVision Ltd	Entertainment electronics retailing	20.41%	20.41%	127	-233
Ironstar Helsinki Oy	Video game publishing	23.72%	23.72%	-542	-144
APL Systems Oy	Private security services	21.96%	21.96%	10	-117
Reliplay Oy	Other advertising service	22.51%	22.51%	The first financial period	
Veraventure Ltd					
Indekon Oy, Lappeenranta	Venture capital investments	46.50%	46.50%	3,248	-303
JyväsSeed Fund Oy, Jyväskylä	Venture capital investments	40.00%	40.00%	1,396	-388
Kainuun Pääomarahasto Oy, Kajaani	Venture capital investments	49.64%	49.64%	937	-330
Luoteis-Venäjä Rahasto Oy, Imatra	Venture capital investments	69.99%	49.99%	3,957	66
Länsi-Suomen Pääomarahasto Oy, Turku	Venture capital investments	40.12%	40.12%	4,306	-176
Midinvest Oy, Jyväskylä	Venture capital investments	29.85%	29.85%	4,457	-988
Pikespo Invest Oy Ltd, Tampere	Venture capital investments	49.05%	49.05%	7,112	-846
Itä-Suomen Rahasto Oy, Kuopio	Venture capital investments	33.94%	33.45%	The first financial period	
Spinno-seed Oy, Espoo	Venture capital investments	28.30%	28.30%	3,467	-623
Teknoventure Oy, Oulu	Venture capital investments	48.30%	48.30%	16,232	-974
Uudenmaan Pääomarahasto Oy, Helsinki	Venture capital investments	39.03%	39.03%	12,148	616
Virtaa Hämeeseen Oy	Venture capital investments	21.71%	21.71%	5,087	452
Oy Wedeco Ab, Vaasa	Venture capital investments	39.76%	39.76%	12,556	-295

Note no. 28 continue

Matkailunkehitys Nordia Oy

FTM Incoming Oy, Helsinki	Travel Agency	44.61%	44.61%	-480	-136
Hotelli Luostotunturi Oy, Sodankylä	Hotel and restaurant business	49.95%	49.95%	186	-294
Hotelli Mesikämmen Oy, Ähtäri	Hotel and restaurant business	25.00%	25.00%	199	46
Hotelli Pyhätunturi Oy, Pelkosenniemi	Hotel and restaurant business	30.12%	30.12%	-47	-213
Kalajoen Kylpylähotelli Sani Oy, Kalajoki	Hotel and restaurant business	45.00%	45.00%	141	0
Kiinteistö Ou Luoston Tuotto 1, Sodankylä	Real estate company	21.00%	21.00%	1,700	-248
Kristina Cruises Oy, Kotka	Cruises	20.00%	20.00%	2,993	391
Kultaranta Resort Oy, Naantali	Hotel and restaurant business	20.00%	20.00%	The first financial period	
Levi Magic Oy, Kittilä	Project / No operations	22.56%	22.56%	715	32
LKS - Saimaa Oy, Taipalsaari	Hotel and restaurant business	47.41%	47.41%	162	4
Savonlinnan Seurahuone Oy, Savonlinna	Hotel and restaurant business	49.00%	49.00%	2,387	377
Yyterin Kylpylähotelli Oy, Pori	Hotel and restaurant business	50.00%	50.00%	985	211

Note no. 29

Related parties

The relationships within the Group are presented in note no. 28.

The related party transactions

	2010	2009
Operations with the state-owned companies, in which the state has a minimum ownership of 20%		
Finance income	168	501
Services purchased	1,199	1,195
Loans	17,961	15,391
Guarantees	552	659
Balance of liabilities	300,368	291,545
Management employee benefit expenses		
Salaries and other short-term employee benefits	622	642
Termination benefits		
A termination compensation corresponding an 18-month-salary, if the employment is terminated by the Company		
Post-employment benefits	0	0
The total salary, remuneration and social security costs of the parent company's Managing Director and his deputy		
Managing Director	339	354
Deputy Managing Director	283	288
Total	**622**	**642**
The total salaries, remuneration and social security costs of the members and deputy members of the parent company's Board of Directors	**175**	**188**
The remuneration paid to the parent company's Board of Directors		
Monthly remuneration: chairman of the Board EUR 1,500, deputy chairman EUR 850,		
member EUR 700 and deputy member EUR 400		
Attendance allowance for all members EUR 500 / meeting		
The total salaries, remuneration and social security costs of the members and the deputy members of the Supervisory Board	**134**	**138**
The remuneration paid to the Supervisory Board		
Monthly remuneration: chairman of the Board EUR 1,000, deputy chairman EUR 600 and member EUR 500		
Attendance allowance for all members EUR 200 / meeting		
Loans granted to the members or deputy members of the Supervisory Board		
Loans at 1 January	0	0
Decreases during the financial period	0	0
Loans at 31 December	**0**	**0**

FINNVERA PLC´S COMPREHENSIVE INCOME STATEMENT

(EUR 1,000)	Note		1 Jan–31 Dec 2010		1 Jan–31 Dec 2009
Interest income	1				
Loans		51,033		61,548	
Subsidies passed on to customers		16,162		16,852	
Export credit guarantee and special guarantee receivables		167		123	
Guarantee receivables		1,055		694	
Other		2,344	+ 70,761	2,971	+ 82,187
Interest expenses	1		- 13,891		- 26,506
Other interest subsidies	1		+ 132		+ 401
Net interest income	1		**+ 57,002**		**+ 56,082**
Net fee and commission income	2		+ 93,565		+ 76,197
Gains and losses from financial instruments					
carried at fair value through profit or loss	3		+ 87		+ 1,787
Net income from investments	4				
Debt securities		810		1,737	
Shares and participations		0		4	
Investment property		0	+ 809	276	+ 2,017
Other operating income	5		+ 5,471		+ 3,805
Administrative expenses					
Employee benefit expenses	6				
Wages and salaries		21,869		21,631	
Social security costs		5,546		5,887	
Other administrative expenses	7	11,022	- 38,437	12,170	- 39,688
Other operating expenses	8		- 6,976		- 11,841
Net impairment loss on financial assets	9				
Loans and guarantees		68,367		84,940	
Credit loss compensation from the state		-25,360		-32,205	
Export credit guarantees and special guarantees		4,580	- 47,586	9,678	- 62,412
Operating profit			**+ 63,935**		**+ 25,945**
Income tax expense	10				
Current and previous periods' tax expense			+ 1,578		- 1,548
Profit for the period			**+ 65,513**		**+ 24,397**
Components of other comprehensive income					
Change in the fair value of shares			+ 83		+ 81
Total comprehensive income			**+ 65,596**		**+ 24,478**

FINNVERA PLC´S BALANCE SHEET

Assets (EUR 1,000)	Note		31 Dec 2010		31 Dec 2009
Loans and receivables from credit institutions	11				
Payable on demand		80,629		67,344	
Other than payable on demand		28,363	108,992	29,463	96,807
Loans and receivables from customers	12				
Loans		1,731,111		1,663,889	
Guarantee receivables		26,926		32,501	
Receivables from export credit guarantee and special guarantee operations		5,154	1,763,192	4,417	1,700,807
Investments	13				
Debt securities		163,945		167,681	
Investments in Group companies		164,784		165,265	
Associates	28	602		4,052	
Other shares and participations	28	15,778		15,822	
Investment property		494	345,602	493	353,313
Derivatives	21		53,784		8,536
Intangible assets	14		2,298		3,502
Property, plant and equipment	15				
Properties		1,481		6,456	
Other tangible assets		1,766	3,246	2,045	8,501
Other assets	16				
Credit loss receivables from the state		8,252		9,371	
Other		5,698	13,950	5,732	15,103
Prepayments and accrued income	17		12,172		7,425
			2,303,235		**2,193,995**

Liabilities (EUR 1,000)	Note			31 Dec 2010			31 Dec 2009
Liabilities to credit institutions	19		270,000			418,154	
Liabilities to other institutions	19						
At fair value through profit or loss			46,282			37,919	
Debt securities in issue	20						
At fair value through profit or loss			997,163			861,256	
Derivatives	21		877			9,726	
Provisions	22		37,819			38,535	
Other liabilities	18		55,174			57,362	
Accruals and deferred income	23		180,616			117,781	
Subordinated liabilities	24		89,841	1,677,772		93,394	1,634,127
Equity	25						
Share capital			196,605			196,605	
Share premium			51,036			51,036	
Fair value reserve			-149			-232	
Unrestricted funds							
Fund for domestic operations		125,249			133,931		
Fund for export credit guarantee and special guarantee operations		186,368			153,289		
Retained earnings		66,354	377,972	625,464	25,238	312,458	559,868
				2,303,235			**2,193,995**

FINNVERA PLC'S STATEMENT OF CHANGES IN EQUITY

(EUR 1,000)	Share capital	Share premium	Fair value reserve	Fund for domestic operations	Fund for export credit guarantee and special guarantee operations	Retained earnings	Total
Balance at 1 January 2009	**196,605**	**51,036**	**-313**	**141,348**	**130,642**	**16,071**	**535,389**
Total comprehensive income for the year/change of the fair value of shares			81			24,397	24,478
Transfer into funds				-7,417	22,647	-15,230	0
Balance at 31 December 2009	**196,605**	**51,036**	**-232**	**133,931**	**153,289**	**25,238**	**559,868**
Balance at 1 January 2010	196,605	51,036	-232	133,931	153,289	25,238	559,867
Total comprehensive income for the year/change of the fair value of shares			83			65,513	65,596
Transfer into funds				-8,682	33,079	-24,397	0
Balance at 31 December 2010	**196,605**	**51,036**	**-149**	**125,249**	**186,368**	**66,354**	**625,463**

FINNVERA PLC'S STATEMENT OF CASH FLOWS

(EUR 1,000)	1 Jan–31 Dec 2010	1 Jan–31 Dec 2009
Cash flows from operating activities		
Withdrawal of loans granted	-403,124	-578,793
Repayments of loans granted	305,099	253,377
Purchase of investments	0	-30,000
Proceeds from investments	0	2,938
Interest received	55,647	67,135
Interest paid	-13,870	-32,539
Interest subsidy received	15,425	18,892
Payments received from commission income	157,058	88,547
Payments received from other operating income	33,863	42,409
Payments for operating expenses	-47,072	-30,620
Claims paid	-39,549	-49,699
Taxes paid	1,578	-1,548
Net cash used in operating activities (A)	**65,055**	**-249,901**
Cash flows from investing activities		
Purchase of property and equipment and intangible assets	-772	-1,143
Purchase of other investments	0	0
Proceeds from other investment	4,675	0
Dividends received from investments	18	385
Net cash used in investing activities (B)	**3,921**	**-758**
Cash flows from financing activities		
Proceeds from issue of share capital	0	0
Proceeds from loans	201,177	534,396
Repayment of loans	-261,704	-153,153
Net cash used in financing activities (C)	**-60,527**	**381,243**
Net change in cash and cash equivalents (A+B+C) increase (+) / decrease(-)	**8,449**	**130,584**
Cash and cash equivalents at the beginning of the period	**264,488**	**133,904**
Cash and cash equivalents at the end of the period	**272,937**	**264,488**
Cash and cash equivalents at the end of period		
Receivables from credit institutions	108,992	96,807
Debt securities	163,945	167,681
	272,937	**264,488**

FINNVERA PLC´S SEGMENT INFORMATION

Segment reporting in the Finnvera Group is based on internal business areas and organisational structure. Client enterprises have been divided into business areas by size, need for financing and development stage. A service concept has been devised for each business area. Finnvera's segments are micro-financing, regional financing, financing for growth and internationalisation, export financing, and venture capital investments.

Micro-financing clients are enterprises with less than 10 employees that operate locally. Micro-financing provides financial services for the start-up and development of enterprises in cooperation with regional enterprise services and other financiers.

The clients of regional financing are SMEs and, on special grounds, large enterprises. The clientele includes companies engaged in production or services. In cooperation with other financiers, regional financing provides financing solutions especially for development and growth needs and for changes of generation.

The clients of financing for growth and internationalisation are SMEs with a growth strategy based on internationalisation. Some clients already operate on the international market and engage in exports, while others are still at the start of this development. In general, these enterprises also use the services of other organisations providing services for growth enterprises (Finpro, Tekes, Centres for Economic Development, Transport and the Environment) and make use of the services offered by Finnvera for export financing.

Export financing clients are mostly exporters operating in Finland and classified as large enterprises, as well as domestic and foreign bodies providing financing for these exports. Finnvera has official Export Credit Agency (ECA) status. Export financing offers competitive export credit guarantee services to meet client needs.

Three of Finnvera's subsidiaries – Veraventure Ltd, Seed Fund Vera Ltd and Matkailunkehitys Nordia Oy – make venture capital investments in enterprises.

Another subsidiary, Finnish Export Credit Ltd, administers the interest equalisation system associated with export credits granted on OECD terms and domestic ship financing.

Income, expenses, assets and liabilities are allocated to the relevant segment when they are deemed to fall within that segment or when such allocation is otherwise sensible. All income and expenses have been allocated to segments. There is no notable intra-segment business.

Assessment of the profitability of Finnvera's segments, and decisions concerning resources allocated to segments, are based on operating profit. The assets and liabilities of segments are valued according to the principles applied for the consolidated financial statements.

The Finnvera Group has operations only in Finland and its clientele encompasses a wide spectrum of enterprises in various sectors.

Finnvera plc's financial performance, assets and liabilities, by segment, 1 Jan–31 Dec 2010 (EUR 1,000)

	Micro-financing	Regional financing	Financing for growth and internatio-nalisation	Export financing	Venture capital investment	Total
Net interest income	12,395	31,362	9,873	3,371	0	57,001
Net fee and commission income	4,480	17,282	11,475	60,328	0	93,565
Net impairment losses on loans, domestic guarantees and export credit guarantees	-6,337	-23,856	-14,734	-2,659	0	-47,586
Operating expenses *	-11,821	-14,492	-7,528	-9,240	0	-43,081
Depreciation and amortization	-381	-581	-482	-888	0	-2,332
Other income/expenses**	-188	-742	-330	2,977	4,651	6,368
Operating profit	**-1,852**	**8,973**	**-1,726**	**53,889**	**4,651**	**63,935**
Total assets	**289,232**	**997,290**	**379,359**	**445,733**	**191,621**	**2,303,235**
Receivables from customers	315,347	1,076,684	366,793	4,368	0	1,763,192
Total liabilities	**238,161**	**796,331**	**341,720**	**171,525**	**130,035**	**1,677,772**

Finnvera plc's financial performance, assets and liabilities, by segment, 1 Jan–31 Dec 2009 (EUR 1,000)

	Micro-financing	Regional financing	Financing for growth and internatio-nalisation	Export financing	Venture capital investment	Total
Net interest income	11,955	28,452	9,610	6,065	0	56,082
Net fee and commission income	4,390	16,572	9,232	46,002	0	76,196
Net impairment losses on loans, domestic guarantees and export credit guarantees	-6,714	-25,417	-22,292	-7,990	0	-62,413
Operating expenses *	-11,971	-14,708	-7,749	-9,348	0	-43,776
Depreciation and amortization	-1,870	-3,012	-1,595	-1,276	0	-7,753
Other income/expenses **	976	3,724	767	70	2,072	7,609
Operating profit	**-3,234**	**5,611**	**-12,027**	**33,523**	**2,072**	**25,945**
Total assets	**310,248**	**1,000,311**	**392,219**	**339,287**	**151,930**	**2,193,995**
Receivables from customers	315,194	1,018,836	365,311	1,466	0	1,700,807
Total liabilities	**257,267**	**808,516**	**352,637**	**119,133**	**96,574**	**1,634,127**

* Operating expenses = Administrative expenses + Other operating expenses - Depreciation and amortization

** Gains/losses from financial instruments carried at fair value + Net income from investments + Other operating income

Inter-segment revenue is not significant.

FINNVERA PLC´S FINANCIAL ASSETS AND LIABILITIES

Financial assets 31 Dec 2010 (EUR 1,000)

	Loans and receivables	Financial instruments carried at fair value	Available-for-sale financial assets	Total	Fair value
Loans and receivables from credit institutions	108,992			108,992	108,992
Loans and receivables from customers	1,763,192			1,763,192	1,757,204
Debt securities			163,945	163,945	163,945
Derivatives		53,784		53,784	53,784
Shares and participations			15,778 *	15,778	15,778
Other financial assets	13,667			13,667	13,667
	1,885,851	**53,784**	**179,723**	**2,119,358**	**2,113,370**

The Company does not have financial receivables held for trading or held-to-maturity.

* Because the fair value of the Finnish Fund for Industrial Cooperation Ltd, icluded in the figure, cannot be determined reliably, the shares have been valued at original acquisition cost.

Liabilities 31 Dec 2010 (EUR 1,000)

	Financial instruments carried at fair value	Other financial liabilities	Total	Fair value
Liabilities to credit institutions		270,000	270,000	270,000
Liabilities to other institutions	46,282	0	46,282	46,282
Debt securities in issue	897,163	100,000	997,163	997,163
Derivatives	877		877	877
Other financial liabilities		177,445	177,445	177,445
Subordinated liabilities		89,841	89,841	89,841
	944,322	**637,286**	**1,581,608**	**1,581,608**

The Company does not have financial liabilities held for trading.

Financial assets 31 Dec 2009 (EUR 1,000)

	Loans and receivables	Financial instruments carried at fair value	Available-for-sale financial assets	Total	Fair value
Loans and receivables from credit institutions	96,807			96,807	96,807
Loans and receivables from customers	1,700,807			1,700,807	1,696,016
Debt securities			167,681	167,681	167,681
Derivatives		8,536		8,536	8,536
Shares and participations			15,822 *)	15,822	15,822
Other financial assets	13,849			13,849	13,849
	1,811,463	**8,536**	**183,503**	**2,003,502**	**1,998,711**

The Company does not have financial receivables held for trading or held-to-maturity.

* Because the fair value of the Finnish Fund for Industrial Cooperation Ltd, icluded in the figure, cannot be determined reliably, the shares have been valued at original acquisition cost.

Liabilities 31 Dec 2009 (EUR 1,000)

	Financial instruments carried at fair value	Other financial liabilities	Total	Fair value
Liabilities to credit institutions		418,154	418,154	418,154
Liabilities to other institutions	37,919	0	37,919	37,919
Debt securities in issue	761,256	100,000	861,256	861,256
Derivatives	9,726		9,726	9,726
Other financial liabilities		114,231	114,231	114,231
Subordinated liabilities		93,394	93,394	93,394
	808,901	**725,779**	**1,534,680**	**1,534,680**

The Company does not have financial liabilities held for trading.

HIERARCHY FOR RECOGNITION AT FAIR VALUE

Financial assets 31 Dec 2010 (EUR 1,000)

	Level 1	Level 2	Level 3
Financial instruments carried at fair value			
Derivatives		53,784	
Saleable			
Debt securities		163,945	
Shares and holdings	15,778		
	15,778	**217,729**	

Financial liabilities 31 Dec 2010 (EUR 1,000)

	Level 1	Level 2	Level 3
Financial instruments carried at fair value			
Liabilities to other institutions		46,282	
Debt securities in issue		897,163	
Derivatives		877	
		944,322	

Financial assets 31 Dec 2009 (EUR 1,000)

	Level 1	Level 2	Level 3
Financial instruments carried at fair value			
Derivatives		8,536	
Saleable			
Debt securities		167,681	
Shares and holdings	15,822		
	15,822	**176,217**	

Financial liabilities 31 Dec 2009 (EUR 1,000)

	Level 1	Level 2	Level 3
Financial instruments carried at fair value			
Liabilities to other institutions		37,919	
Debt securities in issue		761,256	
Derivatives		9,726	
		808,901	

Level 1: Investments in shares and funds are valued at market price based on active trading.

Level 2: The values of interest rate and currency swaps are based on estimates of prices for terminating agreements and for concluding new, corresponding agreements. These estimates are given by banks operating actively on the market. The banks base their pricing on market interest rates and exchange rates.

The fair values of liabilities are based on the value calculated on the basis of exchange rates and market interest rates on the reference day (current value of liabilities).

NOTES TO FINNVERA PLC'S FINANCIAL STATEMENTS

NOTES TO THE INCOME STATEMENT (EUR 1,000)

Note no. 1

		2010		2009
Net interest income				
Interest income				
Loans to customers		51,033		61,548
Subsidies passed on to customers				
Regional interest subsidy	1,544		1,495	
Interest subsidy to special loans	6,059		6,514	
Interest subsidy from the ERDF	4,034		4,170	
National interest subsidy (ERDF)	4,525	16,162	4,672	16,851
Interest on export credit guarantee and special guarantee receivables		167		123
Interest on guarantee receivables		1,055		694
Other interest income				
On receivables from credit institutions	1,186		1,550	
On debt securities, available-for-sale	1,092		1,232	
On other	66	2,344	189	2,971
Total interest income		**70,761**		**82,187**
Interest expenses				
On liabilities to credit institutions		3,405		9,822
On liabilities to other institutions		268		598
On debt securities in issue		9,826		15,674
Other interest expenses		392		412
Total interest expenses		**13,891**		**26,506**
Other interest subsidy				
Basic subsidy to loans granted before 1999		132		401
Net interest income		**57,002**		**56,082**
Interest income on financial assets which are not carried at fair value totalled		70,892		82,588
Interest expenses on financial liabilities which are not carried at fair value totalled		4,890		9,788
Interest income include interest accrued on impaired loans		2,655		4,309

Interest subsidy from the state and the European Regional Development Fund
The basis for the interest subsidy for the loans granted before 1999 is the loan portfolio per 31 December and for the loans granted between 1999 - 2010 the interest subsidy is calculated based on the passage of time similar to interest. In 2001 the Group began to grant such investment and working capital loans to which interest subsidy from the funds of the European Regional Development Fund (ERDF), besides the state's national interest subsidy, is received.

The interest subsidy is divided to subsidy directly passed on to customers and to basic interest subsidy paid to loans granted before 1999. The interest subsidy passed on to customers includes in the interest income and the basic interest subsidy is presented as a separate item before the net interest income.

	2010	2009
Interest-subsidized loans and guarantees in total at 31 December	**777,206**	**860,777**

Note no. 2

	2010	2009
Net fee and commission income		
Fee and commission income		
From export credit guarantees and special guarantees	67,420	51,185
From other guarantees	20,918	18,278
From credit operations	6,777	7,804
From other	70	132
Total fee and commission income	**95,185**	**77,399**

All fee and commission income is from financial assets which are not carried at fair value.

Note no. 2 continue

Fee and commission expenses	2010	2009
From reinsurance	1,448	903
From borrowing	121	252
From payment transactions	51	48
Total fee and commission expenses	**1,620**	**1,203**
Fee and commission expenses from financial assets which are not carried at fair value totalled	1,499	951
Net fee and commission income	**93,565**	**76,196**

Note no. 3

Gains and losses from financial instruments carried at fair value through profit or loss

	2010			2009		
	Gains and losses from sale	**Changes in fair value**	**Total**	**Gains and losses from sale**	**Changes in fair value**	**Total**
Derivatives	0	54,098	54,098	0	73,218	73,218
Liabilities carried at fair value	0	-56,642	-56,642	0	-71,006	-71,006
Shares and participations	0	0	0	0	0	0
Translation differences	2,631		2,631	-426	0	-426
	2,631	**-2,544**	**87**	**-426**	**2,212**	**1,786**

Gains/losses by categories of financial instruments (categories in accordance with IAS 39)

	Gains and losses from sale	**Changes in fair value**	**Total**	**Gains and losses from sale**	**Changes in fair value**	**Total**
Liabilities carried at fair value	0	-2,544	-2,544	0	2,212	2,212
Loans and other receivables	2,631	0	2,631	-426	0	-426
Available-for-sale financial assets	0	0	0	0	0	0
	2,631	**-2,544**	**87**	**-426**	**2,212**	**1,786**

Note no. 4

Net income from investments		2010		2009
Available-for-sale financial assets				
Debt securities		0		4
Shares and participations				
Gains/losses	791		1,352	
Items transferred from fair value reserve during the period	0		0	
Impairment losses	0	791	0	1,352
Dividends		18		385
Total available-for-sale financial assets		**809**		**1,741**
Investment property				
Rental income	0		30	
Rental expenses and maintenance charges	0		-11	
Depreciation	0		-30	
Gains/losses from sale	0		287	
Other income and expenses	0	0	0	276
Total net income from investments		**809**		**2,017**

Note no. 5

Other operating income

		2010		2009
Fee for the management of the old liability		249		268
Management fee for the handling of ERDF loans		528		659
Capital loan written off		3,553		1,742
Rental income		478		809
Other		663		327
		5,471		**3,805**

Note no. 6

Employee benefit expenses

		2010		2009
Wages and salaries		21,869		21,631
Social security costs				
Pension costs				
Defined contribution plans	3,387		3,207	
Defined benefit plans	781		1,249	
Other social security costs	1,378	5,546	1,431	5,887
Total		**27,415**		**27,518**
Personnel in average				
Permanent full-time		363		370
Permanent part-time		12		14
Temporary		26		22
Total		**401**		**406**

Note no. 7

Auditors' fees

		2010		2009
Fees for auditing	104		79	
Fees for expert services provided by auditors	5	109	17	96

Note no. 8

Other operating expenses

	2010	2009
Rental expenses	3,384	2,648
Expenses from property in own use	1,257	1,437
Other expenses	2	4
Total	**4,643**	**4,089**
Depreciation and amortization		
Intangible assets	1,822	6,375
Property, plant and equipment		
Properties	42	142
Machinery and equipment	469	562
Total depreciation and amortization	**2,333**	**7,079**
Impairment losses		
Intangible assets	0	0
Property, plant and equipment		
Properties	0	0
Other	0	673
Total impairment losses	**0**	**673**
Total other operating expenses	**6,976**	**11,841**

Note no. 9

Net impairment loss on financial assets	2010	2009
Receivables written down as credit and guarantee losses		
Credit losses	48,439	42,888
Guarantee losses	17,237	22,794
Reversal of losses recognized		
Credit losses	-4,069	-3,950
Guarantee losses	-1,694	-1,069
Change in impairment of individually assessed loans during the period	4,415	3,268
Change in impairment of collectively assessed loans during the period	4,039	21,009
Total impairment losses on loans and guarantees	**68,367**	**84,940**
The state's and the ERDF's share of the parent company's final credit and guarantee losses	-25,360	-32,205
Finnvera plc's share	**43,007**	**52,735**

The state and the ERDF compensate Finnvera plc for the final losses on loans and guarantees granted without a securing collateral. On 31 December 2010 these loans and guarantees totalled EUR 2,784 (2,735) million. The compensation was 42.3% (53.1%) of the credit and guarantee losses recognized during the period.

Export credit guarantees and special guarantees	2010	2009
Claims paid	14,001	4,929
Change in the claims provision during the period	-5,350	5,754
Accumulated recoveries	-1,903	-246
Change in recovery receivables	-2,169	-759
Impairment losses on export credit guarantee and special guarantee operations recognized in the financial statements	**4,579**	**9,678**
Impairment losses on loans, domestic guarantees and export credit guarantee and special guarantee operations recognized in the income statement	**47,586**	**62,413**

Note no. 10

Income tax expense	2010	2009
Current period		
Adjustment for priod periods	-1,578	1,548
Deferred taxes		
Income tax expense in the income statement	**-1,578**	**1,548**

Finnvera plc was made exempt from the income taxation as from 1 January 2007.

NOTES TO THE BALANCE SHEET (EUR 1,000)

Note no. 11

Loans and receivables from credit institutions	2010	2009
Payable on demand	80,629	67,344
Other	28,363	29,463
Total	**108,992**	**96,807**

Note no. 12

	2010	2009
Loans and receivables from customers		
Loans		
Subordinated loans	72,284	74,451
Other loans	1,658,827	1,589,438
Total loans	**1,731,111**	**1,663,889**
Guarantee receivables	**26,926**	**32,501**
Receivables from export credit guarantee and special guarantee operations		
Fee and commission receivables	1,251	823
Recovery receivables	3,903	3,594
Total receivables from export credit guarantee and special guarantee operations	**5,154**	**4,417**
Total receivables from customers	**1,763,192**	**1,700,807**
Impairment losses on individually assessed loans		
Impairment losses at the beginning of the period	38,431	39,404
- Credit losses realized during the period on which an impairment loss has been earlier recognized	-7,630	-5,699
+ Impairment losses recognized during the period	11,640	12,348
- Reversal of impairment losses	-5,691	-8,327
Effect of discounting	1,743	705
Impairment losses at the end of the period	**38,493**	**38,431**
Impairment losses on collectively assessed loans at the beginning of the period	32,671	22,246
Impairment losses on collectively assessed loans recognized during the period	3,386	10,425
Impairment losses on collectively assessed loans at the end of the period	**36,057**	**32,671**
Total impairment losses	**74,550**	**71,102**
Impairment losses on individually assessed guarantees		
Impairment losses at the beginning of the period	13,151	8,910
- Guarantee losses realized during the period on which an impairment loss has been earlier recognized	-5,500	-2,971
+ Impairment losses recognized during the period	10,485	8,565
- Reversal of impairment losses	-895	-1,464
Effect of discounting	264	111
Impairment losses at the end of the period	**17,505**	**13,151**
Impairment losses on collectively assessed guarantees at the beginning of the period	16,003	6,045
Impairment losses on collectively assessed guarantees recognized during the period	-139	9,958
Impairment losses on collectively assessed guarantees at the end of the period	**15,864**	**16,003**
Total impairment losses	**33,369**	**29,154**

An impairment loss on loans and other receivables is recognized when objective evidence of their impairment exists. The objective evidence of a customer's ability to fulfil its obligations is based on the customers' risk classification as well as on the Company's experience and the management's estimate of effect of defaults on the recovery of loan receivables.

Note no. 13

	2010	2009
Investments		
Debt securities	163,945	167,680
Investments in Group companies	164,784	165,264
Associates	601	4,052
Other shares and participations	15,778	15,822
Investment property	494	493
	345,602	**353,311**

Note no. 13 continue

	2010	2009
Debt securities		
Available-for-sale		
Certificates of deposits	0	9,993
Commercial papers	96,002	94,910
Other	67,943	62,778
Total debt securities	**163,945**	**167,681**

Investments have been made to non-publicly quoted debt securities.

	2010	2009
Investments in Group companies		
At the beginning of the period	165,265	135,334
Additions	0	30,000
Disposals	-481	-69
At the end of the period	**164,784**	**165,265**
Associates		
At the beginning of the period	4,052	4,726
Additions	0	0
Disposals	-3,451	-674
At the end of the period	**601**	**4,052**

Associates accounted for using the equity method in 2010

Name	Carrying amount	Ownership	Assets	Liabilities	Carrying net sales	Profit/ Loss
Iin Micropolis Oy	76	23.08%	419	408	309	14
Kiinteistö Oy Kajaanin Kauppakatu	526	36.43%	1,588	8	110	2

Associates accounted for using the equity method in 2009

Name	Carrying amount	Ownership	Assets	Liabilities	Carrying net sales	Profit/ Loss
Iin Micropolis Oy	76	23.08%	406	410	238	29
Kiinteistö Oy Joensuun Torikatu 9	637	27.73%	5,771	2	162	36
Kiinteistö Oy Kajaanin Kauppakatu	526	36.43%	1,587	9	107	9
Kiinteistö Oy Lappeenrannan Snellmanink.10	1,100	37.00%	1,517	535	149	118
Kiinteistö Oy Oulun Asemakatu 37	1,089	41.93%	1,822	88	96	7
Kiinteistö Oy Porrassalmenkatu 8, Mikkeli	625	31.71%	2,935	15	113	-4

	2010	2009
Other shares and participations		
At fair value through profit or loss	0	0
Available-for-sale	15,778	15,822
	15,778	**15,822**
Other shares that are publicly quoted	**12**	**48**
Investment property		
Acquisition cost		
Acquisition cost at 1 Jan	2,071	2,750
Additions	0	0
Disposals	-118	-679
Acquisition cost at 31 Dec	**1,953**	**2,071**
Accumulated depreciation and impairment losses		
Accumulated depreciation and impairment losses at 1 Jan	1,578	1,575
Depreciation for the period	0	0
Impairment losses	-119	3
Accumulated depreciation and impairment losses at 31 Dec	**1,459**	**1,578**
Carrying amount at 1 Jan	493	1,175
Carrying amount at 31 Dec	494	493
Total investments	**345,602**	**353,313**
Fair value of investment property	494	493
Investment property companies' shares that are publicly quoted	494	375

Note no. 14

Intangible assets	2010	2009
Acquisition cost		
Acquisition cost at 1 Jan	33,769	32,643
Additions	496	1,126
Transfers between items	0	0
Acquisition cost at 31 Dec	**34,265**	**33,769**
Accumulated amortization and impairment losses		
Accumulated amortization and impairment losses at 1 Jan	30,267	24,191
Amortization for the period	1,700	6,076
Impairment losses	0	0
Accumulated amortization and impairment losses at 31 Dec	**31,967**	**30,267**
Carrying amount at 1 Jan	3,502	8,452
Carrying amount at 31 Dec	2,298	3,502

Amortization is included in the other operating expenses in the income statement.

Note no. 15

	2010			2009		
Property, plant and equipment	**Properties**	**Machinery and equipment**	**Total**	**Properties**	**Machinery and equipment**	**Total**
Acquisition cost						
Acquisition cost at 1 Jan	12,797	9,794	22,591	12,750	9,473	22,223
Additions	23	191	214	47	327	374
Disposals	-4,836	-2	-4,838	0	-6	-6
Transfers between items	0	0	0	0	0	0
Acquisition cost at 31 Dec	**7,984**	**9,983**	**17,967**	**12,797**	**9,794**	**22,591**
Accumulated depreciation and impairment losses						
Accumulated depreciation and impairment losses at 1 Jan	6,341	7,749	14,090	5,899	7,187	13,086
Depreciation for the period	163	468	631	442	562	1,004
Impairment losses	0	0	0	0	0	0
Acc. depreciation and impairment losses at 31 Dec	**6,504**	**8,217**	**14,721**	**6,341**	**7,749**	**14,090**
Carrying amount at 1 Jan	6,456	2,045	8,501	6,851	2,286	9,137
Carrying amount at 31 Dec	1,480	1,766	3,246	6,456	2,045	8,501

Depreciation is included in the other operating expenses in the income statement.

Note no. 16

Other assets	2010	2009
Credit loss receivables from the state and the ERDF	8,252	9,371
Other	5,698	5,732
	13,950	15,103

The state and the European Regional Development Fund (ERDF) has granted Finnvera commitments to partially compensate Finnvera for the credit and guarantee losses.

The commitments enable Finnvera to take higher risks in domestic business than financiers operating on commercial grounds.

Note no. 17

Prepayments and accrued income

	2010	2009
Interest	-653	-1,003
Fee and commission receivables	6,015	5,373
Accrued personnel expences	0	211
Prepayments and other accrued income	6,810	2,844
Total prepayments and accrued income	**12,172**	**7,425**

Note no. 18

Tax assets and liabilities

Finnvera plc was made exempt from the income taxation as from 1 January 2007

Note no. 19

Liabilities to credit and other institutions

	2010			2009		
	Nominal value	**Change in fair value**	**Carrying amount**	**Nominal value**	**Change in fair value**	**Carrying amount**
Credit institutions	270,000	0	270,000	418,154	0	418,154
Other institutions						
At fair value through profit or loss	46,019	263	46,282	37,549	370	37,919
At amortized cost	0	0	0	0	0	0
	316,019	**263**	**316,282**	**455,703**	**370**	**456,073**

Note no. 20

Debt securities in issue

	Nominal value	**Change in fair value**	**Carrying amount**	**Nominal value**	**Change in fair value**	**Carrying amount**
Bonds						
At fair value through profit or loss	883,333	13,830	897,163	848,795	12,461	861,256
At amortized cost	100,000	0	100,000	0	0	0
Commercial papers	0	0	0	0	0	0
	983,333	**13,830**	**997,163**	**848,795**	**12,461**	**861,256**
Average interest rate, %		1.26			1.07	

Liabilities have been measured at fair value when they have been hedged with derivatives (fair value option).
An amount equaling the nominal value of a liability is repaid at the maturity date.
The change in fair value does not include the change in credit risk because the liabilities have been guaranteed by the state of Finland, whose credit risk has not changed.

Note no. 21

Derivatives

	2010			2009		
	Fair value positive	**Fair value negative**	**Total nominal value**	**Fair value positive**	**Fair value negative**	**Total nominal value**
Contracts entered in hedging purposes						
Currency derivatives						
Interest rate swaps and foreign exchange derivatives	53,211	877	879,353	6,876	9,726	736,344
Interest rate derivatives						
Interest rate swaps	573		50,000	1,660		50,000
Total derivatives	**53,784**	**877**	**929,353**	**8,536**	**9,726**	**786,344**

Derivatives hedge liabilities. The derivative contracts and the liabilities hedged with them have been measured at fair value and the changes in their fair values have been recognized in the income statement (fair value option).

Note no. 22

Provisions	2010	2009
Provision for export credit guarantee losses at 1 Jan	8,326	2,500
Provisions made during the period	0	5,826
Provisions used during the period	-5,225	0
Provisions reversed during the period	0	0
Provision for export credit guarantee losses at 31 Dec	**3,101**	**8,326**

A provision for export credit guarantee losses is recognized when the Group has a constructive and legal obligation to pay a guarantee indemnity, the realization of the obligation is probable and it can be measured reliably.

Provision for domestic guarantee losses at 1 Jan	29,154	14,955
Provisions made during the period	10,346	15,352
Provisions reversed during the period	-6,395	-1,464
Effect of discounting	264	311
Provision for domestic guarantee losses at 31 Dec	**33,369**	**29,154**

A provision for domestic guarantee losses is recognized when objective evidence exists of impairment of guarantees' value.
The objective evidence of a customer's ability to fulfil its obligations is based on the customers' risk classification as well as on the Company's experience and the management's estimate of effect of defaults on the recovery of loan receivables.

Defined benefit pension plans at 1 Jan	1,055	1,014
Change during the period	-51	41
Defined benefit pension plans at 31 Dec	**1,004**	**1,055**
Other mandatory provisions	**345**	**0**
Total provisions	**37,819**	**38,535**

Employee benefits

Defined benefit pensions plans

The group pension insurances for the personnel and the management of Finnvera are defined benefit plans.

Balance sheet items arising from the defined benefit obligation		
Present value of funded obligations	5,774	6,386
Fair value of plan assets	-4,443	-4,978
	1,331	1,408
Unrecognized actuarial gains (+) or losses (-)	-327	-353
Net liability recognized in the balance sheet	**1,004**	**1,055**
Expenses recognized in the income statement		
Current service costs	711	800
Interest on obligation	338	330
Expected return on plan assets	-317	-342
Losses (+) and profits (-) from the reduction of the arrangement and from meeting the obligation	-73	-58
Total expenses recognized in the income statement	**659**	**730**

Note no. 22 continue

	2010	2009
Actual return on plan assets	**146**	**211**
Change in the fair value of plan assets		
Fair value at 1 Jan	4,978	4,906
Expected return on plan assets	317	342
Contributions paid into the plan	710	690
Effect of fulfilling the plan and reducing the obligation	-1,390	-830
Actuarial gains (+) or losses (-)	-172	-130
Fair value of plan assets at 31 Dec	**4,443**	**4,978**
Change in the present value of the obligation		
Present value at 1 Jan	6,386	6,288
Current service costs	711	800
Interest on obligation	338	330
Effect of fulfilling the plan and reducing the obligation	-1,550	-940
Actuarial gains (-) or losses (+)	-111	-93
Present value of the obligation at 31 Dec	**5,774**	**6,385**
Amounts for the current and previous periods		
Defined benefit obligation	5,774	6,386
Plan assets	-4,443	-4,978
Surplus/deficit	**1,331**	**1,408**
Experience adjustments arising on plan assets	-172	-219
Experience adjustments arising on plan liabilities	-111	-130

The expected return on plan assets has been determined by the insurance company. Information about the distribution of plan assets by asset category is not available.

Actuarial assumptions		
Discount rate	5.30%	5.30%
Expected return on plan assets	6.00%	6.00%
Future salary increases	3.50%	3.50%
Inflation	2.00%	2.00%
Future pension increases	2.10%	2.10%
Turnover of personnel	3.20%	3.20%
Expected average remaining working life (years)	9	9

Finnvera expects to pay EUR 660,000 in contributions to defined benefit plans in 2011.

Note no. 23

Accruals and deferred income	2010	2009
Interest	2,743	2,722
Advance interest payments received	561	633
Guarantee premiums paid in advance	172,494	109,424
Other accruals and deferred income	4,818	5,002
Total accruals and deferred income	**180,616**	**117,781**

Note no. 24

Subordinated liabilities

			2010			2009
Finnvera plc						
Subordinated loans from the state in 2005 and 2007		EUR	9,841		EUR	13,394
Increase in the share capital of Seed Fund Vera Ltd		Interest rate, %	0		Interest rate, %	0
		Loan period	20 years		Loan period	20 years
Subordinated loan from the state in 2009		EUR	30,000		EUR	30,000
Increase in the share capital of Seed Fund Vera Ltd	22,500	Interest rate, %	0	22,500	Interest rate, %	0
Increase in the share capital of Veraventure Ltd	7,500	Loan period	15 years	7,500	Loan period	15 years

The loans are to be used as investment raising the share capital of Seed Fund Vera Ltd and Veraventure Ltd. The loans will be paid back in one instalment at the end of the loan period, provided that the restricted equity and other non-distributable items, as shown in the balance sheet, remain fully covered after the repayment. In the event that the venture capital company's financing operations show a loss, the corresponding amount will be deducted from the loan principals to be recovered. The loss shown by Seed Fund Vera Ltd in 2009, EUR 3,553 thousand, was deducted from the principal in 2010.

		2010		2009
Subordinated loan from the state in 2009	EUR	50,000	EUR	50,000
	Interest rate, %	0	Interest rate, %	0
	Loan period	7 years	Loan period	7 years

The loan is to be used for raising the capital adequacy of Finnvera plc and for improving the company's capacity to meet the demand for its products, especially counter-cyclical loans and guarantees, owing to the prolonged financial crisis. The loan will be repaid in one instalment at maturity, provided that the company's unrestricted equity and total subordinated liabilities at the time of payment exceed the loss recorded on the balance sheet adopted for the latest financial period or on a balance sheet included in more recent financial statements.

Note no. 25

Equity

		2010		2009
Equity attributable to the parent company's shareholders				
Share capital		196,605		196,605
Reserves				
Restricted reserves				
Share premium	51,036		51,036	
Fair value reserve	-149	50,887	-231	50,805
Unrestricted reserves				
Fund for domestic operations	125,249		133,931	
Fund for export credit guarantee and special guarantee operations	186,368	311,617	153,289	287,220
Retained earnings				
Profit/loss for previous periods	841		841	
Profit/loss for the period	65,513	66,354	24,397	25,238
Total equity		**625,463**		**559,868**

Share capital	Number of shares	Ownership %	Number of shares	Ownership %
The state	11,565	100.00%	11,565	100.00%

Note no. 25 continue

Reserves

Share premium
The share premium reserve has been formed before the new regulations of the Companies' Act came into force on 1 September 2006. The reserve includes the difference of EUR 42.9 million between the acquisition cost and the nominal value of KERA's shares and EUR 0.1 million that was generated in the transfer of assets of Takuukeskus and the acquisition of Fide Oy's shares as well as EUR 8.1 million generated by the raise of share capital of Finnvera as the shares of Finnish Export Credit Ltd were acquired.

Fund for domestic operations and fund for export credit guarantee and special guarantee operations
In 2006 the laws regulating the operations of Finnvera Plc were amended so that separate funds to cover future losses from domestic operations and from export credit guarantee and special guarantee operations were established in equity. Losses from export credit guarantee and special guarantee operations will be covered by resources from the State Guarantee Fund only when the export credit guarantee and special guarantee fund is insufficient. The retained earnings from the domestic operations were transferred to the fund for domestic operations and the retained earnings from the export credit guarantee and special guarantee operations were transferred to the fund for export credit guarantee and special guarantee operations.

Fair value reserve
The reserve includes the fair value change of available-for-sale financial assets. The items recognized in the fair value reserve are taken to the income statement when an available-for-sale financial asset is disposed of or an impairment loss on such an asset is recognized.

OTHER NOTES (EUR 1,000)

Note no. 26

	2010	2009
Contingencies at 31 Dec		
Outstanding total commitments for export credit guarantees and special guarantees at 31 Dec		
Export credit guarantees		
Buyer credit guarantees	7,919,777	8,093,565
Credit risk guarantees	157,719	140,290
Export receivables guarantees	132,646	86,455
Letter of credit guarantees	243,494	307,196
Bank risk guarantees	25,126	22,305
Investment guarantees	83,933	78,649
Bond guarantees	105,775	254,433
Finance guarantees	115,024	599,947
	8,783,494	**9,582,840**
Special guarantees		
Environmental guarantees	42,687	45,273
Ship guarantees	107,094	0
Raw material guarantees	0	45,120
Venture capital guarantees	45	75
	149,826	**90,468**
Total export credit guarantees and special guarantees	**8,933,320**	**9,673,308**
Provision for export credit guarantees	-3,101	-8,326
Total	**8,930,219**	**9,664,982**

At the balance sheet date, the Company has outstanding claims for indemnification EUR 9.6 (15.4) million in total. These commitments have not been recognized as expense in the financial statements because the claims are still being processed.

	2010 Total	2010 Group and associated companies	2009 Total	2009 Group and associated companies
Binding financing offers	**196,565**		**251,773**	
Domestic guarantees	1,065,252		1,006,987	
Carrying amount of the liability according to the Act on the State's Export Credit Guarantees	7,446,485		7,930,240	
Liability for special guarantees	87,533		70,928	
	8,599,270	**0**	**9,008,155**	**0**

When calculating the carrying amount of the liability according to the Act on the State's Export Credit Guarantees, the commitments arisen from current export credit guarantees are taken into account in their entirety insofar as the guaranteed capital is concerned, without any other items that might be indemnified in addition to the capital. Moreover, half of the liability arisen from binding guarantee offers is taken into account insofar as the guaranteed capital is concerned.

Note no. 27

Operating leases

	2010	2009
Non-cancellable minimum lease payments payable for premises leased under operating lease contracts		
Within one year	646	91
Between one and five years	3,807	5,048
Later than five years	658	757
Total	**5,111**	**5,896**
Non-cancellable minimum lease payments receivable from premises leased under operating lease contracts		
Within one year	137	353
Between one and five years	0	78
Later than five years	0	0
Total	**137**	**431**

GROUP COMPANIES

Note no. 28

Finnvera plc's shares and holdings in 2010

Shares and holdings in Group companies

Name and domicile of the company	Sector	Holding of all shares, %	Share of votes
Seed Fund Vera Ltd, Kuopio	Development and investment company	92.61%	92.61%
Matkailunkehitys Nordia Oy, Kuopio	Development and investment company	63.52%	63.52%
Spikera Oy, Kuopio	Development and investment company	100.00%	100.00%
Finnish Export Credit Ltd, Helsinki	Export financing and interest equalization	100.00%	100.00%
Veraventure Ltd, Kuopio	Development and investment company	100.00%	100.00%

Shares and holdings in associates

Iin Micropolis Oy, Ii	Development company	23.08%	23.08%
Kiinteistö Oy Kajaanin Kauppakatu 1	Development company	36.43%	36.43%

Finnvera plc's shares and holdings in 2009

Shares and holdings in Group companies

Name and domicile of the company	Sector	Holding of all shares, %	Share of votes
Seed Fund Vera Ltd, Kuopio	Development and investment company	92.61%	92.61%
Kiinteistö Oy Puffetti Fastighets Ab, Vaasa	Real estate company	69.74%	69.74%
Matkailunkehitys Nordia Oy, Kuopio	Development and investment company	63.52%	63.52%
Spikera Oy, Kuopio	Development and investment company	100.00%	100.00%
Finnish Export Credit Ltd, Helsinki	Export financing and interest equalization	100.00%	100.00%
Veraventure Ltd, Kuopio	Development and investment company	100.00%	100.00%

Shares and holdings in associates

Iin Micropolis Oy, Ii	Development company	23.08%	23.08%
Kiinteistö Oy Joensuun Torikatu 9	Real estate company	27.73%	27.73%
Kiinteistö Oy Kajaanin Kauppakatu 1	Real estate company	36.43%	36.43%
Kiinteistö Oy Lappeenrannan Snellmaninkatu 10	Real estate company	37.00%	37.00%
Kiinteistö Oy Oulun Asematu 37	Real estate company	41.93%	41.93%
Kiinteistö Oy Porrassalmenkatu 8, Mikkeli	Real estate company	31.71%	31.71%

Note no. 29

Related parties	2010	2009
The relationships within the Group are presented in note no. 28.		
The related party transactions		
Operations with the state-owned companies, in which the state has a minimum ownership of 20%		
Finance income	7	14
Services purchased	1,132	1,195
Loans	0	120
Guarantees	552	659
Management employee benefit expenses		
Salaries and other short-term employee benefits	622	642
Termination benefits		
A termination compensation corresponding an 18-month-salary, if the employment is terminated by the Company.		
Post-employment benefits	0	0
The total salary, remuneration and social security costs of the Managing Director and his deputy		
Managing Director	339	354
Deputy Managing Director	283	288
Total	**622**	**642**
The total salaries, remuneration and social security costs of the members and deputy members of the Board of Directors	**175**	**188**
The remuneration paid to the Board of Directors		
Monthly remuneration: chairman of the Board EUR 1,500, deputy chairman EUR 850,		
member EUR 700 and deputy member EUR 400		
Attendance allowance for all members EUR 500 / meeting		
The total salaries, remuneration and social security costs of the members of the Supervisory Board	**134**	**138**
The remuneration paid to the Supervisory Board		
Monthly remuneration: chairman of the Board EUR 1,000, deputy chairman EUR 600, member EUR 500		
Attendance allowance for all members EUR 200 / meeting		
Loans granted to the members or deputy members of the Supervisory Board or Board of Directors or the Managing Director or his deputy		
Loans at 1 January	0	0
Decreases during the financial period	0	0
Loans at 31 December	**0**	**0**

Note no. 30

Separate result of activities* referred to in the Act on the State Guarantee Fund §4, and its share of the total result of Finnvera plc (EUR 1,000)

Income statement			**Share of Activities Defined in the Act1 Jan–31 Dec 2010**			**Share of Other Activities 1 Jan–31 Dec 2010**			**Finnvera Total 1 Jan–31 Dec 2010**
Interest income									
Interest from the public and public corporations	0			51,033			51,033		
Subsidies passed on to customers	0			16,162			16,162		
Interest from guarantee receivables	167			1,055			1,222		
Other interest income	3,274	+	3,441	-930	+	67,320	2,344	+	70,761
Interest expenses		-	0		-	13,891		-	13,891
Other interest subsidies		+	0		+	132		+	132
Net interest income		**+**	**3,441**		**+**	**53,561**		**+**	**57,002**
Net fee and commission income		+	65,978		+	27,587		+	93,565
Gains and losses from financial instruments carried at fair value through profit or loss		+	2,631		-	2,544		+	87
Net income from investments		+	0		+	809		+	809
Other operating income		+	386		+	5,085		+	5,471
Administrative expenses									
Wages and salaries	5,549			16,320			21,869		
Social security costs	1,390			4,156			5,546		
Other administrative expenses	3,521	-	10,460	7,501	-	27,977	11,022	-	38,437
Other operating expenses		-	2,386		-	4,589		-	6,975
Net impairment loss on financial assets									
Loans and guarantees	0			68,367			68,367		
Credit loss compensation from the state	0			-25,360			-25,360		
Export credit guarantees and special guarantees	4,580	-	4,580	0	-	43,007	4,580	-	47,587
Operating profit		**+**	**55,010**		**+**	**8,925**		**+**	**63,935**
Income taxes									
Taxes on previous years		-	0		+	1,578		+	1,578
Profit for the period		**+**	**55,010**		**+**	**10,503**		**+**	**65,513**

* The separate result of export credit guarantee and special guarantee activities refers to the activities for which the state is responsible and which have been defined in §4 of the Act on the State Guarantee Fund (444/1998).

EVENTS AFTER THE PERIOD UNDER REVIEW

On 3 February 2011, the Government decided to revise the terms of counter-cyclical financing. The credit loss commitment was amended so that the loan period for counter-cyclical loans and the period for loans or other financial commitments guaranteed by means of a counter-cyclical guarantee were extended from six years to ten years. It is now possible to use a counter-cyclical guarantee not only for loans but also for other financial commitments.

On 9 February 2011, the Cabinet Finance Committee of the Government supported the proposal that Finnvera's authorisation to grant non-subsidised loans and guarantees should be set at EUR 700 million for 2011. By virtue of the State budget for 2011, Finnvera can also grant credits within the regional interest subsidy scheme up to EUR 128 million, and credits within the special interest subsidy scheme granted in accordance with programmes supported on industrial policy grounds up to EUR 134 million. Thus the combined maximum amount of loans and guarantees that can be granted within the sphere of the commitment is EUR 963 million in 2011.

STATEMENT ON THE CORPORATE GOVERNANCE AND STEERING SYSTEM*

The statement on the corporate governance and steering system has been drawn up in accordance with Recommendation 54 of the Finnish Corporate Governance Code issued by the Securities Market Association, and with the provisions of the Securities Markets Act. Since Finnvera is an issuer of bonds, the statement on the corporate governance and steering system includes a description of the principal features of the internal control and risk management systems pertaining to the financial reporting process.

Acts and rules governing the operations

The corporate governance of Finnvera and its subsidiaries is organised according to the Limited Liability Companies Act and the Acts pertaining specifically to Finnvera. In addition to the existing legislation and the company's Articles of Association, Finnvera complies with the recommendations of the Financial Supervisory Authority and the Finnish Corporate Governance Code, whenever applicable. The Finnish Corporate Governance Code is publicly available on the website of the Securities Market Association, at www.cgfinland.fi.

The goal of good corporate governance, as practised by Finnvera, is to ensure transparency at all levels of the organisation. Finnvera's Board of Directors has approved the principles, policies and guidelines that steer the company's operations. The principles for good practices adopted by the Board of Directors guide the personnel so that their actions help solidify Finnvera's mission as a specialised financing company and as an expert esteemed by clients. The principles on impartiality are meant to reinforce equity, neutrality and independence in Finnvera's operations. The guidelines on insider information clarify the concept of insider information for Finnvera's employees working as financial advisors so that they are better equipped to identify in advance what type of information on client enterprises is classified as insider information and to prevent its misuse.

When drawing up its consolidated financial statements and interim reports, Finnvera follows the International Financial Reporting Standards (IFRS). The company's report on operations and financial statements are drawn up in accordance with the Finnish Accounting Act and the guidelines and opinions issued by the Accounting Board.

The auditors' report encompasses audits of Finnvera's accounting, financial statements, report on operations, and governance.

Finnvera's press release on financial statements and annual report are published in March. The interim report for 1 January–31 March is published in May, for 1 January–30 June in August, and for 1 January–30 September in November. The reports are published in Finnish, Swedish and English.

Ownership and ownership policy

The State of Finland owns the entire stock of Finnvera plc.

The Corporate Steering Unit of the Ministry of Employment and the Economy is responsible for the ownership and industrial policy steering of Finnvera. The Acts on Finnvera define the tasks whereby Finnvera influences the development of enterprise and employment in Finland.

The ownership policy goals, confirmed by the Ministry of Employment and the Economy, apply to the cost-efficiency of the company's operations and to capital adequacy. Capital adequacy must be sufficient in order to ensure the company's ability to bear risks and to keep the costs of funding as reasonable as possible.

* Statement on the Corporate Governance and Steering System doesn't belong to the Consolidated Income Statement.

Administrative bodies of Finnvera

The corporate organs responsible for Finnvera's administration and operations are the General Meeting of Shareholders, the Supervisory Board, the Board of Directors, and the Managing Director.

General Meeting of Shareholders

The General Meeting of Shareholders can make decisions on issues defined in the Limited Liability Companies Act, in the Articles of Association, and in the Act on the State Guarantee Fund (444/1998). The General Meeting of Shareholders elects the members and deputy members of the Supervisory Board and the Board of Directors, the Chairs and Vice Chairs of both bodies, and the auditors.

The Annual General Meeting is held yearly, by the end of June.

Supervisory Board

According to the Articles of Association, the Supervisory Board consists of a minimum of eight and a maximum of eighteen members. The General Meeting of Shareholders elects the members of the Supervisory Board for a term of one year. The Supervisory Board supervises the company's administration by the Board of Directors and the Managing Director. It gives the Annual General Meeting its opinion on the financial statements and the auditors' report, and decides on issues that concern considerable reduction or expansion of the company's operations or substantial reorganisation of the company. The Supervisory Board's duty is to provide the Board of Directors with guidelines in matters that have far-reaching consequences or are otherwise important as questions of principle. In 2010, the Supervisory Board had 18 members (see Annual Review 2010, p. 27) and met eight (eight) times. The average attendance rate at the Supervisory Board meetings was 83 per cent (79).

Board of Directors

According to the Articles of Association, the company's Board of Directors is comprised of a minimum of six members and a maximum of nine members plus two deputy members. Two Board members are elected among candidates named by the Ministry of Employment and the Economy, one among candidates named by the Ministry of Finance, and one among candidates named by the Ministry for Foreign Affairs. Of the two deputy members, the first is elected among candidates named by the Ministry of Employment and the Economy and the second among candidates named by the Ministry of Finance. The Board members and deputy members are elected for a term of one year.

The Board of Directors is responsible for the company's administration and for the proper organisation of operations. The Board of Directors approves the company's strategy and annual plans, the interim reports and annual financial statements, and the principles of risk management.

The Board advances the company's development and ensures that the operations conform to law and meet the goals set by the owner. The Board ensures the supervision of accounting and asset management and approves other matters of principle. Important individual cases of financing also fall within the Board's mandate.

The Board of Directors steers and supervises Finnvera's operations management and ensures the functioning of the management system. The Board appoints and dismisses the company's Managing Director, Executive Vice Presidents and other members of the upper management.

Separate agreement has been made on the division of operational duties and business-related decision-making between the Board of Directors, the Managing Director and other management.

In general, the Board meets every fourth week. In 2010 the Board had eight members (see Annual Review 2010, p. 28 and www.finnvera.fi > Finnvera > Finnvera in Brief > Organisation > Board of Directors) and met 21 (26) times. The regular members' average attendance rate at Board meetings was 83 per cent (83).

The Report of the Board of Directors is presented on pages 4–10 of the Financial Review

Managing Director, Management Group and Corporate Management

The Managing Director manages the company's operational administration in keeping with the guidelines and regulations issued by the Board of Directors. In management of the tasks specified in the Limited Liability Companies Act, the Managing Director is assisted by the Management Group and the Corporate Management, which are presented on page 29.

Salaries and fees

The fees paid to the members of the Supervisory Board and the Board of Directors are in agreement with the recommendation issued by the Ministry of Employment and the

Economy on fees paid to the administrative bodies of State-owned companies. The fees paid in 2010 totalled EUR 301,800.

The Board of Directors decides on the salaries paid to the Managing Director, the Executive Vice Presidents and to other Directors appointed by the Board.

The total salary paid to the Managing Director of Finnvera plc as per agreement is EUR 21,888 per month. The total salary includes the taxable value of the car benefit. The Managing Director has a notice period of six months. In addition, the Managing Director is entitled to a severance compensation corresponding to 18 months' pay if he is dismissed by the company. The Managing Director is included in the scope of group pension insurance; the retirement age is 60 years. The total salaries paid to the Managing Directors of Finnvera's subsidiaries Veraventure Ltd and Finnish Export Credit Ltd are EUR 10,010 and EUR 9,264 per month, respectively.

The total salary paid to the members of the Management Group totalled EUR 104,705 per month. The influence of the paid supplementary pension scheme for the Management Group's members on the company totalled EUR 387,924 of which the share of the supplementary pension scheme for Finnvera's Managing Director was EUR 40,492.

Finnvera's profit-sharing scheme encompassing the entire personnel and confirmed yearly by the Board of Directors was abolished in 2009. At the same time, the Board of Directors decided to enhance the use and amounts of the existing bonus system. A bonus can correspond to the salary of 1–4 weeks. The purpose of the bonus system is to reward a person or a group on the basis of criteria defined specifically by the Corporate Management. The bonus system does not encompass the members of the Management Group.

The Management Group members have fixed salaries. The total salary may include a car benefit, regarded as taxable income in full, as well as a phone benefit and luncheon vouchers.

On 2 April 2009, the Board of Directors decided to close the group pension arrangement for members of the Management Group. Persons encompassed by the group pension insurance have the option of retiring on old-age pension at the age of 60 years if so agreed with the company.

Control environment

Finnvera's Board of Directors and the upper management are responsible for arranging and organising internal control and risk management. The internal control system supports the implementation of the Group's strategy and ensures for the management that the company's operations are efficient and profitable, that economic reporting is reliable, and that laws and other regulations pertaining to the operations are followed.

Finnvera's corporate culture, the ethical guidelines adopted by the Board of Directors, including regulations on impartiality, bribery and insider information, the principles of good practices, confidentiality regulations, the personnel's high professional standards and integrity, and the guidelines and practices agreed upon lay the foundation for the internal control environment throughout the Group. Operations are based on predetermined and planned processes and the associated approval procedures, tallies and other checks. Daily operations are guided by a separate steering system, which includes the process descriptions and the guidelines supplementing them.

The steering system is an ISO 9001 system implemented through three core processes – Clientele, Financing Services and Liability Management – and through processes supporting them, such as HR, finances and IT processes. Examples of the core process descriptions include the customer service process, the financing solution and risk assessment process, and the process for handling credit losses. Finnvera's operations proceed according to an operating system, and the core and support processes have their designated owners and owner teams, who are responsible for the development of the processes.

Finnvera and its subsidiaries Veraventure Ltd and Finnish Export Credit Ltd were granted an ISO 9001 certificate on 7 December 2010. The certificate covers the companies' financing operations and all service units.

The operating system helps ensure the quality of Finnvera's services and the management of operational risks and provides a solid foundation for the completion of development projects. The quality system has been under development throughout Finnvera's history. In 2005, Finnvera received recognition in the Finnish Excellence Reward competition. Since 2006, the target had been to receive ISO 9001 certification in 2010. Processes will continue to be assessed by means of both internal and external audits.

Risk management

Finnvera's Board of Directors confirms the principles of the Group's risk management, the strategy of risk-taking, the policies followed, the outlines of risk-taking, and the decision-making powers. The Risk Management Unit, which is independent of business operations, is responsible for risk management reporting and for maintaining the risk management system; it reports directly to the Managing Director. The principal components of risk management are the determination of strategies and policies, preparation of guidelines for operations, monitoring and controlling the risk position realised, and the related reporting. These components are emphasised in different ways depending on the type of risk.

The goal of risk management is, for its own part, to ensure prerequisites for implementing the company's strategy. Finnvera's risks can be grouped as follows:

1. Risks pertaining to credits and guarantees
2. Operational risks
3. Financing and market risks
4. Other risks

Operational risks pertaining to financial reporting are identified, assessed and controlled as part of operational risk management. Utilisation of information technology and investing in the quality of operations play a central role in financial reporting systems.

The internal reporting system for risk management works at all levels of the Group. The parent company manages risks arisen in subsidiaries through ownership steering and by keeping all subsidiaries within the sphere of the risk management and internal auditing practised within the Group.

More about risk management in the notes to the accounts, on page 23–25 of the Financial Review 2010, and in the Corporate Responsibility Report at www.finnvera.fi > Finnvera.

The State's responsibility for the company's commitments

Finnvera's objective is to ensure that, in the long term, the expenses incurred in the company's operations can be covered by the income received from operations. If the government decides to support some of Finnvera's activities separately, the necessary appropriations are included in the State Budget.

Finnvera's balance sheet has a fund for domestic operations and a fund for export financing. Any profits accrued annually from domestic operations and from export financing are transferred to the respective funds. Similarly, the assets in each fund are used to cover losses incurred in the respective operations. The funds do not subsidise each other. At the end of 2010, before appropriations, the assets in the two funds totalled EUR 312 million. The State Guarantee Fund and the State of Finland are responsible for any losses shown by Finnvera only if the company's own funds for domestic operations and export financing do not have sufficient assets.

After the funds on the company's balance sheet, the State of Finland is responsible for the export credit guarantees, export guarantees and special guarantees granted by Finnvera.

The State has made commitments to Finnvera concerning compensation for credit and guarantee losses and payment of interest and commission support. In addition, the Government is entitled to grant State guarantees as security for domestic and foreign loans taken by Finnvera.

The State's commitments enable Finnvera to take higher risks in domestic operations than those taken by commercial financial institutions.

The State Guarantee Fund serves as a buffer between the State Budget and any losses that might arise from Finnvera's export credit and special guarantee activities. Defined in §4 of the Act on the State Guarantee Fund, these losses are ultimately the State's responsibility. The State Guarantee Fund's assets are also used to cover the liability arising from the guarantees and other commitments granted by the Finnish Guarantee Board – subsequently incorporated into Finnvera – and by its predecessors. Finnvera manages this 'old' liability for the State, and the State Guarantee Fund pays Finnvera a fee for this management. The 'old' liability totalled EUR 48 million at year's end.

Acquisition of funds

Finnvera acquires funds mainly from the capital market and from specialised sources of financing. Funds may also be acquired from insurance companies and banks. For long-term acquisition of funds, Finnvera uses debt securities, bonds and bond programmes. The State can give guarantees as security for the loans taken by Finnvera and for the associated interest rate and currency swaps. The maximum amount of State guarantees is EUR 3.1 billion. At the end of 2010, the guarantees given by the State totalled EUR 1.4 billion (1.3 billion).

Supervisory operations

Finnvera's organisation is divided into Business Areas and geographically into four service regions. Finnvera's operating policies and guidelines ensure the management of all central operations.

The guidelines pertaining to financial administration are on the Intranet, available for everyone participating in financial reporting. The Finances and IT Services is responsible for the processes and development of financial reporting. Process descriptions have been drawn up for the main financial processes. The persons taking part in the reporting process meet regularly and discus reporting and the related activities. Named persons have been assigned responsibility for maintaining internal guidelines for financial reporting.

Detailed instructions have been compiled for activities associated with financial systems and financial reporting; these instructions set the standard for financial operations and financial reporting. The tallies and checks and the set internal controls included in these activities are a central element in the range of functions ensuring the correctness and reliability of monthly and annual reporting.

Risk management plays a central role in the generation of principles for calculating capital adequacy and write-downs.

Communications and information

Finnvera's external financial information is based on a separate set of guidelines where the main principles are: essential information, correctly, promptly, simultaneously and available to all. In accordance with the guidelines, the Managing Director is responsible for Finnvera's financial information. The information is published by the Communications and Marketing Unit and produced by the Finances and IT Services.

Monitoring

The Inspection Committee appointed by the Board of Directors began operations in October 2010. The Inspection Committee will meet at least four times a year. In 2010, the Committee met two times and the members' attendance rate was 100 per cent.

The Inspection Committee assists Finnvera's Board of Directors in ensuring that the company's accounting and supervision of asset management are arranged appropriately and that internal control, risk management, auditing of the accounts and internal auditing have been organised in accordance with laws, regulations and the operating principles confirmed by the Board of Directors.

Apart from the Inspection Committee, the Board of Directors and the executive management monitor the results of operations by means of regular reporting. Furthermore, they receive reports on risk management, evaluation of the quality system, internal auditing, and on the auditing of the accounts.

Internal auditing

By consulting the management and by evaluating the functioning of control systems and risk management systems as well as the functioning of management and administrative processes, internal auditing supports the company's management in the attainment of goals.

Organised in the Managing Director's staff, internal auditing works as a function independent of business operations. The Board of Directors approves the guidelines and annual plans for internal auditing. Each year, internal auditors report to the Managing Director and the Board of Directors. The Inspection Committee supervises the activities of internal auditing by going through the annual plans and reports. Audits are conducted in keeping with the sector's own professional standards and the guidelines issued by the Financial Supervisory Authority.

External auditing

Finnvera has a minimum of one and a maximum of two auditors, depending on the decision made by the General Meeting of Shareholders. The auditors must be authorised public accountants or accounting firms.

In competitive bidding arranged in 2007, the Finnvera Group selected KPMG Oy Ab to serve as its auditor. The Board of Directors receives annual reports of the audits conducted. In addition, the auditors' report is submitted to the Supervisory Board. To supplement these reports, the auditor draws up memoranda for the company; these concern the audits conducted during the financial period.

The Financial Supervisory Authority monitors Finnvera's bond issues. In other respects, Finnvera's finances are supervised by the Auditing Unit of the Ministry of Employment and the Economy, applying the standards of the Financial Supervisory Authority.

Realisation of the industrial policy goals set by the Ministry of Employment and the Economy for Finnvera is monitored by the Ministry's Corporate Steering Unit, which receives reports from Finnvera twice a year.

The auditors' term ends at the next Annual General Meeting following their election. The auditor with the main responsibility is Raija-Leena Hankonen, Authorised Public Accountant. The fees paid to the auditors in 2010 totalled EUR 124,000. In addition, the auditing company was paid EUR 5,000 for advisory services during the year.

SIGNATURES ON THE REPORT OF THE BOARD OF DIRECTORS AND THE FINANCIAL STATEMENTS

In Helsinki on 10 March 2011

Kalle J. Korhonen

Heikki Solttila

Esko Hamilo

Pirkko-Liisa Hyttinen

Timo Kekkonen

Timo Lindholm

Marja Merimaa

Janne Metsämäki

Pauli Heikkilä
Managing Director

AUDITOR'S REPORT

To the Annual General Meeting of Finnvera plc

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of Finnvera plc for the year ended 31 December 2010. The financial statements comprise the consolidated and parent company's balance sheet, statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the consolidated financial statements.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of consolidated and parent company's financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the preparation of the report of the Board of Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the report of the Board of Directors are free from material misstatement, and whether the members of the Board of Directors of the parent company and the Managing Director are guilty of an act or negligence which may result in liability in damages towards the company or have violated the Limited Liability Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements and report of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the consolidated and the parent company's financial statements and the report of the Board of Directors

In our opinion, the consolidated and parent company's financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Other opinions

We support the adoption of the financial statements. The proposal by the Board of Directors regarding the treatment of distributable funds is in compliance with the Limited Liability Companies Act. We support that the Supervisory Board and the Board of Directors as well as the Managing Director of the parent company be discharged from liability for the financial period audited by us.

Helsinki, 10 March 2011
KPMG Oy Ab

Raija-Leena Hankonen
Authorized Public Accountant

This document is an English translation of the Finnish auditor's report. Only the Finnish version of the report is legally binding.

STATEMENT BY THE SUPERVISORY BOARD

We have reviewed the financial statements of Finnvera plc, including the consolidated financial statements, for the period 1 January–31 December 2010, as well as the auditors' report issued 10 March 2011.

We propose to the Annual General Meeting that the financial statements, in which the consolidated profit and loss account shows a profit of EUR 62,850,377.05 and the parent company's profit and loss account shows a profit of EUR 65,513,482.91, be adopted and that the parent company's profits be used in accordance with the proposal made by the Board of Directors.

Helsinki, 16 March 2011

Johannes Koskinen	Kyösti Karjula	Reijo Paajanen	
Kaija Erjanti	Lasse Hautala	Anna-Maja Henriksson	Jarmo Hietanen
Sinikka Hurskainen	Matti Kauppila	Leila Kurki	Tapio Mäkeläinen
Ville Niinistö	Petri Pihlajaniemi	Hannele Pohjola	Tuomo Puumala
Tuija Saari	Timo Vallittu	Jarkko Wuorinen	

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Finnvera's Interim Report covering the period 1 January 2011–30 June 2011 will be published on 30 August 2011. Finnvera will also publish Quarterly Reports for the period 1 January–31 March in May and for the period 1 January–30 September in November. Finnvera's reports are available in Finnish, Swedish and English on Finnvera's website at www.finnvera.fi (> Finnvera > Publications). The Finnish and English versions of the Annual Review can also be ordered from Finnvera's Corporate Communications, e-mail finnvera@finnvera.fi.

3/2011

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